

# Board Meeting Agenda

Russ Baggerly, Director  
Mary Bergen, Director  
Bill Hicks, Director

Pete Kaiser, Director  
James Word, Director

CASITAS MUNICIPAL WATER DISTRICT  
1055 Ventura Ave.  
Oak View, CA 93022  
Board Room  
December 14, 2016  
3:00 P.M.

**Right to be heard:** Members of the public have a right to address the Board directly on any item of interest to the public which is within the subject matter jurisdiction of the Board. The request to be heard should be made immediately before the Board's consideration of the item. No action shall be taken on any item not appearing on the agenda unless the action is otherwise authorized by subdivision (b) of ¶54954.2 of the Government Code and except that members of a legislative body or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under section 54954.3 of the Government Code.

1. Public Comments (items not on the agenda – three minute limit).
2. Swearing in of Board Members
3. General Manager comments.
4. Board of Director comments.
5. Board of Director Verbal Reports on Meetings Attended.
6. Consent Agenda
  - a. Resolution to award a contract to J & H Engineering General Contractors, Inc. in the amount of \$83,875 for the Lake Casitas Recreation Area Road Maintenance, Specification 16-390.
  - b. Recommend authorization for the General Manager to sign an agreement with Tetra Tech for Hydrographic Survey of Lake Casitas for a not to exceed amount of \$70,900.
  - c. Recommend awarding a contract to Water Resource Engineering Associates for the Phase 2 – 35% Design Report for the Horizontal Bore in the Matilija Formation, Eastern HoBo at the estimated cost of \$39,700.

- d. Recommend approval of a purchase order for a Seabird Electronics Profiler in the amount of \$25,299.50.
- e. Recommend approval of a purchase order to Water Quality Solutions in the not to exceed amount of \$38,000 to prepare two years of water quality monitoring reports related to the hypolimnetic aeration system.
- f. Resolution to change the Employer Paid Member Contributions to CalPERS for the General, Recreation and Supervisory and Professional units to 3.5% effective January 1, 2017.
- g. Resolution to provide family vision coverage to the General, Recreation and Supervisory and Professional units.

RECOMMENDED ACTION: Adopt Consent Agenda

- 6. Review of District Accounts Payable Report for the Period of 11/17/16 – 12/09/16.

RECOMMENDED ACTION: Motion approving report

- 7. Presentation of the Report Supporting the Alternate Demonstration of Operation by the Ojai Basin Groundwater Management Agency.

RECOMMENDED ACTION: Motion providing direction to Director Baggerly.

- 8. Recommend acceptance of the fiscal Year 2015-2016 Comprehensive Annual Financial Report.

RECOMMENDED ACTION: Motion approving recommendation

- 9. Lake Casitas Improvement Foundation Meeting

- a. Review of the Treasurer's report.
- b. Discussion regarding any approval of projects and expenditures for the coming year.

Reconvene Casitas Board Meeting

- 10. Introduction and schedule for the Board Review of the Draft Park Ranger Policy Manual.

- 11. Report on the State plan to make water conservation a way of life and implementation of Executive Order B-37-16.

RECOMMENDED ACTION: Direction to Staff to prepare and submit comments to the State.

- 12. Recommendation to cancel the December 28, 2016 regular meeting of the Board of Directors.

13. Information Items:
  - a. Lake Casitas Recreation Area Monthly Report for September, 2016.
  - b. Lake Casitas Recreation Area Monthly Report for October, 2016.
  - c. Water Resources Committee Minutes.
  - d. Recreation Committee Minutes.
  - e. Executive Committee Minutes.
  - f. Lake Casitas Monthly Status Report for November 2016.
  - g. Water Consumption Report.
  - h. CFD No. 2013-1 (Ojai) Monthly Cost Analysis.
  - i. Investment Report.
14. Closed Session
15. Adjournment

If you require special accommodations for attendance at or participation in this meeting, please notify our office 24 hours in advance at (805) 649-2251, ext. 113. (Govt. Code Section 54954.1 and 54954.2(a)).

---

---

**CASITAS MUNICIPAL WATER DISTRICT  
INTEROFFICE MEMORANDUM**

---

---

**TO:** STEVE WICKSTRUM, GENERAL MANAGER  
**FROM:** NEIL COLE, PRINCIPAL CIVIL ENGINEER  
**SUBJECT:** ADOPT RESOLUTION TO AWARD CONTRACT – LAKE CASITAS  
RECREATION AREA ROAD MAINTENANCE SPECIFICATION 16-390  
**DATE:** DECEMBER 6, 2016

---

**RECOMMENDATION:**

It is recommended that the Board of Directors adopt the resolution accepting the proposal submitted by the lowest responsive and responsible bidder and award the contract for the construction of the Lake Casitas Recreation Area Road Maintenance, Specification 16-390 to J & H Engineering General Contractors, Inc. in the amount of \$83,875. It is further recommended that the President of the Board execute the agreement for said work and the Board authorize staff to proceed with the administration of the contract.

**BACKGROUND AND DISCUSSION:**

Annually, staff reviews the condition of the roads within the Lake Casitas Recreation Area and determines where the limited repair funds should be expended. This year's project includes paving the area leaving the sewage dump station near the maintenance yard, patching the roads in Campgrounds G and T, repaving a section of road in Campground K, adding a soil stabilizer and dust control agent to Campgrounds H & O and patching five spots in the main road. Removing the deteriorated paving in Campground D and replacing it with stabilized road base was bid as an alternate. Funding limits prevent the completion of the Campground D work at this time.

The project was advertised through F.W. Dodge and on the District's web site. Five firms submitted proposals. The bid results are as follows:

<b>FIRM</b>	<b>BASE BID AMOUNT</b>	<b>ALTERNATE</b>
J & H Engineering	83,875	33,850
Berry General Engineering	105,035.05	39,669
Granite Construction	105,297.10	51,629.48
Civic Construction Associates	113,418	36,520
Genesis Innovators	138,422	38,600

J & H Engineering General Contractors, Inc. has completed several similar projects for Casitas in the past and is currently completing road patches for Casitas related to pipeline repairs. J & H Engineering General Contractors, Inc. has a current and active contractor's license, a satisfactory safety record and a current DIR registration number. The FY 2016-17 Budget



includes \$75,000 to complete this work. This project is eligible for a 50% match through the US Bureau of Reclamation grant.

This project is categorically exempt from CEQA under Section 15301(c).

CASITAS MUNICIPAL WATER DISTRICT

**RESOLUTION AWARDING A CONTRACT  
TO CONSTRUCT LAKE CASITAS RECREATION AREA ROAD MAINTENANCE  
SPECIFICATION 16-390**

**WHEREAS**, the District invited bids from qualified contractors for the above-referenced project, and

**WHEREAS**, the construction of the Lake Casitas Recreation Area Road Maintenance will maintain critical infrastructure within the recreation area, and

**WHEREAS**, the District received six bids, with the lowest responsive and responsible bid submitted by J & H Engineering General Contractors Inc. in the sum of \$83,875.00.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Casitas Municipal Water District as follows:

1. That the bid from J & H Engineering General Contractors, Inc. in the amount of \$83,875.00 be accepted to construct Lake Casitas Recreation Area Road Maintenance, Specification 16-390 and a contract awarded.

2. That staff is hereby authorized and directed to proceed with the administration of the contract.

**ADOPTED** this 14<sup>th</sup> day of December, 2016.

---

Pete Kaiser, President  
Casitas Municipal Water District

**ATTEST:**

---

James W. Word, Secretary  
Casitas Municipal Water District

---

---

**CASITAS MUNICIPAL WATER DISTRICT  
INTEROFFICE MEMORANDUM**

---

---

**TO:** STEVE WICKSTRUM, GENERAL MANAGER  
**FROM:** NEIL COLE, PRINCIPAL CIVIL ENGINEER  
**SUBJECT:** AUTHORIZE GENERAL MANAGER TO SIGN AGREEMENT WITH TETRA  
TECH FOR HYDROGRAPHIC SURVEY OF LAKE CASITAS  
**DATE:** DECEMBER 6, 2016

---

**RECOMMENDATION:**

It is recommended that the Board of Directors authorize the General Manager to sign an agreement with Tetra Tech to complete hydrographic and land surveys of Lake Casitas for a not to exceed cost of \$70,900.

**BACKGROUND AND DISCUSSION:**

Members of the public have expressed concern that the wetted portion of the lake may have significant quantities of silt, thereby reducing the amount of water currently believed to be in storage. The hydrographic and land surveys will show if significant sedimentation has taken place and where the sediment has been deposited. The surveys will also yield the information needed to prepare a new ratings table for the lake.

The project was advertised through F.W. Dodge and on the District's web site. Nine firms submitted proposals. The request for proposals included a selection criteria based on 5 areas; the qualifications and experience of the firm and personnel completing the work, the quality of the proposal, the proposed level of accuracy for the survey and rating table, the total fee and the time to complete the project.

The Request for Proposal scope of work included hydrographic surveying of the wetted portion of the lake, surveying of the dry portion of the lake to the spill water elevation and the preparation of a new ratings table for the lake. The proposals received included a variety of methods to complete both the water and land portion of the project. For the water portion, multiple beam sonar, single beam sonar or a combo of the two methods were proposed. For the land based portion of the survey aerial LiDar, aerial photogrammetry, boat based LiDar and using existing aerial photography and data were proposed. The fees to complete the work ranged from a low of \$35,000 to a high of \$226,000. The time to complete the project ranged from less than 30 working days to more than 60 working days.

The proposal submitted by Tetra Tech provided the best balance of accuracy, timeliness, cost and qualifications. This project is categorically exempt from CEQA under Section 15301 and 15306. **This item is not included in the FY 2016-17 budget.**

# MEMORANDUM

---

TO: Board of Directors

From: Steven E. Wickstrum, General Manager

RE: Award a Contract for Phase 2 – 35% Design Report for the Horizontal Bore in the Matilija Formation, Eastern HoBo – Water Resource Engineering Associates

Date: December 7, 2016

---

## RECOMMENDATION:

It is recommended that the Board of Directors award the contract for the Phase 2, 35% Design Report, to Water Resource Engineering Associates to perform the scope of work and cost that is provided in the attached Fee Estimate.

## BACKGROUND:

During the regular meeting of the Board of directors on November 9, 2016, the Board move to have Water Resources Engineering Associates and Kear Groundwater (WREA/KG) pursue the exploration of the Matilija Formation for additional new water resources. Since the time of that motion, a Phase 1 cost of \$19,500 was approved by the General Manager to have the consultant perform field studies associated with the Matilija Formation and report on the findings. The field studies are presently being conducted by WREA/KG.

Staff and WREA/KG have identified one specific bore site, labelled the Eastern HoBo, from which an initial bore may be considered by Casitas. The bore site is located on Casitas property and the bore would traverse through property under the authority of the US Forest Service. The bore site is in the proximity of Robles-Casitas Canal and the Matilija Conduit. These Casitas structures are conduits that could move the HoBo water into the Casitas system.

WREA/KG has provided a fee estimate to further assess the feasibility of the Eastern HoBo and develop a 35% design for the project for the fee estimate of \$39,700. The Board's approval of this proposal is essential in the development of this project in a timely manner.

If you have any questions in this regard, please do not hesitate to ask me.

CASITAS MUNICIPAL WATER DISTRICT  
Ventura County, CA

PILOT PROJECT

**HORIZONTAL BORE IN MATILIJA FORMATION  
EASTERN HoBo**

Phase 2 – 35% Design Report **DRAFT**  
Fee Estimate

Item		Hours			
		A	B	C	D
1.	Attend meetings and participate in conference calls as required. Four meetings are anticipated; one each with USFS, CMWD staff, CMWD Board and a public meeting before a watershed organization. (Each approximately 3 hours including preparation for the two principals.)	24	0	0	0
2.	Perform publication research and review.	12	0	0	2
3.	Using information found in the fieldwork phase, complete outline preliminary design for HoBo including drilling operations, bore hole sizes, shallow and deep conductor casing and seals, locations and depths of 3-vertical test holes for water pressure and water quality determination, geophysical logging before and investigation of lithology. Compile preliminary design plans, sections, and details.	20	20	0	0
4.	Complete outline preliminary design of discharge water system including: well discharge piping, pressure handling equipment, necessary treatment and transmission mainline direct discharge to Matilija conduit. Compile preliminary design plans, sections, and details.	8	16	20	50
5.	Compile preliminary project cost estimate.	4	12	0	2
6.	Determine, to the extent possible, all permits and approvals necessary to complete the project.	4	12	0	2
7.	Assemble all information and data into 35% design report. Present to Casitas Board.	30	40	0	10
<b>Total Hours</b>		<b>102</b>	<b>100</b>	<b>20</b>	<b>66</b>

A Principal 102 Hrs @ \$180 = \$18,360  
 B Senior Engineer 100 Hrs @ 130 = 13,000  
 C Project Engineer 20 Hrs @ 120 = 2,400  
 D Technician 66 Hrs @ 90 = 5,940

**Phase 2 Fee Estimate Total \$39,700**

Prepared by:

**WREA**

**WATER RESOURCE ENGINEERING  
ASSOCIATES**

2300 Alessandro Drive, Suite 215, Ventura, CA 93001  
 (805) 653-7900 800-25-WATER Fax (805) 653-0610  
 11/25/2016



KEAR GROUNDWATER

---

---

**INTEROFFICE MEMORANDUM**

---

---

**TO:** STEVE WICKSTRUM  
**FROM:** SUSAN MCMAHON  
**SUBJECT:** APPROVAL FOR PURCHASE OF SEABIRD ELECTRONICS PROFILER  
**DATE:** DECEMBER 8, 2016

---

**Recommendation:**

It is recommended that the Board of Directors approve the purchase of a Seabird Electronics Lake Profiler at the cost of \$25,299.50 in order to replace the current Hydrolab Profiler.

**Discussion:**

The Hydrolab currently being used for lake profile data (dissolved oxygen, temperature, conductivity and pH) is old, has had many repairs, and is currently not working well. It needs to be replaced. The Seabird Electronics profiler has the added benefits of easier calibration, and faster data collection.



## Sea-Bird Electronics, Inc.

13431 NE 20<sup>th</sup> Street, Bellevue, Washington 98005 USA  
Website: <http://www.seabird.com>

**FAX: (425) 643-9954**

Tel: (425) 643-9866 x3211  
Email: [cmeyer@seabird.com](mailto:cmeyer@seabird.com)

### SBE Quotation # 89042Q-4

Date: October 13, 2016

TO: Casitas Water  
ATTN: Susan McMahon  
FROM: Craig Meyer

Sea-Bird Electronics is pleased to submit our **Quotation Number 89042Q-4** as follows:

Item	SBE Num	Qty	Description	Unit Price	Disc (%)	Ext. Disc Price
1	19plusV2	1	SeaCATplus Version 2 Profiler Pumped <b>Conductivity, Temperature, Depth</b> Recorder - <b>4 Hz</b> sampling rate, includes SBE 5M submersible pump, 64MB memory, 6 differential A/D channels (0 - 5 volt input range), 1 RS-232 data input channel, data I/O and pump Y-cable, 2.5 meter data I/O cable, Seasoft software, and complete documentation.	14,060.00	15.0	11,951.00
1a	19P.1xx0	1	600 meter plastic housing for CTD and SBE 5M plastic pump	.00	15.0	.00
1b	19P.x3x0	1	<b>350 meter</b> strain gauge <b>pressure sensor</b>	.00	15.0	.00
1c	19P.xx20	1	<b>Wet-pluggable</b> (MCBH) connectors on SeaCAT bulkhead connectors, data I/O and pump Y-cable, and data I/O cable	1,060.00	15.0	901.00
1d	19p-4a	1	SBE 5P plastic pump, 600 meter, instead of SBE 5M plastic pump (required if using SBE 43 DO sensor)	610.00	15.0	518.50
1e	19p-6d	1	SBE 43 <b>Dissolved Oxygen</b> Sensor (Profiling Configuration) with Wet-pluggable connector, 600 meter plastic (cable and mount included, option 19p-4a or b and 19P.xx20 required)	6,000.00	15.0	5,100.00
1f	19p-7b	1	SBE 18 <b>pH</b> sensor, for use in profiling mode only, with Wet-pluggable connector, 1200 meter (cable & mount included – Requires option 19P.xx20)	2,540.00	15.0	2,159.00

1g	801269	1	Stainless-steel <b>protective cage</b> , 40 in. (101 cm) tall (SEACATplus)	1,270.00	15.0	1,079.50
1h	FAS-012000	1	WET Labs ECO-NTUrt, <b>Turbidity</b> Meter, <b>125 NTU range</b> , 600 m (replaces 24345), setup cable not included  <i>(Other sensing ranges available at same price: 0-125 NTU, 0-250 NTU and 0-1000 NTU --CM)</i>	3,200.00	15.0	2,720.00
1ha	ECOInt-2b	1	ECO & CTD integration for CTD with Wet-pluggable connectors, includes cabling and mounting	515.00	15.0	437.75
1hb	801793	1	Setup cable for WETLabs ECO sensors, MCIL-6FS to DB-9S with red/black twisted wire leads (DN 33232)	285.00	15.0	242.25
2	20200	1	USB to Serial Port Adapter, FTDI UC232R-10 (connects computers with USB ports to RS-232 instruments)	30.00	15.0	25.50
<b>Total Order (ExWorks FOB Factory):</b>						<b>\$29,570.00</b>
<b>Government Discount:</b>						<b>&lt;\$4,435.50&gt;</b>
<b>Total Discounted Price:</b>						<b>\$25,134.50</b>
<b>Fedex Priority shipping to Ventura, CA:</b>						<b>\$165.00</b>
<b>Net Total:</b>						<b>\$25,299.50</b>

TERMS: (next page)



TERMS:

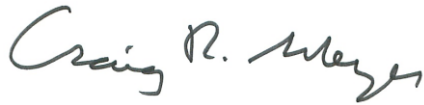
Prices in USA Dollars, Ex-Works Factory, Bellevue, Washington. A 15% Government / Educational Discount is included in this quote. Freight and insurance charges can be billed "Collect" or prepaid and added to our invoice. Payment is due Net 30 days from date of shipment. A service charge (computed at an annual rate of 12% and beginning on the 31st day) will be assessed on all accounts not paid within 30 days. Payment by credit card (VISA/MasterCard/AMEX only) is also accepted. Shipping: Typically 4-6 weeks after receipt of order. This quote is valid through 31 December, 2017.

All purchases of Sea-Bird Scientific products and/or services are expressly and without limitation subject to Sea-Bird Scientific Terms and Conditions of Sale ("Sea-Bird TCs"), incorporated herein by reference and published on Sea-Bird's website at <http://www.seabird.com/terms-and-conditions-sale>. Sea-Bird TCs are incorporated by reference into each of Sea-Bird Scientific's offers or quotations, order acknowledgments, and invoice and shipping documents. The first of the following acts shall constitute an acceptance of Sea-Bird Scientific's offer and not a counteroffer and shall create a contract of sale ("Contract") in accordance with the Sea-Bird TCs, subject to Sea-Bird Scientific's final credit approval: (i) Buyer's issuance of a purchase order document against Sea-Bird Scientific's offer or quotation; (ii) Sea-Bird Scientific's acknowledgement of Buyer's order; or (iii) commencement of any performance by Sea-Bird Scientific in response to Buyer's order. Provisions contained in Buyer's purchase documents that materially alter, add to or subtract from the provisions of the Sea-Bird TCs shall be null and void and not considered part of the Contract.

Sea-Bird Scientific is an assumed business name and/or trade name of one or more of the following entities to which the subject matter of this document applies: Sea-Bird Electronics, Inc. (SBE), 13431 NE 20th Street, Bellevue, WA 98005, USA; Western Environmental Technology Laboratories, Inc. (WET Labs), 620 Applegate Street, Philomath, OR 97370, USA; Satlantic, L.P., Richmond Terminal Pier 9, North Marginal Rd., Halifax, NS B3K 5X8, Canada.

Please let me know if you have any questions.

For Sea-Bird Electronics, Inc.,

A handwritten signature in black ink that reads "Craig R. Meyer". The signature is written in a cursive style with a large initial "C" and "M".

Craig Meyer  
Applications Engineer

---

---

**INTEROFFICE MEMORANDUM**

---

---

**TO:** STEVE WICKSTRUM  
**FROM:** SUSAN MCMAHON  
**SUBJECT:** ACCEPT PROPOSAL AND ENTER INTO AN AGREEMENT WITH WATER QUALITY SOLUTIONS FOR YEARLY WATER QUALITY REPORTS FOR LAKE CASITAS 2015-2016  
**DATE:** DECEMBER 8, 2016

---

**Recommendation:**

It is recommended that the Board of Directors accept the proposal and enter into an agreement with Water Quality Solutions in an amount not to exceed \$38,000 to prepare a report summarizing lake data for the years 2015 and 2016. Included in this task are plotting and analysis of data as was done for the 2014 report. Furthermore a detailed analysis of the Hypolimnetic Oxygenation System operation and performance will be performed. The report will append to previous reports.

**Discussion:**

This report summarizes and analyzes water quality trends from Lake Casitas data for calendar years 2015 and 2016. Data includes reservoir storage inflows and outflows; water quantity and inflow water quality, meteorological data, reservoir profile data (including temperature, conductivity, dissolved oxygen, pH, nutrients), water clarity, and manganese. Recommendations to enhance the water quality sampling plan are provided to optimize future lake operations and water quality monitoring.

This report provides continuity with the previous reports (2014-2016), and will help prepare us for the challenges associated with either drought conditions or refilling of the lake. Proactive lake management can not be underestimated when considering drought conditions and the recent increase in toxic cyanobacteria blooms that have been seen worldwide.

## **Water Quality Solutions**

1726 Three Springs Rd., McGaheysville, VA 22840

**(540) 421-4638**



December 1, 2016

WQS Job Number 161007

Prepare a report summarizing the various lake data for the Years 2015 and 2016; Append to previous years' reports; Included in this task are the plotting and analysis of data as was done for the 2014 report. Furthermore, a detailed analysis of the Hypolimnetic Oxygenation System operation and performance would be performed.

Total-not-to-exceed fee of \$38,000

**RESOLUTION FOR EMPLOYER PAID MEMBER CONTRIBUTIONS**

WHEREAS, the governing body of the Casitas Municipal Water District (Name of Agency) has the authority to implement Government Code Section 20691;

WHEREAS, the governing body of the Casitas Municipal Water District (Name of Agency) has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

WHEREAS, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Casitas Municipal Water District (Name of Agency) of a Resolution to commence said Employer Paid Member Contributions (EPMC);

WHEREAS, the governing body of the Casitas Municipal Water District (Name of Agency) has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all employees of Supervisory and Professional, General and Recreation units (Membership Category OR Group or Class).
- This benefit shall consist of paying 3.5% (Percent) of the normal member contributions as EPMC.
- The effective date of this Resolution shall be January 1, 2017 (Date).

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Casitas Municipal Water District (Name of Agency) elects to pay EPMC, as set forth above.

BY

\_\_\_\_\_  
(Name of Official)

\_\_\_\_\_  
(Title of Official)

\_\_\_\_\_  
(Date adopted and approved)

CASITAS MUNICIPAL WATER DISTRICT

RESOLUTION NO.

RESOLUTION AUTHORIZING PARTICIPATION IN FAMILY VISION COVERAGE FOR  
EMPLOYEES IN THE GENERAL, RECREATION AND SUPERVISORY AND  
PROFESSIONAL UNITS.

WHEREAS, during recent negotiations the General, Recreation and Supervisory and Professional units bargained to increase the vision coverage from employee only to include family coverage; and.

WHEREAS, the Board of Directors of Casitas Municipal Water District approved this item contained within the new Memorandums of Understanding; and

WHEREAS, ACWAJPIA requires 60 day notices in order to put this change into effect.

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors of the Casitas Municipal Water District that the employees in the General, Recreation and Supervisory and Professional units will have vision coverage made available for their families effective when ACWAJPIA is able to make said coverage available.

ADOPTED this 14<sup>th</sup> day of December, 2016

---

Pete Kaiser, President  
Casitas Municipal Water District

Attest:

---

James W. Word, Secretary  
Casitas Municipal Water District

**CASITAS MUNICIPAL WATER DISTRICT**  
**Payable Fund Check Authorization**  
**Checks Dated 11/17/16-12/09/16**  
**Presented to the Board of Directors For Approval December 14, 2016**

Check	Payee			Description	Amount
000687	Payables Fund Account	#	9759651478	Accounts Payable Batch 111716	\$119,653.16
000688	Payables Fund Account	#	9759651478	Accounts Payable Batch 113016	\$231,975.71
000689	Payables Fund Account	#	9759651478	Accounts Payable Batch 120916	\$491,013.69
					\$842,642.56
000685	Payroll Fund Account	#	9469730919	Special Payroll Requirments	\$20,000.00
000690	Payroll Fund Account	#	9469730919	Estimated Payroll 12/22/16	\$150,000.00
000691	Payroll Fund Account	#	9469730919	Estimated Payroll 01/05/17	\$150,000.00
Total					\$1,162,642.56

Publication of check register is in compliance with Section 53065.6 of the Government Code which requires the District to disclose reimbursements to employees and/or directors.

The above numbered checks, 000685-000691 have been duly audited is hereby certified as correct.

*Denise Collin*      *12/9/16*

Denise Collin, Accounting Manager/Treasurer

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

# A/P Fund

Publication of check register is in compliance with Section 53065.6 of the Government Code which requires the District to disclose reimbursements to employees and/or directors.

000687	A/P Checks:	025065-025084
	A/P Draft to P.E.R.S.	000000
	A/P Draft to State of CA	000000
	A/P Draft to I.R.S.	000000
	Voids:	
000688	A/P Checks:	025085-025166
	A/P Draft to P.E.R.S.	
	A/P Draft to State of CA	
	A/P Draft to I.R.S.	
	Voids:	025101-025102
000689	A/P Checks:	025168-025244
	A/P Draft to P.E.R.S.	000000
	A/P Draft to State of CA	000000
	A/P Draft to I.R.S.	000000
	Voids:	025167

The above numbered checks,  
have been duly audited are hereby  
certified as correct.

  
Denise Collin, Accounting Manager/Treasurer

\_\_\_\_\_  
Signature

\_\_\_\_\_

CERTIFICATION

Payroll disbursements for the pay period ending 11/19/16  
Pay Date of 11/23/16  
have been duly audited and are  
hereby certified as correct.

Signed: Denise Collin 11/21/14  
Denise Collin

Signed: \_\_\_\_\_  
Signature

Signed: \_\_\_\_\_  
Signature

Signed: \_\_\_\_\_  
Signature



CERTIFICATION

Payroll disbursements for the pay period ending 12/03/16  
Pay Date of 12/08/16  
have been duly audited and are  
hereby certified as correct.

Signed: Denise Collin  
Denise Collin

Signed: \_\_\_\_\_  
Signature

Signed: \_\_\_\_\_  
Signature

Signed: \_\_\_\_\_  
Signature

VENDOR SET: 01 Casitas Municipal Water D

BANK: \* ALL BANKS

DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
	C-CHECK		VOID CHECK					
	C-CHECK	V	12/01/2016			025101		
01179	C-CHECK	V	12/01/2016			025102		
	PAYABLES FUND ACCOUNT							
	C-CHECK	VOIDED	PAYABLES FUND ACCOUNT			025167		231,975.71CR
		V	12/05/2016					

\* \* T O T A L S \* \*

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	0	0.00	0.00	0.00
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	3	VOID DEBITS	0.00	
		VOID CREDITS	231,975.71CR	
			231,975.71CR	0.00

TOTAL ERRORS: 0

VENDOR SET: 01	BANK:	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			3	231,975.71CR	0.00	0.00
BANK:	TOTALS:		3	231,975.71CR	0.00	0.00

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00049	I-T2 201611221155							
	STATE OF CALIFORNIA State Withholding	D	11/23/2016	10,241.51		000000		10,241.51
00049	I-T2 201612061164							
	STATE OF CALIFORNIA State Withholding	D	12/09/2016	8,720.57		000000		8,720.57
00128	I-T1 201611221155							
	INTERNAL REVENUE SERVICE Federal Withholding	D	11/23/2016	30,033.89		000000		
	I-T3 201611221155							
	FICA Withholding	D	11/23/2016	20,500.26		000000		
	I-T4 201611221155							
	Medicare Withholding	D	11/23/2016	6,318.40		000000		56,852.55
00128	I-T1 201612061164							
	INTERNAL REVENUE SERVICE Federal Withholding	D	12/09/2016	26,143.73		000000		
	I-T3 201612061164							
	FICA Withholding	D	12/09/2016	18,122.20		000000		
	I-T4 201612061164							
	Medicare Withholding	D	12/09/2016	5,898.44		000000		50,164.37
00187	I-PBB201611221155							
	CALPERS PERS BUY BACK	D	11/23/2016	66.87		000000		
	I-PBP201611221155							
	PERS BUY BACK	D	11/23/2016	161.96		000000		
	I-PEB201611221155							
	PEPRA EMPLOYEES PORTION	D	11/23/2016	2,340.46		000000		
	I-PER201611221155							
	PERS EMPLOYEE PORTION	D	11/23/2016	8,828.07		000000		
	I-PRB201611221155							
	PEBRA EMPLOYER PORTION	D	11/23/2016	2,454.66		000000		
	I-PRR201611221155							
	PERS EMPLOYER PORTION	D	11/23/2016	9,762.42		000000		23,614.44
00187	I-PBB201612061164							
	CALPERS PERS BUY BACK	D	12/09/2016	66.87		000000		
	I-PBP201612061164							
	PERS BUY BACK	D	12/09/2016	161.96		000000		
	I-PEB201612061164							
	PEPRA EMPLOYEES PORTION	D	12/09/2016	2,334.57		000000		
	I-PER201612061164							
	PERS EMPLOYEE PORTION	D	12/09/2016	8,819.51		000000		
	I-PRB201612061164							
	PEBRA EMPLOYER PORTION	D	12/09/2016	2,448.51		000000		
	I-PRR201612061164							
	PERS EMPLOYER PORTION	D	12/09/2016	9,753.09		000000		23,584.51
00018	I-829434088X11142016							
	AT & T MOBILITY PT Wildlife Biol Monthly Cell	R	11/23/2016	11.69		025065		11.69
02787	I-Nov 16							
	Lindsay Cao Reimburse Expense 11/16	R	11/23/2016	88.00		025066		
	I-Nov 16a							
	PE License Renewal	R	11/23/2016	115.00		025066		203.00
02520	I-15355							
	D. Lewis Company Leak Detection Service - TP	R	11/23/2016	1,365.00		025067		1,365.00
00091	I-US0131647589							
	ERNST & YOUNG LLP Client#60028334	R	11/23/2016	579.00		025068		579.00

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00216	THE GAS COMPANY							
I-112316	Acct# 18231433006	R	11/23/2016	36.40		025069		
I-112316a	Acct# 00801443003	R	11/23/2016	424.93		025069		461.33
02755	Vincent Godinez							
I-111816	Safety Boot Purchase	R	11/23/2016	170.00		025070		
I-111816a	Distribution Grade 3 Cert.	R	11/23/2016	100.00		025070		270.00
02598	Konecranes, Inc.							
I-NLA01150668	Quarterly Maint. On Cranes -TP	R	11/23/2016	572.00		025071		572.00
00160	OILFIELD ELECTRIC CO, INC							
I-9528	Electrical Upgrade @ MWTP	R	11/23/2016	5,090.10		025072		5,090.10
00215	SOUTHERN CALIFORNIA EDISON							
I-112116	Acct# 2237011044	R	11/23/2016	26.83		025073		
I-112216	Acct#2312811532	R	11/23/2016	95.83		025073		
I-112216a	Acct#2266156405	R	11/23/2016	100.20		025073		
I-112216b	Acct#2157697889	R	11/23/2016	641.25		025073		864.11
02920	Utopia Electronics Inc							
I-0000870	Conference Room Audio	R	11/23/2016	11,716.28		025074		11,716.28
02583	WageWorks							
I-125AI0497897	FSA Monthly Admin Fee	R	11/23/2016	136.40		025075		136.40
00124	ICMA RETIREMENT TRUST - 457							
I-CUI201611221155	457 CATCH UP	R	11/23/2016	461.54		025076		
I-DCI201611221155	DEFERRED COMP FLAT	R	11/23/2016	1,879.62		025076		
I-DI%201611221155	DEFERRED COMP PERCENT	R	11/23/2016	134.71		025076		2,475.87
01960	Moringa Community							
I-MOR201611221155	PAYROLL CONTRIBUTIONS	R	11/23/2016	16.75		025077		16.75
00985	NATIONWIDE RETIREMENT SOLUTION							
I-DCN201611221155	DEFERRED COMP FLAT	R	11/23/2016	3,430.00		025078		
I-DN%201611221155	DEFERRED COMP PERCENT	R	11/23/2016	319.30		025078		3,749.30
00180	S.E.I.U. - LOCAL 721							
I-COP201611221155	SEIU 721 COPE	R	11/23/2016	19.50		025079		
I-UND201611221155	UNION DUES	R	11/23/2016	691.25		025079		710.75
01400	STATE DISBURSEMENT UNIT							
I-CS4201611221155	Payroll Deduction 10-D000121	R	11/23/2016	576.08		025080		576.08

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE:11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00230	UNITED WAY I-UWY201611221155	R	11/23/2016	60.00		025081		60.00
1	Kathleen Nolan I-000201611171154	R	11/23/2016	18.00		025082		18.00
1	Steve Olsen I-000201611171153	R	11/23/2016	18.00		025083		18.00
1	Gary&Kyle Peterson I-000201611171152	R	11/23/2016	51.00		025084		51.00
00004	ACWA JOINT POWERS INSURANCE AU I-0446444	R	12/01/2016	122,625.34		025085		122,625.34
00010	AIRGAS USA LLC I-9057404777	R	12/01/2016	47.01		025086		47.01
00011	ALERT COMMUNICATIONS I-161100847101	R	12/01/2016	303.01		025087		303.01
00020	AVENUE HARDWARE, INC I-D66036	R	12/01/2016	12.30		025088		
	I-D66052	R	12/01/2016	14.46		025088		26.76
00021	AWA OF VENTURA COUNTY I-113016	R	12/01/2016	420.00		025089		420.00
00036	BC TREE SERVICE, INC I-2265	R	12/01/2016	950.00		025090		
	I-2266	R	12/01/2016	300.00		025090		1,250.00
00081	DELTA LIQUID ENERGY I-036809	R	12/01/2016	133.41		025091		133.41
00086	E.J. Harrison & Sons Inc I-5691	R	12/01/2016	1,020.00		025092		1,020.00
00103	FRANK'S ROOTER & PUMPING I-91516	R	12/01/2016	700.00		025093		700.00
00104	FRED'S TIRE MAN I-95450	R	12/01/2016	20.00		025094		
	I-95588	R	12/01/2016	235.80		025094		
	I-95591	R	12/01/2016	20.00		025094		
	I-95607	R	12/01/2016	164.08		025094		
	I-95722	R	12/01/2016	147.80		025094		
	I-95761	R	12/01/2016	44.67		025094		

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
I-95787	Oil, Oil Change/Filter-Unit 35	R	12/01/2016	204.74		025094		
I-95948	Install Rear Shocks - Unit 11	R	12/01/2016	276.39		025094		1,113.48
00106	FRONTIER PAINT							
I-F0220209	Foampro Paint, Gasket - E&M	R	12/01/2016	7.07		025095		7.07
00115	GRAINGER, INC							
I-9271564115	Slings for Intake Screen-TP	R	12/01/2016	72.17		025096		
I-9286945523	Pressure Reducerfor WP Shower	R	12/01/2016	445.77		025096		517.94
00131	JCI JONES CHEMICALS, INC							
I-706882	Chlorine - TP, CM 706899	R	12/01/2016	3,540.00		025097		3,540.00
00136	FEDEX OFFICE							
I-500300018683	Poster Package Drought Summit	R	12/01/2016	456.82		025098		456.82
00143	METTLER TOLEDO, INC.							
I-641392850	Calibration of Balance - Lab	R	12/01/2016	180.00		025099		180.00
00151	MEINERS OAKS ACE HARDWARE							
C-746594	Cement - E&M	R	12/01/2016	19.33CR		025100		
I-743961	Measuring Tape - PL	R	12/01/2016	7.82		025100		
I-745104	Hose, PPE, Nozzles, etc. -LCRA	R	12/01/2016	86.59		025100		
I-745272	Concrete Filler, Gloves - TP	R	12/01/2016	57.34		025100		
I-745480	Sawzall Blade, Spray Paint-LCRA	R	12/01/2016	91.47		025100		
I-745519	Motor Oil - LCRA	R	12/01/2016	13.02		025100		
I-745671	Acetone, Bleach, Mortar - LCRA	R	12/01/2016	98.55		025100		
I-745982	Shovel, Wire - PL	R	12/01/2016	26.88		025100		
I-746223	Clamps, Balldrivers - LCRA	R	12/01/2016	20.68		025100		
I-746224	Home Defense - E&M	R	12/01/2016	15.64		025100		
I-746226	Coated Sinkers - LCRA	R	12/01/2016	9.66		025100		
I-746418	Receptacle, Couplings - LCRA	R	12/01/2016	42.29		025100		
I-746421	Bolts & Screws - LCRA	R	12/01/2016	4.73		025100		
I-746432	Cement - E&M	R	12/01/2016	19.33		025100		
I-746556	Oil - LCRA	R	12/01/2016	14.48		025100		
I-746608	Spray Paint - LCRA	R	12/01/2016	10.34		025100		
I-746644	Sawzall, Blades - LCRA	R	12/01/2016	43.80		025100		
I-746778	Door Lock, Chisel Set-DO Maint	R	12/01/2016	65.51		025100		
I-747286	Battery - E&M	R	12/01/2016	9.85		025100		
I-747348	Dust Pan, Ant Bait - DO Maint.	R	12/01/2016	5.86		025100		
I-747374	Hinged Lided Tote - LCRA	R	12/01/2016	128.91		025100		
I-747703	Strap Ties, Screw - LCRA	R	12/01/2016	42.69		025100		
I-747884	Padlocks, Gloves, Brushes-LCRA	R	12/01/2016	60.66		025100		
I-748243	Drywall, Plywood, Bolts - LCRA	R	12/01/2016	66.17		025100		922.94

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00163	OFFICE DEPOT							
I-877908067001	Calendars, Appt. Books - LCRA	R	12/01/2016	505.34		025103		
I-881502206001	Paper - Admin	R	12/01/2016	44.08		025103		
I-881505118001	Stamps - Admin	R	12/01/2016	35.45		025103		584.87
00165	OJAI LUMBER CO, INC							
I-1611-801372	Fir 2x4, Cedar Fencing - LCRA	R	12/01/2016	94.96		025104		
I-1611-801538	2x4 Fir, 4x4 Fir - LCRA	R	12/01/2016	136.57		025104		
I-1611-802129	Raticator Rat Trap - LCRA	R	12/01/2016	69.86		025104		301.39
00195	ROLAND'S SMOG CHECK							
I-21183	Smog Inspection - Unit 31	R	12/01/2016	51.75		025105		51.75
00215	SOUTHERN CALIFORNIA EDISON							
I-261250	Short Circuit Analysis	R	12/01/2016	400.00		025106		400.00
00254	VENTURA LOCKSMITHS							
I-B13699	Keys for Utility Crew	R	12/01/2016	196.73		025107		
I-B13751	Locks Rekeyed - DO Maint.	R	12/01/2016	70.00		025107		266.73
00257	VENTURA RIVER WATER DISTRICT							
I-3881	GSA Legal Services	R	12/01/2016	4,690.44		025108		4,690.44
00277	ZEE MEDICAL SERVICE CO.							
I-34-112359	Antibiotic Ointment - TP	R	12/01/2016	22.04		025109		22.04
00313	ROCK LONG'S AUTOMOTIVE							
I-19417	Service & Smog - Unit 32	R	12/01/2016	677.14		025110		
I-19513	Headlight Bulb - Unit 47	R	12/01/2016	23.54		025110		700.68
00328	LIGHTNING RIDGE							
I-11071608K	Uniform Clothing - Lab	R	12/01/2016	75.69		025111		75.69
00364	TRI-COUNTY OFFICE FURNITURE							
I-123438	Board Room Chairs	R	12/01/2016	5,838.20		025112		5,838.20
00369	HARRINGTON INDUSTRIAL PLASTICS							
I-01395532	Sealed Drum Pump - TP	R	12/01/2016	348.00		025113		348.00
00491	GIBBS INTERNATIONAL TRUCK CTR							
I-391202V	Rad. Overflow Tank/Hose-LCRA	R	12/01/2016	444.60		025114		444.60
00575	FENCE FACTORY - SATICOY							
I-499906	Fencing Supplies - LCRA	R	12/01/2016	107.83		025115		107.83

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00596	HOME DEPOT							
I-7872276	Spring Ringe - LCRA	R	12/01/2016	136.10		025116		
I-7931910	Outdoor Light - TP	R	12/01/2016	106.00		025116		242.10
00630	WESCO							
I-133958	Galvanized Conduit - TP	R	12/01/2016	290.97		025117		290.97
00663	WAXIE SANITARY SUPPLY							
I-76340032	Janitorial Supplies - DO	R	12/01/2016	324.27		025118		
I-76353012	Janitorial Supplies - DO	R	12/01/2016	18.68		025118		
I-76353190	Janitorial Supplies - LCRA	R	12/01/2016	1,999.91		025118		2,342.86
00672	KELCO SALES							
I-180907	Diaphragm #200 Valve - E&M	R	12/01/2016	37.99		025119		37.99
00774	Ventura County Sheriff's Offic							
I-16-15906	VC Sheriff Security 10/16-LCRA	R	12/01/2016	1,813.00		025120		1,813.00
00860	Big Red Crane Company, Inc.							
I-2736	Villanova Pipeline Crane Work	R	12/01/2016	1,840.00		025121		1,840.00
00872	Irrisoft, Inc.							
I-5980	Weather Station Signal	R	12/01/2016	79.00		025122		79.00
01022	KELLY CLEANING & SUPPLIES, INC							
I-135476	Janitorial Services - LCRA	R	12/01/2016	280.00		025123		280.00
01023	CARQUEST AUTO PARTS							
I-708281	Switch & Toggle - Unit 126	R	12/01/2016	17.87		025124		17.87
01052	HARBOR FREIGHT TOOLS USA, INC							
I-01167638	Replacement Tires - LCRA	R	12/01/2016	33.99		025125		33.99
01173	TOICO INDUSTRIES, INC.							
C-0159409-INb	Accrue Use Tax	R	12/01/2016	10.60CR		025126		
D-0159409-INa	Accrue Use Tax	R	12/01/2016	10.60		025126		
I-0159409-IN	Valve - Unit 63	R	12/01/2016	154.99		025126		154.99
01242	AUTOMATIONDIRECT.COM INC.							
I-7415056	LED Bulbs - E&M	R	12/01/2016	70.00		025127		70.00
01272	LISA KOLAR							
I-Nov 16	Qualified Applicator Renewal	R	12/01/2016	60.00		025128		60.00



VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01280	FRY'S ELECTRONICS, INC. I-6530802 Cyberpower UPS - LCRA	R	12/01/2016	75.59		025129		75.59
01323	ARGO CHEMICAL INC I-1611112 Aqueous Ammonia - TP	R	12/01/2016	3,342.79		025130		3,342.79
01404	MCT TRAILERS I-64275 Hitch for Towing Chipper-Maint	R	12/01/2016	128.95		025131		128.95
01525	CPS HR CONSULTING I-INV354246 Proj#E3889 Assistant GM	R	12/01/2016	500.00		025132		500.00
01569	ERNEST UNDERHAY I-842659 Astron night Summer '16	R	12/01/2016	900.00		025133		900.00
01570	Ojai Auto Supply LLC I-387507 Air Filter - Unit 55 I-387986 Battery & Terminal - Unit 28 I-388503 Battery & Terminal - Cart E24 I-388643 Headlight Bulb - Unit 29 I-389047 Power Str Stop Leak-Unit 29	R R R R R	12/01/2016 12/01/2016 12/01/2016 12/01/2016 12/01/2016	18.69 130.91 114.22 10.42 26.10		025134 025134 025134 025134 025134		300.34
01666	AT & T I-000008838999 T-1 Lines 9391051740	R	12/01/2016	97.05		025135		97.05
01703	ARNOLD LAROCHELLE MATTHEWS I-48879 Matter # 5088-016 10/16 I-48880 Matter # 5088-015 10/16 I-48881 Matter # 5088-001 10/16 I-48882 Matter # 5088-012 10/16	R R R R	12/01/2016 12/01/2016 12/01/2016 12/01/2016	48.00 48.00 6,180.17 336.00		025136 025136 025136 025136		6,612.17
01843	COASTAL COPY I-702242 Copier Usage - LCRA I-702449 Copier Usage - Whs	R R	12/01/2016 12/01/2016	163.91 32.46		025137 025137		196.37
01967	Robert Vasquez I-111616 Reimburse Class Expenses	R	12/01/2016	697.55		025138		697.55
02059	Berkadia G I-112116 Mira Monte Loan Interest	R	12/01/2016	2,237.50		025139		2,237.50
02215	Scott MacDonald I-112816 D4 Certificate	R	12/01/2016	105.00		025140		105.00

VENDOR SET: 01 Casitas Municipal Water D

BANK: AP ACCOUNTS PAYABLE

DATE RANGE:11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
02217	Greg Rents							
I-38969	Carb Kit/Dip, Primer Ball-LCRA	R	12/01/2016	70.49		025141		70.49
02303	Irrigation Association - Certi							
I-67625-2017	Irrig. Assoc. Cert. Renewal	R	12/01/2016	100.00		025142		100.00
02344	Janitek Cleaning Solutions							
I-25669A	Janitorial Services - DO	R	12/01/2016	1,329.00		025143		1,329.00
02527	Traffic Technologies LLC							
I-23002	Pavement Markers/Pads - LCRA	R	12/01/2016	31.43		025144		31.43
02590	Koppl Pipeline Services, Inc.							
I-16837	Pipeline Stop Installation	R	12/01/2016	22,488.00		025145		22,488.00
02643	Take Care by WageWorks							
I-5035210	Reimburse Medical	R	12/01/2016	540.80		025146		
I-5047714	Reimburse Medical	R	12/01/2016	101.93		025146		
I-5072593	Reimburse Medical	R	12/01/2016	942.40		025146		1,585.13
02658	Liebert Cassidy Whitmore							
I-1430709	Matter#CA182-00001	R	12/01/2016	432.00		025147		
I-1430710	Matter#CA182-00005	R	12/01/2016	2,959.00		025147		3,391.00
02720	Garda CL West, Inc.							
I-10261958	Armored Truck Service	R	12/01/2016	633.38		025148		
I-20192037	Excess Items - LCRA	R	12/01/2016	16.00		025148		649.38
02722	D&H Water Systems							
I-I2016-0891	Chlorinator Parts - TP	R	12/01/2016	1,062.56		025149		1,062.56
02756	SC Fuels							
I-0739910-IN	Diesel - Main Yard	R	12/01/2016	828.68		025150		828.68
02833	Praxair, Inc							
I-75096354	Liquid Oxygen - TP	R	12/01/2016	2,116.49		025151		2,116.49
02859	Carpinteria Valley Water Distr							
I-0217-0118	50% Cost Share ESRI License	R	12/01/2016	5,399.60		025152		5,399.60
02869	Center for Collaborative Polic							
I-1069531	Casitas/Ventura Mediation Serv	R	12/01/2016	4,487.56		025153		4,487.56

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
02917 I-30522	Ojai Valley Organics Green Waste Pickup-DO Maint.	R	12/01/2016	15.00		025154		15.00
02934 I-984704	Safetec Compliance System, Inc SDS Online Services	R	12/01/2016	2,282.50		025155		2,282.50
02936 I-2016-432	Priority Safety Services, LLC Respirator Fit Testing	R	12/01/2016	120.00		025156		120.00
02937 I-112116	Michael Ponticelli Camping Fee Refund	R	12/01/2016	30.00		025157		30.00
09955 I-216956	VENTURA WHOLESALE ELECTRIC Sealant - E&M	R	12/01/2016	38.00		025158		38.00
10042 I-7907	PSR ENVIRONMENTAL SERVICE, INC Annual Leak Inspection	R	12/01/2016	835.00		025159		835.00
00021 I-06-9438	AWA OF VENTURA COUNTY Waterwise Breakfast 11/17	R	12/01/2016	125.00		025160		125.00
00215 I-113016 I-120116	SOUTHERN CALIFORNIA EDISON Acct # 2210507034 Acct#2210503702	R R	12/01/2016 12/01/2016	8,285.20 6,855.18		025161 025161		15,140.38
1 I-000201611301157	Ewy Axelsson UB Refund	R	12/01/2016	19.68		025162		19.68
1 I-000201611301156	Jessica Griffiths UB Refund	R	12/01/2016	11.82		025163		11.82
1 I-000201611301159	Jo Ellen Alflen UB Refund	R	12/01/2016	39.83		025164		39.83
1 I-000201611301160	Bill Holling UB Refund	R	12/01/2016	168.04		025165		168.04
1 I-000201611301158	Jerad Simmons UB Refund	R	12/01/2016	59.06		025166		59.06
01325 I-799659	Aflac Worldwide Headquarters Supplemental Insurance 11/16	R	12/09/2016	3,031.32		025168		3,031.32

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00010	AIRGAS USA LLC							
I-9057035434	Electrode Stick, Gloves - PL	R	12/09/2016	97.28		025169		
I-9057546018	Earplugs - E&M	R	12/09/2016	57.19		025169		154.47
00029	AMERICAN TOWER CORP							
I-2304298	Tower Red-Red Mtn. Rincon Pk	R	12/09/2016	1,845.59		025170		1,845.59
02695	AMS Global Inc.							
C-000141693b	Accrue use Tax	R	12/09/2016	30.38CR		025171		
D-000141693a	Accrue Use Tax	R	12/09/2016	30.38		025171		
I-000141693	O-rings, ball bearings - LCRA	R	12/09/2016	529.00		025171		529.00
00014	AQUA-FLO SUPPLY							
I-010821	PVC & Primer - PL	R	12/09/2016	154.35		025172		
I-012301	PVC & Primer - PL	R	12/09/2016	125.09		025172		279.44
01666	AT & T							
I-000008851629	Local, Regional, Long Distance	R	12/09/2016	1,399.31		025173		
I-000008902241	T-Lines 9391035541	R	12/09/2016	494.46		025173		1,893.77
00020	AVENUE HARDWARE, INC							
I-D66514	Drywall - LCRA	R	12/09/2016	20.31		025174		20.31
00030	B&R TOOL AND SUPPLY CO							
I-1900890649	Sockets & Plugs - E&M	R	12/09/2016	34.23		025175		34.23
00032	BIOVIR LABORATORIES, INC							
I-162047	Giardia/Crypto Test 9/6/16	R	12/09/2016	365.00		025176		
I-162337	Giardia/Crypto Test 10/4/16	R	12/09/2016	365.00		025176		730.00
00055	CASITAS BOAT RENTALS							
I-001507	Oil, Gas Cap, Plug - LCRA	R	12/09/2016	219.20		025177		219.20
00055	CASITAS BOAT RENTALS							
I-001511	Boat Repair & Parts - Unit 136	R	12/09/2016	355.35		025178		355.35
00511	Centers for Family Health							
I-64030	Drug Screening	R	12/09/2016	45.00		025179		45.00
00707	CHARLES P. CROWLEY CO.							
I-23178	Ammonia Pump Upgrades	R	12/09/2016	15,389.84		025180		15,389.84
01843	COASTAL COPY							
I-702939	Copier Usage - DO	R	12/09/2016	236.63		025181		236.63

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00059	COASTAL PIPCO I-S1934157.002 PVC, Threading , Pump - TP	R	12/09/2016	149.25		025182		149.25
01055	Neil Cole I-Nov 16 Reimburse Expenses	R	12/09/2016	234.46		025183		
	I-Oct 16 Reimburse Mileage	R	12/09/2016	68.58		025183		303.04
00061	COMPUWAVE I-SB02085248 Toner Catridges - Admin	R	12/09/2016	491.68		025184		491.68
00719	CORELOGIC INFORMATION SOLUTION I-81750387 Realquest Subscription	R	12/09/2016	137.50		025185		137.50
01764	DataProse, LLC I-DP1603379 UB Mailing 10/31/16	R	12/09/2016	1,846.27		025186		1,846.27
00740	DELL MARKETING L.P. I-10132091387 Dell Optiplex 7040 - Admin	R	12/09/2016	912.72		025187		912.72
00086	E.J. Harrison & Sons Inc I-5669 Acct#1C00053370	R	12/09/2016	141.42		025188		141.42
10085	ELIFEGUARD, INC. C-62734b Accrue Use Tax	R	12/09/2016	40.14CR		025189		
	D-62734a Accrue Use Tax	R	12/09/2016	40.14		025189		
	I-62734 Lifeguard Fanny Packs - WP	R	12/09/2016	564.77		025189		564.77
00095	FAMCON PIPE & SUPPLY I-185994 Stainless Steel Probes-Utiliti	R	12/09/2016	113.95		025190		113.95
00099	FGL ENVIRONMENTAL I-611927A Cu & Pb Monitoring 10/5/16	R	12/09/2016	120.00		025191		
	I-612162A Cu & Pb Monitoring 10/7/16	R	12/09/2016	60.00		025191		
	I-612507A Nitrate Monitoring 10/18/16	R	12/09/2016	43.00		025191		
	I-612830A Nitrate Monitoring 10/25/16	R	12/09/2016	43.00		025191		
	I-613118A LT2SWTR Turbidity 11/1/16	R	12/09/2016	16.00		025191		
	I-613247A THM/HAA5 Monitoring 11/02	R	12/09/2016	817.00		025191		
	I-613432A Nitrate Monitoring 11/08/16	R	12/09/2016	43.00		025191		
	I-613778A Nitrate Monitoring 11/16/16	R	12/09/2016	43.00		025191		1,185.00
01614	FORBESS CONSULTING GROUP, INC I-10797 Asbestos Testing - Ranger Offi	R	12/09/2016	420.00		025192		420.00

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
10088	FRED PRYOR SEMINARS							
I-21107819	Excel Training - Admin	R	12/09/2016	79.00		025193		
I-21107820	Excel Training - Admin	R	12/09/2016	79.00		025193		158.00
00104	FRED'S TIRE MAN							
I-95864	Align Truck - Unit 19	R	12/09/2016	79.95		025194		79.95
02158	Google, Inc.							
I-3362945636	Google Apps 11/16	R	12/09/2016	810.00		025195		810.00
00115	GRAINGER, INC							
I-9288534747	Reservoir Mixing Pump - TP	R	12/09/2016	644.31		025196		644.31
00121	HACH COMPANY							
I-10224439	Turbidity Meter - TP	R	12/09/2016	3,574.37		025197		3,574.37
01772	HASAN CONSULTANTS							
I-113016	LCRA Sewer Study	R	12/09/2016	15,000.00		025198		15,000.00
00125	IDEXX DISTRIBUTION CORP							
I-3009679438	Lab Supplies	R	12/09/2016	1,028.17		025199		1,028.17
00126	CAROLE ILES							
I-Nov 16	Reimburse Expenses 11/16	R	12/09/2016	89.82		025200		89.82
00672	KELCO SALES							
I-180993	Sandblasting Valve - E&M	R	12/09/2016	96.04		025201		96.04
02009	Keyence Corp. of America							
I-1001351427	Photo Electric Sensor - E&M	R	12/09/2016	255.31		025202		255.31
00328	LIGHTNING RIDGE							
I-11091607	LCRA Part-time Staff Apparel	R	12/09/2016	4,096.56		025203		4,096.56
00329	MCMMASTER-CARR SUPPLY CO.							
I-89493021	Studs & Hex nuts - E&M	R	12/09/2016	189.39		025204		189.39
00151	MEINERS OAKS ACE HARDWARE							
I-747696	Kaboom Cleaner - Maint.	R	12/09/2016	6.35		025205		
I-748100	Fast Set Accelerator - E&M	R	12/09/2016	7.07		025205		
I-748272	Drywall, Spray, Chalk - LCRA	R	12/09/2016	42.11		025205		
I-748317	Battery, Straps - E&M	R	12/09/2016	7.98		025205		
I-748757	Deadbolt - LCRA	R	12/09/2016	26.40		025205		
I-748931	Fabric Weedblock - WP	R	12/09/2016	32.23		025205		
I-749024	Battery, Texture Spray - LCRA	R	12/09/2016	72.83		025205		
I-749309	Paintbrushes, Varnish - LCRA	R	12/09/2016	52.99		025205		
I-749347	Trash Bags, Cloths, Clorox-LCRA	R	12/09/2016	34.27		025205		
I-749462	PVC Connectors - LCRA	R	12/09/2016	8.02		025205		290.25

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE:11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01138	RONALD E. MERCKLING							
I-Dec 16	Reimburse Expenses 12/16	R	12/09/2016	259.74		025206		
I-Nov 16	Reimburse Expenses 11/16	R	12/09/2016	515.12		025206		774.86
02724	Michael Moler							
I-Nov 16	Reimburse Mileage	R	12/09/2016	99.90		025207		99.90
02194	Draza Mrvichin							
I-120216	Services Received 11/16	R	12/09/2016	5,706.25		025208		5,706.25
00163	OFFICE DEPOT							
I-879806710001	Case op Paper	R	12/09/2016	338.52		025209		
I-882994027001	Envelopes & Tamper Proof Bags	R	12/09/2016	111.45		025209		
I-883825006001	Epson Catridges - Admin	R	12/09/2016	76.29		025209		526.26
00912	OJAI BUSINESS CENTER, INC							
I-11735	Laminating, Shipping - O&M	R	12/09/2016	125.74		025210		
I-11735a	Shipping & Packing - O&M	R	12/09/2016	247.33		025210		
I-11817	Shipping - E&M,Lab	R	12/09/2016	77.38		025210		450.45
00165	OJAI LUMBER CO, INC							
I-1611-802757	Sheer Panel - LCRA	R	12/09/2016	413.06		025211		413.06
00169	OJAI VALLEY SANITARY DISTRICT							
I-18845	Cust # 20594	R	12/09/2016	169.29		025212		
I-18919	Cust # 52921	R	12/09/2016	56.43		025212		225.72
10072	PERMACOLOR, INC							
I-2767196	Coat Pipe Spool - E&M	R	12/09/2016	75.00		025213		
I-2767200	Sandblast, Primer, Gloss White	R	12/09/2016	150.00		025213		225.00
10131	RESOURCE ACTION PROGRAMS							
I-11301607898-1731	Water Education Program	R	12/09/2016	11,052.00		025214		11,052.00
00313	ROCK LONG'S AUTOMOTIVE							
I-19479	Service & Smog - Unit 29	R	12/09/2016	1,266.87		025215		1,266.87
02756	SC Fuels							
I-0748005-IN	Gas & Diesel - DO	R	12/09/2016	2,773.54		025216		2,773.54
02003	Sostre Enterprises Inc.							
I-3259	Website CMS Fee/Hosting	R	12/09/2016	249.00		025217		249.00

VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE:11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
00215	SOUTHERN CALIFORNIA EDISON							
I-120216	Acct#2269631768	R	12/09/2016	22.70		025218		
I-120316	Acct#2237789169	R	12/09/2016	29.92		025218		
I-120316a	Acct#2210505426	R	12/09/2016	1,676.77		025218		
I-120316b	Acct#2210502480	R	12/09/2016	101,351.14		025218		103,080.53
00048	STATE OF CALIFORNIA							
I-120116	State Water Plan Payment	R	12/09/2016	196,319.00		025219		196,319.00
02707	State Ready Mix Inc.							
I-499752	Concrete - PL	R	12/09/2016	1,028.77		025220		1,028.77
01696	SUPERIOR MACHINE							
I-3366	Eye Bolt Pins - Unit 3	R	12/09/2016	100.00		025221		100.00
02643	Take Care by WageWorks							
I-5083696	Reimburse Medical	R	12/09/2016	297.12		025222		297.12
00225	UNDERGROUND SERVICE ALERT							
I-1120160094	102 New Ticket Charges	R	12/09/2016	153.00		025223		153.00
02784	United Rentals							
I-141682419-001	Boom Rental for Hoist Work	R	12/09/2016	912.77		025224		912.77
00436	United States Geological Surve							
I-90491768	Foster Park Gaging Station	R	12/09/2016	14,250.00		025225		14,250.00
00247	County of Ventura							
I-233948	Encroachment Permits	R	12/09/2016	270.00		025226		270.00
00257	VENTURA RIVER WATER DISTRICT							
I-113016	Acct#0350100A	R	12/09/2016	17.98		025227		
I-113016a	Acct#0537500A	R	12/09/2016	95.63		025227		113.61
00258	VENTURA STEEL, INC							
I-188281	Remnant Steel - LCRA	R	12/09/2016	127.66		025228		127.66
09955	VENTURA WHOLESALE ELECTRIC							
I-216849	PVC, Cables - E&M	R	12/09/2016	40.42		025229		40.42
01396	VULCAN CONSTRUCTION MATERIALS							
I-71283633	Asphalt Recycle - P1	R	12/09/2016	200.00		025230		200.00



VENDOR SET: 01 Casitas Municipal Water D  
 BANK: AP ACCOUNTS PAYABLE  
 DATE RANGE: 11/17/2016 THRU 12/09/2016

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
01362	WARREN DISTRIBUTING, INC							
I-2-276354	Oil for DO Vehicles	R	12/09/2016	149.90		025231		149.90
00536	Water Resource Engr Associates							
I-3018-3	Water Security Analysis 11/16	R	12/09/2016	2,312.52		025232		2,312.52
01203	DENISE COLLIN							
I-Nov 16	Reimburse Mileage 11/16	R	12/09/2016	55.08		025233		55.08
00489	STEVE WICKSTRUM							
I-Nov 16	Reimburse Expenses 11/16	R	12/09/2016	188.98		025234		
I-Oct 16	Reimburse Expenses 10/16	R	12/09/2016	196.20		025234		385.18
00124	ICMA RETIREMENT TRUST - 457							
I-CUI201612061164	457 CATCH UP	R	12/09/2016	461.54		025235		
I-DCI201612061164	DEFERRED COMP FLAT	R	12/09/2016	1,879.62		025235		
I-DI%201612061164	DEFERRED COMP PERCENT	R	12/09/2016	89.81		025235		2,430.97
01960	Moringa Community							
I-MOR201612061164	PAYROLL CONTRIBUTIONS	R	12/09/2016	16.75		025236		16.75
00985	NATIONWIDE RETIREMENT SOLUTION							
I-DCN201612061164	DEFERRED COMP FLAT	R	12/09/2016	3,530.00		025237		
I-DN%201612061164	DEFERRED COMP PERCENT	R	12/09/2016	319.30		025237		3,849.30
00180	S.E.I.U. - LOCAL 721							
I-COP201612061164	SEIU 721 COPE	R	12/09/2016	19.50		025238		
I-UND201612061164	UNION DUES	R	12/09/2016	691.25		025238		710.75
01400	STATE DISBURSEMENT UNIT							
I-CS4201612061164	Payroll Deduction 10-D000121	R	12/09/2016	576.08		025239		576.08
00230	UNITED WAY							
I-UWY201612061164	PAYROLL CONTRIBUTIONS	R	12/09/2016	60.00		025240		60.00
1	Patricia A. Bock							
I-000201612021162	TS Refund	R	12/09/2016	9.00		025241		9.00
1	Patricia A. Bock							
I-000201612021163	TS Refund	R	12/09/2016	9.00		025242		9.00
1	Gary Thompson							
I-000201612021161	TS Refund	R	12/09/2016	102.00		025243		102.00

VENDOR I.D.	NAME	STATUS	CHECK DATE	INVOICE AMOUNT	DISCOUNT	CHECK NO	CHECK STATUS	CHECK AMOUNT
1	Barry J. Skaggs TS Refund	R	12/09/2016	84.00		025244		84.00

\* \* T O T A L S \* \*

	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
REGULAR CHECKS:	177	669,668.61	0.00	669,668.61
HAND CHECKS:	0	0.00	0.00	0.00
DRAFTS:	6	173,177.95	0.00	173,177.95
EFT:	0	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
VOID CHECKS:	0			
VOID DEBITS		0.00		
VOID CREDITS		0.00	0.00	

TOTAL ERRORS: 0

VENDOR SET: 01	BANK: AP	TOTALS:	NO	INVOICE AMOUNT	DISCOUNTS	CHECK AMOUNT
			183	842,846.56	0.00	842,846.56
BANK: AP		TOTALS:	183	842,846.56	0.00	842,846.56
REPORT TOTALS:			183	842,846.56	0.00	842,846.56

void check #24961 to DMV, to charge user tax

(204.00)  
\$842,642.56

**Casitas Municipal Water District  
 Reimbursement Disclosure Report (1)  
 Fiscal Year 2016/17  
 July 1, 2016-June 30, 2017**

<u>Date paid</u>	<u>Board of Director/Employee</u>	<u>Description</u>	<u>Amount Paid</u>
7/5/2016	Vincent Godinez	Safety Boot Purchase	153.87
7/5/2016	Scott Lewis	Salmonid Genetics Conference	210.00
7/13/2016	Scott Lewis	Airfare to CMWD 7/10-7/14	425.20
7/13/2016	Scott MacDonald	Class Reimbursement	120.00
7/13/2016	Luke Soholt	Class Reimbursement	168.00
7/19/2016	Lindsay Cao	CWEA Membership	172.00
7/26/2016	Gerardo Herrera	Safety Boot Purchase	170.00
7/26/2016	Tim Lawson	Safety Boot Purchase	118.20
7/28/2016	Ron Yost	Property Tax Bill-Damtender Residence	608.65
8/4/2016	Gerardo Herrera	Utility Leadership Course	115.68
8/10/2016	Eric Behrendt	Safety Boot Purchase	156.59
8/10/2016	Scott Lewis	Lodging	348.32
8/10/2016	Scott Lewis	Car Rental	320.27
8/17/2016	Robert Vasquez	Safety Boot Purchase	170.00
8/24/2016	Larry Harris	Gray Water Workshop Refreshments	200.10
9/14/2016	Joel Cox	Safety Boot Purchase	170.00
9/14/2016	Greg Romey	Mileage Reimbursement - Offsite Training	111.24
9/21/2016	Joel Cox	T4 Certification	105.00
10/5/2016	Scott MacDonald	Safety Boot Purchase	170.00
10/13/2016	Scott Lewis	Airfare to CMWD 9/27-9/29	331.20
10/13/2016	Scott Lewis	Car Rental	254.08
10/13/2016	Scott Lewis	Lodging	189.50
10/13/2016	Brian Taylor	Safety Boot Purchase	156.59
10/19/2016	Michael Moler	Lodging for CALMS Conference	353.40
10/19/2016	Michael Moler	Mileage Reimbursement - Offsite Training	515.70
11/2/2016	Michael Moler	Lodging for CA/NV Fall Conference	377.92
11/2/2016	Michael Moler	Mileage Reimbursement - Offsite Training	222.48
11/9/2016	Michael Gibson	Lodging & Meals for Steelhead Conference	281.40
11/16/2016	Scott Lewis	Airfare to CMWD 11/14-11/19	451.20
11/16/2016	Scott Lewis	Fish Conference - 9/8	135.00
11/23/2016	Vincent Godinez	Safety Boot Purchase	170.00
11/23/2016	Vincent Godinez	Distribution Grade 3 Exam Fee	100.00
11/23/2016	Lindsay Cao	PE License Renewal	115.00
12/1/2016	Scott MacDonald	Distribution Grade 4 Certification	105.00
12/1/2016	Robert Vasquez	Water Treatment Plant Operator Course	112.55
12/1/2016	Robert Vasquez	Distribution Grade 3 Exam Fee	100.00
12/1/2016	Robert Vasquez	Distribution Grade 3 Certification	120.00

Note:

1) Reimbursement Disclosure Report prepared pursuant to California Government Code 53065.5

# MEMORANDUM

---

TO: Board of Directors  
From: Steven E. Wickstrum, General Manager  
RE: Ojai Basin Management Agency's Report Supporting Alternative Demonstration Made Pursuant to water Code §10733.6(b)(3)  
Date: December 9, 2016

---

## RECOMMENDATION:

It is recommended that the Board of Directors provide direction to Director Baggerly.

## BACKGROUND:

The Ojai Basin Groundwater Management Agency (OBGMA) has prepared a Report that OGGMA is considering to comply with the requirements of the Sustainable Groundwater Management Act, and deliver said Report to the State Department of Water Resources by the January 1, 2017 deadline. Director Baggerly, as the Casitas representative seat on the OBGMA Board of Directors, would like to present the Report and receive direction from the Casitas Board regarding the submittal.

Attached to this memorandum are the "*Report Supporting Alternative Demonstration Made Pursuant to Water Code §10733.6(b)(3)*" and the errata sheet that has been provided at this time by OBGMA. It is requested that the Casitas Board read the report and be ready to discuss the Report, ask questions, receive public comment, and provide direction to Director Baggerly.

# Report Supporting Alternative Demonstration Made Pursuant to Water Code § 10733.6(b)(3)

## *Executive Summary*

This report is being submitted to the California Department of Water Resources (“DWR”) pursuant to Water Code § 10733.6(b)(3) for the purpose of demonstrating that the Ojai Groundwater Basin has operated within its “sustainable yield” for a period of over 10 years with no “undesirable results” observed over the long-term basin management period (1991 to present). As the “exclusive local agency” within its statutory boundaries for purposes of implementing the requirements of the Sustainable Groundwater Management Act of 2014 (“SGMA”), the Ojai Basin Groundwater Management Agency (“OBGMA” or “Agency”) is authorized to make this demonstration to DWR as an alternative to and in lieu of preparing a Groundwater Sustainability Plan. (Water Code §§ 10723(c)(3); 10733.6(b)(3).)

The OBGMA has worked to preserve the quantity and quality of groundwater in the Ojai Groundwater Basin (“Ojai Basin” or “Basin”) for sustainable long-term use since the Agency’s establishment in 1991. The Agency’s management efforts, in combination with other factors, such as physical characteristics of the Basin which allow it to recharge quickly during periods of excessive rainfall, and the availability of surface water supplies from Lake Casitas when groundwater levels drop, ensure that long-term average annual extractions from the Basin remain in balance with long-term average annual replenishment. The Basin has been experiencing conditions of long-term hydrologic balance persisting over the last several decades. Given the management regime already in place, there is no reason to suspect that these conditions will not continue to persist indefinitely into the future.

The driving force behind groundwater conditions in the Ojai Basin is precipitation as rainfall. Groundwater levels, amount of groundwater in storage, surface water flow, well production, etc. are all tied to the unifying precipitation input component. A ratio of nearly four-to-one of catchment to storage surface projection area results in the Basin recharging rapidly during the periods of excess rainfall, followed by long periods of water level decline before the recharge cycle begins again. Groundwater levels within the Basin have been observed to exhibit relatively large fluctuations that correlate directly with wet and dry periods.

Analysis of available long-term hydrographs from wells within the Basin indicate that although groundwater levels fluctuate relative to climatic conditions, there has not been a sustained average decline over several decades. This observation is supported by the OBGMA's numerical model results (DBS&A, 2011), which indicate that the total amount of groundwater in storage did not change appreciably from the beginning to the end of the calibration period (1970 to 2009). Despite years of historically deficient rainfall, key well water levels presently remain above historic lows. These results indicate that, from the standpoint of maintaining average groundwater elevations and the groundwater in storage, groundwater extraction rates from the Basin have been operating at a “sustainable” level over the past several decades.

Over the OBGMA model calibration period, annual volumes of recharge vary from

approximately 1,700 AF/yr to 20,000 AF/yr. The annual average recharge over the calibration period is 6,615 AF/yr. Based on historical records, annual recharge is expected to be less than the average 6,615 AF/yr in 68 percent of the years, whereas on the same historical basis, recharge is expected to be greater than the median value of 5,026 AF/yr 50 percent of the time. Since the recharge is significantly affected by a relatively small number of unusually high rainfall years, the median value of 5,026 AF/yr is a more conservative and representative statistic of the central tendency.

Over the model calibration period, the annual average estimated groundwater extraction was 4,321 AF/yr (1970-2009). Using OBGMA data from 1985 to 2016, annual extractions averaged 4,930 AF/yr from reported wells within agency jurisdiction. Groundwater extraction in the Ojai Basin between 1985 and 2012 averaged approximately 5,100 acre-feet annually. During the 1985 to 2013 period, the highest production was 7,697 acre-feet (1992) and the lowest was 3,160 acre-feet (2016). Average annual extraction decreased significantly from 2013 to 2016 due to lowering groundwater levels, conservation, and the fact that some shallow wells near the Basin periphery effectively get cut off from the groundwater supply when water levels drop. During these times, Basin water users have an alternate surface water supply available from Lake Casitas to meet in-Basin agricultural and domestic demands.

Despite recharge being less than the extracted volumes in over half of the model calibration years (1970-2009), groundwater levels have remained stable owing to the dramatic increase in storage that occurs during unusually wet years. Under current extraction conditions, it is only during extended multi-year droughts (absent wet year input), that notable declines in groundwater levels are observed.

A basin's sustainable yield is calculated as "the maximum quantity of water . . . that can be withdrawn annually from a groundwater supply without causing an undesirable result." (Water Code § 10721(v).) Over the long-term basin management period (1991-present), despite extended multi-year droughts, there has been no evidence of basin "undesirable results" which might suggest that extractions are exceeding the Basin's sustainable yield. Specifically, there has been:

- No evidence of chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply
  - ✓ *Historic lowering of groundwater levels in the Ojai Basin is commensurate with decreases in precipitation associated with drought conditions, a trend which is reversed during and following wet years and seasons.*
- No evidence of significant and unreasonable reduction of groundwater storage
  - ✓ *Historic lowering of groundwater storage in the Ojai Basin is consistent with decreases in precipitation associated with drought conditions, a trend which is reversed during following wet years and seasons.*
- No evidence of significant and unreasonable seawater intrusion
  - ✓ *The Ojai Basin is elevated relative to mean sea level and separated from the*

*ocean by several fault systems and bedrock formations which prevent seawater intrusion to the Basin.*

- No evidence of significant and unreasonable degraded water quality
  - ✓ *Deep aquifers which contain the poorest quality water are isolated to a relatively small portion of the Basin and penetrated by few wells. Significant overlying better quality groundwater provides continued delivery to wells such that the blended water remains of suitable quality. Several wholesale and retail water purveyors have been involved in ongoing discussions of proactive desalter projects the usability of the deeper aquifers, uncorrelated with drought conditions.*
- No evidence of significant and unreasonable land subsidence
  - ✓ *No significant physical land subsidence issues (ground fissures, elevated well heads, compressed well casings) are evident in the Ojai Basin associated with groundwater extraction. The nature of the tectonic geomorphic province in which Ojai exists is reflected in regional tectonic uplifts and downwarping consistent across both bedrock and alluvial settings.*
- No evidence of surface water depletions that have significant and unreasonable adverse impacts on beneficial uses of the surface water
  - ✓ *Historic reduction in surface flow in San Antonio Creek, the primary surface water discharge point for groundwater from the Ojai Basin, is correlative to decreases in precipitation associated with drought conditions, a trend which is reversed during and following wet years and seasons. Significantly, surveys for fish presence and absence over several life stage cycles in San Antonio Creek have indicated both declines of the metric and rebounds during the period 2006 to 2016.*

Consistent with the requirements of Water Code § 10733.6(b)(3), the foregoing demonstrates that the Ojai Basin has operated within its “sustainable yield” for a period of over 10 years. The OBGMA already has a groundwater management plan in place which protects the Basin’s groundwater quality and ensures the Basin remains in long-term hydrologic balance. The financial resources available to the OBGMA to carry out its mission and serve the water users of the Ojai Basin are limited. Approval of this demonstration to meet the DWR requirements for an alternative plan will allow OBGMA to focus its limited resources on existing and planned future Basin management actions, while avoiding the expensive, time consuming, and unnecessary process of having to prepare a Groundwater Sustainability Plan.

## ***Introduction***

The Sustainable Groundwater Management Act of 2014 (“SGMA”) requires that all groundwater basins in California be managed sustainably. (Water Code §§ 10720.1(a).) SGMA defines “sustainable groundwater management” as the “management and use of groundwater in a manner

that can be maintained during the planning and implementation horizon without causing undesirable results.” (Water Code §§ 10721(v).)

SGMA uses the term “sustainability goal,” defined as the “implementation of measures targeted to ensure that the applicable basin is operated within its sustainable yield.” (Water Code § 10721(u).) A basin’s “sustainable yield” is calculated as “the maximum quantity of water . . . that can be withdrawn annually from a groundwater supply without causing an undesirable result.” (Water Code § 10721(w).)

SGMA defines “undesirable result” as any of the following effects:

- Chronic lowering of groundwater levels (not including overdraft during a drought, if a basin is otherwise managed properly);
- Significant and unreasonable reductions in groundwater storage;
- Significant and unreasonable seawater intrusion;
- Significant and unreasonable degradation of water quality;
- Significant and unreasonable land subsidence; and
- Surface water depletions that have significant and unreasonable adverse impacts on beneficial uses. (Water Code § 10721(x).)

The Ojai Basin Groundwater Management Agency (“OBGMA” or “Agency”) is one of fifteen (15) special act districts created by statute to manage groundwater within its statutory boundaries. Pursuant to its enabling legislation, the OBGMA has been managing the quantity and quality of groundwater in the Ojai Groundwater Basin since 1991. These management efforts have resulted in protection and maintenance of the long-term water supply for the common benefit of all water users in the Basin. As a result, the Ojai Basin has been operated within its “sustainable yield” for the past several decades with no evidence of “undesirable results.”

SGMA identifies OBGMA as an “exclusive local agency” within its statutory boundaries for purposes of implementing the requirements of the Act. (Water Code § 10723(c)(1).) This affords OBGMA the opportunity to demonstrate to the California Department of Water Resources (“DWR”) that the Ojai Basin is already being sustainably managed and has been operating within its “sustainable yield” for a period of at least 10 years. SGMA authorizes OBGMA to make this demonstration as an alternative to and in lieu of preparing a Groundwater Sustainability Plan. (Water Code §§ 10723(c)(3); 10733.6(b)(3).) OBGMA has elected to proceed with such a demonstration.

The OBGMA has presented the key elements of this report and received verbal comments at four (4) public forums:

- Association of Water Agencies of Ventura County – Water Issues Committee, October 18, 2016
- OBMGA Board Meeting, October 27, 2016
- Ventura Watershed Council, November 3, 2016
- City of Ojai City Council Meeting, November 17, 2016



While not required under SGMA, the OBGMA intends to take additional public comment on this report, and its proposal to proceed with an alternative demonstration pursuant to Water Code § 10733.6(b)(3), at its Board meeting scheduled for December 8, 2016. Subsequent public comment will be allowed for the allotted 60-day period after the report has been submitted to the DWR

## ***Agency Information***

### ***Agency Background***

The OBGMA is responsible for managing the supply and demand of Ojai Groundwater Basin in Ventura County for the protection and common benefit of agricultural, municipal, and industrial water users of the Basin. OBGMA was created in 1991 in the fifth year of a drought amidst concerns of local water agencies, water users, and well owners about potential overdraft of the Ojai Basin. Creation of the Agency required a special act of the California legislature, the Ojai Basin Groundwater Management Agency Act (SB 534, October 1991). OBGMA is one of only 15 special act districts with legislative authority to manage groundwater in California within its statutory boundaries.

The OBGMA Board of Directors (“Board”) consists of five members and their alternates. The five seats comprise representatives of each of the following entities: Ojai Water Conservation District, City of Ojai, Golden State Water Company, Casitas Municipal Water District, and the mutual water companies (Gridley Road Water Group, Hermitage Mutual Water Company, Senior Canyon Mutual Water Company, and Siete Robles Mutual Water Company). Regular attendance at each of the Board meetings is required to form a quorum and attend to Board activities. Figure 1 presents a map of the OBGMA’s jurisdictional boundaries with the various water agency boundaries included.

### ***OBGMA Mission Statement***

It is the mission of the OBGMA to preserve the quantity and quality of groundwater in the Ojai Basin in order to protect and maintain the long-term water supply for the common benefit of the water users in the Basin. The mission of the OBGMA is derived from its enabling legislation, the Ojai Basin Groundwater Management Agency Act (SB 534, October 1991).

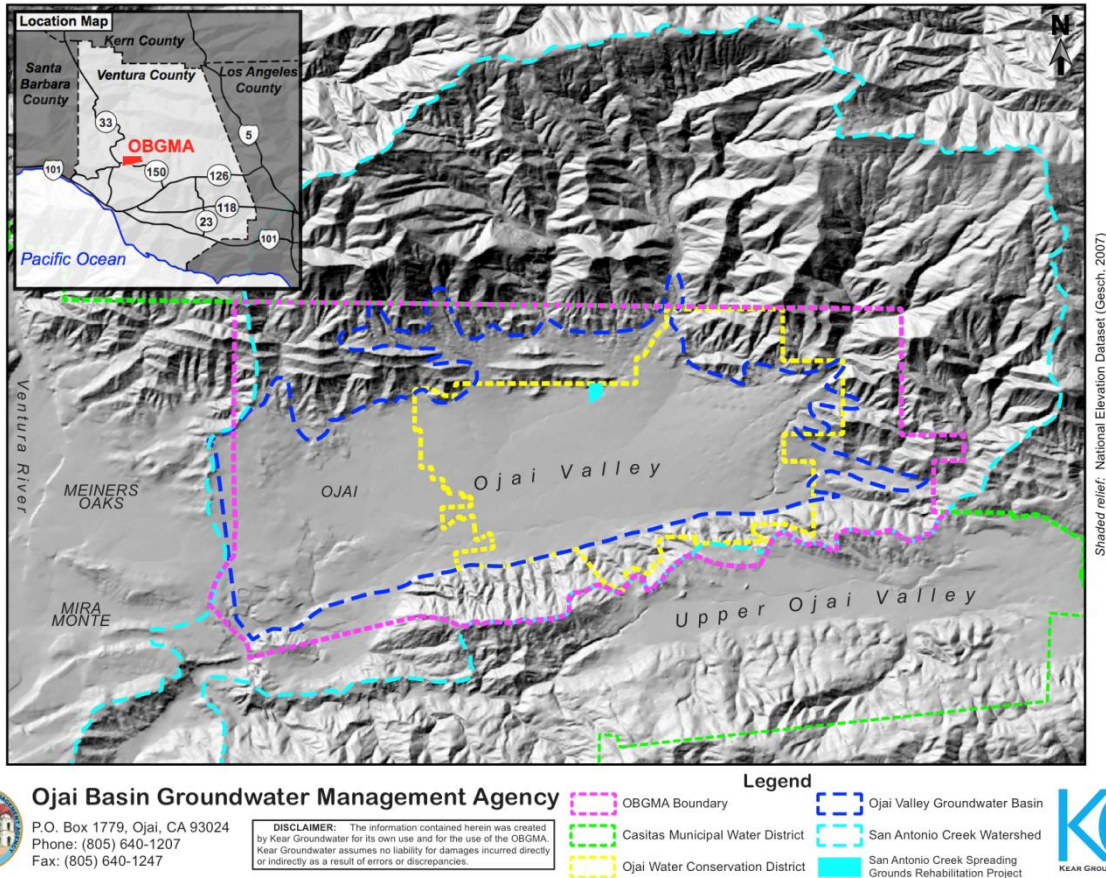


Figure 1. OBGMA and Local Water Agencies Location Map.

## OBGMA's Groundwater Management Activities

The OBGMA is required by its enabling legislation to have a Groundwater Management Plan (“GMP”) to guide its operations. The GMP is intended to protect the Basin’s groundwater quality, and ensure long-term average annual water replenishment and extractions in the Basin remain balanced. The initial GMP was prepared and published in 1995. An update in 2007 provided additional information based on studies performed for the OBGMA by contracted hydrogeologists and engineers, as well as recommendations and input from the Agency’s advisory committee, DWR, well owners, and water users.

The GMP consists of five broad goals, each with a number of sub-action elements, that provide the structure to the OBGMA’s management efforts:

- 1) Understanding the Basin
- 2) Controlling Exports; Protecting and Managing the Basin
- 3) Encouraging Supporting Activities
- 4) Effective Communication
- 5) Efficient Administration

Approved action elements are implemented by OBGMA in the form of rules, regulations, or ordinances. Additional action elements consistent with GMP goals continue to evolve and are implemented by OBGMA on an ongoing basis as necessary.

**a. Basin Monitoring and Data Collection.** The OBGMA has a comprehensive monitoring program in place which it implements in cooperation with Ventura County Watershed Protection District (“VCWPD”) in order to better understand the hydrology of the Ojai Basin and to carry out its mission of ensuring the sustainable long-term beneficial use of groundwater.

Monitoring is conducted to serve as a basis for modeling, to identify changing conditions, and to implement management programs when needed. The Agency’s monitoring program includes:

1. Surface water entering the Basin
2. Recharge of the basin from rainfall
3. Stream flow seepage
4. Evapotranspiration
5. Discharge from the basin as surface flow at San Antonio Creek and subsurface flow
6. Extractions from the Basin via public and private wells

The OBGMA, in cooperation with the Ventura County Watershed Protection District (“VCWPD”) measures key wells routinely for water levels and water quality. The OBGMA currently has dedicated data loggers that continually measure water levels and temperature at six key wells in the Basin. Permission from the well owners is obtained by the OBGMA prior to monitoring if not already being conducted by Ventura County. Additional data collection actions, including surface water discharged from San Antonio Creek and surface water inflow into the Basin, are being considered for further implementation. All data collected and analyzed are reported annually by the OBGMA. All results from each well measurement are shared with the respective well owner via either direct communication and/or provision of any Agency publication that contains such data.

State Well #04N/22W-05L08S is a key well monitored for water levels by Ventura County, with data available beginning in 1949. The OBGMA measures water levels at the key well automatically at three-hour intervals and calculates the springtime-high water level (typically between March and June) at the key well annually.

In addition, a depth-discrete monitoring well (“SACSGRP DDMW”) was installed near the San Antonio Creek Spreading Grounds Rehabilitation Project to monitor the effectiveness of recharge occurring in the area and to obtain a better hydrogeologic understanding of the Basin. The SACSGRP DDMW consists of a nested series of five 2-inch-diameter PVC casings to discretely screen the intervals from 40 to 90 feet, 100 to 110 feet, 140 to 150 feet, 190 to 210 feet, and 255 to 295 feet below ground surface. OBGMA measures water levels automatically at six wells within the basin, including the SACSGRP DDMW which contains five separate and discretely nested casings. In addition to the SACSGRP, production wells are voluntarily offered by their owners/managers to monitor the basin conditions. These are the: Lagomarsino Well, Hansen Well, Elrod Well (the key well area), Conrow Well, and Topa Topa Ranch Well No. 5. These wells provide a comprehensive lateral coverage of the major portion of the basin.

**b. Well Permitting and Registration.** The OBGMA adopted Ordinance No. 94-01 to require all wells in the Ojai Basin to be registered with the Agency. All new extraction facilities constructed within the OBGMA boundary must be registered with the Agency and must obtain a no-fee permit from the Agency prior to the issuance of a Well Permit by the VCWPD. Operators of constructed extraction facilities are required to register their wells by completing and returning the OBGMA Registration Form to the Agency within thirty calendar days following completion of construction and prior to any groundwater extraction. No extraction facility may be operated or otherwise utilized so as to extract groundwater within the boundaries of the Agency unless that facility is registered with the Agency, metered and permitted and all extractions reported to the Agency as required. As of 2016, there were 186 active wells in the Ojai Valley Groundwater Basin, 68 of which have been drilled since the year 2000.

**c. Extraction Measurement.** The OBGMA is mandated by its enabling act to monitor groundwater extractions. OBGMA has an ordinance in place which requires operators extracting groundwater from the Ojai Basin to file a quarterly extraction report in January, April, July, and October of each year (based on the October 1 to September 30 water year) that accurately states the amount of water extracted during the prior quarter, in addition to all other relevant information requested on the OBGMA Groundwater Extraction Form. The signed form must be submitted under penalty of perjury by the operator. Currently, all well operators are required to report their water extractions, as precisely as possible, using water flow measuring meters. *De minimis* users are exempt from equipping their wells with a meter but nevertheless must provide the Agency an accurate record using other methods such as electrical power usage or crop factor to report their groundwater usage.

The OBGMA charges a \$5 fee per quarterly reporting period for the recordation of groundwater extraction. Any person who intentionally violates the Agency ordinances is guilty of an infraction and may be required to pay a fine not to exceed \$500. Any person who negligently or intentionally violates this Ordinance may also be liable civilly to the Agency for a sum not to exceed \$1000 per day for each violation, in addition to any other penalties that may be prescribed by law.

**d. Computer Modeling.** The OBGMA has at its disposal several studies of the basin hydrology, including conceptual models. These models must be tested and updated regularly under a continuing monitoring program to serve as a basis for informed decision-making. The OBGMA contracted Daniel B. Stephens & Associates, Inc. (“DBS&A”) to perform predictive model simulations to assess anticipated groundwater elevations following drought conditions in water years 2012 through 2014. The Ojai Basin model advances basin understanding and is used by the OBGMA in groundwater management planning. The model was developed by DBS&A for OBGMA, with funding from a DWR Local Groundwater Assistance grant and cost sharing by the OBGMA. The Ojai Basin model was developed using the MODFLOW-SURFACT computer code, which is an upgraded and proprietary version of the widely used U.S. Geological Survey (“USGS”) MODFLOW code. The Ojai Model includes a module known as a Distributed Parameter Watershed Model (“DPWM”), which is an analytical watershed model developed by DBS&A used to estimate the transient distribution and magnitude of groundwater recharge. Most



recently, the model calibration was updated to run from April 1, 1970 through December 31, 2013.

**e. Annual Reporting and Public Outreach.** The OGBMA is required by its enabling legislation to prepare an annual report on Basin water supply and demand conditions which is available to all well owners and the general public. Technical contractors are used if required to perform technical analysis of data collected during the year. In addition, information learned about the Basin and water use in the Basin is shared by the Agency with all well owners directly and with water users in the Basin through the general news media and the publications of local water purveyors. Actions or items of special interest are shared with well owners by direct mailing newsletters, which also include notice of OBGMA meetings and agendas. Board members are available to meet with Basin water users to address issues of concern and the ongoing management activities of the Agency. Staff, board members, and technical contractors are frequently engaged in presentations at various venues, including the Ventura River Watershed Council, the City of Ojai, Association of Water Agencies of Ventura County, and the Groundwater Resources Association of California.

**f. Controlling Exports.** The OBGMA's enabling legislation mandates the preservation of groundwater for the common benefit of water users within the Basin. It requires that no groundwater be exported from the Ojai Basin except under permit issued by the Agency in full compliance with the policy and intent of the Agency's enabling act. Based upon present hydrologic facts and circumstances, the OBGMA has determined that there is no surplus water available for export.

Despite the lack of current surplus, the Agency will consider the existence of surplus water for export from time to time in the future, as dictated by the findings of its annual report or as new, reliable information becomes available. In the event the Agency determines surplus water is available for export, the Agency will impose conditions and criteria on the issuance of any export permit. These conditions and criteria will include at least the following:

- i. The applicant for a permit will bear the full financial and regulatory and legal burden of demonstrating that a surplus of water exists which, if exported, would not cause harm to any existing groundwater user in the Basin, now or in the future.
- ii. The export permit will be suspended in the event of a declared water shortage, Basin storage threshold level is reached, or upon other pre-established conditions.
- iii. All export permits will contain conditions and criteria that will otherwise protect the in-basin users to the fullest extent allowable under the law.

**g. Water Conservation.** The OBGMA encourages water conservation practices by both agricultural users and urban users. Market forces as well as good management practices are moving most agricultural users in the Basin toward implementation of water conservation measures. Likewise, Golden State Water Company ("GSWC"), the largest municipal supplier in the Basin, has initiated a conservation plan approved by the Public Utilities Commission and supported by the City of Ojai. The OBGMA encourages the development, publication and sharing of information with these users for the optimum use of water resources in the Basin. In

addition, the Agency seeks the assistance of various local, state, federal, and private organizations to provide water conservation services and education programs for in-basin water users, including the pursuit of grant funds as available.

**h. Artificial Recharge.** The Ojai Water Conservation District (“OWCD”) was involved in a program for enhanced percolation of stream flow at San Antonio Creek until 1985. This involved the diversion of surface flows into a series of percolation basins and was highly successful. The program was discontinued after the emergency construction of a debris basin on San Antonio Creek by Ventura County using Federal Emergency Management Agency funds, following the major “Wheeler Fire” in the watershed. The result of that debris basin was the destruction of most of the percolation basins.

The San Antonio Creek Spreading Grounds Rehabilitation Project (“SACSGRP”) is a key project of the Watersheds Coalition of Ventura County necessary to rehabilitate these spreading grounds. The SACSGRP is intended to increase groundwater storage and recharge in the Ojai Basin by rebuilding the abandoned diversion works, rehabilitating the existing spreading ground basins, and constructing aquifer recharge wells adjacent to San Antonio Creek, just southwest of the confluence of the Gridley and Senior Canyons. The project is expected to capture 25 cubic feet per second (cfs) of surface flow (when available) from San Antonio Creek to recharge groundwater in the Ojai Basin. The project site is located on an 11.4 acre parcel of land owned by the VCWPD adjacent to San Antonio Creek, within the unincorporated portion of Ventura County, approximately 0.9 miles northeast of the City of Ojai. The project received \$1,315,000 in grant funding from the State Water Resources Control Board through the Proposition 50 Integrated Regional Water Management Grant, which was awarded to the Watershed Coalition of Ventura County, and approximately \$200,000 in local match contributions from the stakeholders. The stakeholder group is composed of the OBGMA, the OWCD, GSWC, CMWD and the VCWPD and was formed in January 2008 to collaborate on the implementation and maintenance of the project. The OBGMA strongly supports implementation of the SACSGRP.

**i. Watershed Management.** The OBGMA works with other stakeholders in the Ventura River Watershed to effectively understand and manage the drainage area that includes the Ojai Basin. This effort is included in the suite of tasks applied for by the Watersheds Coalition of Ventura County, under the Ventura River Watershed Management Plan (“VRWMP”). The OBGMA supports this endeavor and expects that its understanding of the Ojai Basin will be enhanced with the additional monitoring wells provided under the project.

**j. Funding.** The financial resources available to the OBGMA to carry out its mission and serve the water users of the basin are limited. The OBGMA is funded by extraction charges levied on pumpers in the Ojai Basin to initiate, carry on, and complete the powers, purposes and groundwater management activities of the Agency. The present legislative ceiling on extraction charges is \$25 per acre-foot (Resolution #2013-2). The approved budget for the 2014/2015 fiscal year is \$60,000 based on 4,000 acre-feet of extractions. The OBGMA operates from a one room office, with one part time office assistant who also acts in the capacity of secretary and treasurer. The Agency must have one professional, technically qualified staff person as a manager at least part time. These expenses, along with regular audits, legal services, and required insurance

consume the majority of the funding. The Agency is also a participant in funding projects that are within its purview, such as groundwater basin models, the SACSGRP, and grant applications.

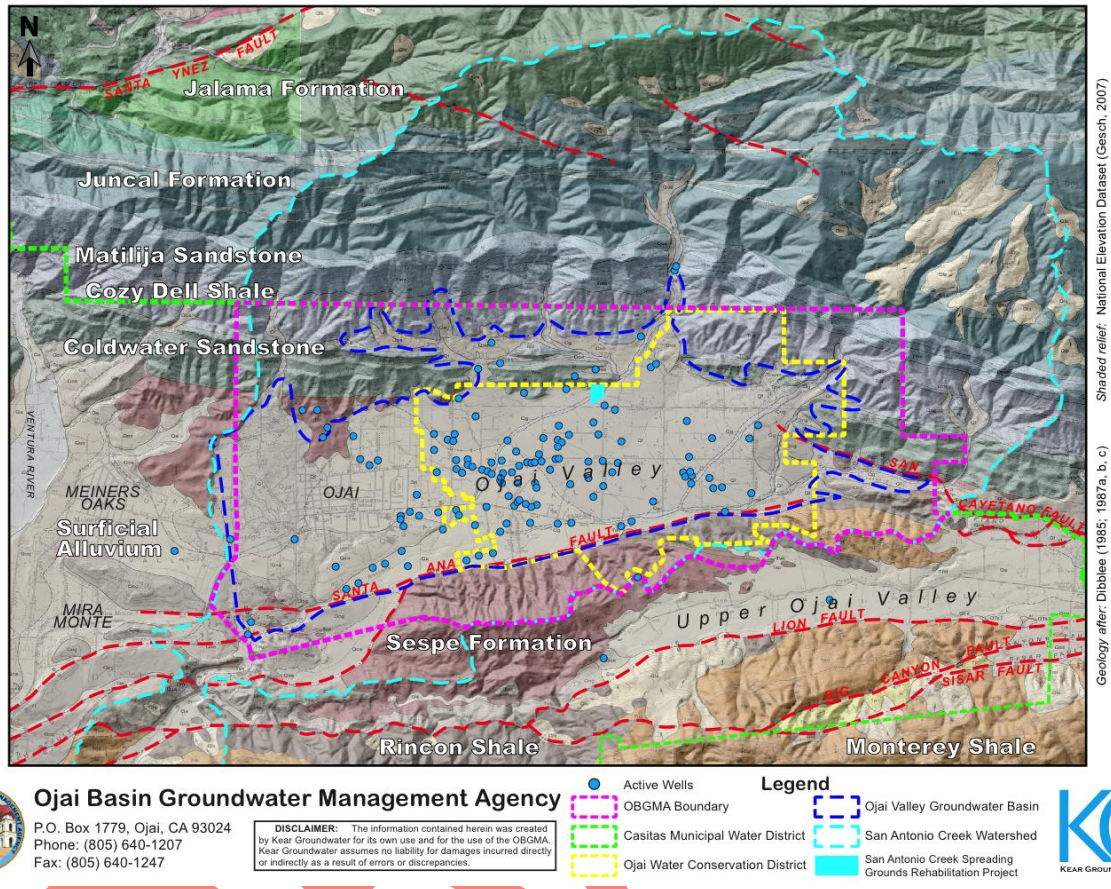


Figure 2. Ojai Basin Aerial Map, with Streams and Active Well Locations

### Description of the Ojai Basin and Persisting Conditions

The Ojai Valley Groundwater Basin (DWR Bulletin 118 Groundwater Basin Number 4-2) stretches over 8.7 square miles (5,568 acres) in mountains north of the Pacific Ocean (modified in area down from 10.1 square miles in 2016). The Ojai Basin is one of the most important basins in the Ventura River Watershed in terms of serving a large number of people and agricultural acres. As of 2016, there are 184 active wells in the basin that supply water to tree crops (mostly citrus and avocados), residents, and businesses in the City of Ojai and surrounding areas (Figure 2). Some water from the Basin is also naturally discharged to San Antonio Creek, providing critical base flow and supporting its riparian habitat, as well as downstream water users. San Antonio Creek has been designated as critical habitat for the endangered southern California steelhead.



The Ojai Basin is a relatively deep, bowl-shaped basin, which is bounded on the west and east by non-water-bearing Tertiary aged rocks, on the south by the Santa Ana Fault and Black Mountain, and on the north by the Topatopa Mountains. Major surface drainages that contribute influx or recharge to the basin include San Antonio Creek and the various tributary streams that drain the East End of the Ojai Valley and flow into San Antonio Creek. Steep slopes in these creek, especially those flowing out of Senior Canyon and Thatcher Creek, are responsible for forming extensive alluvial fan deposits as the fast-moving, debris-laden water coming out of the mountains slows, spreads out, and deposits suspended sediment. These deposits of sand and gravel, thickest closest to the mountains in the northeastern portion of the Basin, are largely responsible for filling the Ojai Basin over time and forming the water-bearing aquifers of the Basin. The Basin is deepest in the center and southern areas where sediments have built up against the boundary defined by the Santa Ana Fault. The thickness of the water-bearing alluvium is as much as 715 feet. The primary storage areas are approximately four sand and gravel units that are each on the order of up to 100 feet thick.

The Basin has areas of confined, semi-confined, and unconfined groundwater. Unconfined conditions exist in the northern and eastern portions of the basin, in the areas of the alluvial fan heads. Groundwater in the rest of the aquifer system is, depending on the amount of water in storage and groundwater level position, mostly confined to semi-confined in the central, southern, and western portions of the basin. Groundwater generally flows in a southwesterly direction; however, it also flows towards the municipal wells in the central portion of the basin. Depth to water can be on the order of 300 feet in the eastern and northern alluvial fan-head portions of the basin (with seasonal variations between 50 and 90 feet). In the southern and western portions of the basin, depth to water is typically less than 50 feet (with seasonal variations on the order of 15 feet). During wet periods, artesian conditions or springs can occur in the southwestern part of Ojai Basin when the elevation to which groundwater will naturally rise exceeds the ground surface elevation.

The Ojai Basin has the largest capacity of the Ventura River Watershed's four groundwater basins. It has a maximum capacity of approximately 85,000 acre-feet, with a safe annual yield of approximately 5026 acre-feet. A "maximum capacity" does not reflect the amount of usable or recoverable fresh water, only that the basin has the capacity to hold this gross volume. Not all of the storage capacity contains economically recoverable water or water that is of acceptable quality for use.



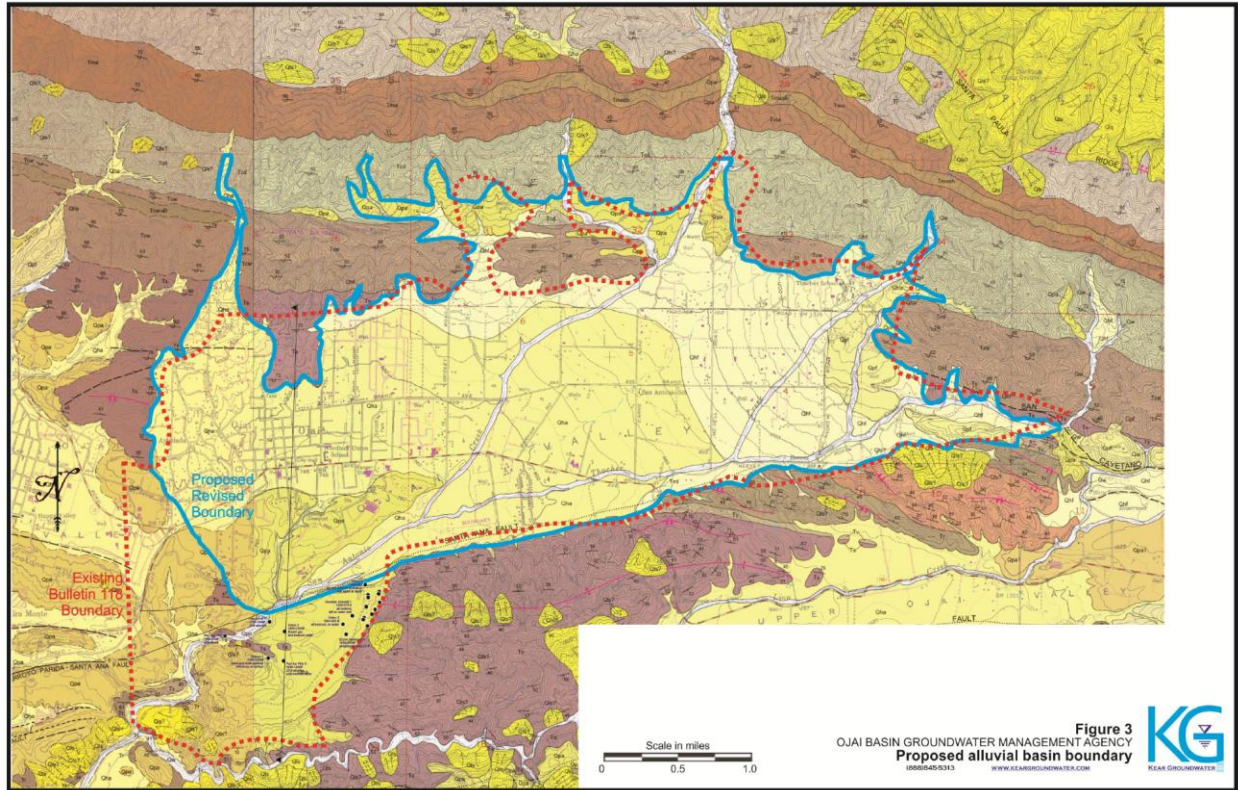


Figure 3. Ojai Basin Geologic Map.

### Ojai Basin Geology

The Ojai Basin is part of the Transverse Ranges geomorphic province. Rocks in this region have been folded into a series of predominantly east-west-trending anticlines and synclines associated with thrust and reverse faults. Late Eocene to Miocene sedimentary rocks of dominantly marine origin are deformed in a series of folds and faults to form the Ojai Basin and its surrounding mountains (Figure 3). Exposed bedrock units within the basin are non-water-bearing, Late Eocene to Miocene sedimentary rocks of mostly marine origin. From oldest to youngest, these units include the Juncal Formation, Matilija Sandstone, Cozy Dell Shale, Coldwater Sandstone, Sespe Formation, Rincon Shale, and Monterey Shale. Minor groundwater production is yielded from the consolidated bedrock formations, as the groundwater is stored only in fractures.

The primary water-bearing units are Quaternary surficial sediments that unconformably overlie the older sedimentary rocks along valley floors and stream channels. These include historical, Pleistocene-aged dissected gravel terraces and active, Holocene-aged deposits. Active sedimentation occurs as stream channel deposits of gravel and sand, such as at San Antonio Creek, alluvial fan deposits of gravel, and floodplain alluvium of clay, silt, sand and gravel. The alluvial deposits may reach several hundred feet of thickness, with typical well yields that range from 100 to 600 gallons per minute (GPM).

Coarse grained sand and gravel aquifer units appear to be thickest near the north and east portions of the basin (the alluvial fan heads) and thinnest to the south and west where fine grained lacustrine and floodplain deposits predominate as confining layers, separating the water-

bearing zones into as many as a half-dozen correlative aquifer units. Groundwater in the alluvial sediments may be unconfined or confined, depending on water levels and the presence of clay-rich confining units. With the exception of higher elevation areas associated with the alluvial fan heads, the aquifer system is capable of being under confined conditions in most of the basin, but may be confined or unconfined at different times depending on the degree of saturation and the thicknesses of aquifer and aquitard units.

Regional deformation was caused by north-south compression, which may have begun during the late Pliocene or as late as 700,000 years ago and continues today. Regional crustal shortening due to this compression is largely taken up locally by faults and associated folds. Major faults are the San Cayetano, Santa Ana, Santa Ynez, Lion, Big Canyon, and Sisar. The importance of structural geology is relevant from a hydrogeologic standpoint for several reasons. During pumping, faults and bedrock folds provide no-flow boundaries. Faults can also provide zones of fracture in consolidated rocks from which groundwater can be extracted at wells. Where not cutting the overlying alluvium, faults can cause deeper formation groundwater to rise and subcrop into the overlying alluvial formations.

### *Ojai Basin Groundwater Recharge*

Virtually all water to the Ojai Valley Groundwater Basin derives from the hydrologic cycle as precipitation within the mountainous area surrounding the basin and precipitation on the valley floor itself. The majority of recharge to the basin is from infiltration of precipitation on the valley floor and percolation of surface waters through alluvial channels. Some additional recharge is provided by excess irrigation flow (with a little more than half typically sourced from Lake Casitas) and a minor amount of subsurface flow. The OBGMA's monitoring of the basal alluvial aquifer at the SACSGRP DDMW indicate a favorable component of "recharge without rainfall," as discharges from adjacent bedrock aquifers contribute spring flow and subterranean contributions to the alluvial aquifers.

The Ojai Basin is located within a Mediterranean-type climatic zone characterized by long, dry summers and short, mild winters. The vast majority of precipitation occurs in the winter months. Precipitation rates within the Basin are variable, and cyclic patterns occur, sometimes with deficient rainfall over several consecutive winters (droughts). Recharge from precipitation within the basin is considered to also be variable and to follow similar trends.

Groundwater levels within the Basin have been observed to exhibit relatively large fluctuations that correlate with wet and dry periods. The drainage area for the Ojai Basin is relatively large (36 square miles) compared to the alluvial surface area of about 10 square miles, and as such the amount of groundwater in storage responds quickly to heavy precipitation. Most of this recharge occurs where Horn Canyon (Thacher Creek), Gridley Canyon and Senior Canyon (San Antonio Creek), and Reeves Creek enter the basin at alluvial fan heads. Each of these intermittent streams merge as they flow southwest across the basin and exit as San Antonio Creek, the second largest tributary to the Ventura River after Matilija Creek. The headwaters of San Antonio Creek and its tributaries originate in the Topatopa Mountains north of the Basin. San Antonio Creek has nearly perennial flow as it leaves the Basin, sourced by effluent groundwater from the Ojai Basin. Lion Canyon Creek drains the Upper Ojai Valley and also contributes a significant amount of flow to

San Antonio after it exits the Ojai Valley. Surface water in San Antonio Creek then joins the Ventura River system and flows south before discharging into the Pacific Ocean.

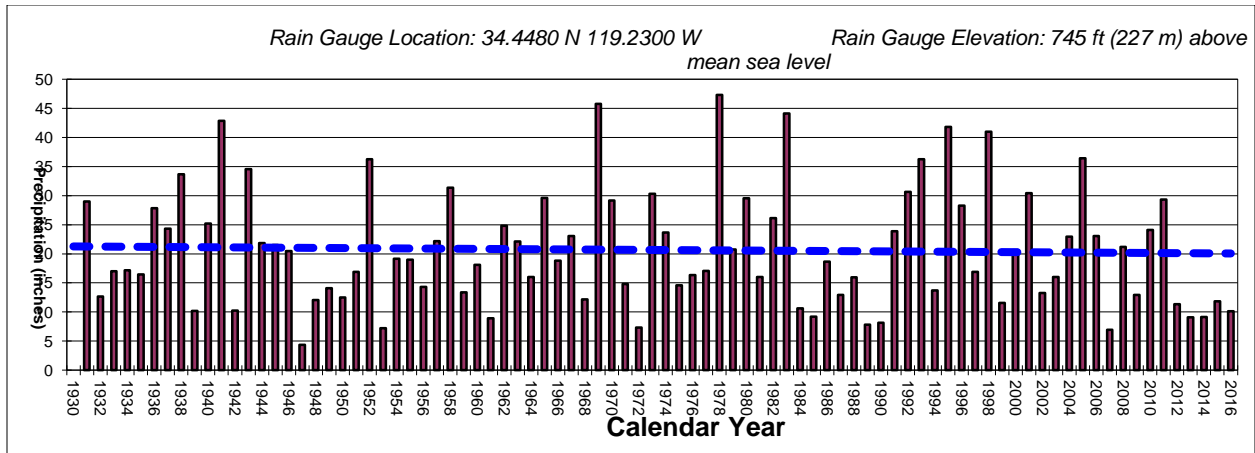


Figure 4. Precipitation at the Ojai Valley Floor.

The average annual precipitation within Ojai Basin is about 21 inches. In addition to the precipitation bar chart presented above (Figure 4), the accumulative departure from average annual precipitation (Figure 5) is an indicator of drought periods versus periods of "normal" or "wet" periods. As the curve declines to the right, a period of drought is realized. Locally, it appears that a drought period began after the end of the 2011 calendar year, but it follows an approximately 15 year period of relatively wet conditions.

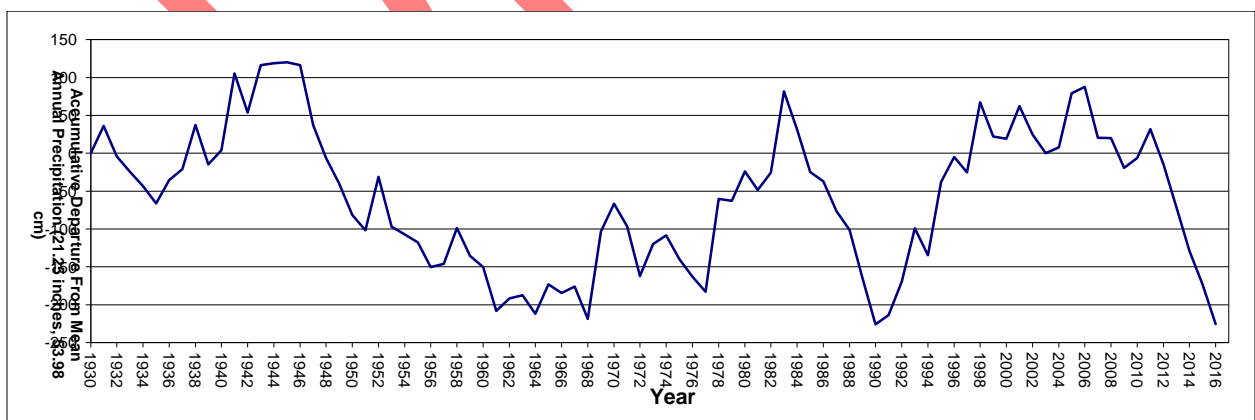


Figure 5. Accumulative Departure Curve from the 1931-2014 Average Annual Precipitation.

Based on the amount of precipitation measured within the watershed, and modeled recharge estimates, the OBGMA estimates that the 21 inches of annual average precipitation accounts for about 6000 acre-feet of groundwater recharge (Figure 6). During the 2011 calendar year, 29.31 inches of rain fell on the valley floor and upwards of 10,000 acre-feet of water recharged to the basin. During the following three calendar years of drought conditions, where 11.35, 9.07, and 15.12 inches of rain fell on the valley floor, respectively, a maximum of around 6,700 acre-feet of total recharge was added to the basin storage, assuming no evapotranspiration.

Recharge is primarily focused in the area of alluvial fan heads on the northern and eastern boundaries of the Basin and within stream channels, including alluvial channels that extend into the bedrock areas to the north and east (Figure 7). Modeled and observed phenomena indicate that any precipitation less than 11 inches on the valley floor is taken up by evapotranspiration and soil storage, among other factors, and that significant recharge is limited to subsurface flow or excess irrigation flow during these drier years.

The DPWM model mass balance indicates that the vast majority of water inflow into the Basin is from recharge and the primary outflows are groundwater extraction in wells and groundwater discharge to surface streams. Over the model calibration period (April 1, 1970 through December 31, 2013), a significant amount of the total mass of water within the system was released from and entered into storage due to fluctuations in hydraulic head, and these respective amounts were approximately equal. This indicates that although the amount of groundwater in storage fluctuated widely during the calibration period, the average amount of groundwater in storage was almost unchanged from the beginning to the end of the model run.

The lateral groundwater model extent was assigned to cover the geographic and vertical extent of alluvial deposits in the Basin. Vertically, the model extends to the estimated depth of the alluvial deposits, and vertical model discretization is based on analysis of geophysical logs from 24 wells located within the Basin. Ten model layers were used to represent discrete aquifer and semiconfining units. The model is discretized into time periods, termed “stress periods,” that correspond to 3-month water year quarters. Model boundary conditions were established to represent surrounding features that may provide inflow to or outflow from the model domain. Boundary conditions included recharge from precipitation, irrigation, septic systems and historical spreading grounds, evapotranspiration by riparian vegetation, groundwater discharge to stream channels, groundwater exchange between bedrock and alluvial aquifers, groundwater extraction (i.e., pumping) in wells, and downgradient alluvial outflow. Model parameters associated with the boundary conditions were established based on basin-specific data, where available. The DPWM was used to estimate the distribution of recharge from precipitation based on site-specific climatological, geologic, soils, and vegetation factors.

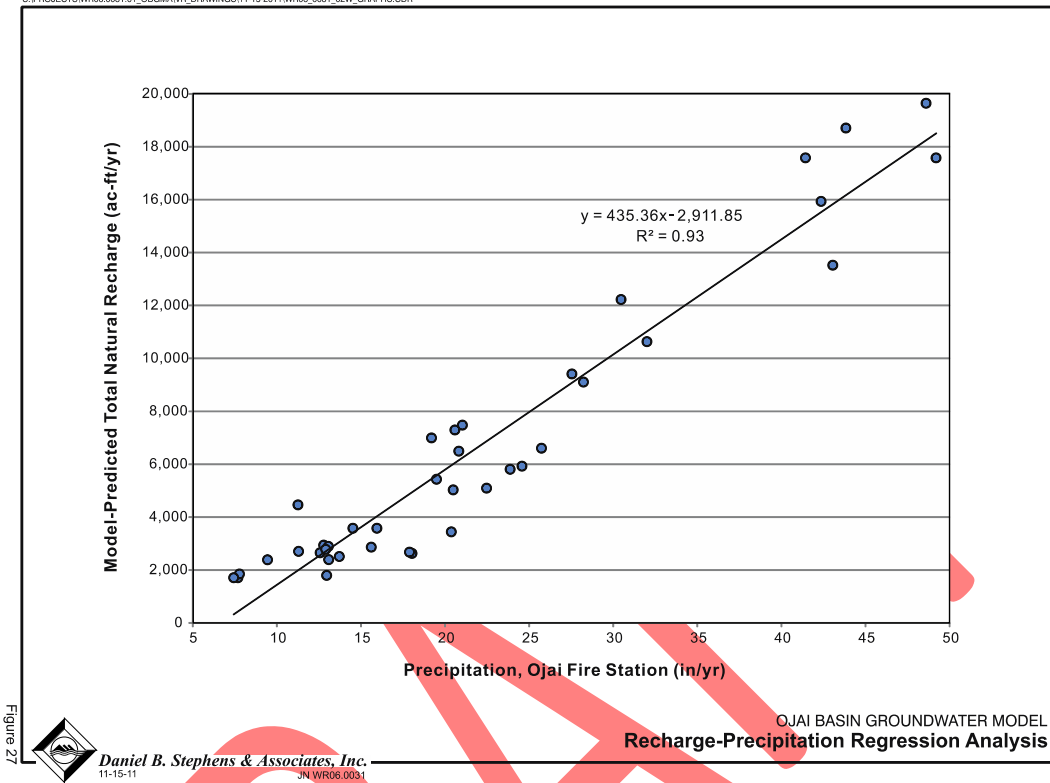


Figure 6. Model-Predicted Relationship between Precipitation and Recharge.



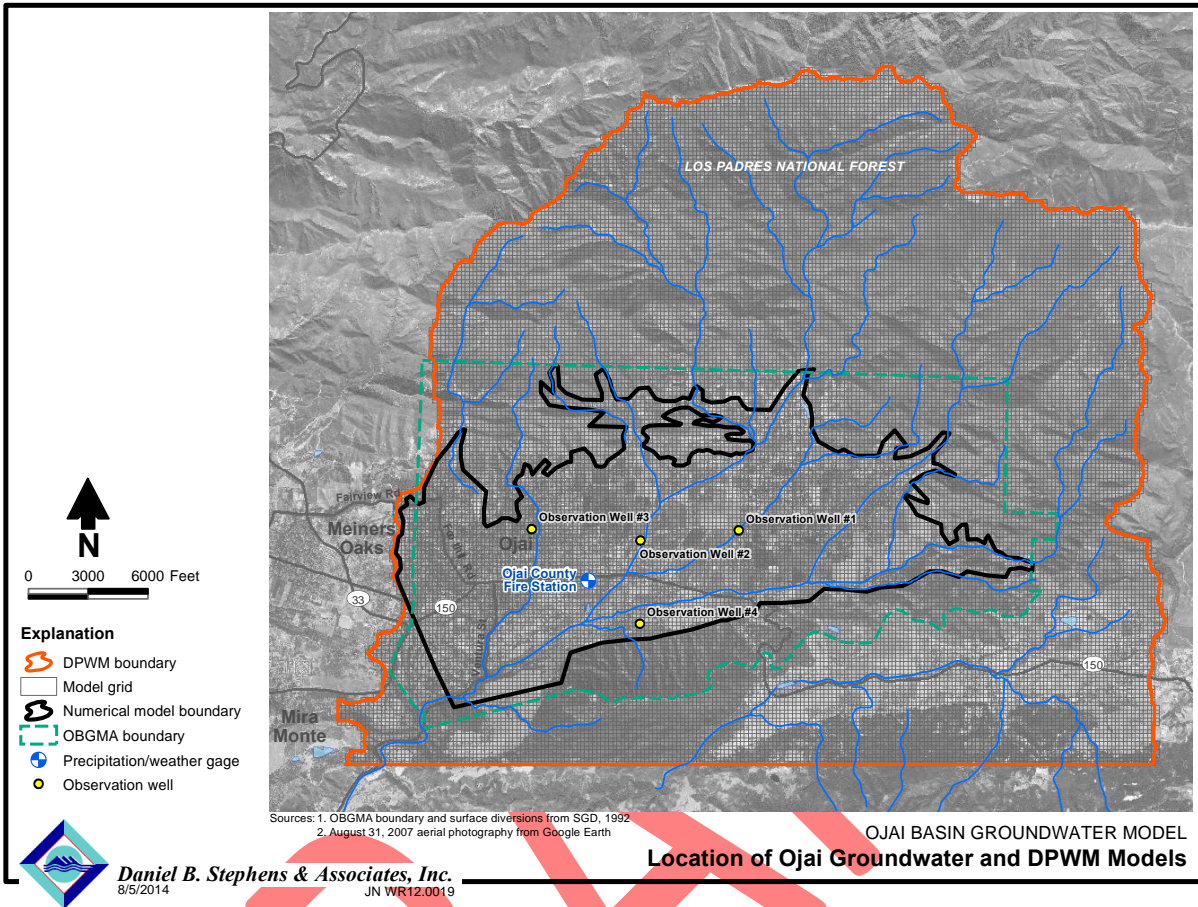


Figure 7 OBGMA Groundwater model domain and recharge areas

### Model Investigation of Safe Yield

The Safe Yield of a Basin is often defined as a quantification of the amount of groundwater that may be reliably extracted on an annual basis. As discussed by Fetter (2001) and Freeze and Cherry (1979), in the past safe yield was estimated as an average of the total annual recharge to a basin. This definition ignores the potential undesirable results of groundwater extraction outlined in SGMA, so the safe yield must be considered to be a quantification of extraction absent undesirable results.

Analysis of available long-term hydrographs from wells within the Basin indicate that although groundwater levels fluctuate correlative to climatic conditions, there has not been a sustained average decline over several decades. This observation is supported by the OBGMA's numerical model results (DBS&A, 2011), which indicate that the total amount of groundwater in storage did not change appreciably from the beginning to the end of the calibration period (1970 to 2009). Despite years of historically deficient rainfall, Key well water levels remain above historic lows (Figure 8). These results indicate that, from the standpoint of maintaining average groundwater elevations and the groundwater in storage, groundwater extraction rates from the

Basin have been operating at a “sustainable” level over the analysis period. Model results do indicate a dramatic decrease in discharge to San Antonio Creek during droughts, with some contribution to this decline by groundwater pumping.

Due to the climatic variability in the region, the amount of groundwater recharge to the Ojai Basin is expected to change appreciably from year to year. Figure 6 presents a graph of the model-predicted recharge to the basin (absent artificial recharge) versus measured annual precipitation on the Ojai Valley floor. The correlation coefficient ( $R^2$ ) value of 0.93 indicates, as expected, that there is a reasonably strong correlation between precipitation and recharge to the Basin. Over the OBGMA model calibration period, annual volumes vary from approximately 1,700 AF/yr to 20,000 AF/yr. The annual average recharge over the calibration period is 6,615 AF/yr. Based on historical records, annual recharge is expected to be less than the average 6,615 AF/yr in 68 percent of the years, whereas on the same historical basis, recharge is expected to be greater than the median value of 5,026 AF/yr 50 percent of the time. Since the recharge is significantly affected by a relatively small number of unusually high rainfall years, the median value of 5,026 AF/yr is a more representative statistic of central tendency.

Over the model calibration period, the annual average estimated groundwater extraction was 4,321 AF/yr (1970-2009). Using OBGMA data from 1985-2016, annual extractions were 4,930 AF/yr from alluvial Basin wells. Despite recharge being less than the extracted volumes in over half of the years, groundwater levels are maintained owing to the dramatic increase in storage that occurs during relatively few unusually wet years. Under current extraction conditions, it is only during extended multi-year droughts (absent wet year input), that notable declines in groundwater levels are observed.

An average safe yield value based solely on maintaining groundwater elevations throughout the Basin may be based on the OBGMA model-calculated total median recharge of 5,026 AF/yr.

### *Ojai Basin Groundwater Storage and Key Water Levels*

Monitoring of water levels by the County and OBGMA in several key wells provide a direct insight into basin storage and the effects of drought on portions of the Basin. Generally, peripheral northern and eastern areas appear to be less affected by the droughts as they store the bedrock-derived recharge first as compared to central and southern portions of the Basin. Additional storage capacity and extraction from the central portions of the Basin compared to the peripheral areas also contribute to this phenomenon of discrepancy in water levels.

Figure 8 presents the historic groundwater levels at the key observation well, one of four observation wells used in the DPWM. The objective of the predictive model simulations is to evaluate anticipated groundwater elevations in the Ojai Basin through water year 2020 (until September 30, 2020) by assuming three future scenarios: median precipitation conditions, continued dry conditions, and wet conditions. At Observation Well #1, the observed December 2013 groundwater levels at this location were as low as they have been since 1965. For the median-precipitation predictive simulation, groundwater levels are modeled to rise approximately 40 to 50 feet following hypothetical wet years (assumed 2015, 2018), decline following hypothetical dry years, and are similar to 2013 levels at the end of the model simulation period. For the wet-weather simulation, groundwater levels rise significantly in the

hypothetical extremely wet year (assumed 2018, 48.6 inches precipitation) and are similar to 2012 levels at the end of the simulation period, still relatively low compared to the longer historical record. For the dry-weather simulation, groundwater levels are lower at the end of the simulation period than observed groundwater levels since 1961.

As expected, groundwater levels fluctuate based on precipitation increases during hypothetical wet years (2015, 2018), and decline during hypothetical dry years (2016, 2019, 2020). The predicted total precipitation from 2015 to 2020 ranges from around 111 inches in the dry conditions simulation, 132 inches in median conditions, and 146 inches in wet conditions.

Median precipitation condition scenarios predict (1) an overall net decline over the simulation period for the central portion of the Basin near the Ojai City municipal well field and in the southern portion of the Basin, (2) a net groundwater level rise in the northwestern portion of the Basin, and (3) no significant net change in the eastern-central portion of the Basin. In all cases, wet-weather scenario simulations result in a predicted net increase in groundwater levels; however groundwater levels are predicted to continue to be generally lower than those observed over the last forty years. Dry-weather simulations result in a predicted continued net decline in groundwater elevations.

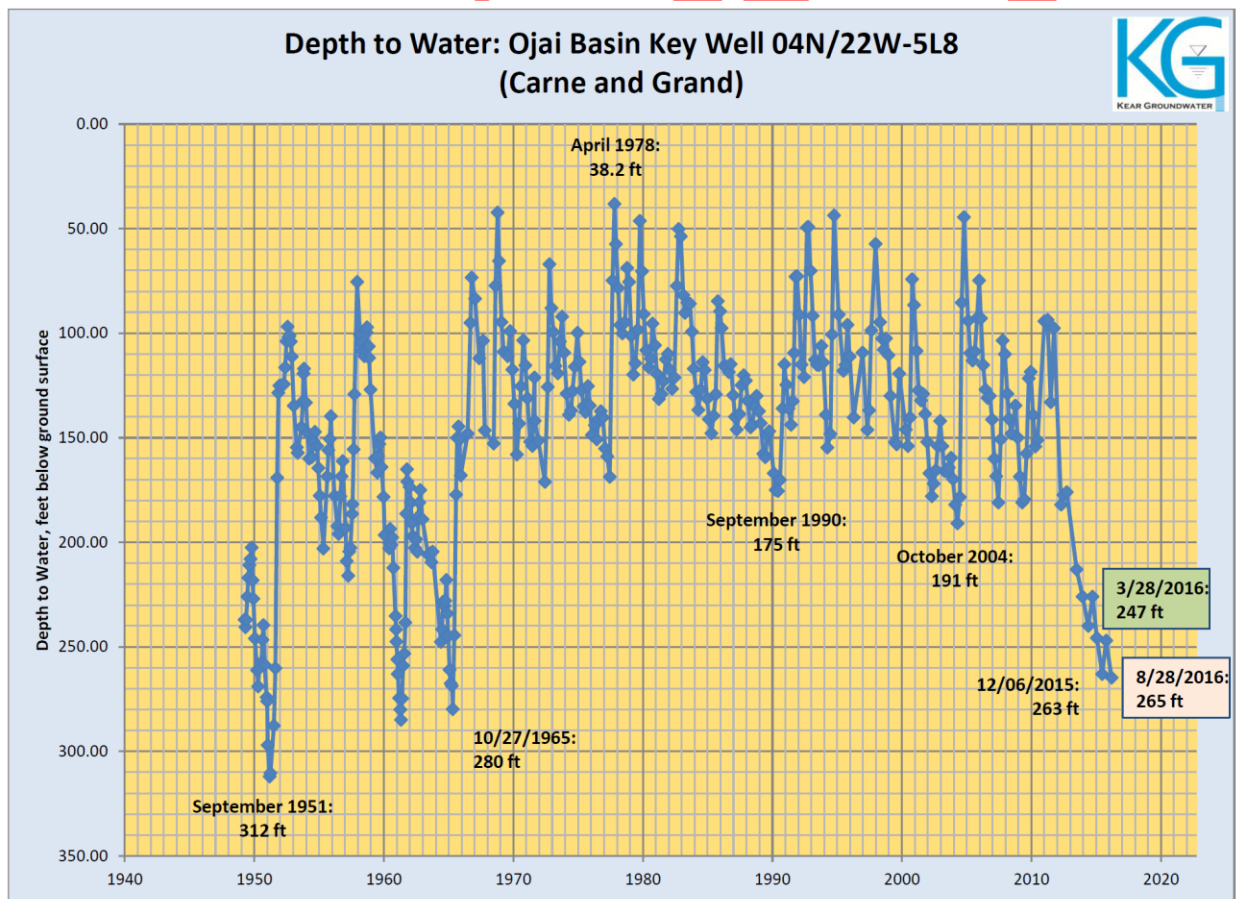


Figure 8. Historic Groundwater Levels at Key Observation Well

Based on hydrographic data, the OBGMA estimates that the amount of groundwater in storage in



the Ojai Basin at the spring high point is as presented in Table 1.

*Table 1: 1975-2016 Storage, water level, and precipitation*

Calendar Year	Estimated Total Storage (AF)	Percent Basin Storage	Springtime-High Water Level at Key Well (ft BGS)	Precipitation at Ojai Fire Station (inches)
1975	77264	91%	100	14.57
1976	78031	92%	125	16.32
1977	70018	82%	137	17.05
1978	79792	94%	38	47.3
1979	76651	90%	69	20.74
1980	78851	93%	46	29.51
1981	74314	87%	95	15.99
1982	78128	92%	110	26.13
1983	83785	99%	50	44.07
1984	73978	87%	86	10.62
1985	72294	85%	114	9.23
1986	76753	90%	85	18.64
1987	78509	92%	115	12.94
1988	72077	85%	120	15.97
1989	70991	84%	130	7.82
1990	69046	81%	147	8.17
1991	72899	86%	115	23.85
1992	69720	82%	73	30.66
1993	79000	93%	49	36.25
1994	75000	88%	106	13.71
1995	79000	93%	44	41.79
1996	74000	87%	96	28.28
1997	73000	86%	109	16.92
1998	79000	93%	57	40.97
1999	73500	86%	102	11.57
2000	72000	85%	119	20.62
2001	74000	87%	74	30.41
2002	62567	74%	129	13.29
2003	57087	67%	142	16.03
2004	55094	65%	160	22.92
2005	80000	94%	44	36.43
2006	62810	74%	75	23.05
2007	49750	59%	130	6.94
2008	59000	69%	103	21.16
2009	50000	59%	135	12.93
2010	54627	64%	118	24.07
2011	63944	75%	94	29.31
2012	62402	73%	98	11.35
2013	48000	56%	176	9.07
2014	45000	53%	226	9.16
2015	45000	53%	226	11.86
2016	41310	49%	247	10.12

These calculations were prepared for the OBGMA by the VCWPD using groundwater levels at

the key well through 2010, then calculated using the OBGMA model and measured data thereafter. The OBGMA plans to evaluate these data on an ongoing basis as new data become available and Basin understanding improves, so hindcasted data are subject to change and differ in future annual reports.

The historic low in Basin storage was in 1951 during a significant drought and before the current practice of conjunctive use, including CMWD water imports, was commonplace. Water levels in the key well fell to their lowest point of 580 ft AMSL in September 1951. An estimated 33,741 acre-feet of groundwater was in storage in the basin at that time. The springtime-high water level that year was 652 ft AMSL. This nadir is a significant threshold because the confined aquifer skeleton would have been maximally compacted at that time. In 2016, static water levels fell to about 627 ft AMSL, the lowest levels since 1965. However, to date, no surface or subsurface evidence of land subsidence or decrease in storage capacity has been observed in the Ojai Basin.

Figure 9 presents the relationship between estimated groundwater storage in the Basin and the springtime-high water level at the key observation well.

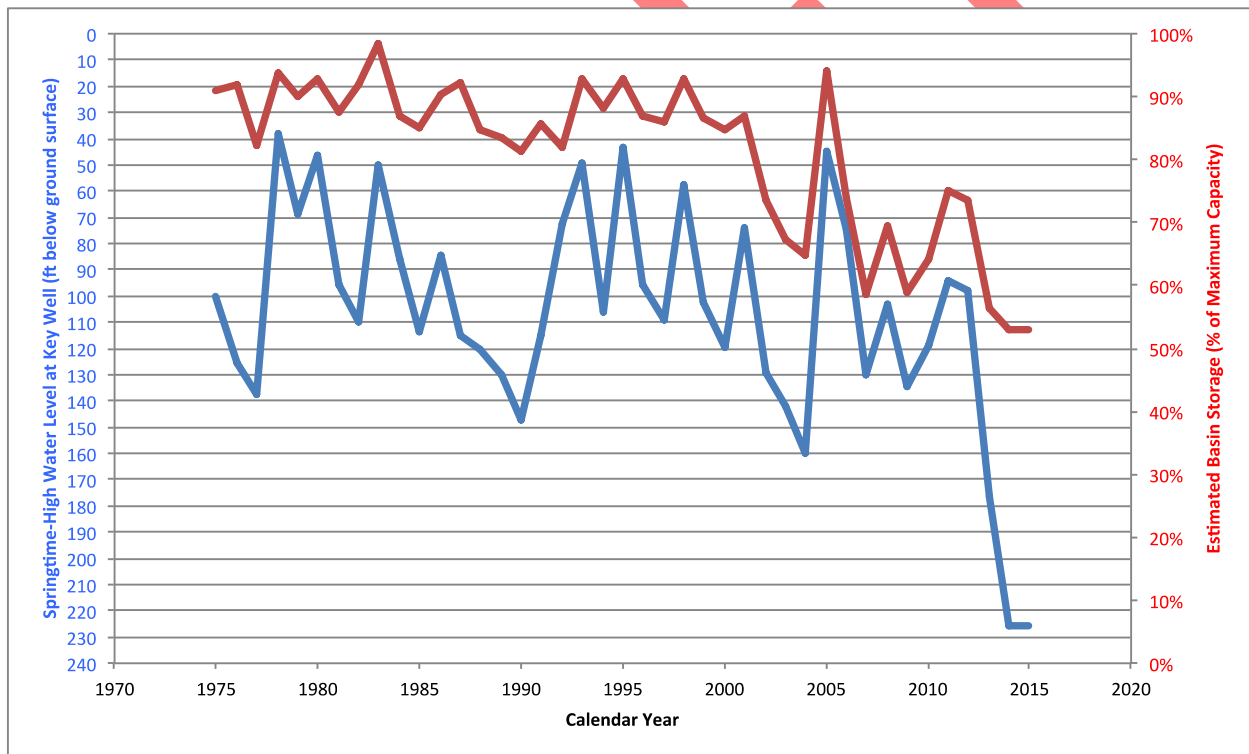


Figure 9. Relationship between Basin Storage and Springtime-High Water Level at Key Well.

## Ojai Basin Groundwater Extractions

The primary discharge mechanism for the Basin is groundwater pumping. The OBGMA has kept a record of the reported groundwater extractions in the Basin since 1993, and available data dating to 1985 are also indicated on Figure 10. These data are divided into two columns: extractions by the GSWC for residences and businesses in the City of Ojai, primarily for domestic use (column E), and extractions from private wells, primarily for irrigation use (column D). These are added together to show total groundwater extractions (column F). Importations from Lake Casitas are reported to OBGMA and shown in column C. Since 1993, water imported from Lake Casitas and water extracted from private well have been added together to show the “Estimated Irrigation Demand” (column B). Prior to 1993, an estimate of irrigation demand based on land use, crop water requirements, evapotranspiration, and rainfall was made, then the Lake Casitas importations were subtracted, to come up with an estimate of private well extractions in the Basin. All units in the table are in acre-feet.

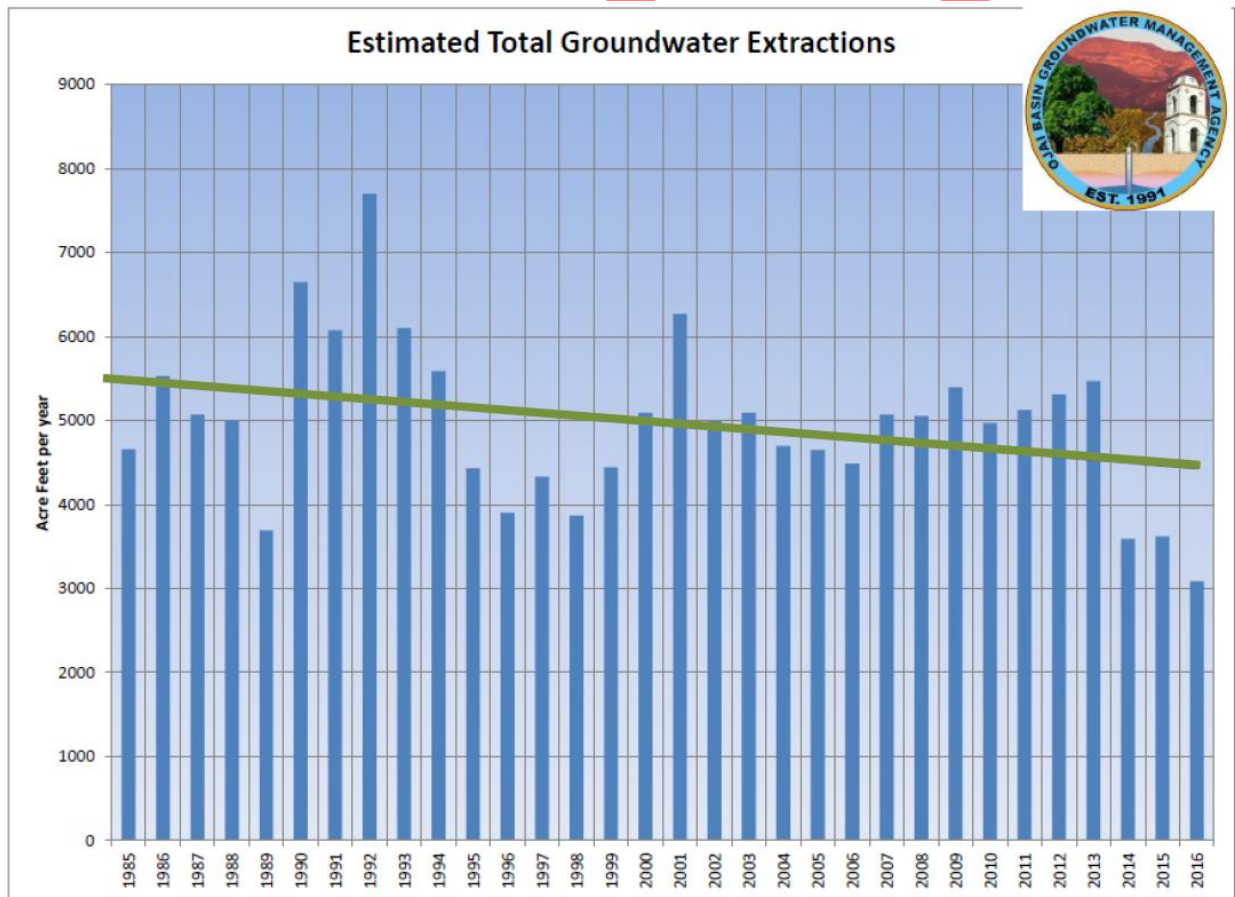


Figure 10: Graphical depiction of Ojai Basin GMA-reported extractions showing linear conserving trendline

**Table 2: Groundwater Extractions, Demands and Imports, 1985-2016**

Calendar Year/Water Year Ending 9-30)	Estimated Irrigation Demand	Casitas Importation	Estimated Groundwater Extraction (Private Wells)	Groundwater Extraction (GSWC)	Estimated Total Groundwater Extractions
1985	7200	4181	3019	1638	4657
1986	7500	3633	3867	1663	5530
1987	7800	4473	3327	1744	5071
1988	7796	4635	3161	1839	5000
1989	7093	5169	1924	1766	3690
1990	9804	4961	4843	1804	6647
1991	7631	3377	4254	1819	6073
1992	8769	2744	6052	1645	7697
1993	6829	2800	4029	2070	6099
1994	7072	3433	3639	1946	5585
1995	6117	3530	2587	1846	4433
1996	6801	4468	2333	1569	3902
1997	8017	5272	2745	1583	4328
1998	5071	3115	1956	1913	3869
1999	6185	3922	2263	2181	4444
2000	7054	4044	3010	2080	5090
2001	7204	3195	4009	2258	6267
2002	7021	4249	2772	2220	4992
2003	6450	3428	3022	2066	5088
2004	7058	4185	2873	1824	4697
2005	5462	2768	2694	1955	4649
2006	5462	2796	2666	1818	4484
2007	6877	3770	3107	1963	5070
2008	6492	3176	3316	1736	5052
2009	7054	3411	3643	1751	5394
2010	5633	2404	3229	1742	4971
2011	5867	2990	3191	1934	5125
2012	6292	2986	3664	1646	5310
2013					4400
2014					3492
2015					3490
2016					3160

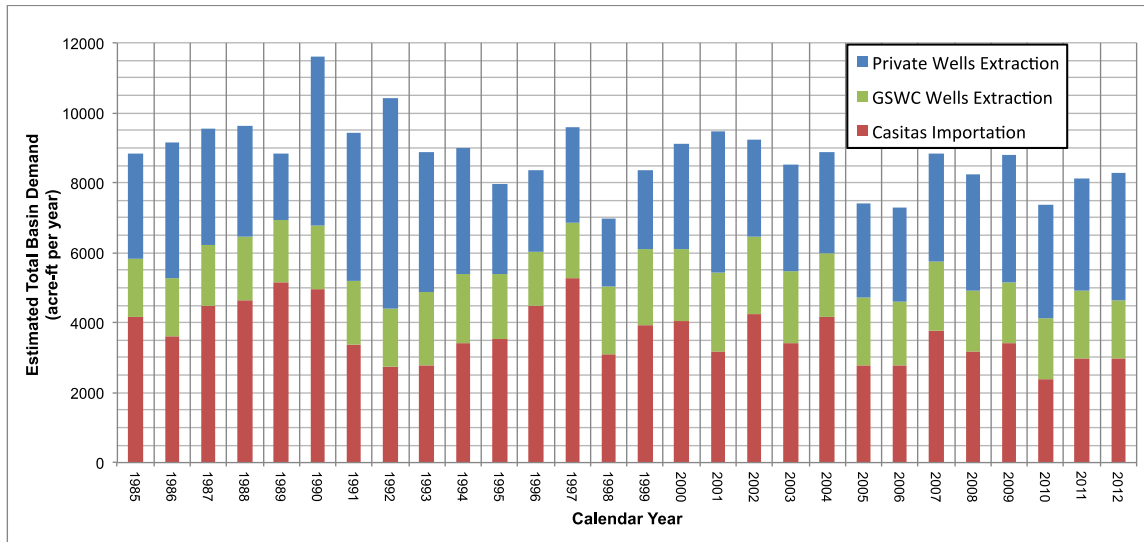


Figure 11. Estimated Total Basin Demand, 1985 to 2012.

Groundwater use in the Ojai Basin between 1985 and 2012 averaged approximately 5,100 acre-feet annually, of which some 1,850 acre-feet (or 36%) was pumped by the GSWC for municipal and domestic supply. In addition to GSWC, the mutual water companies and active private wells supply both agricultural and domestic water in the basin. During the 1985 to 2013 period, the highest production was 7,697 acre-feet (1992, with 1,645 AF from GSWC and 6,052 AF from private wells) and the lowest was 3,690 acre-feet (1989, with 1,766 AF from GSWC and 1,924 AF from private wells). Figure 10, above, presents the estimated total annual Basin water demand. Total Basin demand is the calculated as the sum of groundwater extraction (by both GSWC and private wells) and surface water importation from Lake Casitas.

### Importation of Lake Casitas Surface Water

Lake Casitas was constructed in 1959 by the United States Bureau of Reclamation for the purpose of capturing and storing surface waters within the Ventura River Watershed that would have otherwise escaped to the ocean. The reservoir was designed to hold 254,000 acre-feet. Water from the Ventura River comprises a little less than half of the inflow into Lake Casitas; drainage from the reservoir’s surrounding watersheds comprises the rest. A significant amount of water is lost to evaporation from the surface area of Lake Casitas. CMWD takes daily evaporation pan measurements. Between 1959 and 2010, an average of nearly 8,000 acre-feet per year evaporated from the lake.

In the 1960s, CMWD began making deliveries of pressurized Lake Casitas water to irrigators and domestic users in the Ojai Basin as a substitute for and to offset their groundwater use. Since then, Casitas water has served as an important “backup” water supply for a number of customers in the Ojai Basin, including water suppliers and farmers, when groundwater supplies become depleted. The high-quality lake water is blended with poorer quality groundwater by some water purveyors to improve water quality and extend supplies. The annual variability of rainfall in the Ventura River Watershed affects both the total amount of water used each year as well as the

relative amounts of surface water versus groundwater used. In very wet years, groundwater use goes up and demand on Lake Casitas goes down; in very dry years the reverse happens. Water demand in the watershed also varies seasonally. Demand is greater in the drier months of summer and fall, and lesser in the wetter months of winter and spring.

In very dry years, groundwater extractions decrease overall while demand on Lake Casitas goes up. For example, during the most recent drought cycle, average annual extractions went from 5,310 AF in the 2012 down to 4,400 AF in 2013; 3,492 AF in 2014; 3,490 AF in 2015; and 3,160 AF in 2016. The decrease in extractions is primarily a function the relatively deep, bowl-shaped configuration of the Basin, and the fact that as groundwater levels drop, numerous wells located around the periphery of the Basin are effectively cut off from the water supply. This acts a physical limitation on the availability of groundwater during drought. During these periods, users who no longer have access to the Basin supply switch their use to Casitas surface water supply. The result is an automatic reduction in groundwater extractions with no action needed or taken by the OBGMA.

The long-term average annual demand on Lake Casitas is about 17,500 acre-feet. Approximately 3,680 acre-feet per year (or 21%) is typically imported to the Ojai Basin. As such, CMWD deliveries provide an important alternative source of water supply when groundwater levels are low or wells are out of service. This conjunctive use has helped to provide a buffer against groundwater pumping and maintain the overall health of the Ojai Basin.

### *Ojai Basin Groundwater Natural Discharge and Habitat*

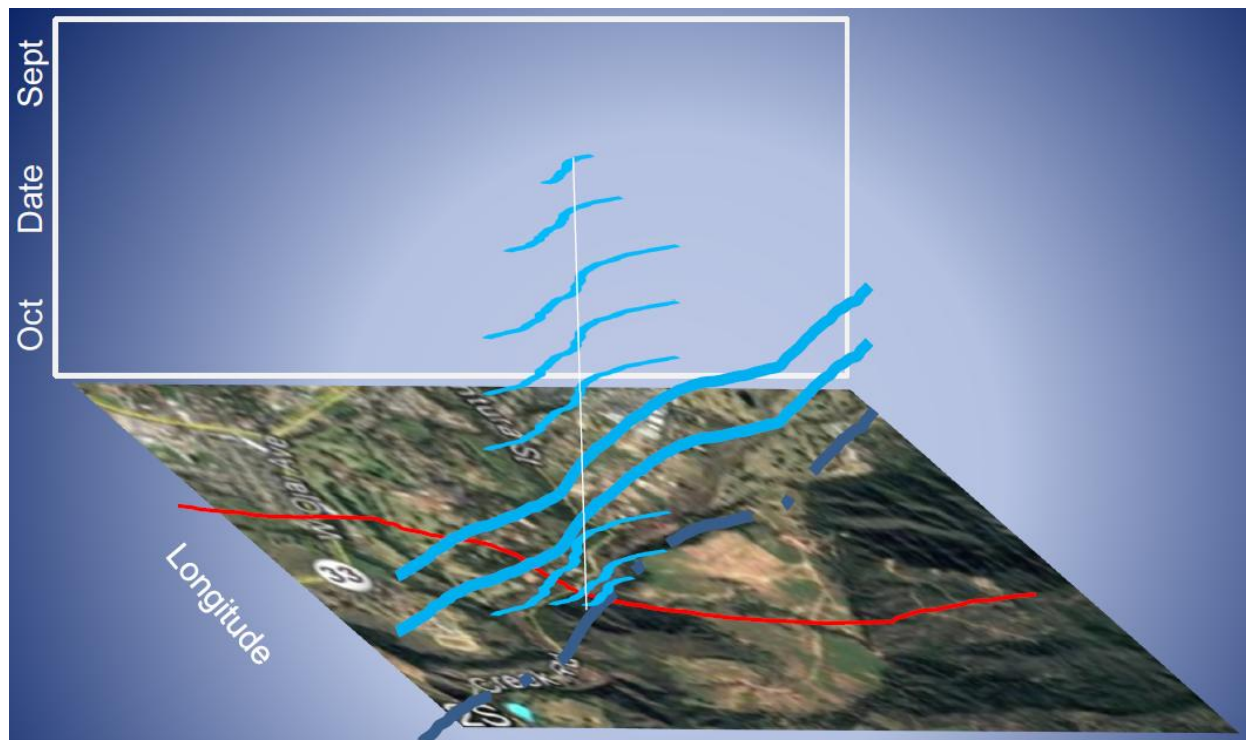
Because of the Basin's relatively limited storage capacity, the Basin can be depleted rapidly during drought periods by groundwater pumping and groundwater outflow to San Antonio Creek at the Basin's natural discharge points.

Groundwater rising above the level of a stream bottom results in what is called a "gaining stream," where groundwater seeps out of the surface and flows downstream, thus depleting the aquifer. For much of the year, including almost all of the dry-season, all of the water in the Ventura River and its tributaries is from groundwater and springs (excluding the lower stretch of the river that is fed by treated wastewater). Only during storms, and for a relatively short period of time afterwards, do surface runoff and flows from soil water add to the base flow.

Modeled discharge to surface streams is reported to average about 2,280 acre-feet per year. Dry period discharges are estimated to be about 2 acre-feet per day. Smaller components of discharge are to evapotranspiration (about 260 acre-feet/yr) and outflow to downgradient bedrock and alluvium (about 130 acre-feet/yr). In the 2010-2011 water year, a total of nearly 10,600 acre-feet are calculated to have discharged at San Antonio Creek beneath the Casitas Springs bridge at Highway 33. This compares to about 900 acre-feet at the same point for water year ending 2012. Recent County data have been unavailable as of the date of this publication. The Ojai Basin comprises approximately 70% of the surface water tributary area to this gauge and is one of the only groundwater basins that provides perennial discharge to the creek system.



Although no active gauge is present to date near the discharge point from the Ojai Basin, monitoring of the San Antonio Creek at Skunk Ranch Road bridge is within the purview of the OBGMA and an ongoing activity. This point is where San Antonio Creek traverses over the Arroyo Parida-Santa Ana Fault, and groundwater daylight or subcrops as it breaches the Basin boundary. Monthly monitoring of the north end of surface flow and the south end of surface flow is ongoing by the OBGMA, with the intent to build a long-term database of these points and graphically presented in concept in Figure 12.



*Figure 12. Conceptual diagram depicting north end of surface flow and south end of surface flow across basin exit point over time on the vertical axis.*

The point of discharge with the longest period of record for surface flow is at the Highway 33 bridge over San Antonio Creek. However, data are somewhat sporadic and a complete set is currently unavailable from the County.

A proxy for the beneficial uses includes a period of data from 2008 to 2016 on steelhead surveys conducted by CMWD and from 2011 to 2016 by California Department of Fish and Wildlife (CDFW). Presence or absence of redds, parr, smolt, and adult O. Mykiss over three reaches of the San Antonio Creek from the SACSGRP diversion point to the confluence with the Ventura River is presented on Table 3.

Table 3: Casitas Municipal Water District *O. mykiss* survey data summarized for different life history stages as presence-absence during 2008-2016. California Department of Fish Wildlife survey data are added for reaches in San Antonio Creek. (September 2016)

CDFW reach	Year	Redds	Parr	Smolt	Adults
SNT1	2008	P	P	P	N
SNT2	2008	P	P	P	N
SNT3	2008	NS	NS	NS	NS
SNT1	2009	P	P	P	P
SNT2	2009	P	P	P	P
SNT3	2009	N	N	N	N
SNT1	2010	P	P	P	P
SNT2	2010	P	P	P	P
SNT3	2010	N	N	N	N
SNT1	2011	P	P	P	P
SNT2	2011	P	P	P	P
SNT3	2011	NS	N	P	P
SNT1	2012	P	P	P	P
SNT2	2012	P	P	P	P
SNT3	2012	NS	NS	NS	NS
SNT1	2013	P	P	P	P
SNT2	2013	N	P	P	P
SNT3	2013	NS	NS	NS	NS
SNT1	2014	P	N Pdfw	N	N Pdfw
SNT2	2014	P	N Pdfw	N	P
SNT3	2014	NS	NS	NS	NS
SNT1	2015	N	P	N	N Pdfw
SNT2	2015	N	N	N	N
SNT3	2015	NS	NS	NS	NS
SNT1	2016	N	P	P	P
SNT2	2016	N	N	N	N
SNT3	2016	NS	NS	NS	NS

P = Present

N = Not detected

NS = Not surveyed

Pdfw = Present in DFW survey,  
absent in Casitas Survey



Reach location descriptions:		Start		End		River Meter	
reach	name	Lat	Long	Lat	REACHID	start	stop
SNT1	San Antonio Creek 1	34.3796	-119.3078	34.4222	26487265	0	7460
SNT2	San Antonio Creek 2	34.4222	-119.2644	34.4543	26487265	7460	13600
SNT3	San Antonio Creek 3	34.4543	-119.2217	34.4663	26487265	13600	15725

Graphically, the map of these reaches is presented below (Figure 13), with the Arroyo Parida-Santa Ana Fault (Ojai Basin southern boundary) shown in red.



Figure 13. Reach locations

Again presented graphically (Figure 14), the results of the fish surveys indicate both a slight decline in presence and a rebound in presence during the current drought cycle, indicating the capacity of the fish to maintain and sustain in keeping with climatic driven historic conditions. There is no evidence to suggest that current groundwater extraction levels are causing significant or unreasonable adverse impacts on instream beneficial uses.

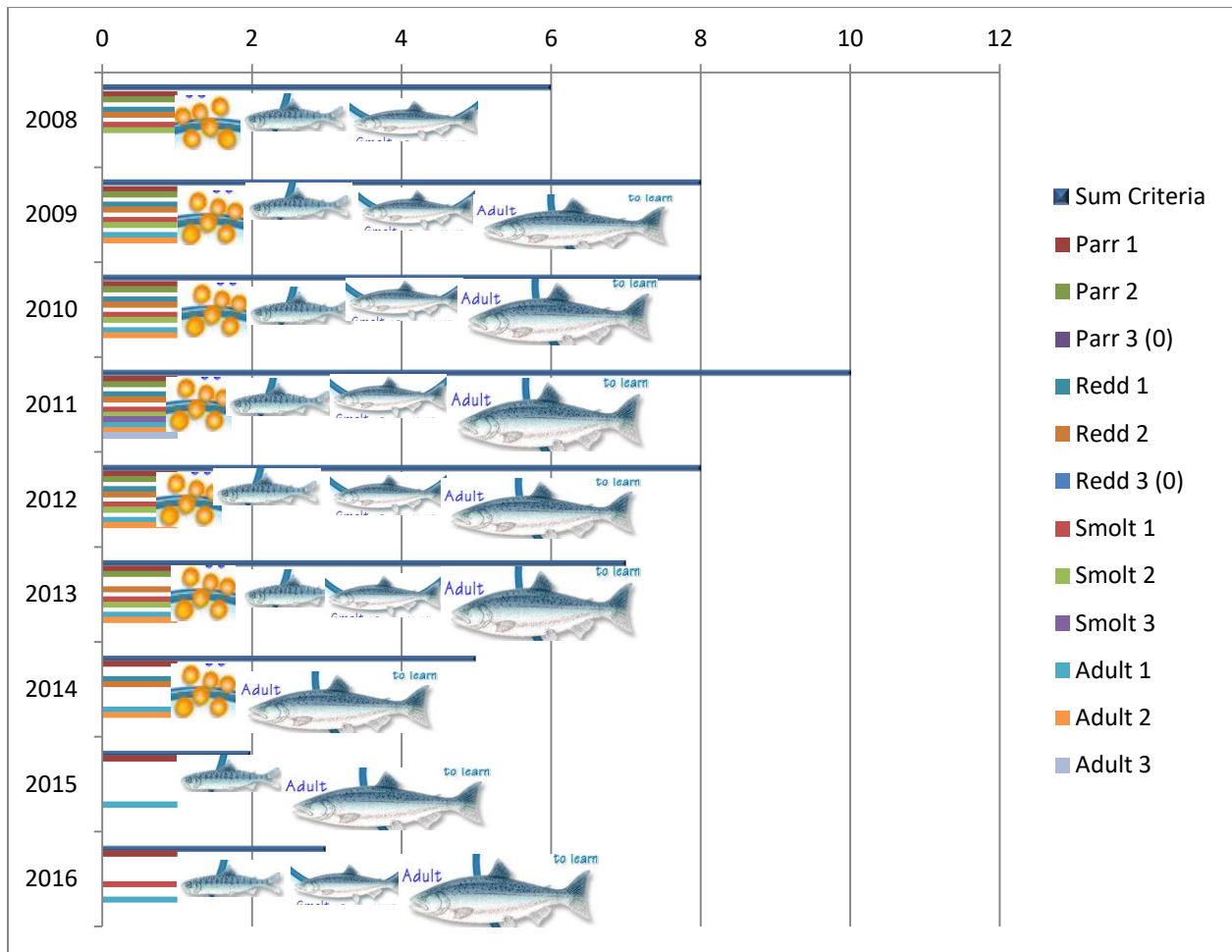


Figure 14. Graphical summary of presence/absence surveys by CMWD and CDFW

### Ojai Basin Groundwater Quality

Groundwater supplies a significant percentage of the water used for drinking and irrigation in the watershed, and is the principal source of streamflow for most of the year except in very wet years. The quality of groundwater is important for drinking, irrigation, aquatic ecosystem health, and other uses. Groundwater in the watershed is generally of good enough quality for drinking and irrigating, though a few parameters must be regularly monitored, and water from some wells must be blended with water from other sources to meet drinking water quality standards. Average concentration of total dissolved solids (TDS) is 812 mg/L and ranges from 671 to 1,090 mg/L in county-sampled and reported wells.

The quality of the watershed's groundwater is greatly influenced by the quality and quantity of surface water runoff that recharges the groundwater basins, and by the natural interaction of groundwater with sediments in the surrounding geologic formations. Other factors that can influence groundwater quality include impacts from land uses overlying groundwater basins, use and density of septic systems, well depth, and age of groundwater.



Regional groundwater has been analyzed less frequently and at fewer locations than surface water. Public supply wells in California are required by law to be sampled for inorganic, organic, radiological, and microbiological constituents on a routine basis. These data are submitted to the SWRCB and integrated into the State's GeoTracker GAMA (Groundwater Ambient Monitoring & Assessment Program) database. In addition, water suppliers are required to prepare for their customers annual water quality consumer confidence reports, which contain information on the quality of their water supply sources. The VCWPD performs annual water quality monitoring at seven to eight wells within the Ojai Basin. Groundwater quality monitoring is also required of property owners subject to violation-related cleanup requirements; this monitoring is overseen by the Regional Water Quality Control Board or the Ventura County Environmental Health Division.

Figure 15 presents the Piper diagrams of selected inorganic constituent from sampled well in the basin. Groundwater chemistry in the Ojai Basin is quite variable. Constituents include TDS, sodium ( $\text{Na}^+$ ), potassium ( $\text{K}^+$ ), calcium ( $\text{Ca}^{2+}$ ), magnesium ( $\text{Mg}^{2+}$ ), chloride ( $\text{Cl}^-$ ), bicarbonate ( $\text{HCO}_3^-$ ), carbonate ( $\text{CO}_3^{2-}$ ) and sulfate ( $\text{SO}_4^{2-}$ ) for the wells sampled by the County of Ventura in the Ojai Basin in 2014.

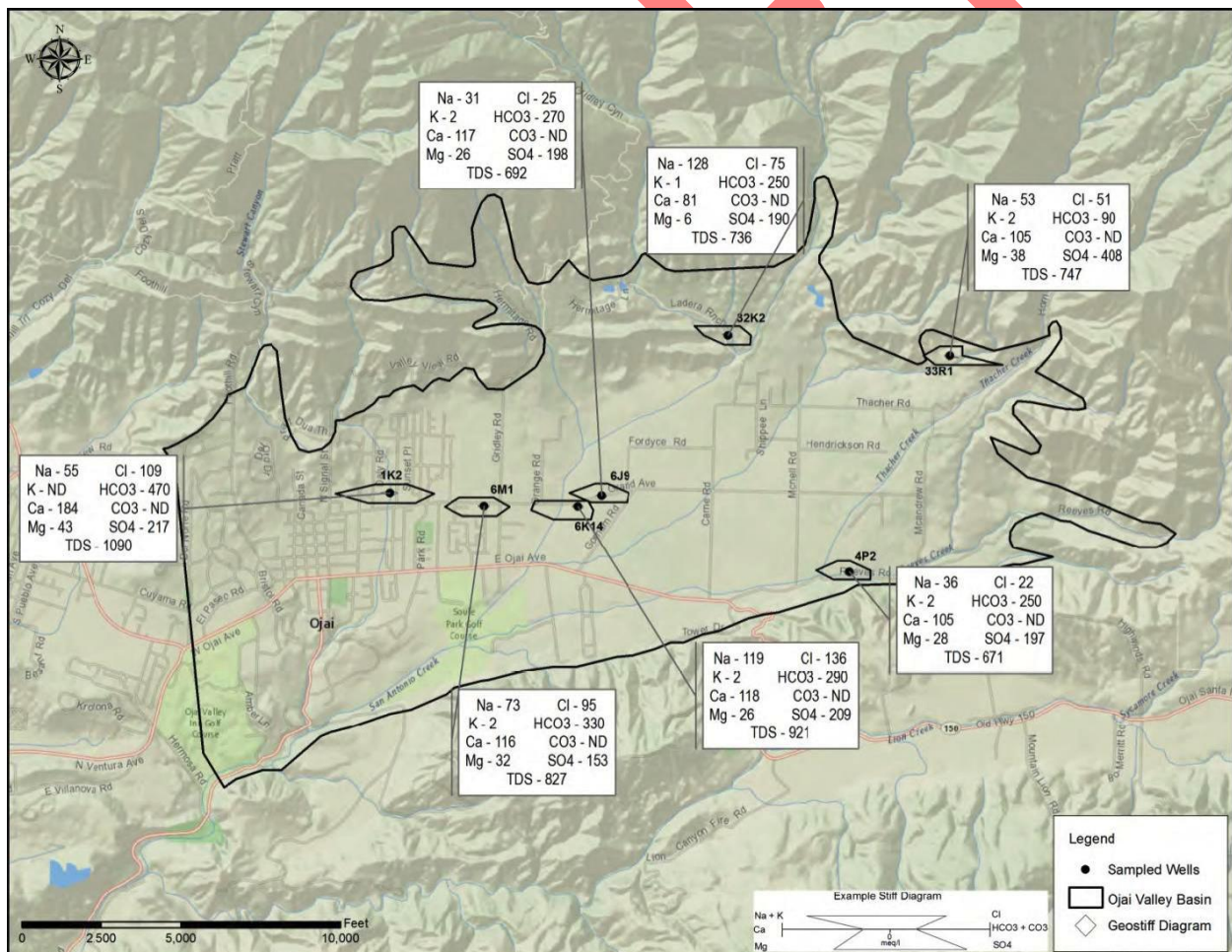


Figure 15. Sampled Well Location Map with Piper Diagrams of Selected Inorganic Constituents. (from VCWPD 2015).

Water samples from three wells were analyzed for inorganic chemicals (Title 22 metals) in previous years. No inorganic chemical was above the primary maximum contaminant level (“MCL”) for drinking water. Two wells had iron (Fe) concentrations above the MCL for drinking water. Depth-discrete information indicates a higher chloride concentration in deep aquifers in the central and southwestern portion of the Basin. Nitrate is the main groundwater quality concern for most of the Ventura River Watershed.

San Antonio Creek drains the Ventura River Watershed’s largest urban area, the City of Ojai, as well as the most intensively farmed area in the watershed, the Ojai Valley’s East End. San Antonio Creek is on the Clean Water Act’s Section 303(d) list of impaired waterbodies for bacteria, nitrogen, low dissolved oxygen, and total dissolved solids. High concentrations of chlorides and total dissolved solids are commonly seen during dry conditions when groundwater, high in dissolved salts, is the main source of flow. This is true owing to the daylighting of deeper aquifers near the discharge area to San Antonio Creek. San Antonio Creek is also one of the tributaries that has been designated as critical habitat for the endangered southern California steelhead.

Deep aquifers which contain the poorest quality water are isolated to a small portion of the Basin and penetrated by few wells. Significant overlying better quality groundwater provides continued delivery to wells such that the blended water remains of suitable quality for domestic purposes (Figure 16). There is no evidence to suggest that current groundwater extraction levels are causing significant or unreasonable degradation of Basin water quality. One means of monitoring the consistency of water quality is by comparing changes in key constituents over time. A Golden State Water Company well located in the central portion of the basin where deep aquifers are known to contain high TDS and sodium-chloride water character, San Antonio Well No. 4, clearly demonstrates the consistent water quality despite declining water levels (Figure 17).

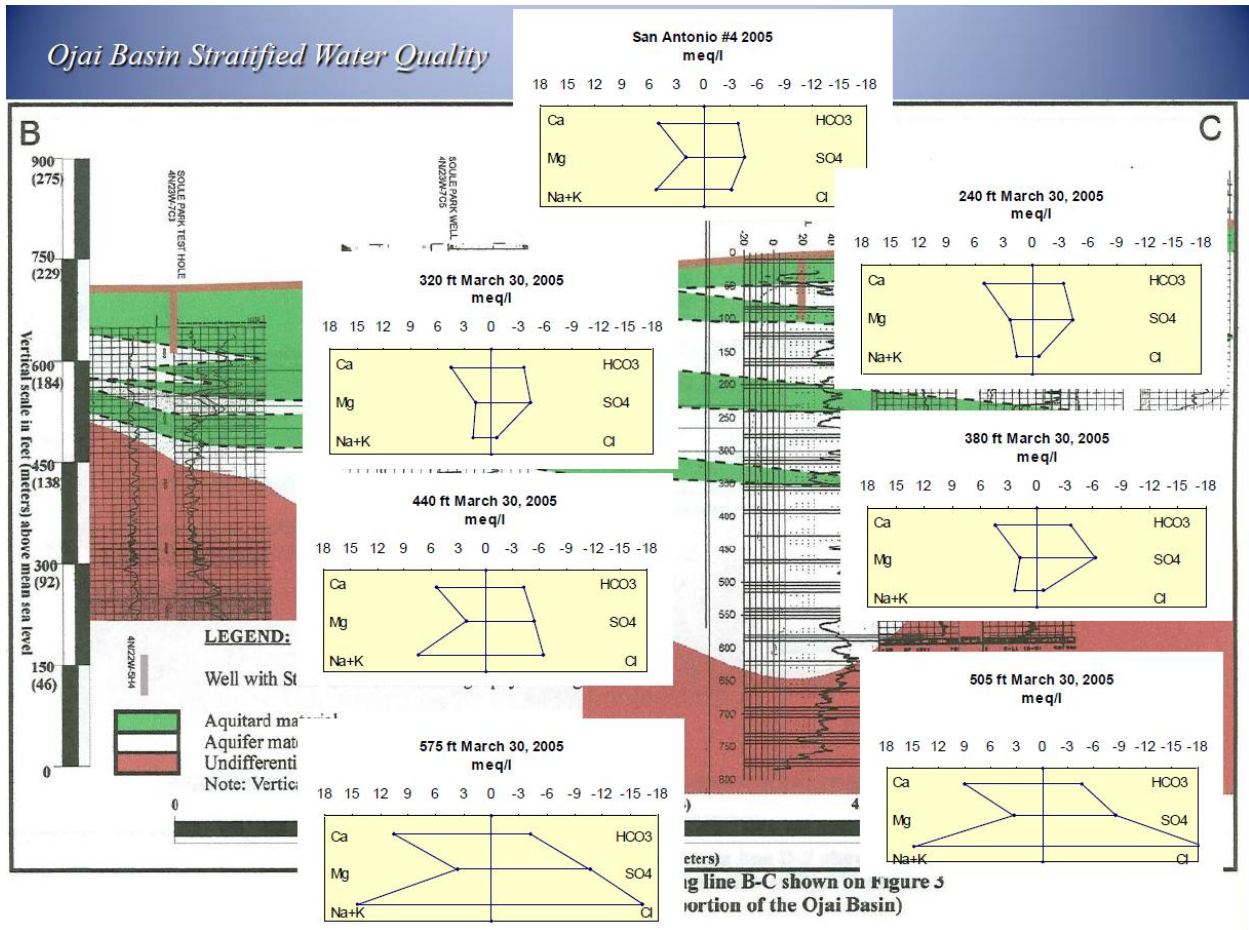


Figure 16. Stiff Water Quality Diagrams depicting sodium-chloride character water at depth in the central portion of the Ojai Basin, obtained during drilling of a pilot hole for a municipal supply water well during the high groundwater storage period of March 2005.

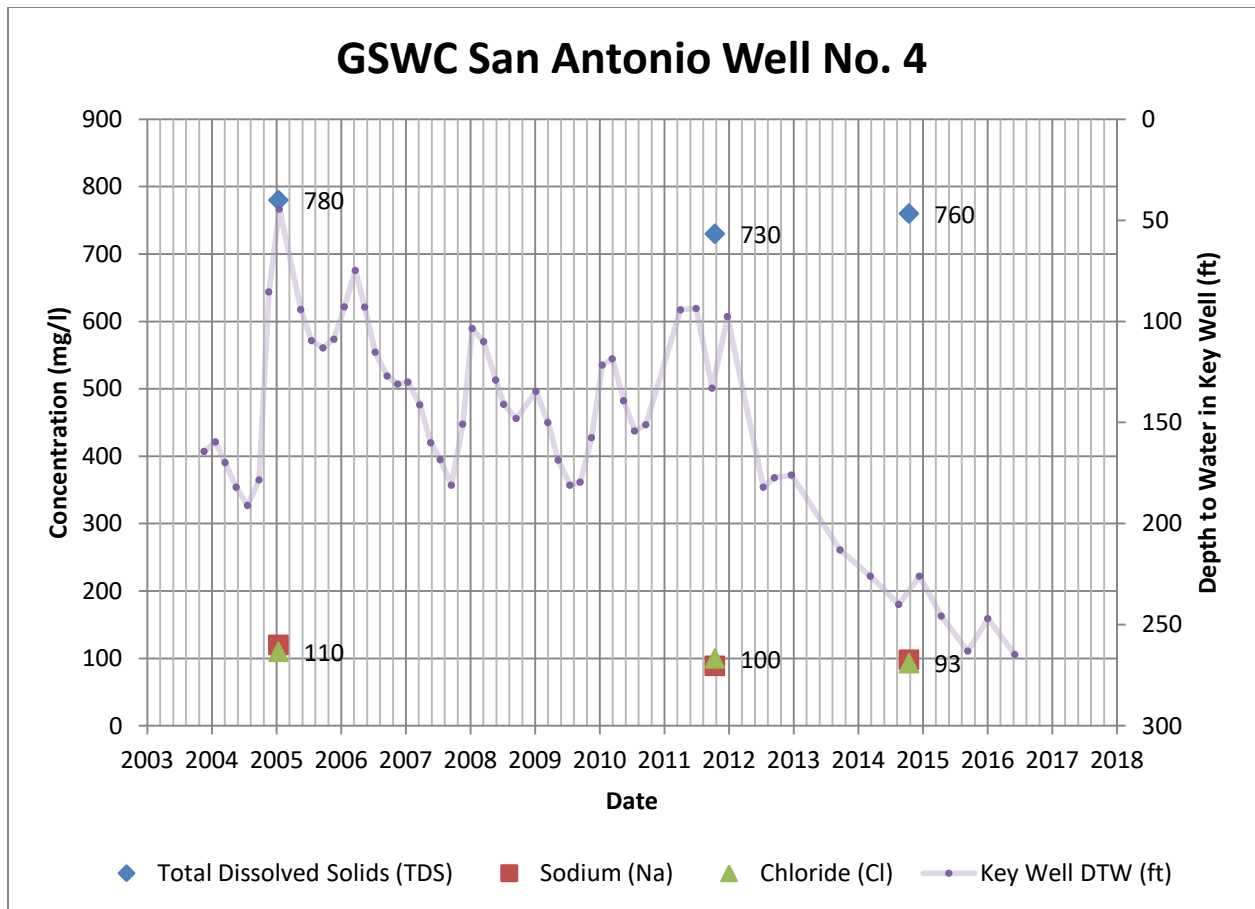


Figure 17. TDS, Na, Cl concentrations in GSWC SA Well No. 4 and Key Well water level depths

Several wholesale and retail water purveyors have been involved in ongoing discussions of proactive desalter projects for the usability of the deeper aquifers, uncorrelated with drought conditions. Casitas MWD recently considered the feasibility of an Ojai Desalter plant to extract and treat water from these deeper aquifers. Conceptually this project would extract and treat upwards of 200 acre-feet per year for municipal benefit, with the added eventual benefits of increasing usability of the Basin groundwater and improving discharged water quality to San Antonio Creek.

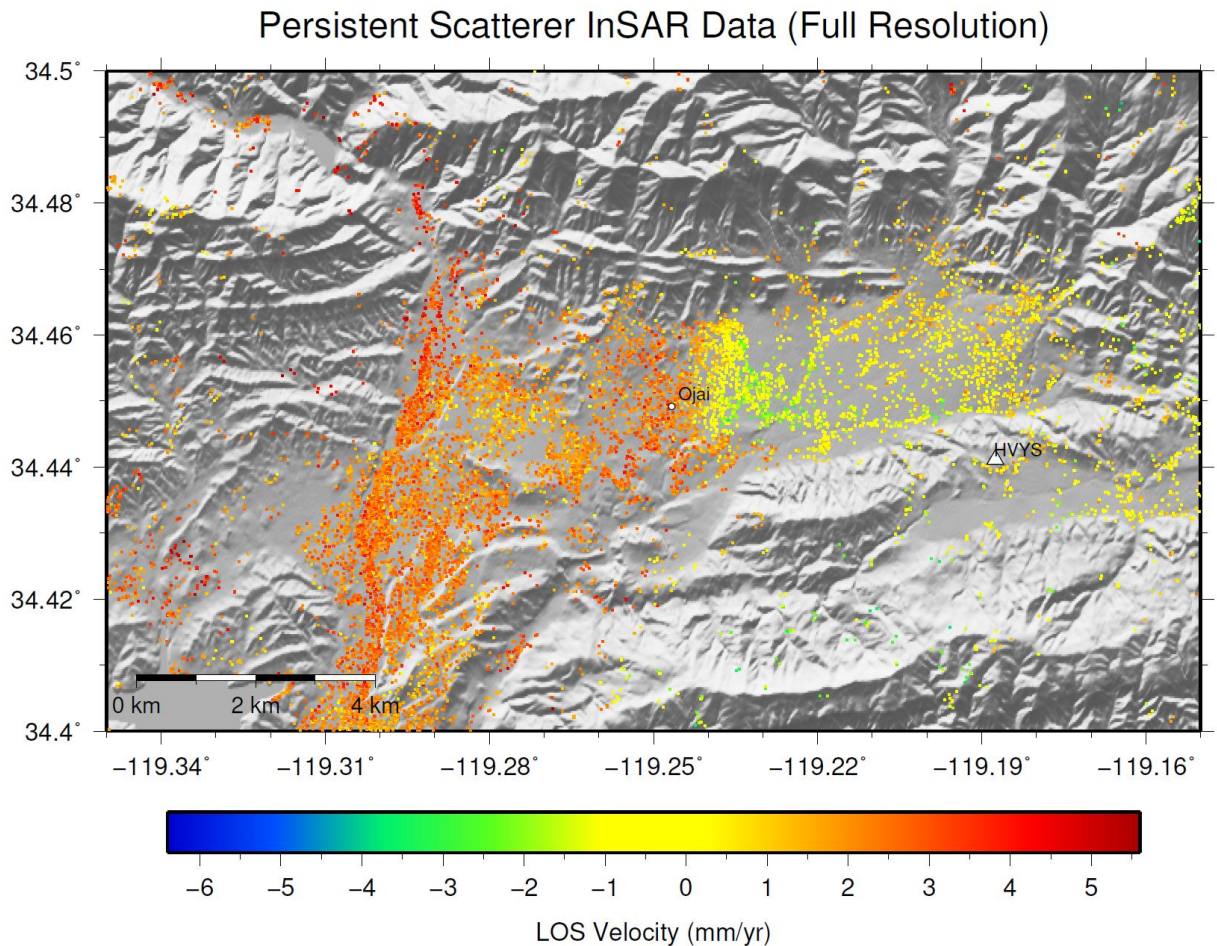
### Land Subsidence

Much news has been made regarding land subsidence in California, with most dramatic effects in the Central Valley where tens of feet of subsidence has been well documented due to fluid extraction over the past century. While the broad brush of this undesirable effect is worthy to review in Ojai, there is no documented differential land elevation decline over the groundwater Basin, nor inelastic compression of the sediments, nor well head differential rise, nor compressed casings of wells that have been in service for over 50 years.

Data from a 2005-2010 study (Marshall, et al., 2013) used GPS and interferometric synthetic aperture radar (InSAR) to document land motion throughout the western Transverse Ranges. A local portion of these data points are presented as Figure 18, and while the eye is drawn toward



the cooler colors in the basin, a closer look clearly indicates that motion extends similarly into the mountains north and south of Ojai consistent with a tectonic motion rather than the differential land motion that would be consistent with groundwater extraction-caused subsidence.



*Figure 18. InSAR data from 2005-2010 and Line-of-Sight annual changes in millimeters per year (after Marshall, et al., 2013)*

Ojai Basin subsidence is prevented largely due to the support of the aquifer and basin fill by clast-supported structure. With coarse grained sands, gravel, and cobbles comprising the bulk of the aquifer skeleton, compression by fluid withdrawal which is more common in fine-grained aquifer media and over larger basins, does not exist in the Ojai Basin. There is no evidence to suggest that current groundwater extraction levels are causing significant and unreasonable land subsidence.

### *Seawater Intrusion*

The Ojai Basin is elevated relative to mean sea level and separated from the ocean by several fault systems and bedrock formations which prevent seawater intrusion to the Basin. Seawater intrusion is not an issue for the Ojai Basin.

## Conclusions

The driving force behind groundwater conditions in the Ojai Basin is precipitation as rainfall. Groundwater levels within the Basin have been observed to exhibit relatively large fluctuations that correlate with wet and dry periods. Analysis of available long-term hydrographs from wells within the Basin indicate that although groundwater levels fluctuate correlative to climatic conditions, there has not been a sustained average decline over several decades. Despite years of historically deficient rainfall, key well water levels presently remain above historic lows. These results indicate that, from the standpoint of maintaining average groundwater elevations and the groundwater in storage, groundwater extraction rates from the Basin have been operating at a “sustainable” level over the past several decades.

A basin’s sustainable yield is calculated as “the maximum quantity of water . . . that can be withdrawn annually from a groundwater supply without causing an undesirable result.” (Water Code § 10721(v).) Over the long-term basin management period (1991 to present), despite extended multi-year droughts, there has been no evidence in the Basin of “undesirable results” which might suggest that extractions are exceeding the Basin’s sustainable yield. Specifically, there has been:

- No evidence of chronic lowering of groundwater levels indicating a significant and unreasonable depletion of supply
  - ✓ *Historic lowering of groundwater levels in the Ojai Basin is commensurate with decreases in precipitation associated with drought conditions, a trend which is reversed during and following wet years and seasons.*
- No evidence of significant and unreasonable reduction of groundwater storage
  - ✓ *Historic lowering of groundwater storage in the Ojai Basin is consistent with decreases in precipitation associated with drought conditions, a trend which is reversed during following wet years and seasons.*
- No evidence of significant and unreasonable seawater intrusion
  - ✓ *The Ojai Basin is elevated relative to mean sea level and separated from the ocean by several fault systems and bedrock formations which prevent seawater intrusion to the Basin.*
- No evidence of significant and unreasonable degraded water quality
  - ✓ *Deep aquifers which contain the poorest quality water are isolated to a relatively small portion of the Basin and penetrated by few wells. Significant overlying better quality groundwater provides continued delivery to wells such that the blended water remains of suitable quality.*
- No evidence of significant and unreasonable land subsidence
  - ✓ *No significant physical land subsidence issues (ground fissures, elevated well*



*heads, compressed well casings) are evident in the Ojai Basin associated with groundwater extraction. The nature of the tectonic geomorphic province in which Ojai exists is reflected in regional tectonic uplifts and downwarping consistent across both bedrock and alluvial settings.*

- No evidence of surface water depletions that have significant and unreasonable adverse impacts on beneficial uses of the surface water
  - ✓ *Historic reduction in surface flow in San Antonio Creek, the primary surface water discharge point for groundwater from the Ojai Basin, is correlative to decreases in precipitation associated with drought conditions, a trend which is reversed during and following wet years and seasons. Significantly, surveys for fish presence and absence over several life stage cycles in San Antonio Creek have indicated both declines of the metric and rebounds during the period 2006 to 2016.*

The OBGMA has worked to preserve the quantity and quality of groundwater in the Ojai Basin for sustainable long-term use since the Agency's establishment in 1991. The Agency's management efforts, in combination with other factors, such as physical characteristics of the Basin which allow it to recharge quickly during periods of excessive rainfall, and the availability of surface water supplies from Lake Casitas when groundwater levels drop, ensure that long-term average annual extractions from the Basin remain in balance with long-term average annual replenishment. The Basin has been experiencing conditions of long-term hydrologic balance persisting over the last several decades. Given the management regime already in place, there is no reason to suspect that these conditions will not continue to persist indefinitely into the future. The financial resources available to the OBGMA to carry out its mission and serve the water users of the Ojai Basin are limited. Approval of this alternative will allow OBGMA to focus its limited resources on existing and planned future Basin management actions, while avoiding the expensive, time consuming, and unnecessary process of having to prepare a Groundwater Sustainability Plan.

## MEMORANDUM

Summary of edits and revisions to “Report Supporting Alternative Demonstration of Groundwater Sustainability Made Pursuant to Water Code Section 10733.6(b)(3)”

The following edits and revisions were made to the Report after the document was posted to Agency website on Monday, December 5, 2016. The edits and revisions are current through the OBGMA Board meeting on Thursday, December 8, 2016:

- Edits clarifying the Alternative Demonstration applies to the entire Ojai Groundwater Basin;
- Edits clarifying the Basin is in compliance with the California Statewide Groundwater Elevation Monitoring (“CASGEM”) program;
- Addition of Figure 2 depicting the location of OBGMA and CASGEM monitoring wells;
- Deletion of statement that de minimus pumpers are exempt from requirement that they equip their wells with flow meters;

# Casitas Municipal Water District

*Comprehensive Annual Financial Report  
For the Years Ended June 30, 2016 and 2015*



1055 Ventura Avenue, Oak View, California 93022 . 805.649.2251

[www.casitaswater.com](http://www.casitaswater.com)



Casitas Municipal Water District  
Oak View, California

Comprehensive Annual Financial Report  
For the Years Ended June 30, 2016 and 2015

Prepared by:

*Denise Collin – Accounting Manager / Treasurer*

---

This Page Left Blank Intentionally

---

**Casitas Municipal Water District  
Comprehensive Annual Financial Report  
For the Years Ended June 30, 2016 and 2015**

**Table of Contents**

	<b><u>Page No.</u></b>
Table of Contents	i-ii
<b><u>Introductory Section (Unaudited)</u></b>	
Letter of Transmittal	1-3
Board of Directors and Management	4
Organizational Chart	5
Government Finance Officers Association – Certificate of Achievement in Financial Reporting	6
<b><u>Financial Section</u></b>	
<b>Independent Auditor’s Report</b>	9-11
<b>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></b>	12-13
<b>Management’s Discussion and Analysis – Required Supplementary Information (Unaudited)</b>	14-18
<b>Basic Financial Statements:</b>	
Balance Sheets	20-21
Statements of Revenues, Expenses and Changes in Net Position	22
Statements of Cash Flows	23-24
Notes to the Basic Financial Statements	25-55
<b>Required Supplementary Information: (Unaudited)</b>	
Schedule of the District’s Proportionate Share of the Plan’s Net Pension Liability	59
Schedule of the District’s Contributions to the Pension Plan	60
Schedule of Funding Status – Other Post-Employment Benefits Plan	61
<b>Supplementary Information:</b>	
Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual	65-66
Combining Balance Sheets	67-70
Combining Schedule of Revenues and Expenses	71-72
Detail Schedule of Operating Expenses – Utility Department	73-75
Detail Schedule of Operating Revenues & Expenses – Recreation Department	76-77

**Casitas Municipal Water District  
Comprehensive Annual Financial Report  
For the Years Ended June 30, 2016 and 2015**

**Table of Contents (Continued)**

<b><u>Statistical Section</u></b>	<b><u>Page No.</u></b>
Statistical Section – Table of Contents	81
Changes in Net Position by Component – Last Ten Fiscal Years	82-83
Operating Revenues by Source – Last Ten Fiscal Years	84
Operating Expenses by Activity – Last Ten Fiscal Years	85
Revenue Base – Last Ten Fiscal Years	86
Revenue Rates – Fiscal Years 1999 to 2008	87
Revenue Rates – Fiscal Years 2009 to 2011	88
Revenue Rates – Fiscal Years 2012 to Present	89
Customers by Type at the End of the Fiscal Year – Last Ten Fiscal Years	90
Ratio of Outstanding Debt by Type – Last Ten Fiscal Years	91
Debt Coverage – Last Ten Fiscal Years	92
Demographics and Economic Statistics – County of Ventura – Last Ten Fiscal Years	93
Operating and Capacity Indicators – Employees – Last Ten Fiscal Years	94
Operating and Capacity Indicators – Operations – Last Ten Fiscal Years	95



## **INTRODUCTORY SECTION**

*This page intentionally left blank.*



December 31, 2016

Board of Directors  
Casitas Municipal Water District

## **Introduction**

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the Casitas Municipal Water District (District) for the years ended June 30, 2016 and 2015, following guidelines set forth by the Governmental Accounting Standards Board. District staff prepared this financial report. The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the District's financial position and activities.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately after the Independent Auditors' Report.

## **District Structure and Leadership**

The Casitas Municipal Water District is a special district of the State of California that provides domestic and agricultural water services to the western portion of Ventura County. The District's Board of Directors is composed of five members who are elected in specified election divisions. The Directors serve terms of four years with an election held every two years for alternating divisions. The District also provides recreational activities at Lake Casitas. The water district and the lake activities are accounted for as an enterprise fund.

Formed in 1952, the District was the inspiration of area civic leaders, cattlemen, and citrus ranchers who were frustrated by a severe drought and subsequent water rationing. Between 1952 and 1956, when ground was broken for Casitas Dam, the District sought and obtained commitments for 50-year federal loans to construct Casitas Dam and the Robles-Casitas Diversion Canal. Engineers drilled through 1,800 feet of rock for the outlet tunnel, and built an earthen dam with 9.2 million cubic yards of earth. Final cost of the reservoir, dam and Lake Casitas Recreation Area was \$20 million.

Drawing from the 105-square mile watershed, Lake Casitas began to form in the Santa Ana Valley. In 1978, 19 years after the dam's completion, the lake overflowed for the first time. With a capacity of 254,000-acre feet, the reservoir has a shoreline of 35 miles and provides water to over 65,000 people.

Water quality is strictly controlled in the surrounding 3,200-acre Charles M. Teague Memorial Watershed. Since 1974, the federal government has spent more than \$25 million to purchase lands in the watershed to preserve water quality from the pollution of over development.

For the past forty-seven years, Casitas Municipal Water District has been a strong proponent of watershed protection and lake management. The efforts to protect the Lake Casitas watershed and lake management practices developed by the District provide an excellent quality of water to the customers. Regulatory changes affecting surface waters had moved the District through considerations for filtration avoidance to the conclusion that construction of a water filtration plant was necessary to meet regulatory requirements. The Marion R. Walker Pressure Filtration Plant was designed and constructed to meet those requirements and became fully operational on November 6, 1997. Casitas was proud to receive a water supply permit from the Department of Health Services granting the District permission to supply water for domestic purposes after completion of the treatment plant.

### **Economic Condition and Outlook**

The District offices are located in the Ojai Valley in Ventura County. Santa Barbara and Ventura counties have shown the healthiest economic growth in the region. The economic outlook for Southern California is one of cautious and slow growth.

California's water supply continues to be a concern due to projected population increases. This concern has increased interest in conservation and in irrigation methods and systems. The District has led the area in its conservation efforts and will continue to make strides in this area.

### **Internal Control Structure**

District management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the District are protected from loss, theft or misuse. The internal control structure also ensures adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

### **Budgetary Control**

The District's Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects.

The budget and reporting treatment applied to the District is consistent with the accrual basis of accounting and the financial statement basis.

### **Investment Policy**

The Board of Directors annually adopts an investment policy that conforms to state law, District ordinance and resolutions, prudent money management, and the "prudent person" standards. The objective of the Investment Policy is safety, liquidity and yield. District funds are invested in the State Treasurer's Local Agency Investment Fund, County of Ventura Pooled Money Investment Fund, U.S. Treasury Bills, Notes and Bonds, and institutional savings and checking accounts.

### **Water Rates and District Revenues**

District policy direction ensures that all revenues from user charges and surcharges generated from District customers must support all District operations including capital project funding. Accordingly, water rates are reviewed periodically. Water rates are user charges imposed on customers for services and are the primary component of the District's revenue. Water rates are composed of a commodity (usage) charge and a fixed (readiness-to-serve) charge.

## **Audit and Financial Reporting**

State Law and Bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of The Pun Group, LLP has conducted the audit of the District's financial statements. Their unqualified Independent Auditor's Report appears in the Financial Section.

## **Awards and Acknowledgements**

For the year ended June 30, 2015, the District received for the 22<sup>nd</sup> year the Government Finance Officers Association of the United States and Canada's (GFOA) *Certificate of Achievement for Excellence in Financial Reporting*. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. (See Page 6)

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report was accomplished by the combined efforts of District staff. We appreciate the dedicated efforts and professionalism that our staff members bring to the District. We would also like to thank the members of the Board of Directors for their continued support in the planning and implementation of the Casitas Municipal Water District's fiscal policies.

Respectfully submitted,



Steve Wickstrum  
General Manager



Denise Collin  
Accounting Manager/Treasurer

# Casitas Municipal Water District

## Directory

July 1, 2015 – June 30, 2016

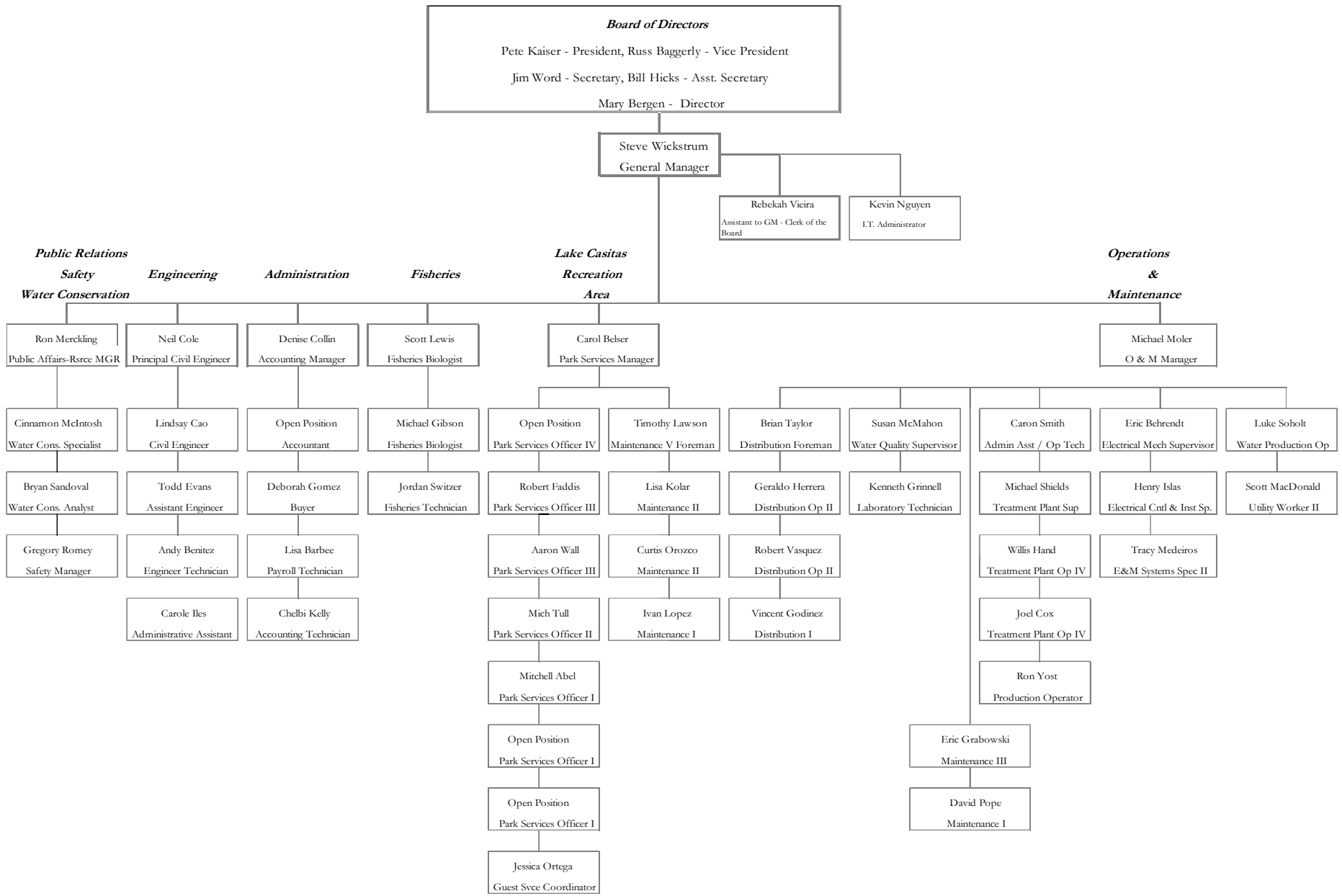
### Board of Directors

Board Member	Division	Date of Original Election or Appointment	Ending Date of Term
Bill Hicks	Division 1	November, 1990	December, 2018
Jim Word	Division 2	May, 1997	December, 2016
Pete Kaiser	Division 3	November, 2002	December, 2016
Mary Bergen	Division 4	November, 2010	December, 2018
Russ Baggerly	Division 5	November, 2004	December, 2016

### Staff

Steve Wickstrum	General Manager
Rebekah Vieira	Assistant to the General Manager and Clerk of the Board
Neil Cole	Principal Civil Engineer
Carol Belser	Park Services Manager
Denise Collin	Accounting Manager / Treasurer
Michael Moler	O&M Manager
Ron Merckling	Public Affairs Resource Manager
Scott Lewis	Fisheries Biologist
Greg Romey	Safety Officer

# Casitas Municipal Water District Organizational Chart





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Casitas Municipal Water District  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2015**

Executive Director/CEO



## **FINANCIAL SECTION**

*This page intentionally left blank.*



## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
of the Casitas Municipal Water District  
Oak View, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Casitas Municipal Water District (District), which comprises the balance sheets as of June 30, 2016 and 2015, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

### ***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 audits. We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 purpose 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.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2016 and 2015, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors  
of the Casitas Municipal Water District  
Oak View, California

### ***Emphasis of Matter***

#### ***Net Pension Liability***

As discussed in Note 9 to the basic financial statements, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pension Plans-an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68* on July 1, 2014. The District's net pension liability is reported in the balance sheets in the amount of \$4,616,826 and \$5,352,928 as of the measurement dates of June 30, 2015 and 2014, respectively. The net pension liability is calculated by actuaries using estimates and actuarial techniques from an actuarial valuation as of June 30, 2014 and 2013, and was then rolled-forward by the actuaries to June 30, 2015 and 2014, the measurement dates. Our opinion is not modified with respect to this matter.

#### ***Prior Period Adjustment***

As part of our audit of the 2015 financial statements, we also audited the adjustments described in Note 12 that were applied to restate the District's June 30, 2014 net position. In our opinion, such adjustments are appropriate and have been properly applied. Our opinion is not modified with respect to this matter.

#### ***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 14 through 18 and the Schedule of the District's Proportionate Share of the Plan's Net Pension Liability, the Schedule of the District's Contributions to the Pension Plans, and the Schedule of Funding Progress – Other Post-Employment Benefits Plan on pages 59 through 61, respectively, 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.

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements as a whole. The supplementary information on pages 65 through 77 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

To the Board of Directors  
of the Casitas Municipal Water District  
Oak View, California

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The introductory and the statistical sections are presented for purposes of additional analysis and are not required parts of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2016, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Santa Ana, California  
December 31, 2016



**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***

**Independent Auditors' Report**

To the Board of Directors  
of the Casitas Municipal Water District  
Oak View, California

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 the Casitas Municipal Water District (District) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated December 31, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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*.

To the Board of Directors  
of the Casitas Municipal Water District  
Oak View, California

**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 on 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.

Santa Ana, California  
December 31, 2016

**Casitas Municipal Water District**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Years Ended June 30, 2016 and 2015**

---

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Casitas Municipal Water District (District) provides an introduction to the financial statements of the District for the fiscal years ended June 30, 2016 and 2015. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

**Financial Highlights**

- The District incurred a net loss of \$(607,035) and \$(170,750) for fiscal years ended June 30, 2016 and 2015, respectively. Also in 2015, the District recorded a prior period adjustment of \$(10,684,160) to account for the implementation of GASB Nos. 68 and 71 to record the District's net pension liability on the balance sheet and to correct for the valuation in water-in-storage. (See Note 12 for further information)
- In 2016, total revenues decreased by 3.5% or \$(630,737) from \$17,756,822 to \$17,126,085, from the prior year, primarily due to the decrease in retail water consumption of \$(1,141,921) and wholesale water sales of \$(677,957) as the California drought continues with a State mandated 25% reduction in consumption.
- In 2015, total revenues decreased by 1.5% or \$(263,285) from \$18,020,107 to \$17,756,822, from the prior year, primarily due to the decrease in retail water consumption of \$(428,161).
- In 2016, total operating expenses for the District's operations before depreciation expense increased by 4.9% or \$653,845 from \$13,277,286 to \$13,931,131, from the prior year, primarily due to the combination of a decrease in pumping expenses of \$(273,580) and an increase in general and administrative expenses of \$996,557.
- In 2015, total operating expenses for the District's operations before depreciation expense decreased by 6.8% or \$(961,158) from \$14,238,444 to \$13,277,286, from the prior year, primarily due to the decrease in water treatment expenses of \$(331,546) and general and administrative expenses of \$(610,957).

**Required Financial Statements**

This annual report consists of a series of financial statements. The Balance Sheet, Statement of Revenues, Expenses and Change in Net Position and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Balance Sheet includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

**Financial Analysis of the District**

One of the most important questions asked about the District's finances is, "*Is the District better off or worse off as a result of this year's activities?*" The Balance Sheet and the Statement of Revenues, Expenses and Changes in Net Position report information about the District in a way that helps answer this question.



**Casitas Municipal Water District**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Years Ended June 30, 2016 and 2015**

These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in them. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation.

**Notes to the Basic Financial Statements**

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

**Balance Sheets**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>Change</u>	<u>June 30, 2014</u>	<u>Change</u>
<b>Assets:</b>					
Current assets	\$ 29,388,764	\$ 29,120,364	\$ 268,400	\$ 26,438,461	\$ 2,681,903
Non-current assets	4,969,768	6,163,728	(1,193,960)	11,025,928	(4,862,200)
Capital assets, net	<u>58,243,096</u>	<u>58,504,721</u>	<u>(261,625)</u>	<u>58,881,559</u>	<u>(376,838)</u>
<b>Total assets</b>	<u>92,601,628</u>	<u>93,788,813</u>	<u>(1,187,185)</u>	<u>96,345,948</u>	<u>(2,557,135)</u>
<b>Deferred outflows of resources</b>	<u>566,878</u>	<u>434,390</u>	<u>132,488</u>	<u>-</u>	<u>434,390</u>
<b>Total assets and deferred outflows of resources</b>	<u>\$ 93,168,506</u>	<u>\$ 94,223,203</u>	<u>\$ (1,054,697)</u>	<u>\$ 96,345,948</u>	<u>\$ (2,122,745)</u>
<b>Liabilities:</b>					
Current liabilities	\$ 1,863,239	\$ 2,686,351	\$ (823,112)	\$ 1,939,378	\$ 746,973
Non-current liabilities	<u>18,356,743</u>	<u>18,518,230</u>	<u>(161,487)</u>	<u>12,617,689</u>	<u>5,900,541</u>
<b>Total liabilities</b>	<u>20,219,982</u>	<u>21,204,581</u>	<u>(984,599)</u>	<u>14,557,067</u>	<u>6,647,514</u>
<b>Deferred inflows of resources</b>	<u>2,621,588</u>	<u>2,084,651</u>	<u>536,937</u>	<u>-</u>	<u>2,084,651</u>
<b>Net position:</b>					
Net investment in capital assets	53,720,578	53,488,631	231,947	53,612,183	(123,552)
Restricted	115,220	134,267	(19,047)	153,708	(19,441)
Unrestricted	<u>16,491,138</u>	<u>17,311,073</u>	<u>(819,935)</u>	<u>28,022,990</u>	<u>(10,711,917)</u>
<b>Total net position</b>	<u>70,326,936</u>	<u>70,933,971</u>	<u>(607,035)</u>	<u>81,788,881</u>	<u>(10,854,910)</u>
<b>Total liabilities, deferred outflows of resources and net position</b>	<u>\$ 93,168,506</u>	<u>\$ 94,223,203</u>	<u>\$ (1,054,697)</u>	<u>\$ 96,345,948</u>	<u>\$ (2,122,745)</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$70,326,936 and \$70,933,971 as of June 30, 2016 and 2015, respectively.

The District's net position (76% as of June 30, 2016 and 75% as of June 30, 2015) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending.

At the end of fiscal years 2016 and 2015, the District showed a positive balance in its unrestricted net position of \$16,491,138 and \$17,311,073, respectively, which may be utilized in future years.

**Casitas Municipal Water District**  
**Management's Discussion and Analysis (Continued)(Unaudited)**  
**For the Years Ended June 30, 2016 and 2015**

**Statement of Revenues, Expenses and Change in Net Position**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>Change</u>	<u>June 30, 2014</u>	<u>Change</u>
Operating revenues	\$ 12,869,735	\$ 14,530,148	\$ (1,660,413)	\$ 14,923,271	\$ (393,123)
Operating expenses	(13,931,131)	(13,277,286)	(653,845)	(14,238,444)	961,158
<b>Operating income before depreciation</b>	(1,061,396)	1,252,862	(2,314,258)	684,827	568,035
Depreciation expense	(3,174,681)	(3,164,097)	(10,584)	(3,152,038)	(12,059)
<b>Operating income(loss)</b>	(4,236,077)	(1,911,235)	(2,324,842)	(2,467,211)	555,976
Non-operating revenues(expenses), net	2,784,518	1,255,811	1,528,707	2,557,762	(1,301,951)
<b>Net loss before capital contributions</b>	(1,451,559)	(655,424)	(796,135)	90,551	(745,975)
Capital contributions	844,524	484,674	359,850	489,071	(4,397)
<b>Change in net position</b>	(607,035)	(170,750)	(436,285)	579,622	(750,372)
Net position:					
<b>Beginning of year</b>	70,933,971	81,788,881	(10,854,910)	81,209,259	579,622
<b>Prior period adjustment</b>	-	(10,684,160)	10,684,160	-	(10,684,160)
<b>End of year</b>	<u>\$ 70,326,936</u>	<u>\$ 70,933,971</u>	<u>\$ (607,035)</u>	<u>\$ 81,788,881</u>	<u>\$ (10,854,910)</u>

The statement of revenues, expenses and changes in net position shows how the District's net position changed during the fiscal years. In the case of the District, the District's net position decreased by \$(607,035) and \$(170,750) for the fiscal years ended June 30, 2016 and 2015, respectively.

A closer examination of the sources of changes in net position reveals that:

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>Increase (Decrease)</u>	<u>June 30, 2014</u>	<u>Increase (Decrease)</u>
<b>Operating revenues:</b>					
Retail water consumption	\$ 5,484,383	\$ 6,626,304	\$ (1,141,921)	\$ 7,054,465	\$ (428,161)
Wholesale water sales	1,380,262	2,058,219	(677,957)	2,041,254	16,965
Monthly water service charge	2,123,742	2,183,531	(59,789)	1,996,560	186,971
Recreation revenue	3,592,600	3,443,089	149,511	3,625,800	(182,711)
Other water charges and services	288,748	219,005	69,743	205,192	13,813
<b>Total operating revenues</b>	<u>12,869,735</u>	<u>14,530,148</u>	<u>(1,660,413)</u>	<u>14,923,271</u>	<u>(393,123)</u>
<b>Non-operating:</b>					
Property taxes – ad valorem	2,199,074	2,240,433	(41,359)	2,134,473	105,960
Redevelopment agency property tax	93,403	68,837	24,566	57,599	11,238
Property tax assessment for SWP	730,400	490,989	239,411	566,610	(75,621)
CFD 2013-1 assessment	454,543	-	454,543	-	-
Mira Monte assessment	19,049	19,434	(385)	31,797	(12,363)
Interest and investment earnings	515,352	427,897	87,455	492,219	(64,322)
Change in fair-value of investments	203,143	(200,414)	403,557	(210,368)	9,954
Other non-operating revenues/(expenses), net	41,386	179,498	(138,112)	24,506	154,992
<b>Total non-operating</b>	<u>4,256,350</u>	<u>3,226,674</u>	<u>1,029,676</u>	<u>3,096,836</u>	<u>129,838</u>
<b>Total revenues</b>	<u>\$ 17,126,085</u>	<u>\$ 17,756,822</u>	<u>\$ (630,737)</u>	<u>\$ 18,020,107</u>	<u>\$ (263,285)</u>

In 2016, total revenues decreased by 3.5% or \$(630,737) from \$17,756,822 to \$17,126,085, from the prior year, primarily due to the decrease in retail water consumption of \$(1,141,921) and wholesale water sales of \$(677,957) as the California drought continues with a State mandated 25% reduction in consumption.

In 2015, total revenues decreased by 1.5% or \$(263,285) from \$18,020,107 to \$17,756,822, from the prior year, primarily due to the decrease in retail water consumption of \$(428,161).

**Casitas Municipal Water District**  
**Management's Discussion and Analysis (Continued)(Unaudited)**  
**For the Years Ended June 30, 2016 and 2015**

**Statement of Revenues, Expenses and Change in Net Position (Continued)**

	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>Increase (Decrease)</u>	<u>June 30, 2014</u>	<u>Increase (Decrease)</u>
<b>Operating expenses:</b>					
Source of supply	\$ 1,432,140	\$ 1,430,475	\$ 1,665	\$ 1,421,801	\$ 8,674
Pumping	1,360,622	1,634,202	(273,580)	1,685,967	(51,765)
Water treatment	1,372,695	1,451,902	(79,207)	1,783,448	(331,546)
Transmission and distribution	697,974	646,868	51,106	762,346	(115,478)
Telemetry	173,559	272,594	(99,035)	332,776	(60,182)
Customer accounts	367,204	399,383	(32,179)	400,493	(1,110)
Recreation expenses	4,228,876	4,140,358	88,518	3,939,152	201,206
General and administrative	4,298,061	3,301,504	996,557	3,912,461	(610,957)
<b>Operating expenses before depreciation</b>	<u>13,931,131</u>	<u>13,277,286</u>	<u>653,845</u>	<u>14,238,444</u>	<u>(961,158)</u>
Depreciation	3,174,681	3,164,097	10,584	3,152,038	12,059
<b>Total operating expenses</b>	<u>17,105,812</u>	<u>16,441,383</u>	<u>664,429</u>	<u>17,390,482</u>	<u>(949,099)</u>
<b>Non-operating expenses:</b>					
State water project expense	183,384	696,576	(513,192)	451,590	244,986
Change in water-in-storage inventory	1,193,960	1,171,790	22,170	-	1,171,790
Tax collection expense	32,050	31,610	440	8,360	23,250
Interest expense – long-term debt	62,438	70,887	(8,449)	79,124	(8,237)
<b>Total non-operating</b>	<u>1,471,832</u>	<u>1,970,863</u>	<u>(499,031)</u>	<u>539,074</u>	<u>1,431,789</u>
<b>Total expenses</b>	<u>\$ 18,577,644</u>	<u>\$ 18,412,246</u>	<u>\$ 165,398</u>	<u>\$ 17,929,556</u>	<u>\$ 482,690</u>

In 2016, total operating expenses for the District's operations before depreciation expense increased by 4.9% or \$653,845 from \$13,277,286 to \$13,931,131, from the prior year, primarily due to the combination of a decrease in pumping expenses of \$(273,580) and an increase in general and administrative expenses of \$996,557.

In 2015, total expenses for the District's operations before depreciation expense decreased by 6.8% or \$(961,158) from \$14,238,444 to \$13,277,286, from the prior year, primarily due to the decrease in water treatment expenses of \$(331,546) and general and administrative expenses of \$(610,957).

**Capital Asset Administration**

	<u>Balance June 30, 2016</u>	<u>Balance June 30, 2015</u>	<u>Balance June 30, 2014</u>
<b>Capital assets:</b>			
Non-depreciable assets	\$ 6,288,912	\$ 6,230,088	\$ 6,470,865
Depreciable assets	111,938,176	109,187,029	106,217,396
Accumulated depreciation	<u>(59,983,992)</u>	<u>(56,912,396)</u>	<u>(53,806,702)</u>
<b>Total capital assets, net</b>	<u>\$ 58,243,096</u>	<u>\$ 58,504,721</u>	<u>\$ 58,881,559</u>

At the end of fiscal year 2016, 2015 and 2014, the District's investment in capital assets amounted to \$58,243,096, \$58,504,721 and \$58,881,559 (net of accumulated depreciation), respectively. This investment in capital assets includes land, land improvements, structures, building, operating equipment and office equipment. See Note 4 for further information.

**Casitas Municipal Water District  
Management's Discussion and Analysis (Continued)(Unaudited)  
For the Years Ended June 30, 2016 and 2015**

---

**Debt Administration**

The long-term debt position of the District is summarized below:

<b>Long-term debt:</b>	<u>Balance June 30, 2016</u>	<u>Balance June 30, 2015</u>	<u>Balance June 30, 2014</u>
Reimbursement agreement	\$ 2,780,214	\$ 3,011,898	\$ 3,011,898
Loans payable	1,652,804	1,898,692	2,136,978
Revenue bonds payable	89,500	105,500	120,500
<b>Total</b>	<u>\$ 4,522,518</u>	<u>\$ 5,016,090</u>	<u>\$ 5,269,376</u>

See Notes 6 and 7 for further information.

**Conditions Affecting Current Financial Position**

Management is unaware of any conditions which could have a significant impact on the District's current financial position, net position or operating results based on past, present and future events.

**Requests for Information**

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Accounting Manager/Treasurer at 1055 Ventura Avenue, Oak View, California 93022 – (805) 649-2251 x 103.

## **BASIC FINANCIAL STATEMENTS**

**Casitas Municipal Water District**  
**Balance Sheet**  
**June 30, 2016 and 2015**

<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>2016</b>	<b>2015</b>
<b>Current assets:</b>		
Cash and cash equivalents (note 2)	\$ 6,280,341	\$ 6,361,181
Investments (note 2)	19,552,252	19,026,345
Accrued interest receivable	101,996	109,375
Accounts receivable – customers	1,605,628	1,805,980
Accounts receivable – special assessments	115,220	134,267
Accounts receivable – property taxes	66,011	61,803
Accounts receivable – other	1,327,085	1,137,751
Materials and supplies inventory	96,593	88,704
Prepaid items	243,638	394,958
<b>Total current assets</b>	<b>29,388,764</b>	<b>29,120,364</b>
<b>Non-current assets:</b>		
Water-in-storage inventory (note 3)	4,969,768	6,163,728
Capital assets – not being depreciated (note 4)	6,288,912	6,230,088
Capital assets – being depreciated, net (note 4)	51,954,184	52,274,633
<b>Total non-current assets</b>	<b>63,212,864</b>	<b>64,668,449</b>
<b>Total assets</b>	<b>92,601,628</b>	<b>93,788,813</b>
<b>Deferred outflows of resources:</b>		
Pension contributions made after the measurement date (Note 9)	465,843	311,168
Adjustment due to differences in proportions (Note 9)	79,214	123,222
Differences between expected and actual experience (Note 9)	21,821	-
<b>Total deferred outflows of resources</b>	<b>566,878</b>	<b>434,390</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 93,168,506</b>	<b>\$ 94,223,203</b>

**Casitas Municipal Water District**  
**Balance Sheet (Continued)**  
**June 30, 2016 and 2015**

<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	\$ 619,778	\$ 1,303,366
Deposits and unearned revenue	539,569	521,071
Accrued interest payable	13,279	15,297
Long-term liabilities – due within one year:		
Compensated absences (note 5)	343,306	353,045
Reimbursement agreement (note 6)	77,228	231,684
Loans payable (note 7)	254,079	245,888
Special assessment bonds payable (note 7)	16,000	16,000
<b>Total current liabilities</b>	<b>1,863,239</b>	<b>2,686,351</b>
<b>Non-current liabilities:</b>		
Long-term liabilities – due in more than one year:		
Compensated absences (note 5)	514,958	529,568
Reimbursement agreement (note 6)	2,702,986	2,780,214
Loans payable (note 7)	1,398,725	1,652,804
Special assessment bonds payable (note 7)	73,500	89,500
Net other post-employment benefits payable (note 8)	9,049,748	8,113,216
Net pension liability (note 9)	4,616,826	5,352,928
<b>Total non-current liabilities</b>	<b>18,356,743</b>	<b>18,518,230</b>
<b>Total liabilities</b>	<b>20,219,982</b>	<b>21,204,581</b>
<b>Deferred inflows of resources:</b>		
Differences between projected and actual earnings on pension plan investments (Note 9)	103,494	1,798,832
Difference between actual and proportionate share of employer contributions (Note 9)	627,341	285,819
Adjustment due to differences in proportions (Note 9)	1,684,301	-
Changes in assumptions (Note 9)	206,452	-
<b>Total deferred inflows of resources</b>	<b>2,621,588</b>	<b>2,084,651</b>
<b>Net position:</b>		
Net investment in capital assets (note 10)	53,720,578	53,488,631
Restricted for debt service (note 11)	115,220	134,267
Unrestricted	16,491,138	17,311,073
<b>Total net position</b>	<b>70,326,936</b>	<b>70,933,971</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 93,168,506</b>	<b>\$ 94,223,203</b>

**Casitas Municipal Water District**  
**Statements of Revenues, Expenses and Changes in Net Position**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Operating revenues:</b>		
Retail water consumption	\$ 5,484,383	\$ 6,626,304
Wholesale water sales	1,380,262	2,058,219
Monthly water service charge	2,123,742	2,183,531
Recreation revenue	3,592,600	3,443,089
Other water charges and services	288,748	219,005
<b>Total operating revenues</b>	<u>12,869,735</u>	<u>14,530,148</u>
<b>Operating expenses:</b>		
Source of supply	1,432,140	1,430,475
Pumping	1,360,622	1,634,202
Water treatment	1,372,695	1,451,902
Transmission and distribution	697,974	646,868
Telemetry	173,559	272,594
Customer accounts	367,204	399,383
Recreation expenses	4,228,876	4,140,358
General and administrative	4,298,061	3,301,504
<b>Total operating expenses</b>	<u>13,931,131</u>	<u>13,277,286</u>
<b>Operating income(loss) before depreciation</b>	(1,061,396)	1,252,862
Depreciation – water department	(2,826,579)	(2,832,048)
Depreciation – recreation department	(348,102)	(332,049)
<b>Operating (loss)</b>	<u>(4,236,077)</u>	<u>(1,911,235)</u>
<b>Non-operating revenues(expenses):</b>		
Property taxes – ad valorem	2,199,074	2,240,433
Redevelopment agency property tax increment	93,403	68,837
Property tax assessment for State Water Project	730,400	490,989
State water project expense	(183,384)	(696,576)
Change in water-in-storage inventory (note 3)	(1,193,960)	(1,171,790)
CFD 2013-1 assessment	454,543	-
Mira Monte assessment	19,049	19,434
Tax collection expense	(32,050)	(31,610)
Interest and investment earnings	515,352	427,897
Change in fair-value of investments	203,143	(200,414)
Interest expense – long-term debt	(62,438)	(70,887)
Other, net	41,386	179,498
<b>Total non-operating revenue(expense), net</b>	<u>2,784,518</u>	<u>1,255,811</u>
<b>Net (loss) before capital contributions</b>	<u>(1,451,559)</u>	<u>(655,424)</u>
<b>Capital contributions:</b>		
Federal, state and local grants	844,524	484,674
<b>Total capital contributions</b>	<u>844,524</u>	<u>484,674</u>
<b>Change in net position</b>	<u>(607,035)</u>	<u>(170,750)</u>
<b>Net position:</b>		
Beginning of year, as previously reported	70,933,971	81,788,881
Prior period adjustments (note 12)	-	(10,684,160)
End of year	<u>\$ 70,326,936</u>	<u>\$ 70,933,971</u>



**Casitas Municipal Water District**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities:</b>		
Cash receipts from customers and others	\$ 12,940,637	\$ 13,784,625
Cash paid to employees for salaries and wages	(5,329,582)	(5,288,876)
Cash paid to vendors and suppliers for materials and services	(8,744,560)	(7,751,940)
<b>Net cash provided by (used in) operating activities</b>	<u>(1,133,505)</u>	<u>743,809</u>
<b>Cash flows from non-capital financing activities:</b>		
Proceeds from property taxes and assessments	3,511,308	2,818,472
Tax collection expense	(32,050)	(31,610)
<b>Net cash provided by non-capital financing activities</b>	<u>3,479,258</u>	<u>2,786,862</u>
<b>Cash flows from capital and related financing activities:</b>		
Acquisition and construction of capital assets	(2,913,056)	(2,787,259)
Proceeds from capital grants	844,524	484,674
Principal paid on long-term debt	(517,921)	(253,286)
Interest paid on long-term debt	(49,159)	(72,806)
<b>Net cash (used in) capital and related financing activities</b>	<u>(2,635,612)</u>	<u>(2,628,677)</u>
<b>Cash flows from investing activities:</b>		
Proceeds from the sale or maturity of investments	2,256,411	7,180,697
Purchases of investments, net	(2,570,123)	(11,258,248)
Investment earnings	522,731	395,440
<b>Net cash provided by (used in) investing activities</b>	<u>209,019</u>	<u>(3,682,111)</u>
<b>Net (decrease) in cash and cash equivalents</b>	(80,840)	(2,780,117)
<b>Cash and cash equivalents:</b>		
Beginning of year	<u>6,361,181</u>	<u>9,141,298</u>
End of year	<u>\$ 6,280,341</u>	<u>\$ 6,361,181</u>

**Casitas Municipal Water District**  
**Statements of Cash Flows (Continued)**  
**For the Years Ended June 30, 2016 and 2015**

	<b>2016</b>	<b>2015</b>
<b>Reconciliation of operating (loss) to net cash provided by (used in) operating activities:</b>		
Operating (loss)	\$ (4,236,077)	\$ (1,911,235)
<b>Adjustments to reconcile operating (loss) to net cash provided by (used in) operating activities:</b>		
Depreciation	3,174,681	3,164,097
State water project expense	(183,384)	(696,576)
Other, net	41,386	179,498
<b>Change in assets – (increase)decrease:</b>		
Accounts receivable – customers	200,352	(692,958)
Accounts receivable – other	(189,334)	(709,809)
Materials and supplies inventory	(7,889)	5,158
Prepaid items	151,320	(153,596)
<b>Change in deferred outflows of resources – (increase)decrease</b>		
Pension contributions made after the measurement date	(154,675)	397,004
Adjustment due to differences in proportions	44,008	(123,222)
Differences between expected and actual experience	(21,821)	-
<b>Change in liabilities – increase(decrease):</b>		
Accounts payable and accrued expenses	(683,588)	306,876
Deposits and unearned revenue	18,498	477,746
Compensated absences	(24,349)	(66,598)
Net other post-employment benefits payable	936,532	831,767
Net pension liability	(736,102)	(1,961,097)
<b>Change in deferred inflows of resources – increase(decrease)</b>		
Differences between projected and actual earnings on pension plan investments	(1,695,338)	1,798,832
Difference between actual and proportionate share of employer contributions	341,522	(102,078)
Adjustment due to differences in proportions	1,684,301	-
Changes in assumptions	206,452	-
<b>Total adjustments</b>	<b>3,102,572</b>	<b>2,655,044</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (1,133,505)</b>	<b>\$ 743,809</b>
<b>Non-cash investing, capital and financing transactions:</b>		
Change in fair-value of investments	\$ 203,143	\$ (200,414)

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements**  
**For the Years Ended June 30, 2016 and 2015**

**Note 1 – Reporting Entity and Summary of Significant Accounting Policies**

Established in 1952, the Casitas Municipal Water District provides domestic and agricultural water to the western portion of Ventura County. The District is governed by a five-member Board of Directors who serves overlapping four-year terms.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Statements No. 61, *The Financial Reporting Entity*. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The District has no component units as of year-end.

**Basis of Presentation**

Financial statement presentation follows the recommendations promulgated by the Governmental Accounting Standards Board (GASB) commonly referred to as accounting principles generally accepted in the United States of America (U.S. GAAP). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The Financial Statements (i.e., the balance sheet, the statement of revenues, expenses and change in net position, and statement of cash flows) report information on all of the activities of the primary government. The District accounts for its operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Financial Statements are reported using the “*economic resources*” measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as all eligibility requirements have been met. Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as revenue of the current fiscal period.

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

*Deferred Outflows of Resources* represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

*Deferred Inflows of Resources* represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

Operating revenues are those revenues that are generated from the primary operations of the District. The District reports a measure of operations by presenting the change in net position from operations as *operating income* in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the District as all activities other than financing and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a non-operating nature. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as non-operating expenses.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

**Accounting Changes**

GASB has issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. This Statement establishes standards for measuring and recognizing liabilities, deferred outflow of resources, deferred inflows of resources, and expense/expenditures for pension plans. This Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. This statement became effective for periods beginning after June 15, 2014. See Notes 9 and 12 for the net pension liability and the prior period adjustment, respectively, as a result of implementation.

GASB has issued Statement No. 69, *Government Combinations and Disposals of Government Operation*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations include a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This statement became effective for periods beginning after December 15, 2013 and did not have a significant impact on the District's financial statements for year ended June 30, 2015.

GASB has issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. This statement establishes standards relating to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This statement became effective for periods beginning after June 15, 2014. See Notes 9 and 12 for the net pension liability and the prior period adjustment, respectively, as a result of implementation.

Statement No. 72, *Fair Value Measurement and Application*, which provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosure related to all fair value measurements. Application of this statement is effective for fiscal year ending June 30, 2016.

Statement No. 73, *Accounting and Financial Reporting for Pension and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This statement establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria (those not covered by GASB Statements 67 and 68). Application of this statement is effective for District's fiscal year ending June 30, 2016, except those provisions that address employers and governmental non-employer contributing entities that are not within the scope of GASB Statement 68, which are effective for financial statements for fiscal year ending June 30, 2017.

Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This statement reduces the generally accepted accounting principles (GAAP) hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the American Institute of Certified Public Accountants that is cleared by the GASB. Application of this statement is effective for fiscal year ending June 30, 2016.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

**Cash and Cash Equivalents**

Cash and cash equivalents include all highly liquid investments with original maturities of 90 days or less and are carried at cost, which approximates fair value.

**Investments**

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statements of Net Position, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the asset or liability at the measurement date.

**Receivables and Allowance for Doubtful Accounts**

Customer accounts receivable consist of amounts owed by organizations for services rendered in the regular course of business operations. Uncollectable accounts are based on prior experience and management’s assessment of the collectability of existing accounts. As of June 30, 2016 and 2015, no allowance for doubtful accounts has been recorded as the District deems all accounts receivable balances collectable.

**Property Taxes and Assessments**

Property taxes are levied on July 1 and are payable in two installments: November 1 and February 1 of each year. Property taxes become delinquent on December 10 and April 10, for the first and second installments, respectively. The lien date is January 1. The County of Ventura, California (County) bills and collects property taxes and remits them to the District according to a payment schedule established by the County.

The County is permitted by State law to levy properties at 1% of full market value (at time of purchase) and can increase the property tax rate at no more than 2% per year. The District receives a share of this basic tax levy proportionate to what it received during the years 1976-1978. Property taxes are recognized in the fiscal year for which the taxes have been levied.

Property assessments are extended on the property tax bills and are collected by the County and distributed to the District throughout the year.

**Materials and Supplies Inventory**

Materials and supplies inventory consists primarily of water meters, pipe and pipefittings for construction and repair to the District’s water transmission and distribution system. Inventory is valued at cost using a weighted average method. Inventory items are charged to expense at the time that individual items are withdrawn from inventory or consumed.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond the fiscal year ended are recorded as prepaid expenses.

**Water-In-Storage Inventory**

The value of water inventory is determined based upon the quantity of water in storage in Lake Casitas and the costs to divert the water into the lake.

**Capital Assets**

Capital assets are valued at historical cost, or estimated historical cost, if actual historical cost was not available. Donated capital assets are valued at their estimated fair market value on the date donated. The District policy has set the capitalization threshold for reporting capital assets at \$5,000, all of which must have an estimated useful life in excess of one year. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Transmission and distribution system	50 to 75 years
Pumping plant	10 to 30 years
Water treatment plant	10 to 30 years
Buildings and structures	10 to 30 years
Equipment	5 to 10 years
Fish ladder	5 years
Recreation assets	7 years
Alternate swimming facility	2 to 5 years

Major outlays for capital assets are capitalized as construction in progress until fully constructed. Once the construction is completed the capital asset is transferred and depreciated based on its useful life.

**State Water Project Participation Rights**

The District participates in the State Water Project (Project) entitling it to certain water rights. The District's participation in the Project is through cash payments. Monies used for the construction of capital assets, such as pipelines, pumping facilities, storage facilities, etc., are recorded as participation rights and amortized over the life of the agreements. Certain projects also require payments for on-going maintenance; those payments are charged to expenses as incurred.

**Compensated Absences**

The District's personnel policies provide for accumulation of vacation and sick leave. Liabilities for vacation and sick leave are recorded when benefits are earned. Cash payment of unused vacation is available to those qualified employees when retired or terminated.

**Customer Deposits**

Based on a customer's credit-worthiness, the District may require a deposit deemed reasonable by the District. These deposits are held to pay-off close out bills or to cover delinquent payments.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)**

**Net Other Post Employment Retirement Benefits**

The District provides certain health care benefits for all retired employees that meet eligibility requirements. The District’s share of the estimated costs that will be paid after retirement is being accounted for on a pay-as-you-go basis.

**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 plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plans (Note 9). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The following timeframes are used for pension reporting:

<u>CalPERS</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Valuation date	June 30, 2014	June 30, 2013
Measurement date	June 30, 2015	June 30, 2014
Measurement period	July 1, 2014 to June 30, 2015	July 1, 2015 to June 30, 2014

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 outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

**Net Position**

Net position represents the difference between all other elements in the statement of net position and should be displayed in the following three components:

*Net Investment in Capital Assets* – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted* – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. There was no restricted net position as of June 30, 2015.

*Unrestricted* – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

**Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of the contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 2 – Cash and Investments**

Cash and investments as of June 30 were classified in the accompanying financial statements as follows:

Description	June 30, 2016	June 30, 2015
Cash and cash equivalents	\$ 6,280,341	\$ 6,361,181
Investments	19,552,252	19,026,345
Total	<u>\$ 25,832,593</u>	<u>\$ 25,387,526</u>

Cash and investments as of June 30 consisted of the following:

Description	June 30, 2016	June 30, 2015
Cash on hand	\$ 5,000	\$ 4,500
Deposits held with financial institutions	6,225,779	6,324,756
Investments	22,789,744	19,042,530
Total	<u>\$ 29,020,523</u>	<u>\$ 25,371,786</u>

***Custodial Credit Risk***

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the bank balance, up to \$250,000 is federally insured.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide requirements for cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the above table that shows the distribution of the District's investments by maturity date.



**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 2 – Cash and Investments (Continued)**

***Credit Risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented above is the credit rating required by (where applicable) the California Government Code, the District’s investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

***Concentration of Credit Risk***

The District’s investment policy contains various limitations on the amounts that can be invested in any one governmental agency or non-governmental issuer as stipulated by the California Government Code. There were no investments in any one non-governmental issuer that represent 5% or more of the District’s total investments as of June 30, 2016 and 2015.

The District’s investments as of June 30, 2016 were as follows:

<u>Type of Investments</u>	<u>Measurement Input</u>	<u>Fair Value</u>	<u>Maturity</u>		
			<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25 to 120 Months</u>
U.S. treasury obligations	Level 2	\$ 3,187,930	\$ -	\$ -	\$ 3,187,930
Government sponsored entities securities	Level 2	19,552,252	685,356	1,062,220	17,804,676
Money market mutual funds	N/A	46,262	46,262	-	-
Local Agency Investment Fund (LAIF)	N/A	448	448	-	-
Ventura County Pooled Investment Fund	N/A	2,852	2,852	-	-
<b>Total investments</b>		<b>\$ 22,789,744</b>	<b>\$ 734,918</b>	<b>\$ 1,062,220</b>	<b>\$ 20,992,606</b>

The District’s investments as of June 30, 2015 were as follows:

<u>Type of Investments</u>	<u>Measurement Input</u>	<u>Fair Value</u>	<u>Maturity</u>		
			<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25 to 120 Months</u>
Government sponsored entities securities	Level 2	\$ 19,026,345	\$ 712,152	\$ 696,737	\$ 17,617,456
Money market mutual funds	N/A	14,773	14,773	-	-
Local Agency Investment Fund (LAIF)	N/A	446	446	-	-
Ventura County Pooled Investment Fund	N/A	966	966	-	-
<b>Total investments</b>		<b>\$ 19,042,530</b>	<b>\$ 728,337</b>	<b>\$ 696,737</b>	<b>\$ 17,617,456</b>

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 2 – Cash and Investments (Continued)**

***Authorized Deposits and Investments***

The table below identifies the investment types that are authorized by the District in accordance with the California Government Code (or the District’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District’s investment policy.

<b>Authorized Investment Type</b>	<b>Maximum Maturity</b>	<b>Maximum Percentage of Portfolio</b>	<b>Maximum Investment in One Issuer</b>
U.S. treasury obligations	10-years	None	None
Government sponsored entities securities	10-years	None	None
Non-negotiable certificates of deposit	10-years	None	None
Money market mutual funds	5-years	20%	20%
Collateralized bank deposits	None	None	None
County pooled investment funds	None	None	None
California Local Agency Investment Fund (LAIF)	None	None	None

***Investment in California – Local Agency Investment Fund (LAIF)***

The District is a voluntary participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District’s investment in this pool is reported in the accompanying financial statements at amounts based upon the entity’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Further information about LAIF is available on the California State Controller’s website: [www.treasurer.ca.gov/pmia-laif/](http://www.treasurer.ca.gov/pmia-laif/)

The District’s investments with LAIF at June 30, 2016 and 2015 included a portion of the pool funds invested in structured notes and asset-backed securities:

***Investment in California – Local Agency Investment Fund (LAIF)***

**Structured Notes**: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

**Asset-Backed Securities**: generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

The District had \$448 and \$446 invested in LAIF, which had invested 2.81% and 2.08% of the pooled investment funds as of June 30, 2016 and June 30, 2015, respectively, in structured notes and medium-term asset-backed securities. The LAIF fair value factor of 1.000621222 and 1.000375979 was used to calculate the fair value of the investments in LAIF as of June 30, 2016 and 2015, respectively.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 2 – Cash and Investments (Continued)**

***Investment in Ventura County Pooled Investment Fund (VCPIF)***

The District is a voluntary participant in the VCPIF and the District determines the amount and term of its investment. The County Treasurer makes investments in accordance with a Statement of Investment Policy reviewed and approved annually by the Board of Supervisors. The Treasury Investment Oversight Committee comprised of the County Treasurer, a representative of the Board of Supervisors, the County Investment Manager, a representative of the County Superintendent of Schools and other Treasury Department support staff meets semi-annually to review the activities of the Treasurer and provide a report to the Board of Supervisors. The County’s Treasurer has indicated to the District that as of June 30, 2016 and 2015 that the value of the County’s portfolio was approximately \$2.2 billion for both year ends. The VCPIF is rated AAAs by Standard & Poor’s. As of June 30, 2016 and 2015, the District has investment in the VCPIF \$2,852 and \$966, respectively. Further information about the VCPIF is available on the Ventura County Treasurer-Tax Collector’s website: [www.ventura.org/ttc/](http://www.ventura.org/ttc/)

**Note 3 – Water-in-Storage Inventory**

The following schedule notes the change in the cost of the water held-in-storage in Casitas Lake. The increase or decrease in the water storage valuation balance denotes a way of accounting for water diversion expenses in future years when the water in the lake is transmitted to the District’s customers.

Changes in water-in-storage inventory for the years ended June 30 were as follows:

<u>Description</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Beginning balance – water-in-storage	\$ 6,163,728	\$ 11,025,928
Prior period adjustment (note 12)	-	(3,690,410)
Current year water-in-storage valuation	<u>(1,193,960)</u>	<u>(1,171,790)</u>
Ending balance – water-in-storage	<u>\$ 4,969,768</u>	<u>\$ 6,163,728</u>

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 4 – Capital Assets**

Summary changes in capital asset balances for the year ended June 30, 2016 were as follows:

Description	Balance July 1, 2015	Additions	Deletions/ Transfers	Balance June 30, 2016
<b>Non-depreciable assets:</b>				
Land	6,047,935	\$ -	\$ -	\$ 6,047,935
Construction-in-process	182,153	143,652	(84,828)	240,977
<b>Total non-depreciable assets</b>	<b>6,230,088</b>	<b>143,652</b>	<b>(84,828)</b>	<b>6,288,912</b>
<b>Depreciable assets:</b>				
State water project entitlement	2,951,000	-	-	2,951,000
Transmission and distribution system	42,122,969	168,164	5,193	42,296,326
Pumping plant	10,569,368	444,699	84,828	11,098,895
Water treatment plant	27,400,940	1,638,865	(5,193)	29,034,612
Buildings and structures	2,809,377	73,491	(17,854)	2,865,014
Equipment	4,273,467	224,165	(85,231)	4,412,401
Fish ladder	8,270,495	18,428	-	8,288,923
Recreation assets	8,853,508	201,592	-	9,055,100
Alternate swimming facility	1,935,905	-	-	1,935,905
<b>Total depreciable assets</b>	<b>109,187,029</b>	<b>2,769,404</b>	<b>(18,257)</b>	<b>111,938,176</b>
<b>Accumulated depreciation:</b>				
State water project entitlement	(1,865,977)	(20,889)	-	(1,886,866)
Transmission and distribution system	(18,883,070)	(474,778)	-	(19,357,848)
Pumping plant	(5,752,632)	(458,771)	-	(6,211,403)
Water treatment plant	(16,236,434)	(1,254,210)	-	(17,490,644)
Buildings and structures	(1,279,995)	(91,195)	17,854	(1,353,336)
Equipment	(2,391,419)	(180,962)	85,231	(2,487,150)
Fish ladder	(3,837,465)	(343,066)	-	(4,180,531)
Recreation assets	(5,697,453)	(254,015)	-	(5,951,468)
Alternate swimming facility	(967,951)	(96,795)	-	(1,064,746)
<b>Total accumulated depreciation</b>	<b>(56,912,396)</b>	<b>(3,174,681)</b>	<b>103,085</b>	<b>(59,983,992)</b>
<b>Total depreciable assets, net</b>	<b>52,274,633</b>	<b>(405,277)</b>	<b>84,828</b>	<b>51,954,184</b>
<b>Total capital assets, net</b>	<b>\$ 58,504,721</b>	<b>\$ (261,625)</b>	<b>\$ -</b>	<b>\$ 58,243,096</b>

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 4 – Capital Assets (Continued)**

Summary changes in capital asset balances for the year ended June 30, 2015 were as follows:

Description	Balance July 1, 2014	Additions	Deletions/ Transfers	Balance June 30, 2015
<b>Non-depreciable assets:</b>				
Land	6,047,935	\$ -	\$ -	\$ 6,047,935
Construction-in-process	422,930	166,838	(407,615)	182,153
<b>Total non-depreciable assets</b>	<b>6,470,865</b>	<b>166,838</b>	<b>(407,615)</b>	<b>6,230,088</b>
<b>Depreciable assets:</b>				
State water project entitlement	2,880,437	70,563	-	2,951,000
Transmission and distribution system	41,931,093	191,876	-	42,122,969
Pumping plant	10,136,828	432,540	-	10,569,368
Water treatment plant	26,964,455	436,485	-	27,400,940
Buildings and structures	1,928,970	880,407	-	2,809,377
Equipment	4,151,822	180,048	(58,403)	4,273,467
Fish ladder	8,270,495	-	-	8,270,495
Recreation assets	8,017,391	428,502	407,615	8,853,508
Alternate swimming facility	1,935,905	-	-	1,935,905
<b>Total depreciable assets</b>	<b>106,217,396</b>	<b>2,620,421</b>	<b>349,212</b>	<b>109,187,029</b>
<b>Accumulated depreciation:</b>				
State water project entitlement	(1,823,397)	(42,580)	-	(1,865,977)
Transmission and distribution system	(18,331,300)	(551,770)	-	(18,883,070)
Pumping plant	(5,303,410)	(449,222)	-	(5,752,632)
Water treatment plant	(15,059,890)	(1,176,544)	-	(16,236,434)
Buildings and structures	(1,192,474)	(87,521)	-	(1,279,995)
Equipment	(2,265,041)	(184,781)	58,403	(2,391,419)
Fish ladder	(3,500,542)	(336,923)	-	(3,837,465)
Recreation assets	(5,459,492)	(237,961)	-	(5,697,453)
Alternate swimming facility	(871,156)	(96,795)	-	(967,951)
<b>Total accumulated depreciation</b>	<b>(53,806,702)</b>	<b>(3,164,097)</b>	<b>58,403</b>	<b>(56,912,396)</b>
<b>Total depreciable assets, net</b>	<b>52,410,694</b>	<b>(543,676)</b>	<b>407,615</b>	<b>52,274,633</b>
<b>Total capital assets, net</b>	<b>\$ 58,881,559</b>	<b>\$ (376,838)</b>	<b>\$ -</b>	<b>\$ 58,504,721</b>

**State Water Project Entitlement**

In 1963, the Ventura County Flood Control District contracted with the State of California (State) for 20,000 acre-feet per year of water from the State Water Project (SWP). The SWP conveys water from Northern California to Southern California through a system of reservoirs, canals, pumps stations and power generation facilities. In 1971, the administration of the State Water Contract with the State was assigned to the District. Of the 20,000 acre-feet per year contracted, the District is assigned 5,000 acre-feet per year, United Water Conservation District is assigned 5,000 acre-feet per year, and the City of Ventura is assigned 10,000 acre-feet per year. Currently, only United Water Conservation District is receiving water from the SWP.

The District is one of many participants contracting with the State of California for a system to provide water throughout California. Under the terms of the State Water Contract, as amended, the District is obligated to pay allocable portions of the cost of construction of the system and ongoing operations and maintenance costs through at least the year 2035, regardless of the quantities of water available from the project. The District and the other contractors may also be responsible to the State for certain obligations by any contractor who defaults on its payments to the State.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 4 – Capital Assets**

*State Water Project Entitlement (Continued)*

Management's present intention is to exercise the District's option to extend the contractual period to at least 2052, under substantially comparable terms. This corresponds to an estimated 80-year service life for the original facilities. The State is obligated to provide specific quantities of water throughout the life of the contract, subject to certain conditions.

In addition to system on-aqueduct power facilities, the State has, either on its own or through joint venture, financed certain off-aqueduct power facilities (OAPF). The power generated is utilized by the system for water transportation purposes. Power generated in excess of system needs is marketed to various utilities and California's power market. The District is entitled to a proportionate share of the revenues resulting from sales of excess power. The District and the other water contractors are responsible for repaying the capital and operating costs of the OAPF regardless of the amount of power generated.

The District capitalizes its share of system construction costs as participation rights in state water facilities when such costs are billed by the State. Unamortized participation rights essentially represent a prepayment for future water deliveries through the State system. The District's share of system operations and maintenance costs is charged to expense.

The District amortizes a portion of capitalized participation rights each year using a formula that considers the total estimated cost of the project, estimated useful life and estimated production capacity of the assets based upon information provided by the State of California.

**Note 5 – Compensated Absences**

Summary changes in compensated absences balances for the years ended June 30, 2016 were as follows:

<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>	<u>Due Within One Year</u>	<u>Due in More Than One Year</u>
\$ 882,613	\$ 384,471	\$ (408,820)	\$ 858,264	\$ 343,306	\$ 514,958

Summary changes in compensated absences balances for the years ended June 30, 2015 were as follows:

<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>	<u>Due Within One Year</u>	<u>Due in More Than One Year</u>
\$ 949,211	\$ 334,196	\$ (400,794)	\$ 882,613	\$ 353,045	\$ 529,568

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 6 – Reimbursement Agreement**

***Casitas Dam Project – Seismic Safety of Casitas Dam***

The United States Bureau of Reclamation (USBR) has undertaken and completed a project to strengthen Casitas Dam to better withstand seismic activity. Under Federal Law, the District is required to pay 15% of those costs. The District and the USBR have completed negotiations on the District's share of the cost of the project which is \$3,011,898. The District is to reimburse the USBR \$77,228 each February 1<sup>st</sup> until February 1, 2052 as follows:

Fiscal Year	Amount
2017	\$ 77,228
2018	77,228
2019	77,229
2020	77,228
2021	77,228
2022-2026	386,141
2027-2031	386,141
2032-2036	386,140
2037-2041	386,141
2042-2046	386,141
2047-2051	386,141
2052	77,228
Total	2,780,214
Less current portion	(231,685)
Total non-current	\$ 2,548,529

**Note 7 – Long-Term Debt**

Changes in long-term debt amounts for the year ended June 30, 2016 were as follows:

Long-Term Debt	Balance July 1, 2015	Additions/ Adjustments	Payments/ Amortization	Balance June 30, 2016
Loans payable	\$ 1,898,692	\$ -	\$ (245,888)	\$ 1,652,804
Special assessment bonds payable	105,500	-	(16,000)	89,500
Total long-term debt	2,004,192	\$ -	\$ (261,888)	1,742,304
Less current portion	(261,888)			(270,079)
Non-current portion	\$ 1,742,304			\$ 1,472,225

Changes in long-term debt amounts for the year ended June 30, 2015 were as follows:

Long-Term Debt	Balance July 1, 2014	Additions/ Adjustments	Payments/ Amortization	Balance June 30, 2015
Loans payable	\$ 2,136,978	\$ -	\$ (238,286)	\$ 1,898,692
Special assessment bonds payable	120,500	-	(15,000)	105,500
Total long-term debt	2,257,478	\$ -	\$ (253,286)	2,004,192
Less current portion	(253,286)			(261,888)
Non-current portion	\$ 2,004,192			\$ 1,742,304

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 7 – Long-Term Debt (Continued)**

***Loans Payable:***

***1991 California Department of Water Resources Loan***

In 1991 the District contracted with the California Department of Water Resources for a \$5,203,965 30-year loan to assist in financing the construction of the treatment plant. The loan is scheduled to mature in 2022. Interest and principle are payable annually on March 20<sup>th</sup> each year at a rate of 3.2136%. Annual debt service requirements on the 1991 California Department of Water Resources Loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 254,079	\$ 50,989	\$ 305,068
2018	262,202	42,866	305,068
2019	270,694	34,374	305,068
2020	279,416	25,652	305,068
2021	288,552	16,516	305,068
2022	297,861	7,207	305,068
Total	1,652,804	<u>\$ 177,604</u>	<u>\$ 1,830,408</u>
Less current	<u>(254,079)</u>		
Total non-current	<u>\$ 1,398,725</u>		

***Special Assessment Bonds Payable:***

***Mira Monte Special Assessment Bonds Payable***

The special assessment bonds payable were incurred to repay the District for upgrading the Mira Monte Water System in order to meet the District’s standards for water delivery systems. The bonds payable bear interest at an effective rate of 5% and is payable in annual installments of graduated amounts ranging from \$3,000 to \$19,500 through the year 2021. Debt service payments on the special assessment bonds are provided by assessments of property owners. Annual debt service requirements on the special assessment bonds payable are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 16,000	\$ 4,875	\$ 20,875
2018	17,000	4,075	21,075
2019	18,000	3,250	21,250
2020	19,000	2,375	21,375
2021	19,500	1,450	20,950
Total	89,500	<u>\$ 16,025</u>	<u>\$ 105,525</u>
Less current	<u>(16,000)</u>		
Total non-current	<u>\$ 73,500</u>		



**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 8 – Net Other Post-Employment Benefits**

***Plan Description***

The District provides Other Post-Employment Benefits (OPEB) to employees who retire from the District and meet certain eligibility requirements. The contribution requirements of Plan members and the District are established and may be amended by the Board of Directors.

***Funding Policy***

As required by GASB Statement No. 45, an actuary will determine the District's Annual Required Contributions (ARC) at least once every two years. The ARC is calculated in accordance with certain parameters, and includes (1) the Normal Cost for one year, and (2) a component for amortization of the total Unfunded Actuarial Accrued Liability (UAAL) over a period not to exceed 30 years.

***Annual OPEB Cost and Net OPEB Asset***

The following table shows the components of the District's Annual OPEB cost for the fiscal year ended June 30, 2016 and 2015, the amount actually contributed to the plan and the changes in the District's net OPEB obligation:

Summary changes in net other post-employment benefits obligation as of June 30 were as follows:

Description	June 30, 2016	June 30, 2015
<b>Annual OPEB cost:</b>		
Annual required contribution (ARC)	\$ 1,196,266	\$ 1,164,249
Interest on net OPEB obligation	365,095	218,443
Adjustment to annual required contribution	(155,216)	(39,937)
<b>Total annual OPEB cost</b>	<b>1,406,145</b>	<b>1,342,755</b>
<b>Contributions made:</b>		
Contributions	(469,613)	(510,988)
<b>Total contributions made</b>	<b>(469,613)</b>	<b>(510,988)</b>
<b>Total change in net OPEB obligation</b>	<b>936,532</b>	<b>831,767</b>
<b>Net OPEB obligation(asset):</b>		
Beginning of year	8,113,216	7,281,449
End of year	<u>\$ 9,049,748</u>	<u>\$ 8,113,216</u>

The District's annual OPEB cost, the amounts contributed to the irrevocable trust, retiree benefit payments, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation payable/asset for the fiscal year ended June 30, 2015 and the two preceding years are shown in the following table.

<i>Three-Year History of Net OPEB Obligation(Asset)</i>				
Fiscal Year Ended	Annual OPEB Cost	Contributions Made	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation Payable(Asset)
June 30, 2016	\$ 1,406,145	\$ 469,613	33.40%	\$ 9,049,748
June 30, 2015	1,342,755	510,988	38.06%	8,113,216
June 30, 2014	2,562,079	558,632	21.80%	7,281,449

The most recent valuation (dated June 30, 2015) includes an Actuarial Accrued Liability of \$14,591,064. Plan assets amounted to \$0. The covered payroll (annual payroll of active employees covered by the plan) for the year ended June 30, 2015 was \$4,800,000. The funded ratio of the liability was 0.00%.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 8 – Net Other Post-Employment Benefits Asset (Continued)**

*Actuarial Methods and Assumptions*

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and the pattern of sharing of costs between the employer and plan members to that point. Consistent with the long-term perspective of actuarial calculations, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities for benefits.

The following is a summary of the actuarial assumptions and methods:

Valuation date	June 30, 2015
Actuarial cost method	Entry age normal cost method
Amortization method	Level percent, closed 30 years
Remaining amortization period	25 Years as of the valuation date
Asset valuation method	30 Year smoothed market
Actuarial assumptions:	
Investment rate of return	4.50%
Projected salary increase	2.75%
Inflation - discount rate	2.75%
Health care trend rate	4.00%

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan**

Changes in the net pension liability and the related deferred outflows and inflows of resources for the year ended June 30, 2016 were as follows:

<u>Type of Account</u>	<u>Balance as of July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance as of June 30, 2016</u>
<b>Deferred Outflows of Resources:</b>				
Pension contributions made after the measurement date:				
CalPERS – Miscellaneous Plan	\$ 311,168	\$ 495,443	\$ (340,768)	\$ 465,843
Adjustment due to differences in proportions:				
CalPERS – Miscellaneous Plan	123,222	-	(44,008)	79,214
Differences between expected and actual experience:				
CalPERS – Miscellaneous Plan	-	29,615	(7,794)	21,821
<b>Total deferred outflows of resources</b>	<u>\$ 434,390</u>	<u>\$ 525,058</u>	<u>\$ (392,570)</u>	<u>\$ 566,878</u>
<b>Net Pension Liability:</b>				
CalPERS – Miscellaneous Plan	<u>\$ 5,352,928</u>	<u>\$ 28,481</u>	<u>\$ (764,583)</u>	<u>\$ 4,616,826</u>
<b>Deferred Inflows of Resources:</b>				
Differences between projected and actual earnings on pension plan investments:				
CalPERS – Miscellaneous Plan	\$ 1,798,832	\$ 8,996	\$ (1,704,334)	\$ 103,494
Difference between actual and proportionate share of employer contributions:				
CalPERS – Miscellaneous Plan	285,819	601,041	(259,519)	627,341
Adjustment due to differences in proportions:				
CalPERS – Miscellaneous Plan	-	2,285,491	(601,190)	1,684,301
Changes in assumptions:				
CalPERS – Miscellaneous Plan	-	280,186	(73,734)	206,452
<b>Total deferred inflows of resources</b>	<u>\$ 2,084,651</u>	<u>\$ 3,175,714</u>	<u>\$ (2,638,777)</u>	<u>\$ 2,621,588</u>

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

Changes in the net pension liability and the related deferred outflows and inflows of resources for the year ended June 30, 2015 were as follows:

<u>Type of Account</u>	<u>Balance as of July 1, 2014 (As Restated)</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance as of June 30, 2015</u>
<b>Deferred Outflows of Resources:</b>				
Pension contributions made after the measurement date:				
CalPERS – Miscellaneous Plan	\$ 708,172	\$ 311,168	\$ (708,172)	\$ 311,168
Adjustment due to differences in proportions:				
CalPERS – Miscellaneous Plan	-	167,230	(44,008)	123,222
<b>Total deferred outflows of resources</b>	<u>\$ 708,172</u>	<u>\$ 478,398</u>	<u>\$ (752,180)</u>	<u>\$ 434,390</u>
<b>Net Pension Liability:</b>				
CalPERS – Miscellaneous Plan	<u>\$ 7,314,025</u>	<u>\$ -</u>	<u>\$ (1,961,097)</u>	<u>\$ 5,352,928</u>
<b>Deferred Inflows of Resources:</b>				
Differences between projected and actual earnings on pension plan investments:				
CalPERS – Miscellaneous Plan	\$ -	\$ 2,248,540	\$ (449,708)	\$ 1,798,832
Difference between actual and proportionate share of employer contributions:				
CalPERS – Miscellaneous Plan	387,897	-	(102,078)	285,819
<b>Total deferred inflows of resources</b>	<u>\$ 387,897</u>	<u>\$ 2,248,540</u>	<u>\$ (551,786)</u>	<u>\$ 2,084,651</u>

***General Information about the Pension Plans***

***The Plans Description Schedule***

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

	<u>Miscellaneous Plans</u>	
	<u>Classic Tier 1</u>	<u>PEPRA Tier 2</u>
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 60	2.0 @ 62
Benefit vesting schedule	5-years or service	5-years or service
Benefits payments	monthly for life	monthly for life
Retirement age	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	1.092% to 2.418%	1.0% to 2.5%
Required member contribution rates	6.880%	6.308%
Required employer contribution rates – FY 2015	8.435%	6.250%
Required employer contribution rates – FY 2014	8.486%	6.250%

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

***General Information about the Pension Plans (Continued)***

*Plan Description*

The District contributes to the California Public Employees’ Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2014 Annual Actuarial Valuation Report. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website under Forms and Publications.

*Members Covered by Benefit Terms*

At June 30, 2015 (Valuation Date), the following members were covered by the benefit terms:

<u>Plan Members</u>	<u>Miscellaneous Plans</u>		<u>Total</u>
	<u>Classic</u>	<u>PEPRA</u>	
	<u>Tier 1</u>	<u>Tier 2</u>	
Active members	40	10	50
Transferred and terminated members	20	1	21
Retired members and beneficiaries	74	-	74
<b>Total plan members</b>	<b>134</b>	<b>11</b>	<b>145</b>

At June 30, 2014 (Valuation Date), the following members were covered by the benefit terms:

<u>Plan Members</u>	<u>Miscellaneous Plans</u>		<u>Total</u>
	<u>Classic</u>	<u>PEPRA</u>	
	<u>Tier 1</u>	<u>Tier 2</u>	
Active members	44	7	51
Transferred and terminated members	19	-	19
Retired members and beneficiaries	72	-	72
<b>Total plan members</b>	<b>135</b>	<b>7</b>	<b>142</b>

*Benefits Provided*

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A Classic CalPERS Miscellaneous member becomes eligible for service retirement upon attainment of age 55 with at least 5 years of credited service. Public Employees' Pension Reform Act (PEPRA) Miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay. Retirement benefits for Classic Miscellaneous and Safety members are calculated as a percentage of their plan based the average final 36 months compensation. Retirement benefits for PEPRA Miscellaneous members are calculated as a percentage of their plan based the average final 36 months compensation.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

***General Information about the Pension Plans (Continued)***

***Benefits Provided (Continued)***

Participant members are eligible for non-industrial disability retirement if they become disabled and have at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees.

A member's beneficiary may receive the basic death benefit if the member dies while actively employed. The member must be actively employed with the District to be eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the members' accumulated contributions, where interest is currently credited at 7.5 percent per year, plus a lump sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 3%.

**Contributions**

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers will be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The public agency cost-sharing plans covered by the Miscellaneous risk pool, 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, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of members. For the measurement period ending June 30, 2015 and 2014 (Measurement Dates), the active member contribution rate for the Classic Miscellaneous Plan and the PEPRA Miscellaneous Plan are based above in the Plans Description schedule.

Contributions for the year ended June 30, 2016 were as follows:

<u>Contribution Type</u>	<u>Miscellaneous Plans</u>		<u>Total</u>
	<u>Classic Tier 1</u>	<u>PEPRA Tier 2</u>	
Contributions – employer	\$ 425,254	\$ 40,589	\$ 465,843
Contributions – members	252,921	40,674	293,595
<b>Total contributions</b>	<b>\$ 678,175</b>	<b>\$ 81,263</b>	<b>\$ 759,438</b>

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

*General Information about the Pension Plans (Continued)*

Contributions (Continued)

Contributions for the year ended June 30, 2015 were as follows:

<u>Contribution Type</u>	<u>Miscellaneous Plans</u>		<u>Total</u>
	<u>Classic</u>	<u>PEPRA</u>	
	<u>Tier 1</u>	<u>Tier 2</u>	
Contributions – employer	\$ 311,168	\$ -	\$ 311,168
Contributions – members	282,836	-	282,836
<b>Total contributions</b>	<b>\$ 594,004</b>	<b>\$ -</b>	<b>\$ 594,004</b>

***Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans***

Actuarial Methods and Assumptions Used to Determine the Total Pension Liability

For the measurement periods ending June 30, 2015 and 2014 (Measurement Dates), the total pension liability was determined by rolling forward the June 30, 2014 and 2013 total pension liabilities. The June 30, 2015, 2014 and 2013 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds. The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

All other actuarial assumptions used in the June 30, 2015 and 2014 Valuations were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. The long-term expected rate of return on the pension plan investments was determined in which best-estimate ranges of expected future real rates are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

***Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)***

***Discount Rate (Continued)***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate 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*.

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

<u>Investment Type</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10<sup>1</sup></u>	<u>Real Return Years 11+<sup>2</sup></u>
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
	<u>100.00%</u>		

<sup>1</sup> An expected inflation rate-of-return of 2.5% is used for years 1 – 10.

<sup>2</sup> An expected inflation rate-of-return of 3.0% is used for years 11+.



**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

*Sensitivity of the District's 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 of the Plan as of the measurement date, calculated using the discount rate of 7.65%, 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 (6.65%) or 1 percentage-point higher (8.65%) than the current rate for the June 30, 2015 Valuation Date as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1%	Current Discount	Discount Rate + 1%
	6.65%	Rate 7.650%	8.65%
CalPERS – Miscellaneous Plan	8,984,057	\$ 4,616,826	\$ 1,011,170

The following presents the District's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.50%, 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 (6.50%) or 1 percentage-point higher (8.50%) than the current rate for the June 30, 2014 Valuation Date as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1%	Current Discount	Discount Rate + 1%
	6.50%	Rate 7.50%	8.50%
CalPERS – Miscellaneous Plan	\$ 9,537,262	\$ 5,352,928	\$ 1,880,327

*Pension Plan Fiduciary Net Position*

Detail information about the plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

*Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)*

*Proportionate Share of Net Pension Liability and Pension Expense*

The following table shows the plan's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2016:

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Change in Plan Net Pension Liability</u>
<b>CalPERS – Miscellaneous Plan:</b>			
Balance as of June 30, 2014 (Measurement Date)	\$ 31,541,147	\$ 26,188,219	\$ 5,352,928
Balance as of June 30, 2015 (Measurement Date)	\$ 32,067,972	\$ 27,451,146	\$ 4,616,826
<b>Change in Plan Net Pension Liability</b>	<b>\$ 526,825</b>	<b>\$ 1,262,927</b>	<b>\$ (736,102)</b>

The following table shows the plan's proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2015:

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Change in Plan Net Pension Liability</u>
<b>CalPERS – Miscellaneous Plan:</b>			
Balance as of June 30, 2013 (Valuation Date)	\$ 29,769,570	\$ 22,455,545	\$ 7,314,025
Balance as of June 30, 2014 (Measurement Date)	\$ 31,541,147	\$ 26,188,219	\$ 5,352,928
<b>Change in Plan Net Pension Liability</b>	<b>\$ 1,771,577</b>	<b>\$ 3,732,674</b>	<b>\$ (1,961,097)</b>

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

***Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)***

***Proportionate Share of Net Pension Liability and Pension Expense (Continued)***

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2014 and 2013). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability (TPL) determines the net pension liability (NPL) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2015 and 2014). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2015 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2014-15 fiscal year and the 2013-14 fiscal year).
- (3) The individual plan's TPL, FNP and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

*Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)*

*Proportionate Share of Net Pension Liability and Pension Expense (Continued)*

The District's proportionate share of the net pension liability for the June 30, 2015 measurement date was as follows:

	<b>Percentage Share of Risk Pool</b>		<b>Change Increase/ (Decrease)</b>
	<b>Fiscal Year Ending June 30, 2016</b>	<b>Fiscal Year Ending June 30, 2015</b>	
	Measurement Date	June 30, 2015	
Percentage of Risk Pool Net Pension Liability	0.160818%	0.177276%	-0.016458%
Percentage of Plan (PERF C) Net Pension Liability	0.064278%	0.070412%	-0.006134%

The District's proportionate share of the net pension liability for the June 30, 2014 measurement date was as follows:

	<b>Percentage Share of Risk Pool</b>		<b>Change Increase/ (Decrease)</b>
	<b>Fiscal Year Ending June 30, 2015</b>	<b>Fiscal Year Ending June 30, 2014</b>	
	Measurement Date	June 30, 2014	
Percentage of Risk Pool Net Pension Liability	0.177276%	0.224319%	-0.047043%
Percentage of Plan (PERF C) Net Pension Liability	0.070412%	0.068776%	0.001636%

For the years ended June 30, 2016 and 2015, the District recognized pension expense/(credit) in the amounts of \$173,698 and \$320,607, respectively, for the CalPERS Miscellaneous Plan.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

*Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)*

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the risk pool. The EARSL for risk pool for the 2014-15 and 2013-14 measurement periods is 3.8 years, which was obtained by dividing the total service years of 460,700 (the sum of remaining service lifetimes of the active employees) by 122,789 (the total number of participants: active, inactive, and retired).

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made after the measurement date	\$ 465,843	\$ -
Difference between actual and proportionate share of employer contributions	-	627,341
Adjustment due to differences in proportions	79,214	1,684,301
Differences between expected and actual experience	21,821	-
Differences between projected and actual earnings on pension plan investments	-	103,494
Changes in assumptions	-	206,452
<b>Total Deferred Outflows/(Inflows) of Resources</b>	<b>\$ 566,878</b>	<b>\$ 2,621,588</b>

The District will recognize \$465,843 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2017, as noted above.

Amortization of Deferred Outflows of Resources and Deferred Inflows of Resources

Other remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized to pension expense in future periods as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2017	\$ 51,802	\$ 1,013,040
2018	43,000	993,372
2019	6,233	747,473
2020	-	(132,297)
<b>Total</b>	<b>\$ 101,035</b>	<b>\$ 2,621,588</b>

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)**

*Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)*

*Deferred Outflows of Resources and Deferred Inflows of Resources*

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made after the measurement date	\$ 311,168	\$ -
Differences between projected and actual earnings on pension plan investments	-	1,798,832
Difference between actual and proportionate share of employer contributions	-	285,819
Adjustment due to differences in proportions	123,222	-
<b>Total Deferred Outflows/(Inflows) of Resources</b>	<u>\$ 434,390</u>	<u>\$ 2,084,651</u>

The District will recognize \$311,168 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2016, as noted above.

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2016	\$ 44,008	\$ 551,786
2017	44,008	551,786
2018	35,206	531,371
2019	-	449,708
<b>Total</b>	<u>\$ 123,222</u>	<u>\$ 2,084,651</u>

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 10 – Net Investment in Capital Assets**

Net investment in capital assets consisted of the following as of June 30:

Description	June 30, 2016	June 30, 2015
<b>Non-current portion of assets:</b>		
Capital assets – not being depreciated	\$ 6,288,912	\$ 6,230,088
Capital assets – being depreciated, net	51,954,184	52,274,633
<b>Current portion of liabilities:</b>		
Reimbursement agreement	(77,228)	(231,684)
Loans payable	(254,079)	(245,888)
Revenue bonds payable	(16,000)	(16,000)
<b>Non-current portion of liabilities:</b>		
Reimbursement agreement	(2,702,986)	(2,780,214)
Loans payable	(1,398,725)	(1,652,804)
Revenue bonds payable	(73,500)	(89,500)
<b>Total net investment in capital assets</b>	<b>\$ 53,720,578</b>	<b>\$ 53,488,631</b>

**Note 11 – Restricted Net Position**

Restricted net position consists of the balance due from accounts receivable – special assessment of \$115,220 and \$134,267 as of June 30, 2016 and 2015, respectively.

**Note 12 – Prior Period Adjustments**

Description	Balance
<b>Net position as of July 1, 2014 – as previously reported</b>	<b>\$ 81,788,881</b>
Net pension liability – GASB Nos. 68/71 implementation	(7,314,025)
Employer contributions to pension plan made after the measurement date	708,172
Changes in employer contributions and differences between proportionate share of pension expense	(387,897)
<b>Total prior period adjustment – GASB Nos. 68/71 implementation</b>	<b>(6,993,750)</b>
Water-in-storage inventory valuation adjustment	(3,690,410)
Total prior period adjustments	(10,684,160)
<b>Net position as of July 1, 2014 – as restated</b>	<b>\$ 71,104,721</b>

With the implementation of GASB Statements No. 68 and 71 in fiscal year 2015, the District was required to record a prior period adjustment of \$(6,993,750) to establish the net pension liability as of June 30, 2014 of \$(7,314,025) net of the deferred outflows of resources of \$708,172 and the deferred inflows of resources of \$(387,897) as prescribed by the new accounting standards. (See Note 9 for further information on the net pension liability.)

Also, the District changed the accounting method for the valuation of the water-in-storage inventory balance. The balance will be adjusted each year as of June 30<sup>th</sup> based on the calculated percentage to the top-fill line of Lake Casitas. As Lake Casitas has withdrawn significantly since June 30, 2011, due to the ongoing drought in California, the District has estimated that \$(3,690,410) in water-in-storage has evaporated and/or utilized in the District's operations for the period from July 1, 2011 to June 30, 2014 and accounted for as a prior period adjustment. (See Note 3 for further information on the water-in-storage inventory.)

**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 13 – Deferred Compensation Savings Plan**

For the benefit of its employees, the District participates in two 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District’s general creditors. Market value of the plan assets held in trust by Nationwide at June 30, 2016 and 2015 was \$1,897,204 and \$1,759,437, respectively, and ICMA as of June 30, 2016 and 2015 was \$1,640,788 and \$1,601,907, respectively.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not included in the accompanying financial statements.

**Note 14 – Risk Management**

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured for the first \$25,000 of general and auto liabilities for each occurrence, and the excess (up to \$10,000,000 per occurrence and in the aggregate) is covered through the purchase of an insurance policy. Employment practices liability coverage is self-insured for the \$25,000, and the excess (up to \$5,000,000 per occurrence and in the aggregate) is covered through the insurance policy.

The District is a member CSAC Excess Insurance Authority (Authority) for its workers’ compensation coverage. The District is self-insured for the first \$125,000 of each occurrence, and the Authority finances \$5,000,000 per occurrence. The District purchased additional excess coverage layers of \$95 million which increases the limits set forth by the Authority.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years. There were no reductions in insurance coverage in fiscal year 2015, 2014 and 2013. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2016, 2015 and 2014.

**Note 15 – Commitments and Contingencies**

***State Water Contract***

Estimates of the District’s share of the project fixed costs of the State Water Project (SWP) are provided annually by the State. The estimates are subject to future increases or decreases resulting from changes in planned facilities, refinements in cost estimates and inflation.

During the next five years payments under the State Water Contract, exclusive of variable power costs, are currently estimated by the State to be as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2016	\$ 1,086,962
2017	1,097,562
2018	1,113,039
2019	1,128,290
2020	1,227,444



**Casitas Municipal Water District**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Years Ended June, 30, 2016 and 2015**

**Note 15 – Commitments and Contingencies (Continued)**

***State Water Contract, continued***

As of June 30, 2016, the District has expended \$21,458,195 since the District started participating in the State Water Contract.

According to the State’s latest estimates, the District’s long-term obligations (25% share) under the contract, for capital and minimum operations and maintenance costs, including interest to the year 2035, are as follows:

	<b>State Water Contract</b>
	<b><u>Long-term Obligations</u></b>
Transportation facilities	\$ 17,692,709
Conservation facilities	7,930,941
Off-aqueduct power facilities	65,383
Revenue bond surcharge	<u>1,419,948</u>
Total long-term SWP contract obligations	<u>\$ 27,108,981</u>

The amounts shown above do not contain any escalation for inflation and are subject to significant variation over time because the amounts are based on a number of assumptions and are contingent on future events. Accordingly, none of the estimated long-term obligations are recorded as liabilities in the accompanying basic financial statements.

*Bay/Delta Regulatory and Planning Activities.* The State Water Resources Control Board (State Board) is the agency responsible for setting water quality standards and administering water rights throughout California. Decisions of the State Board can affect the availability of water to the District and other water users by means of public proceedings leading to regulations and decisions. In 1995, the State Board adopted a Water Quality Control Plan establishing water quality standards and flow improvements in the Bay/Delta watershed.

In August 2000, the California Federal (CALFED) Bay/Delta Program Record of Decision (Decision) was approved with mandates to improve water quality, enhance water supply reliability, augment ecosystem restoration, and assure long-term protection for Delta levees. During its first three years, CALFED has invested more than \$2.0 billion in hundreds of local and regional projects to meet these program goals.

In May 2004, a Delta Improvement Package was proposed to facilitate implementation of the Decision. Funding is expected to be provided by state and federal appropriations and contributions from local users, including the District. CALFED’s objective is to allocate project costs based on beneficiaries pay policy that is new costs would be commensurate with benefits received. At this time, the exact allocation of costs between the federal, state, and local users has not been determined, and therefore, the District cannot estimate the extent of timing of its contributions at this time.

There are other pending actions that may adversely impact the District’s ability to control the sale of water transported through the SWP into its service area. The impact on future revenues of such actions cannot be determined.

***Grant Awards***

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

***Litigation***

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

*This page intentionally left blank.*

**REQUIRED SUPPLEMENTARY INFORMATION**

*This page intentionally left blank.*

**Casitas Municipal Water District**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the District's Proportionate Share of the Plan's Net Pension Liability**  
**For the Year Ended June 30, 2016**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

<b>Measurement Date:</b>	<u><b>June 30, 2015<sup>1</sup></b></u>	<u><b>June 30, 2014<sup>1</sup></b></u>
District's Proportion of the Net Pension Liability	0.067262%	0.086026%
District's Proportionate Share of the Net Pension Liability	<u>\$ 4,616,826</u>	<u>\$ 5,352,928</u>
District's Covered-Employee Payroll	<u>\$ 4,123,809</u>	<u>\$ 3,866,484</u>
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	<u>111.96%</u>	<u>138.44%</u>
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	<u>85.60%</u>	<u>83.03%</u>

<sup>1</sup> Historical information is required only for measurement periods for which GASB No. 68 is applicable.

**Casitas Municipal Water District**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the District's Contributions to the Pension Plan**  
**For the Year Ended June 30, 2016**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System (CalPERS) Miscellaneous Plan**

<b>Fiscal Year:</b>	<b>2015-16<sup>1</sup></b>	<b>2014-15<sup>1</sup></b>	<b>2013-14<sup>1</sup></b>
Actuarially Determined Contribution <sup>2</sup>	\$ 465,843	\$ 311,168	\$ 320,275
Contribution in Relation to the Actuarially Determined Contribution <sup>2</sup>	(465,843)	(311,168)	(320,275)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered-Employee Payroll	\$ 4,334,649	\$ 4,123,809	\$ 3,866,484
Contributions as a Percentage of Covered-Employee Payroll	10.75%	7.55%	8.28%

<sup>1</sup> Historical information is required only for measurement periods for which GASB No. 68 is applicable.

<sup>2</sup> Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side-fund or their unfunded liability. Employer contributions for such plan exceed the actuarial determined contributions. CalPERS has determined that employer obligations referred to as *side-funds* are not considered separately financed specific liabilities.

<sup>3</sup> Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB No. 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

**Notes to the Schedule:**

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes)

**Casitas Municipal Water District**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Funding Progress – Other Post-Employment Benefit Plan**  
**For the Year Ended June 30, 2016**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Plan Assets (a)</b>	<b>Actuarial Accrued Liability (b)</b>	<b>Unfunded (Overfunded) Actuarial Accrued Liability (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
June 30, 2015	\$ -	\$ 14,591,064	\$ 14,591,064	0.00%	\$ 4,800,000	303.98%
June 30, 2014	\$ -	\$ 33,059,340	\$ 33,059,340	0.00%	\$ 4,992,482	662.18%
June 30, 2013	\$ -	\$ 18,832,580	\$ 18,832,580	0.00%	\$ 5,079,639	370.75%
June 30, 2012	\$ -	\$ 18,832,580	\$ 18,832,580	0.00%	\$ 4,830,682	389.85%

**Notes to the Schedule:**

Funding progress is presented for the year(s) that an actuarial study has been prepared since the effective date of GASB Statement 45. Actuarial review and analysis of the post-employment benefits liability and funding status is performed every two years or annually, if there are significant changes in the plan. The next scheduled actuarial review and analysis of the post-employment benefits liability and funding status will be performed in fiscal year 2018, based on the year ending June 30, 2017.

*This page intentionally left blank.*



**SUPPLEMENTARY INFORMATION**

*This page intentionally left blank.*

**Casitas Municipal Water District**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
<b>Operating revenues:</b>			
Retail water consumption	\$ 4,319,435	\$ 5,484,383	\$ 1,164,948
Wholesale water consumption	1,938,870	1,380,262	(558,608)
Monthly water service charge	1,981,097	2,123,742	142,645
Recreation revenue	3,720,220	3,592,600	(127,620)
Other water charges and services	99,499	288,748	189,249
<b>Total operating revenues</b>	<u>12,059,121</u>	<u>12,869,735</u>	<u>810,614</u>
<b>Operating expenses:</b>			
Source of supply	1,648,659	1,432,140	216,519
Pumping	1,394,723	1,360,622	34,101
Water Treatment	1,186,949	1,372,695	(185,746)
Transmission and distribution	986,820	697,974	288,846
Telemetry	279,096	173,559	105,537
Customer accounts	424,879	367,204	57,675
Recreation expenses	4,392,180	4,228,876	163,304
General and administrative	6,309,615	4,298,061	2,011,554
<b>Total operating expenses</b>	<u>16,622,921</u>	<u>13,931,131</u>	<u>2,691,790</u>
<b>Operating income(loss) before depreciation</b>	(4,563,800)	(1,061,396)	(1,881,176)
Depreciation – water department	-	(2,826,579)	(2,826,579)
Depreciation – recreation department	-	(348,102)	(348,102)
<b>Operating (loss)</b>	<u>(4,563,800)</u>	<u>(4,236,077)</u>	<u>(5,055,857)</u>
<b>Non-operating revenue(expense)</b>			
Property taxes – ad valorem	2,091,855	2,199,074	107,219
Redevelopment agency property tax increment	-	93,403	93,403
Property tax assessment for State Water Project	-	730,400	730,400
State water project expense	-	(183,384)	(183,384)
Change in water-in-storage inventory	-	(1,193,960)	(1,193,960)
CFD 2013-1 assessment	-	454,543	454,543
Mira Monte assessment	-	19,049	19,049
Tax collection expense	(30,500)	(32,050)	(1,550)
Interest and investment earnings	441,320	515,352	74,032
Change in fair-value of investments	-	203,143	203,143
Interest expense – long-term debt	(66,781)	(62,438)	4,343
Other non-operating revenues/(expenses), net	50,000	41,386	(8,614)
<b>Total non-operating revenues, net</b>	<u>2,485,894</u>	<u>2,784,518</u>	<u>298,624</u>
<b>Net loss before capital contributions</b>	<u>(2,077,906)</u>	<u>(1,451,559)</u>	<u>(4,757,233)</u>
<b>Capital contributions:</b>			
Federal, state and local capital grants	278,784	844,524	565,740
<b>Capital contributions</b>	<u>278,784</u>	<u>844,524</u>	<u>565,740</u>
<b>Change in net position</b>	<u>(1,799,122)</u>	<u>(607,035)</u>	<u>\$ (4,191,493)</u>
Beginning of year	<u>70,933,971</u>	<u>70,933,971</u>	
End of year	<u>\$ 69,134,849</u>	<u>\$ 70,326,936</u>	

**Casitas Municipal Water District**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2015**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative)</u>
<b>Operating revenues:</b>			
Retail water consumption	\$ 4,319,435	\$ 6,626,304	\$ 2,306,869
Wholesale water consumption	1,938,870	2,058,219	119,349
Monthly water service charge	1,981,097	2,183,531	202,434
Recreation revenue	3,720,220	3,443,089	(277,131)
Other water charges and services	99,499	219,005	119,506
<b>Total operating revenues</b>	<u>12,059,121</u>	<u>14,530,148</u>	<u>2,471,027</u>
<b>Operating expenses:</b>			
Source of supply	1,648,659	1,430,475	218,184
Pumping	1,394,723	1,634,202	(239,479)
Water Treatment	1,186,949	1,451,902	(264,953)
Transmission and distribution	986,820	646,868	339,952
Telemetry	279,096	272,594	6,502
Customer accounts	424,879	399,383	25,496
Recreation expenses	4,392,180	4,140,358	251,822
General and administrative	6,309,615	3,301,504	3,008,111
<b>Total operating expenses</b>	<u>16,622,921</u>	<u>13,277,286</u>	<u>3,345,635</u>
<b>Operating income(loss) before depreciation</b>	(4,563,800)	1,252,862	(874,608)
Depreciation – water department	-	(2,832,048)	(2,832,048)
Depreciation – recreation department	-	(332,049)	(332,049)
<b>Operating (loss)</b>	<u>(4,563,800)</u>	<u>(1,911,235)</u>	<u>(4,038,705)</u>
<b>Non-operating revenue(expense)</b>			
Property taxes – ad valorem	2,091,855	2,240,433	148,578
Redevelopment agency property tax increment	-	68,837	68,837
Property tax assessment for State Water Project	-	490,989	490,989
State water project expense	-	(696,576)	(696,576)
Change in water-in-storage inventory	-	(1,171,790)	(1,171,790)
Mira Monte assessment	-	19,434	19,434
Tax collection expense	(30,500)	(31,610)	(1,110)
Interest and investment earnings	441,320	427,897	(13,423)
Change in fair-value of investments	-	(200,414)	(200,414)
Interest expense – long-term debt	(66,781)	(70,887)	(4,106)
Other non-operating revenues/(expenses), net	50,000	179,498	129,498
<b>Total non-operating revenues, net</b>	<u>2,485,894</u>	<u>1,255,811</u>	<u>(1,230,083)</u>
<b>Net loss before capital contributions</b>	<u>(2,077,906)</u>	<u>(655,424)</u>	<u>(5,268,788)</u>
<b>Capital contributions:</b>			
Federal, state and local capital grants	278,784	484,674	205,890
<b>Capital contributions</b>	<u>278,784</u>	<u>484,674</u>	<u>205,890</u>
<b>Change in net position</b>	<u>(1,799,122)</u>	<u>(170,750)</u>	<u>\$ (5,062,898)</u>
Beginning of year	81,788,881	81,788,881	
Prior period adjustment	(10,684,160)	(10,684,160)	
End of year	<u>\$ 69,305,599</u>	<u>\$ 70,933,971</u>	

**Casitas Municipal Water District**  
**Combining Balance Sheets**  
**June 30, 2016**

<i>Assets and Deferred Outflows of Resources</i>	<b>Operating Fund</b>	<b>Financing Fund</b>	<b>Improvement Assessment Fund</b>
<b>Current assets:</b>			
Cash and cash equivalents	\$ 6,280,341	\$ -	\$ -
Investments	19,552,252	-	-
Accrued interest receivable	101,996	-	-
Accounts receivable – customers	1,605,628	-	-
Accounts receivable – special assessments	-	-	115,220
Accounts receivable – property taxes	66,011	-	-
Accounts receivable – other	1,327,085	-	-
Due from other funds	119,364	8,932,664	-
Materials and supplies inventory	96,593	-	-
Prepaid items	243,638	-	-
<b>Total current assets</b>	<b>29,392,908</b>	<b>8,932,664</b>	<b>115,220</b>
<b>Non-current assets:</b>			
Water-in-storage inventory	4,969,768	-	-
Capital assets – not being depreciated	6,288,912	-	-
Capital assets – being depreciated, net	51,954,184	-	-
<b>Total non-current assets</b>	<b>63,212,864</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>92,605,772</b>	<b>8,932,664</b>	<b>115,220</b>
<b>Deferred outflows of resources</b>	<b>566,878</b>	<b>-</b>	<b>-</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 93,172,650</b>	<b>\$ 8,932,664</b>	<b>\$ 115,220</b>
<b><i>Liabilities, Deferred Outflows of Resources and Net Position</i></b>			
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	\$ 619,778	\$ -	\$ -
Deposits and unearned revenue	539,569	-	-
Accrued interest payable	13,279	-	-
Due to other funds	-	8,932,664	119,364
Long-term liabilities – due within one year:			
Compensated absences	343,306	-	-
Reimbursement agreement	77,228	-	-
Loans payable	254,079	-	-
Special assessment bonds payable	-	-	16,000
<b>Total current liabilities</b>	<b>1,847,239</b>	<b>8,932,664</b>	<b>135,364</b>
<b>Non-current liabilities:</b>			
Long-term liabilities – due in more than one year:			
Compensated absences	514,958	-	-
Reimbursement agreement	2,702,986	-	-
Loans payable	1,398,725	-	-
Special assessment bonds payable	-	-	73,500
Net other post-employment benefits obligation	9,049,748	-	-
Net pension liability	4,616,826	-	-
<b>Total non-current liabilities</b>	<b>18,283,243</b>	<b>-</b>	<b>73,500</b>
<b>Total liabilities</b>	<b>20,130,482</b>	<b>8,932,664</b>	<b>208,864</b>
<b>Deferred inflows of resources</b>	<b>2,084,651</b>	<b>-</b>	<b>-</b>
<b>Net position:</b>			
Net investment in capital assets	53,810,078	-	(89,500)
Restricted for debt service	-	-	115,220
Unrestricted	17,147,439	-	(119,364)
<b>Total net position</b>	<b>70,957,517</b>	<b>-</b>	<b>(93,644)</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 93,172,650</b>	<b>\$ 8,932,664</b>	<b>\$ 115,220</b>

**Casitas Municipal Water District**  
**Combining Balance Sheets (Continued)**  
**June 30, 2016**

<i>Assets and Deferred Outflows of Resources</i>	<b>Eliminations for Financial Reporting</b>	<b>Total</b>
<b>Current assets:</b>		
Cash and cash equivalents	\$ -	\$ 6,280,341
Investments	-	19,552,252
Accrued interest receivable	-	101,996
Accounts receivable – customers	-	1,605,628
Accounts receivable – special assessments	-	115,220
Accounts receivable – property taxes	-	66,011
Accounts receivable – other	-	1,327,085
Due from other funds	(9,052,028)	-
Materials and supplies inventory	-	96,593
Prepaid items	-	243,638
<b>Total current assets</b>	<b>(9,052,028)</b>	<b>29,388,764</b>
<b>Non-current assets:</b>		
Water-in-storage inventory	-	4,969,768
Capital assets – not being depreciated	-	6,288,912
Capital assets – being depreciated, net	-	51,954,184
<b>Total non-current assets</b>	<b>-</b>	<b>63,212,864</b>
<b>Total assets</b>	<b>(9,052,028)</b>	<b>92,601,628</b>
<b>Deferred outflows of resources</b>	<b>-</b>	<b>566,878</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ (9,052,028)</b>	<b>\$ 93,168,506</b>
<b><i>Liabilities, Deferred Outflows of Resources and Net Position</i></b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	\$ -	\$ 619,778
Deposits and unearned revenue	-	539,569
Accrued interest payable	-	13,279
Due to other funds	(9,052,028)	-
Long-term liabilities – due within one year:		
Compensated absences	-	343,306
Reimbursement agreement	-	77,228
Loans payable	-	254,079
Special assessment bonds payable	-	16,000
<b>Total current liabilities</b>	<b>(9,052,028)</b>	<b>1,863,239</b>
<b>Non-current liabilities:</b>		
Long-term liabilities – due in more than one year:		
Compensated absences	-	514,958
Reimbursement agreement	-	2,702,986
Loans payable	-	1,398,725
Special assessment bonds payable	-	73,500
Net other post-employment benefits obligation	-	9,049,748
Net pension liability	-	4,616,826
<b>Total non-current liabilities</b>	<b>-</b>	<b>18,356,743</b>
<b>Total liabilities</b>	<b>(9,052,028)</b>	<b>20,219,982</b>
<b>Deferred inflows of resources</b>	<b>-</b>	<b>2,084,651</b>
<b>Net position:</b>		
Net investment in capital assets	-	53,720,578
Restricted for debt service	-	115,220
Unrestricted	-	17,028,075
<b>Total net position</b>	<b>-</b>	<b>70,863,873</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ (9,052,028)</b>	<b>\$ 93,168,506</b>

**Casitas Municipal Water District**  
**Combining Balance Sheets**  
**June 30, 2015**

<i>Assets and Deferred Outflows of Resources</i>	<b>Operating Fund</b>	<b>Financing Fund</b>	<b>Improvement Assessment Fund</b>
<b>Current assets:</b>			
Cash and cash equivalents	\$ 6,361,181	\$ -	\$ -
Investments	19,026,345	-	-
Accrued interest receivable	109,375	-	-
Accounts receivable – customers	1,805,980	-	-
Accounts receivable – special assessments	-	-	134,267
Accounts receivable – property taxes	61,803	-	-
Accounts receivable – other	1,137,751	-	-
Due from other funds	102,590	8,204,693	-
Materials and supplies inventory	88,704	-	-
Prepaid items	394,958	-	-
<b>Total current assets</b>	<b>29,088,687</b>	<b>8,204,693</b>	<b>134,267</b>
<b>Non-current assets:</b>			
Water-in-storage inventory	6,163,728	-	-
Capital assets – not being depreciated	6,230,088	-	-
Capital assets – being depreciated, net	52,274,633	-	-
<b>Total non-current assets</b>	<b>64,668,449</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>93,757,136</b>	<b>8,204,693</b>	<b>134,267</b>
<b>Deferred outflows of resources</b>	<b>434,390</b>	<b>-</b>	<b>-</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 94,191,526</b>	<b>\$ 8,204,693</b>	<b>\$ 134,267</b>
<b><i>Liabilities, Deferred Outflows of Resources and Net Position</i></b>			
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	\$ 1,303,366	\$ -	\$ -
Deposits and unearned revenue	521,071	-	-
Accrued interest payable	15,297	-	-
Due to other funds	-	8,204,693	102,590
Long-term liabilities – due within one year:			
Compensated absences	353,045	-	-
Reimbursement agreement	231,684	-	-
Loans payable	245,888	-	-
Special assessment bonds payable	-	-	16,000
<b>Total current liabilities</b>	<b>2,670,351</b>	<b>8,204,693</b>	<b>118,590</b>
<b>Non-current liabilities:</b>			
Long-term liabilities – due in more than one year:			
Compensated absences	529,568	-	-
Reimbursement agreement	2,780,214	-	-
Loans payable	1,652,804	-	-
Special assessment bonds payable	-	-	89,500
Net other post-employment benefits obligation	8,113,216	-	-
Net pension liability	5,352,928	-	-
<b>Total non-current liabilities</b>	<b>18,428,730</b>	<b>-</b>	<b>89,500</b>
<b>Total liabilities</b>	<b>21,099,081</b>	<b>8,204,693</b>	<b>208,090</b>
<b>Deferred inflows of resources</b>	<b>2,084,651</b>	<b>-</b>	<b>-</b>
<b>Net position:</b>			
Net investment in capital assets	53,594,131	-	(105,500)
Restricted for debt service	-	-	134,267
Unrestricted	17,413,663	-	(102,590)
<b>Total net position</b>	<b>71,007,794</b>	<b>-</b>	<b>(73,823)</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 94,191,526</b>	<b>\$ 8,204,693</b>	<b>\$ 134,267</b>

**Casitas Municipal Water District**  
**Combining Balance Sheets (Continued)**  
**June 30, 2015**

<i>Assets and Deferred Outflows of Resources</i>	<b>Eliminations for Financial Reporting</b>	<b>Total</b>
<b>Current assets:</b>		
Cash and cash equivalents	\$ -	\$ 6,361,181
Investments	-	19,026,345
Accrued interest receivable	-	109,375
Accounts receivable – customers	-	1,805,980
Accounts receivable – special assessments	-	134,267
Accounts receivable – property taxes	-	61,803
Accounts receivable – other	-	1,137,751
Due from other funds	(8,307,283)	-
Materials and supplies inventory	-	88,704
Prepaid items	-	394,958
<b>Total current assets</b>	<b>(8,307,283)</b>	<b>29,120,364</b>
<b>Non-current assets:</b>		
Water-in-storage inventory	-	6,163,728
Capital assets – not being depreciated	-	6,230,088
Capital assets – being depreciated, net	-	52,274,633
<b>Total non-current assets</b>	<b>-</b>	<b>64,668,449</b>
<b>Total assets</b>	<b>(8,307,283)</b>	<b>93,788,813</b>
<b>Deferred outflows of resources</b>	<b>-</b>	<b>434,390</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ (8,307,283)</b>	<b>\$ 94,223,203</b>
<b><i>Liabilities, Deferred Outflows of Resources and Net Position</i></b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	\$ -	\$ 1,303,366
Deposits and unearned revenue	-	521,071
Accrued interest payable	-	15,297
Due to other funds	(8,307,283)	-
Long-term liabilities – due within one year:		
Compensated absences	-	353,045
Reimbursement agreement	-	231,684
Loans payable	-	245,888
Special assessment bonds payable	-	16,000
<b>Total current liabilities</b>	<b>(8,307,283)</b>	<b>2,686,351</b>
<b>Non-current liabilities:</b>		
Long-term liabilities – due in more than one year:		
Compensated absences	-	529,568
Reimbursement agreement	-	2,780,214
Loans payable	-	1,652,804
Special assessment bonds payable	-	89,500
Net other post-employment benefits obligation	-	8,113,216
Net pension liability	-	5,352,928
<b>Total non-current liabilities</b>	<b>-</b>	<b>18,518,230</b>
<b>Total liabilities</b>	<b>(8,307,283)</b>	<b>21,204,581</b>
<b>Deferred inflows of resources</b>	<b>-</b>	<b>2,084,651</b>
<b>Net position:</b>		
Net investment in capital assets	-	53,488,631
Restricted for debt service	-	134,267
Unrestricted	-	17,311,073
<b>Total net position</b>	<b>-</b>	<b>70,933,971</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ (8,307,283)</b>	<b>\$ 94,223,203</b>



**Casitas Municipal Water District**  
**Combining Schedule of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2016**

	<u>Water Fund</u>	<u>Recreation Fund</u>	<u>Total</u>
<b>Operating revenues:</b>			
Retail water consumption	\$ 5,484,383	\$ -	\$ 5,484,383
Wholesale water consumption	1,380,262	-	1,380,262
Monthly water service charge	2,123,742	-	2,123,742
Recreation revenue	-	3,592,600	3,592,600
Other water charges and services	288,748	-	288,748
<b>Total operating revenues</b>	<u>9,277,135</u>	<u>3,592,600</u>	<u>12,869,735</u>
<b>Operating expenses:</b>			
Source of supply	1,432,140	-	1,432,140
Pumping	1,360,622	-	1,360,622
Water treatment	1,372,695	-	1,372,695
Transmission and distribution	697,974	-	697,974
Telemetry	173,559	-	173,559
Customer accounts	367,204	-	367,204
Recreation expenses	-	4,228,876	4,228,876
General and administrative	4,298,061	-	4,298,061
<b>Total operating expenses</b>	<u>9,702,255</u>	<u>4,228,876</u>	<u>13,931,131</u>
<b>Operating income(loss) before depreciation</b>	(425,120)	(636,276)	(1,061,396)
Depreciation – water department	(2,826,579)	-	(2,826,579)
Depreciation – recreation department	-	(348,102)	(348,102)
<b>Operating income(loss)</b>	<u>(3,251,699)</u>	<u>(984,378)</u>	<u>(4,236,077)</u>
<b>Non-operating revenue(expense)</b>			
Property taxes – ad valorem	2,199,074	-	2,199,074
Redevelopment agency property tax increment	93,403	-	93,403
Property tax assessment for State Water Project	730,400	-	730,400
State water project expense	(183,384)	-	(183,384)
Change in water-in-storage inventory	(1,193,960)	-	(1,193,960)
CFD 2013-1 assessment	454,543	-	454,543
Mira Monte assessment	19,049	-	19,049
Tax collection expense	(32,050)	-	(32,050)
Interest and investment earnings	515,352	-	515,352
Change in fair-value of investments	203,143	-	203,143
Interest expense – long-term debt	(62,438)	-	(62,438)
Other non-operating revenues/(expenses), net	41,386	-	41,386
<b>Total non-operating revenue(expense), net</b>	<u>2,784,518</u>	<u>-</u>	<u>2,784,518</u>
<b>Net income(loss) before capital contributions</b>	<u>(467,181)</u>	<u>(984,378)</u>	<u>(1,451,559)</u>
<b>Capital contributions:</b>			
Federal, state and local capital grants	805,852	38,672	844,524
<b>Change in net position</b>	<u>\$ 338,671</u>	<u>\$ (945,706)</u>	<u>\$ (607,035)</u>

**Casitas Municipal Water District**  
**Combining Schedule of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2015**

	<u>Water Fund</u>	<u>Recreation Fund</u>	<u>Total</u>
<b>Operating revenues:</b>			
Retail water consumption	\$ 6,626,304	\$ -	\$ 6,626,304
Wholesale water consumption	2,058,219	-	2,058,219
Monthly water service charge	2,183,531	-	2,183,531
Recreation revenue	-	3,443,089	3,443,089
Other water charges and services	219,005	-	219,005
<b>Total operating revenues</b>	<u>11,087,059</u>	<u>3,443,089</u>	<u>14,530,148</u>
<b>Operating expenses:</b>			
Source of supply	1,430,475	-	1,430,475
Pumping	1,634,202	-	1,634,202
Water treatment	1,451,902	-	1,451,902
Transmission and distribution	646,868	-	646,868
Telemetry	272,594	-	272,594
Customer accounts	399,383	-	399,383
Recreation expenses	-	4,140,358	4,140,358
General and administrative	3,301,504	-	3,301,504
<b>Total operating expenses</b>	<u>9,136,928</u>	<u>4,140,358</u>	<u>13,277,286</u>
<b>Operating income(loss) before depreciation</b>	1,950,131	(697,269)	1,252,862
Depreciation – water department	(2,832,048)	-	(2,832,048)
Depreciation – recreation department	-	(332,049)	(332,049)
<b>Operating income(loss)</b>	<u>(881,917)</u>	<u>(1,029,318)</u>	<u>(1,911,235)</u>
<b>Non-operating revenue(expense)</b>			
Property taxes – ad valorem	2,240,433	-	2,240,433
Redevelopment agency property tax increment	68,837	-	68,837
Property tax assessment for State Water Project	490,989	-	490,989
State water project expense	(696,576)	-	(696,576)
Change in water-in-storage inventory	(1,171,790)	-	(1,171,790)
Mira Monte assessment	19,434	-	19,434
Tax collection expense	(31,610)	-	(31,610)
Interest and investment earnings	427,897	-	427,897
Change in fair-value of investments	(200,414)	-	(200,414)
Interest expense – long-term debt	(70,887)	-	(70,887)
Other non-operating revenues/(expenses), net	179,498	-	179,498
<b>Total non-operating revenue(expense), net</b>	<u>1,255,811</u>	<u>-</u>	<u>1,255,811</u>
<b>Net income(loss) before capital contributions</b>	<u>373,894</u>	<u>(1,029,318)</u>	<u>(655,424)</u>
<b>Capital contributions:</b>			
Federal, state and local capital grants	74,347	410,327	484,674
<b>Change in net position</b>	<u>\$ 448,241</u>	<u>\$ (618,991)</u>	<u>\$ (170,750)</u>

**Casitas Municipal Water District**  
**Detail Schedules of Operating Expenses - Water Department**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Source of supply:</b>		
Advertising and legal notices	\$ 5,004	\$ 4,567
Books and publications	165	70
Clothing and personal supplies	-	696
Communications	4,046	3,879
Computer upgrades – hardware and software	5,326	3,594
Costs applied	9,728	278
District equipment	6,123	7,111
Education and training	4,800	5,205
Insurance – Aflac service fee	235	138
Insurance – EAP	153	152
Licenses and permits	20,774	22,260
Memberships and dues	37,556	9,820
Office supplies	73	224
Other professional services	2,647	2,654
Outside contracts	209,876	162,514
Postage	11,837	13,110
Printing and binding	6,629	11,121
Public information program	-	125
Purchased water	1,356	791
Safety program	477	-
Salaries and benefits	1,042,527	1,091,111
Services and supplies	45,962	74,150
Small tools	3,420	1,160
Travel expense	9,812	12,206
Utilities	3,614	3,539
<b>Total source of supply</b>	<u>1,432,140</u>	<u>1,430,475</u>
<b>Pumping:</b>		
Communications	1,558	1,791
Outside contracts	41,943	81,782
Power purchased for pumping	1,196,901	1,314,251
Salaries and benefits	11,675	152,763
Service and supplies	106,196	82,893
Small tools	2,349	722
<b>Total pumping</b>	<u>1,360,622</u>	<u>1,634,202</u>
<b>Water treatment:</b>		
Ammonia	33,477	31,043
Caustics	62,001	62,289
Chlorine	86,690	94,210
Clothing and personal supplies	915	461
Communications	3,274	3,508
Computer upgrades – hardware and software	825	6,631
Education and training	1,016	574
Ferric	13,719	9,407
Licenses and permits	915	656
Liquid oxygen	85,340	-
Outside contracts	8,519	53,038
Polymer	29,898	43,369
Safety program	-	269
Salaries and benefits	885,303	932,393
Service and supplies	50,543	50,833
Small tools	1,656	2,489
Travel	1,339	130
Utilities	107,265	160,850
<b>Total water treatment</b>	<u>\$ 1,372,695</u>	<u>\$ 1,452,150</u>

**Casitas Municipal Water District**  
**Detail Schedules of Operating Expenses - Water Department (Continued)**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Transmission and distribution:</b>		
Clothing and personal supplies	\$ 1,363	\$ 261
Communications	650	246
Computer upgrades – hardware and software	2,443	-
Education and training	2,278	2,217
Licenses and permits	10,609	5,893
Other operating expenses	21,371	20,445
Outside contracts	91,115	33,334
Salaries and benefits	410,194	446,894
Service and supplies	150,495	131,416
Small tools	6,088	4,744
Travel expense	1,368	1,418
<b>Total transmission and distribution</b>	<u>697,974</u>	<u>646,868</u>
<b>Telemetering:</b>		
Books and publications	598	-
Communications	836	912
Computer upgrades – hardware and software	85	-
Outside contracts	43,094	30,661
Salaries and benefits	89,257	188,343
Service and supplies	16,724	31,082
Small tools	-	501
Utilities	22,965	21,095
<b>Total telemetering</b>	<u>173,559</u>	<u>272,594</u>
<b>Customer accounts:</b>		
Advertising and legal notices	200	-
Bad debt provision	3,702	4,214
Clothing and personal supplies	1,020	642
Communications	380	456
Computer upgrades – hardware and software	35,463	18,250
Education and training	2,116	1,183
Leak relief expense	-	8,491
Licenses and permits	220	365
Outside contracts	28,157	14,671
Postage	4,064	2,435
Salaries and benefits	261,533	310,431
Service and supplies	28,878	38,245
Small tools	122	-
Travel expense	1,349	-
<b>Total customer accounts</b>	<u>\$ 367,204</u>	<u>\$ 399,383</u>

**Casitas Municipal Water District**  
**Detail Schedules of Operating Expenses - Water Department (Continued)**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>General and administrative:</b>		
Advertising and legal notices	\$ 737	\$ 2,679
Bank charges	24,733	29,039
Books and publications	5,790	5,664
Clothing and personal supplies	6,991	7,594
Communications	36,872	39,127
Computer upgrades – hardware and software	18,017	25,987
Directors election fees	-	500
District equipment	133,224	116,470
Education and training	19,805	13,667
Gains/losses on inventory	(167)	(254)
Insurance – Aflac	941	760
Insurance – EAP	954	954
Insurance – liability	60,984	63,299
Licenses and permits	9,385	16,091
Memberships and dues	47,051	80,282
Office equipment maintenance	3,051	3,365
Office supplies	10,675	10,487
Other professional services	425,839	270,939
Outside contracts	384,628	229,920
Petty cash (over)/short	49	-
Postage	1,356	1,507
Printing and binding	1,723	3,306
Private vehicle mileage	7,432	7,841
Safety program	2,385	144
Salaries and benefits	3,780,408	3,131,657
Service and supplies	130,040	95,531
Small tools	5,665	3,004
Travel expense	3,480	9,519
Utilities	38,366	40,780
Vehicle costs direct	100,601	120,900
Workers' compensation	136,555	111,087
Costs applied	(173,628)	(166,160)
Administrative overhead burden	(925,881)	(974,182)
<b>Total general and administrative</b>	<u>4,298,061</u>	<u>3,301,504</u>
<b>Depreciation expense:</b>		
Water department	<u>2,826,579</u>	<u>2,832,048</u>
<b>Total depreciation expense</b>	<u>2,826,579</u>	<u>2,832,048</u>
<b>Total operating expenses – water department</b>	<u>\$ 12,528,834</u>	<u>\$ 11,969,224</u>

**Casitas Municipal Water District**  
**Detail Schedule of Revenues and Expenses - Recreation Department**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Recreation revenue:</b>		
Animal permit	\$ 7,181	\$ 16,797
Bad debt collection recovery	55	450
Boat fees - annual	33,813	38,640
Boat fees - daily	7,891	9,282
Boat fees - overnight	891	1,204
Boat inspection fees - Quagga	1,990	3,200
Boat lock revenue - Quagga	2,179	2,786
Boat rental - concession	54,562	60,379
Cafe - concession	27,015	25,120
Cafe pass fee	20,175	22,940
Cafe pass reimbursement	(17,729)	(22,162)
Camping fees	1,728,801	1,682,659
Camp promotion	-	10,587
Commercials	800	7,350
Event reimbursement	750	50
Events	32,783	25,826
Gift cards and certificates	(303)	(180)
Guest pass	(100)	(300)
Impound fee	650	525
Kayak and canoes annual	3,261	4,005
Kayak and canoes daily	62	41
Miscellaneous revenue	2,880	1,096
Over / short - recreation	243	139
Over / short - water park	28	(14)
Park store	50,730	46,682
Rain checks	(446)	(1,095)
Reservations	134,368	123,523
Shower facility fees	18,397	19,342
Snow bird pumping	1,660	1,370
Trailer storage fees	188,708	173,168
Vehicle fees - daily	308,962	206,701
Violation ordinance fees	6,100	14,925
Visitor cards	131,756	118,651
Water park - group pass fee	(4,506)	(6,809)
Water park - guest pass	(48)	(216)
Water park - junior lifeguard	8,910	7,051
Water park - late day pass fee	78,226	73,481
Water park - lifeguard training	404	1,317
Water park - locker fee	1,158	1,251
Water park - next day pass fee	(1,359)	(1,492)
Water park - promotion	16	18
Water park - rain checks	(372)	(312)
Water park - reservation fee	36,687	29,155
Water park - season pass fee	29,045	25,106
Water park - shade rental fee	7,580	7,610
Water park - shower facility fee	16,618	23,014
Water park - single splash fee	656,816	674,253
Water park - special event fee	120	-
Water park - water fitness - fee	9,871	8,688
Water park snack bar	5,321	7,287
<b>Total recreation revenue</b>	<u>\$ 3,592,600</u>	<u>\$ 3,443,089</u>

**Casitas Municipal Water District**  
**Detail Schedule of Revenues and Expenses - Recreation Department (Continued)**  
**For the Years Ended June 30, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Recreation expenses:</b>		
Administrative overhead burden	\$ 925,881	\$ 974,182
Advertising and legal notices	4,452	4,692
Bad debt provision	11,622	157
Bank charges	14	4,226
Chemicals – water playground	4,171	1,562
Chlorine	26,000	22,587
Clothing and personal supplies	12,412	10,873
Communications	12,297	23,166
Computer upgrades – hardware and software	6,821	7,705
Credit card fees	72,310	57,663
District equipment	112,862	139,781
Education and training	9,279	2,983
Fish purchases	29,998	-
Licenses and permits	5,313	7,326
Memberships and dues	1,675	1,349
Office supplies	3,393	1,357
Other operating expenses	108	-
Other professional services	35,394	37,836
Outside contracts	381,705	178,443
Postage	2,176	1,574
Pre-employment screening	5,942	7,563
Printing and binding	7,486	7,581
Private vehicle mileage	53	451
Public information program	6,956	19,236
Purchased water	43,030	55,504
Safety program	1,569	1,601
Salaries and benefits	2,165,172	2,239,510
Service and supplies	184,362	176,627
Small tools	8,237	4,705
Travel expense	1,680	4,282
Uninsured losses - injuries	3,000	-
Utilities	143,506	145,836
	<u>4,228,876</u>	<u>4,140,358</u>
<b>Total recreation expenses</b>		
Recreation operating (loss) before depreciation	(636,276)	(697,269)
Depreciation – recreation department	(348,102)	(332,049)
	<u>(984,378)</u>	<u>(1,029,318)</u>
<b>Recreation operating (loss)</b>		

*This page intentionally left blank.*



## **STATISTICAL SECTION**

*This page intentionally left blank.*

**Casitas Municipal Water District**  
**Statistical Section**  
**For the Year Ended June 30, 2016**

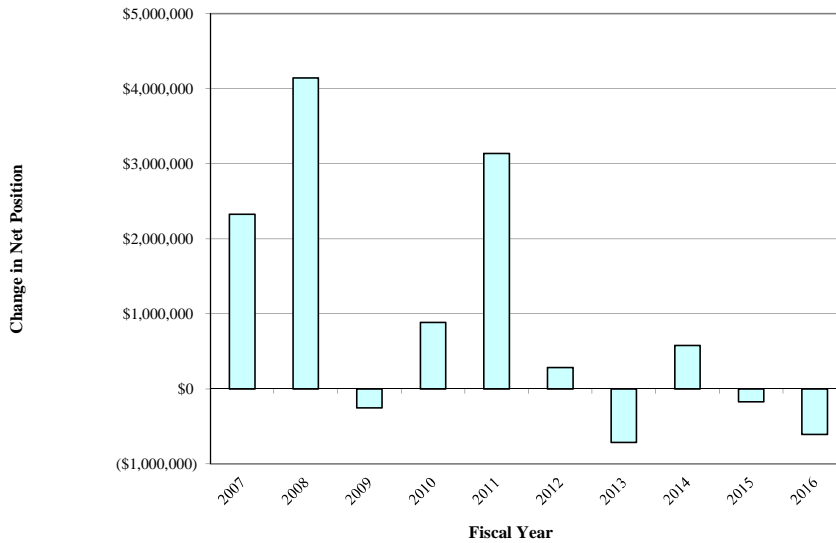
This part of the District’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District’s overall financial health.

**Table of Contents**

	<b><u>Page No.</u></b>
Financial Trends	82-85
These schedules contain information to help the reader understand how the District’s financial performance and well-being have changed over time.	
Revenue Capacity	86-90
These schedules contain information to help the reader assess the District’s most significant own-source revenue, water sales.	
Debt Capacity	91-92
These schedules present information to help the reader assess the affordability of the District’s current levels of outstanding debt and the District’s ability to issue additional debt in the future.	
Demographic Information	93
This schedule offers demographic indicators to help the reader understand the environment within which the District’s financial activities take place.	
Operating Information	94-95
This schedule contains service and infrastructure data to help the reader understand how the information in the District’s financial report relates to the service the District provides.	

**Casitas Municipal Water District**  
**Changes in Net Position and Net Position by Component**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2007	2008	2009	2010	2011
Changes in net position:					
Operating revenues (see Schedule 2)	\$ 13,291,119	13,805,964	12,129,996	12,194,917	10,956,600
Operating expenses (see Schedule 3)	(10,289,724)	(10,107,124)	(13,384,114)	(11,171,141)	(11,587,130)
Depreciation and amortization	(4,207,595)	(2,975,653)	(2,834,977)	(2,863,329)	(3,037,340)
<b>Operating income(loss)</b>	<b>(1,206,200)</b>	<b>723,187</b>	<b>(4,089,095)</b>	<b>(1,839,553)</b>	<b>(3,667,870)</b>
Non-operating revenues(expenses)					
Property taxes	1,734,216	1,831,087	1,982,172	1,959,850	2,012,458
Clean Water Act surcharge	1,006,501	1,071,637	1,685,062	1,290,042	1,682,991
Mira Monte assessment	18,605	19,657	18,914	18,601	17,113
Oak View availability charge	7,439	7,862	6,992	7,709	7,657
Property tax collection expense	(13,448)	(28,261)	(29,433)	(30,416)	(31,158)
Investment income/(loss)	404,167	463,786	213,695	129,472	402,229
Water-in-storage valuation	-	-	-	-	3,318,094
State water project expense	-	-	-	(666,442)	(787,665)
Federal grants	-	-	-	-	-
Capital facilities charges	-	-	-	-	-
CFD 2013-1 assessment	-	-	-	-	-
Interest expense	(129,810)	(123,440)	(116,361)	(106,239)	(102,295)
Other revenue/(expense), net	46,646	31,307	14,460	(6,638)	213,445
Total non-operating revenues(expenses), net	<b>3,074,316</b>	<b>3,273,635</b>	<b>3,775,501</b>	<b>2,595,939</b>	<b>6,732,869</b>
<b>Net income before capital contributions</b>	<b>1,868,116</b>	<b>3,996,822</b>	<b>(313,594)</b>	<b>756,386</b>	<b>3,064,999</b>
Capital contributions	458,002	146,880	63,784	131,179	74,095
<b>Change in net position</b>	<b>\$ 2,326,118</b>	<b>4,143,702</b>	<b>(249,810)</b>	<b>887,565</b>	<b>3,139,094</b>
Net position by component:					
Invested in capital assets, net of related debt	\$ 54,099,748	54,636,436	55,408,560	55,277,544	55,261,613
Restricted	103,054	75,088	67,343	60,922	217,413
Unrestricted	19,510,763	23,145,743	22,131,554	23,156,556	26,155,090
<b>Total net position</b>	<b>\$ 73,713,565</b>	<b>77,857,267</b>	<b>77,607,457</b>	<b>78,495,022</b>	<b>81,634,116</b>



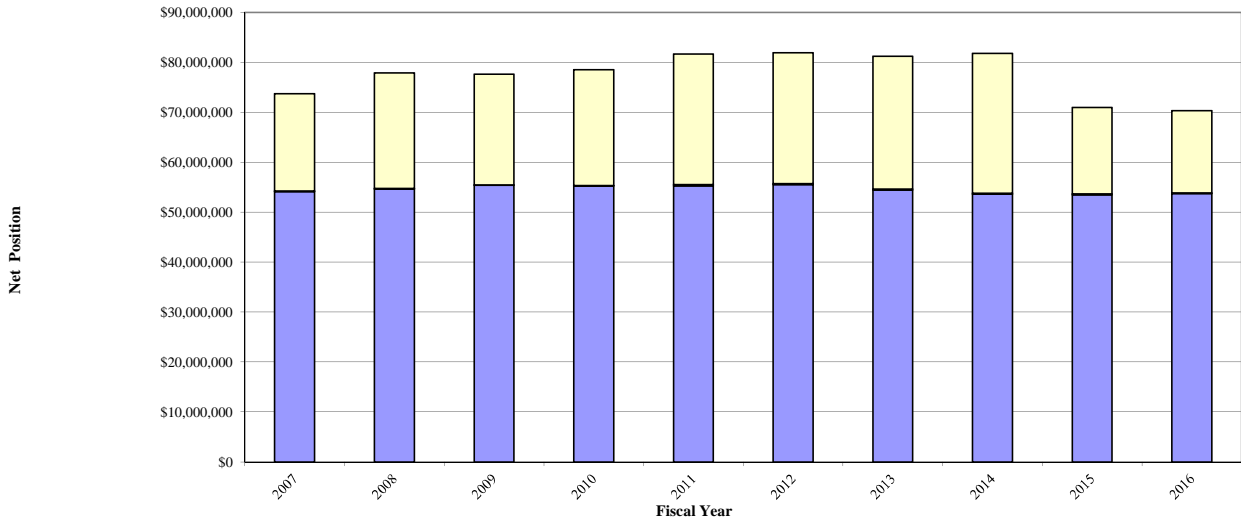
**Notes:**

- (1) The District made a prior period adjustment of \$796,383.
- (2) The District made a prior period adjustment of \$(10,684,160).

**Source:** Casitas Municipal Water District Accounting Department

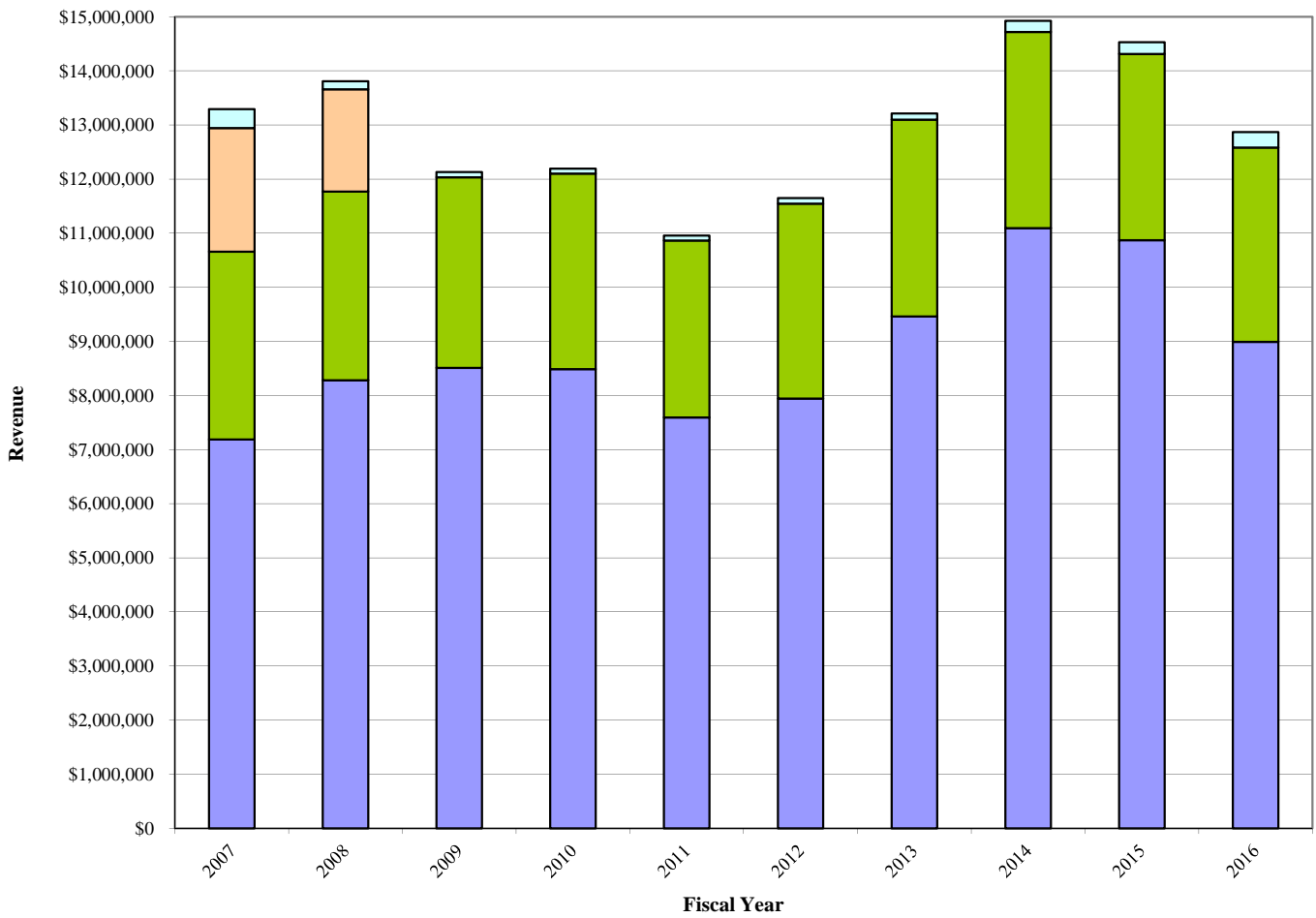
**Casitas Municipal Water District**  
**Changes in Net Position and Net Position by Component**  
**Last Ten Fiscal Years (Continued)**

	Fiscal Year				
	2012	2013	2014	2015	2016
Changes in net position:					
Operating revenues (see Schedule 2)	\$ 11,645,576	13,212,527	14,923,271	14,530,148	12,869,735
Operating expenses (see Schedule 3)	(12,047,019)	(13,639,029)	(14,238,444)	(13,277,286)	(13,931,131)
Depreciation and amortization	(3,097,495)	(3,084,521)	(3,152,038)	(3,164,097)	(3,174,681)
<b>Operating income(loss)</b>	<u>(3,498,938)</u>	<u>(3,511,023)</u>	<u>(2,467,211)</u>	<u>(1,911,235)</u>	<u>(4,236,077)</u>
Non-operating revenues(expenses)					
Property taxes	2,025,655	2,147,033	2,192,072	2,309,270	2,292,477
Clean Water Act surcharge	1,554,698	462,896	566,610	490,989	730,400
Mira Monte assessment	17,630	19,783	31,797	19,434	19,049
Oak View availability charge	293	232	-	-	-
Property tax collection expense	(30,158)	(31,284)	(8,360)	(31,610)	(32,050)
Investment income/(loss)	449,707	(164,338)	281,851	227,483	718,495
Water-in-storage valuation	-	-	-	(1,171,790)	(1,193,960)
State water project expense	(382,908)	(517,749)	(451,590)	(696,576)	(183,384)
Federal grants	-	-	-	-	-
Capital facilities charges	-	-	-	-	-
CFD 2013-1 assessment	-	-	-	-	454,543
Interest expense	(94,969)	(87,015)	(79,124)	(70,887)	(62,438)
Other revenue/(expense), net	12,454	(20,137)	24,506	179,498	41,386
Total non-operating revenues(expenses), net	<u>3,552,402</u>	<u>1,809,421</u>	<u>2,557,762</u>	<u>1,255,811</u>	<u>2,784,518</u>
<b>Net income before capital contributions</b>	53,464	(1,701,602)	90,551	(655,424)	(1,451,559)
Capital contributions	232,755	990,526	489,071	484,674	844,524
<b>Change in net position</b>	<u>\$ 286,219</u>	<u>(711,076)</u>	<u>579,622</u>	<u>(170,750)</u>	<u>(607,035)</u>
Net position by component:					
Invested in capital assets, net of related debt	\$ 55,501,696	54,428,683	53,612,183	53,488,631	53,720,578
Restricted	199,890	180,151	153,708	134,267	115,220
Unrestricted	26,218,749	26,600,425	28,022,990	17,311,073	16,491,138
<b>Total net position</b>	<u>\$ 81,920,335</u>	<u>81,209,259<sup>(1)</sup></u>	<u>81,788,881</u>	<u>70,933,971<sup>(2)</sup></u>	<u>70,326,936</u>



**Casitas Municipal Water District**  
**Operating Revenue By Source**  
**Last Ten Fiscal Years**

Fiscal Year	Water Sales and Service	Recreation Revenue	Local Runoff	Other Operating Revenue	Total Operating Revenue
2007	\$ 7,188,942	\$ 3,469,248	\$ 2,282,734	\$ 350,195	\$ 13,291,119
2008	8,282,482	3,487,877	1,890,639	144,966	13,805,964
2009	8,507,054	3,526,264	-	96,678	12,129,996
2010	8,488,083	3,611,110	-	95,724	12,194,918
2011	7,592,767	3,269,377	-	94,456	10,956,600
2012	7,944,558	3,599,744	-	101,274	11,645,576
2013	9,461,356	3,637,050	-	114,121	13,212,527
2014	11,092,279	3,625,800	-	205,192	14,923,271
2015	10,868,054	3,443,089	-	219,005	14,530,148
2016	8,988,387	3,592,600	-	288,748	12,869,735

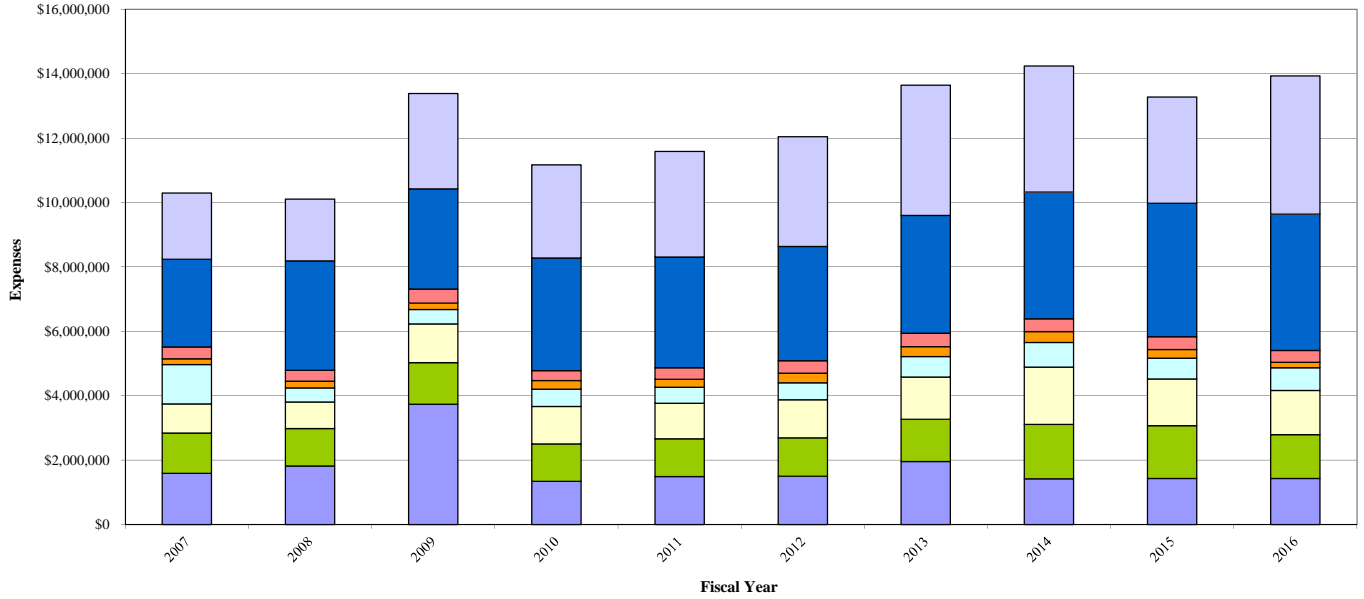


Note 1 - Beginning in FY 2010 the District classified the Water Storage Valuation as a Non-Operating Revenue

Source: Casitas Municipal Water District Accounting Department

**Casitas Municipal Water District  
Operating Expenses by Activity  
Last Ten Fiscal Years**

Fiscal Year	Source of Supply	Pumping	Water Treatment	Transmission and Distribution	Telemetry	Customer Accounts	Recreation Area	General and Administrative	Total Operating Expenses
2007	\$ 1,584,516	1,261,227	898,454	1,221,291	185,521	359,407	2,730,670	2,048,638	10,289,724
2008	1,815,132	1,160,984	831,760	435,705	209,198	335,952	3,401,609	1,916,784	10,107,124
2009	3,735,269	1,292,700	1,197,050	448,678	197,119	436,851	3,113,058	2,963,389	13,384,114
2010	1,338,079	1,166,950	1,165,062	530,798	266,133	308,364	3,504,726	2,891,029	11,171,141
2011	1,493,036	1,168,939	1,107,391	488,434	251,534	362,054	3,436,849	3,278,893	11,587,130
2012	1,498,408	1,194,225	1,184,305	527,004	294,816	387,735	3,551,695	3,408,831	12,047,019
2013	1,958,838	1,313,549	1,305,364	640,781	309,327	412,021	3,662,878	4,036,271	13,639,029
2014	1,421,801	1,685,967	1,783,448	762,346	332,776	400,493	3,939,152	3,912,461	14,238,444
2015	1,430,475	1,634,202	1,451,902	646,868	272,594	399,383	4,140,358	3,301,504	13,277,286
2016	1,432,140	1,360,622	1,372,695	697,974	173,559	367,204	4,228,876	4,298,061	13,931,131

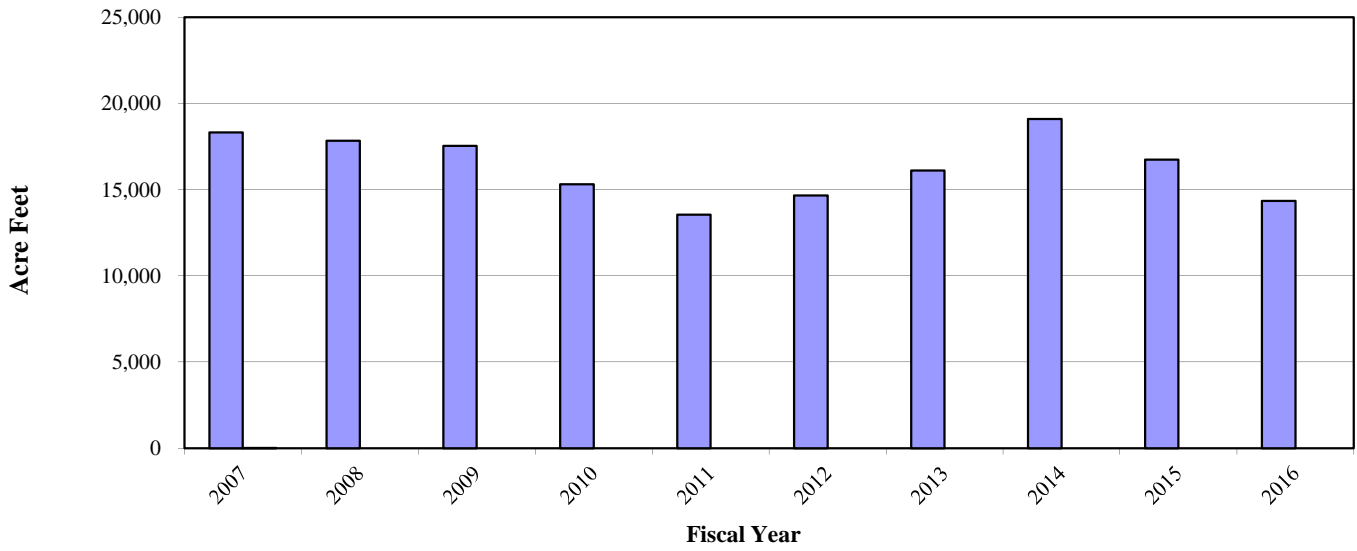


Source: Casitas Municipal Water District Accounting Department

**Casitas Municipal Water District**  
**Revenue Base**  
**Last Ten Fiscal Years**

---

<u>Fiscal Year</u>	<b>Water Sales (Acre Feet)</b>
2007	18,318
2008	17,844
2009	17,533
2010	15,307
2011	13,549
2012	14,655
2013	16,106
2014	19,093
2015	16,746
2016	14,346



**Note:** See Schedule 2 "Operating Revenue by Source" for information regarding water revenues.

**Source:** Casitas Municipal Water District Accounting Department



**Casitas Municipal Water District**  
**Revenue Rates(1)**  
**Fiscal Years 1999 to 2008**

Categories	Gravity Zone Water Consumption (per HCF)									
	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential:										
0-10 HCF	\$ 0.621	0.640	0.659	0.699	0.720	0.742	0.835	0.835	0.868	0.888
11-17 HCF	0.992	1.022	1.053	1.118	1.152	1.187	1.322	1.322	1.369	1.389
18+ HCF	1.379	1.420	1.463	1.552	1.598	1.646	1.825	1.825	1.888	1.908
Business	0.646	0.665	0.685	0.727	0.749	0.771	0.832	0.832	0.897	0.958
Industrial	0.608	0.626	0.645	0.684	0.704	0.725	0.783	0.783	0.856	0.958
Resale	0.374	0.385	0.397	0.421	0.434	0.447	0.474	0.474	0.545	0.709
Other	0.627	0.646	0.665	0.706	0.727	0.749	0.808	0.808	0.883	0.958
Temporary	1.958	2.017	2.078	2.204	2.270	2.338	2.493	2.493	2.686	2.706
Recreation	N/A	0.900	0.927	0.984	1.014	1.044	1.121	1.121	1.121	0.958
Irrigation	0.298	0.307	0.316	0.335	0.345	0.355	0.398	0.398	0.448	0.717

Categories	Pumped Zone Water Consumption (per HCF) <sup>2)</sup>									
	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential:										
0-10 HCF	\$ 0.846	0.871	0.898	1.053	1.069	1.001	1.094	1.094	1.127	1.127
11-17 HCF	1.216	1.254	1.292	1.472	1.501	1.446	1.581	1.581	1.628	1.628
18+ HCF	1.605	1.652	1.702	1.906	1.947	1.905	2.084	2.084	2.147	2.147
Business	0.871	0.897	0.924	1.081	1.098	1.030	1.091	1.091	1.156	1.197
Industrial	0.832	0.858	0.884	1.038	1.053	0.984	1.042	1.042	1.115	1.197
Resale	0.846	0.871	0.897	1.036	1.044	0.967	1.109	1.109	1.275	1.275
Other	0.852	0.878	0.904	1.060	1.076	1.008	1.067	1.067	1.142	1.197
Temporary	2.184	2.249	2.317	2.558	2.619	2.597	2.752	2.752	2.945	2.945
Recreation	0.874	0.900	0.927	1.338	1.363	1.303	1.380	1.380	1.380	1.197
Irrigation	0.298	0.307	0.316	0.450	0.455	0.375	0.418	0.418	0.468	0.717

Meter Size	Water Service Charges (monthly)									
	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Residential:										
5/8" - 1"	\$ 10.72	11.04	11.37	12.06	12.42	12.79	14.01	14.01	15.30	15.99
1 1/2" - 2"	32.91	33.90	34.92	37.05	38.16	39.30	43.03	43.03	46.99	49.1
2 1/2" - 3"	70.08	72.18	74.35	78.88	81.25	83.69	91.64	91.64	100.07	104.57
4"	148.75	153.21	157.81	167.42	172.44	177.61	194.48	194.48	212.37	221.93
6"	439.12	452.29	465.86	494.24	509.07	524.34	574.15	574.15	626.97	655.18
Businesses:										
5/8" - 1"	19.42	20.00	20.60	21.86	22.52	23.20	24.59	24.59	26.85	28.06
1 1/2" - 2"	59.56	61.35	63.19	67.04	69.05	71.12	75.39	75.39	82.33	86.03
2 1/2" - 3"	126.93	130.74	134.66	142.86	147.15	151.56	160.65	160.65	175.43	183.32
4"	269.39	277.47	285.79	303.19	312.29	321.66	340.96	340.96	372.33	389.08
6"	795.19	819.05	843.62	895.00	921.85	949.51	1,006.48	1,006.48	1,099.08	1,148.54
Industrial:										
5/8" - 1"	14.49	14.92	15.37	16.30	16.79	17.29	18.06	18.06	19.72	20.61
1 1/2" - 2"	44.45	45.78	47.15	50.02	51.52	53.07	55.43	55.43	60.53	63.25
2 1/2" - 3"	94.70	97.54	100.47	106.58	109.78	113.07	118.12	118.12	128.99	134.79
4"	200.99	207.02	213.23	226.22	233.01	240.00	250.70	250.70	273.76	286.08
6"	593.86	611.68	630.03	668.40	688.45	709.10	740.71	740.71	808.86	845.26
Irrigation:										
5/8" - 1"	23.88	24.60	25.34	26.88	27.69	28.52	31.94	31.94	34.88	36.45
1 1/2" - 2"	73.20	75.40	77.66	82.39	84.86	87.41	97.90	97.90	106.91	111.72
2 1/2" - 3"	155.96	160.64	165.46	175.53	180.80	186.22	208.57	208.57	227.76	238.01
4"	331.03	340.96	351.19	372.58	383.76	395.27	442.70	442.70	483.43	505.18
6"	977.17	1,006.49	1,036.68	1,099.81	1,132.80	1,166.78	1,306.79	1,306.79	1,427.01	1,491.23
Resale (Gravity):										
5/8" - 1"	40.61	41.83	43.09	45.71	47.08	48.49	51.40	51.40	56.13	58.66
1 1/2" - 2"	124.56	128.30	132.15	140.19	144.40	148.73	157.65	157.65	172.15	179.7
2 1/2" - 3"	265.38	273.34	281.54	298.69	307.65	316.88	335.89	335.89	388.63	406.12
4"	563.27	580.17	597.58	633.98	653.00	672.59	712.95	712.95	778.54	813.57
6"	1,662.70	1,712.58	1,763.96	1,871.39	1,927.53	1,985.36	2,104.48	2,104.48	2,298.09	2,401.5
Resale (Pumped):										
5/8" - 1"	15.71	16.18	16.67	17.69	18.22	18.77	21.59	21.59	23.58	24.64
1 1/2" - 2"	48.17	49.62	51.11	54.22	55.85	57.53	66.16	66.16	72.25	75.5
2 1/2" - 3"	102.59	105.67	108.84	115.47	118.93	122.50	140.88	140.88	153.84	160.76
4"	217.76	224.29	231.02	245.09	252.44	260.01	299.01	299.01	326.52	341.21
6"	642.81	662.09	681.95	723.48	745.18	767.54	882.67	882.67	963.88	1,007.25
Other:										
5/8" - 1"	16.21	16.70	17.20	18.25	18.80	19.36	20.52	20.52	22.41	23.42
1 1/2" - 2"	49.72	51.21	52.75	55.96	57.64	59.37	62.93	62.93	68.72	71.81
2 1/2" - 3"	105.90	109.08	112.35	119.19	122.77	126.57	143.45	143.45	154.45	160.5
4"	224.77	231.51	238.46	252.98	260.57	268.39	284.49	284.49	310.66	324.64
6"	663.47	683.37	703.87	746.74	769.14	792.21	839.74	839.74	914.00	958.27
Temporary:										
1 1/2" - 2"	45.11	46.46	47.85	50.77	52.29	53.86	57.09	57.09	62.34	65.15
2 1/2" - 3"	96.12	99.00	101.97	108.18	111.43	114.77	121.66	121.66	132.85	138.83
Recreation:										
5/8" - 1"	20.72	21.34	21.98	23.32	24.02	24.74	26.22	26.22	28.63	
1 1/2" - 2"	63.57	65.48	67.44	71.54	73.69	75.90	80.45	80.45	87.85	
2 1/2" - 3"	135.46	139.52	143.71	152.46	157.03	161.74	171.44	171.44	187.21	
4"	287.47	296.09	304.97	323.54	333.25	343.25	363.85	363.85	397.32	
6"	848.60	874.06	900.28	952.02	980.58	1,010.00	1,070.60	1,070.60	1,169.10	

**Notes:**  
(1) Rates as of June 30 of each fiscal year.  
(2) Rates are net of applicable energy surcharges.

**Source:** Casitas Municipal Water District Board of Directors approved rate ordinances and resolution

**Casitas Municipal Water District  
Revenue Rates  
Fiscal Years 2009 to 2011**

In fiscal year 2009, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE				Rate per Unit **	
				GRAVITY	PUMPED
Residential:					
Bi-Monthly Lifeline	0-20 Units	\$ 0.567	\$ 0.831		
Bi-Monthly Lifeline	21-34 Units	\$ 1.003	\$ 1.267		
Bi-Monthly Lifeline	35-100 units	\$ 1.404	\$ 1.668		
Bi-Monthly Lifeline	101 units +	\$ 2.200	\$ 2.464		
Business		\$ 1.259	\$ 1.524		
Industrial		\$ 1.259	\$ 1.524		
Resale		\$ 0.780	\$ 1.403		
Other		\$ 1.259	\$ 1.524		
Temporary		\$ 1.419	\$ 1.683		
Recreation		\$ 1.259	\$ 1.524		

RATE SCHEDULE - CLASS 3 SERVICE				Rate per Unit **	
				GRAVITY	PUMPED
Ag-Residential:					
Monthly Lifeline	0-10 Units	\$ 0.567	\$ 0.831		
Monthly Usage	11-17 Units	\$ 1.003	\$ 1.267		
Monthly Usage	18 -50 Units	\$ 1.404	\$ 1.668		
Irrigation (AG)	51 units +	\$ 0.588	\$ 0.852		

**\*\* One unit equals 100 cubic feet (748 gallons)**

Cost per AF (example)	Irrigation	per AF = \$0.588 x 435.6 =	\$ 256.13	Gravity
		per AF = \$0.852 x 435.6 =	\$ 371.13	Pumped

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	Over 6"	
MAX CAPACITY	GPM	20-30	50	120	160	TEMP 300	320	1000	2000	over 2000	
<b>RESIDENTIAL</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
<b>BUSINESS</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
<b>INDUSTRIAL</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
<b>IRRIGATION/ AG</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
<b>RESALE(G)</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
<b>RESALE(P)</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
<b>OTHER</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
<b>TEMPORARY</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm
<b>RECREATION</b>	Monthly	\$ 22.02	\$ 32.89	\$ 60.06	\$ 92.66	\$ 141.56	\$ 195.90	\$ 348.04	\$ 766.43	\$ 2,667.46	per gpm
	Bi-Monthly	\$ 38.32	\$ 60.06	\$ 114.39	\$ 179.60	N/A	\$ 386.07	\$ 690.36	\$ 1,527.13	\$ 5,334.92	per gpm

Source: Casitas Municipal Water District Finance Department

**Casitas Municipal Water District  
Revenue Rates  
Fiscal Years 2012 to Present**

In fiscal year 2012, the District changed its rate structure as follows:

RATE SCHEDULE - CLASS 1 SERVICE			Rate per Unit **	
			GRAVITY	PUMPED
Residential:				
Bi-Monthly Lifeline	0-20 Units	\$ 0.584	\$ 0.856	
Bi-Monthly Lifeline	21-34 Units	\$ 1.033	\$ 1.305	
Bi-Monthly Lifeline	35-100 units	\$ 1.446	\$ 1.718	
Bi-Monthly Lifeline	101 units +	\$ 2.266	\$ 2.538	
Business		\$ 1.297	\$ 1.570	
Industrial		\$ 1.297	\$ 1.570	
Resale		\$ 0.803	\$ 1.445	
Other		\$ 1.297	\$ 1.570	
Temporary		\$ 1.462	\$ 1.733	
Recreation		\$ 1.297	\$ 1.570	

RATE SCHEDULE - CLASS 3 SERVICE			Rate per Unit **	
			GRAVITY	PUMPED
Ag-Residential:				
Monthly Lifeline	0-10 Units	\$ 0.584	\$ 0.856	
Monthly Usage	11-17 Units	\$ 1.033	\$ 1.305	
Monthly Usage	18 -50 Units	\$ 1.446	\$ 1.718	
Irrigation (AG)	51 units +	\$ 0.606	\$ 0.878	

**\*\* One unit equals 100 cubic feet (748 gallons)**

Cost per AF (example)	Irrigation	per AF = \$0.606 x 435.6 =	\$ 263.97	Gravity
		per AF = \$0.878 x 435.6 =	\$ 382.46	Pumped

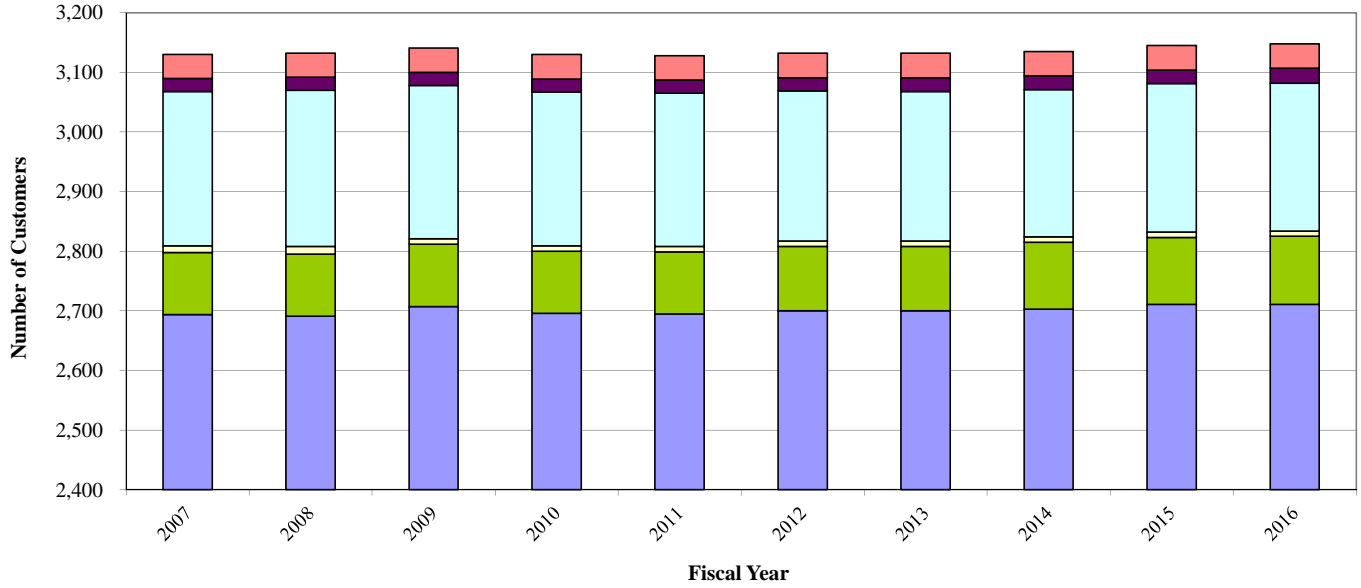
**9.3.4 COMBINATION (CLASS C) SERVICE.** Where more than one class of water service or use is provided through a single connection, the General Manager shall make an equitable proration of rates and fees, such proration shall be conclusive unless appealed within 30 days by the customer to the Board, in which case the determination of the Board shall be conclusive.

METER SIZE		5/8"-3/4"	1"	1-1/2"	2"	2-1/2"	3"	4"	6"	Over 6"	
MAX CAPACITY		20-30	50	120	160	TEMP 300	320	1000	2000	over 2000	
<b>RESIDENTIAL</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
<b>BUSINESS</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
<b>INDUSTRIAL</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
<b>IRRIGATION/ AG</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
<b>RESALE(G)</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
<b>RESALE(P)</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
<b>OTHER</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
<b>TEMPORARY</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm
<b>RECREATION</b>	Monthly	\$ 23.34	\$ 34.86	\$ 63.66	\$ 98.22	\$ 150.05	\$ 207.65	\$ 368.92	\$ 812.42	\$ 2,827.51	per gpm
	Bi-Monthly	\$ 40.62	\$ 63.66	\$ 121.25	\$ 190.38	N/A	\$ 409.23	\$ 731.78	\$ 1,618.76	\$ 5,655.02	per gpm

Source: Casitas Municipal Water District Finance Department

**Casitas Municipal Water District  
Customers by Type at Fiscal Year-End  
Last Ten Fiscal Years**

Fiscal Year	Customer Type						Total
	Residential	Business	Industrial	Agricultural	Wholesale	Other	
2007	2,694	104	11	259	22	40	3,130
2008	2,691	104	13	262	22	40	3,132
2009	2,707	105	9	257	22	41	3,141
2010	2,696	104	9	258	22	41	3,130
2011	2,695	104	9	257	22	41	3,128
2012	2,700	108	9	252	22	41	3,132
2013	2,700	108	9	251	23	41	3,132
2014	2,703	112	9	247	23	41	3,135
2015	2,711	112	9	249	23	41	3,145
2016	2,711	114	9	248	25	41	3,148

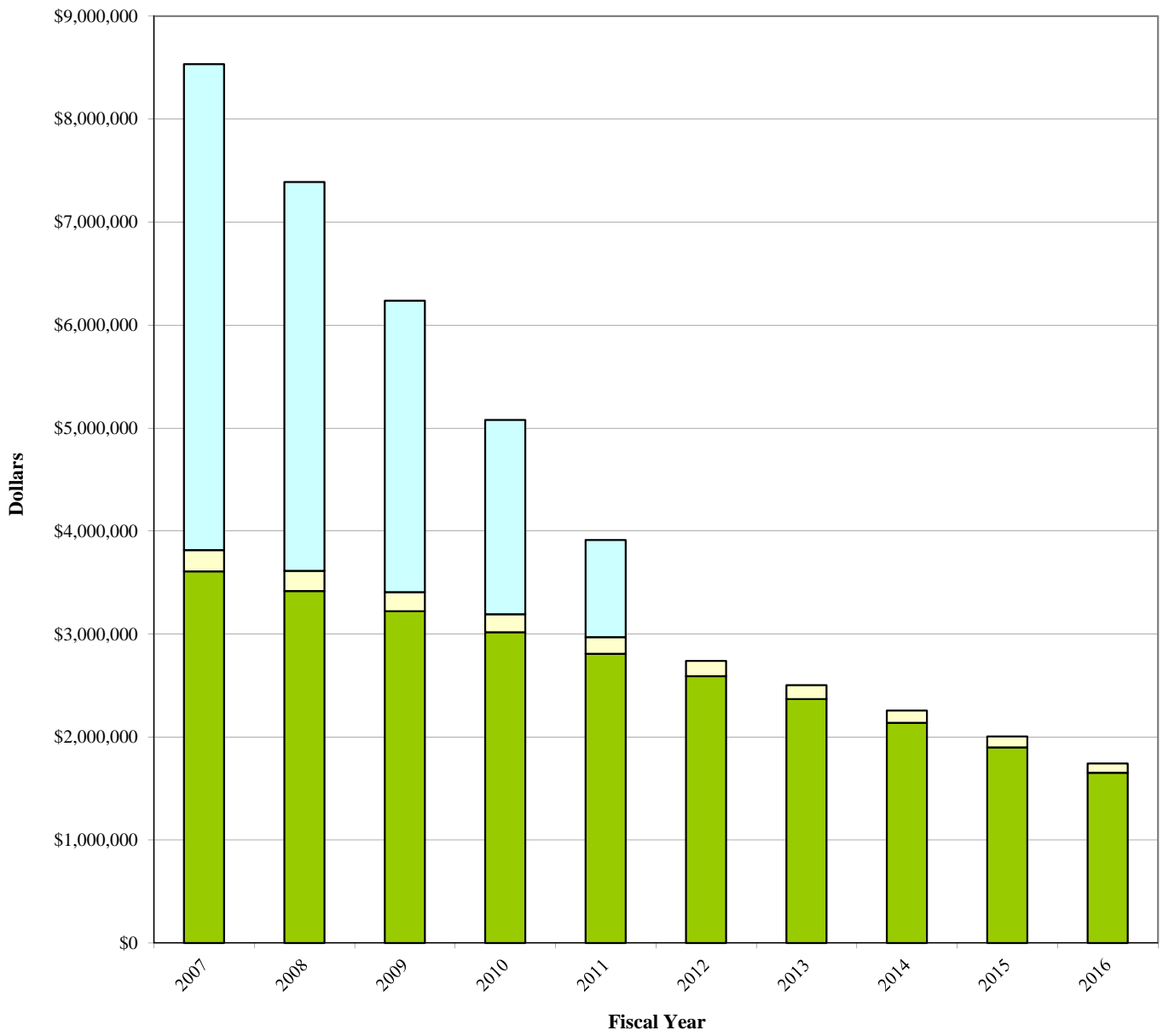


**Note:** Number of customers as of June 30 of fiscal year.

**Source:** Casitas Municipal Water District Accounting Department

**Casitas Municipal Water District**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Loans Payable	Bonds Payable	Notes Payable	Total		
				Debt	Per Capita	As a Share of Personal Income
2007	\$ 3,608,238	207,500	4,718,230	8,533,968	11.92	0.04%
2008	3,417,845	196,500	3,774,584	7,388,929	10.31	0.04%
2009	3,220,825	185,500	2,830,938	6,237,263	8.53	0.01%
2010	3,017,650	173,500	1,887,292	5,078,442	6.84	0.01%
2011	2,807,893	161,500	943,646	3,913,039	5.20	0.01%
2012	2,591,520	148,500	-	2,740,020	3.54	0.01%
2013	2,367,787	134,500	-	2,502,287	3.21	0.01%
2014	2,136,978	120,500	-	2,257,478	3.12	0.01%
2015	1,898,692	105,500	-	2,004,192	3.13	0.01%
2016	1,652,804	89,500	-	1,742,304	2.11	0.00%



Source: Casitas Municipal Water District Accounting Department

**Casitas Municipal Water District**  
**Debt Coverage**  
**Last Ten Fiscal Years**

Fiscal Year	Net Revenues	Operating Expenses <sup>(1)</sup>	Net Available Revenues	Debt Service			Coverage Ratio
				Principal	Interest	Total	
2007	\$ 16,508,693	(10,289,724)	6,218,969	1,138,291	129,810	1,268,101	4.90
2008	17,231,300	(10,107,124)	7,124,176	1,145,039	124,805	1,269,844	5.61
2009	17,172,474	(12,382,370)	4,790,104	1,151,666	118,147	1,269,813	3.77
2010	15,605,715	(10,169,397)	5,436,318	1,158,821	107,098	1,265,919	4.29
2011	15,304,255	(9,614,381)	5,689,874	1,165,403	96,491	1,261,894	4.51
2012	15,717,774	(10,948,207)	4,769,567	237,733	89,085	326,818	14.59
2013	15,752,090	(11,998,166)	3,753,924	244,809	81,334	326,143	11.51
2014	18,020,107	(12,234,997)	5,785,110	253,286	73,157	326,443	17.72
2015	17,937,802	(13,277,286)	4,660,516	261,888	64,830	326,718	14.26
2016	16,910,651	(13,931,131)	2,979,520	270,079	55,864	325,943	9.14

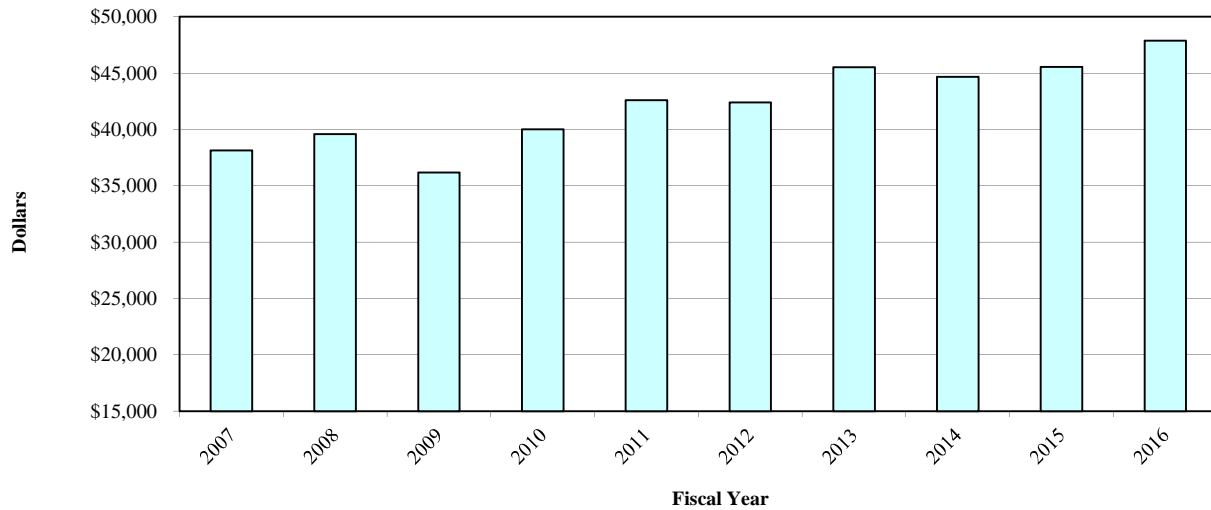
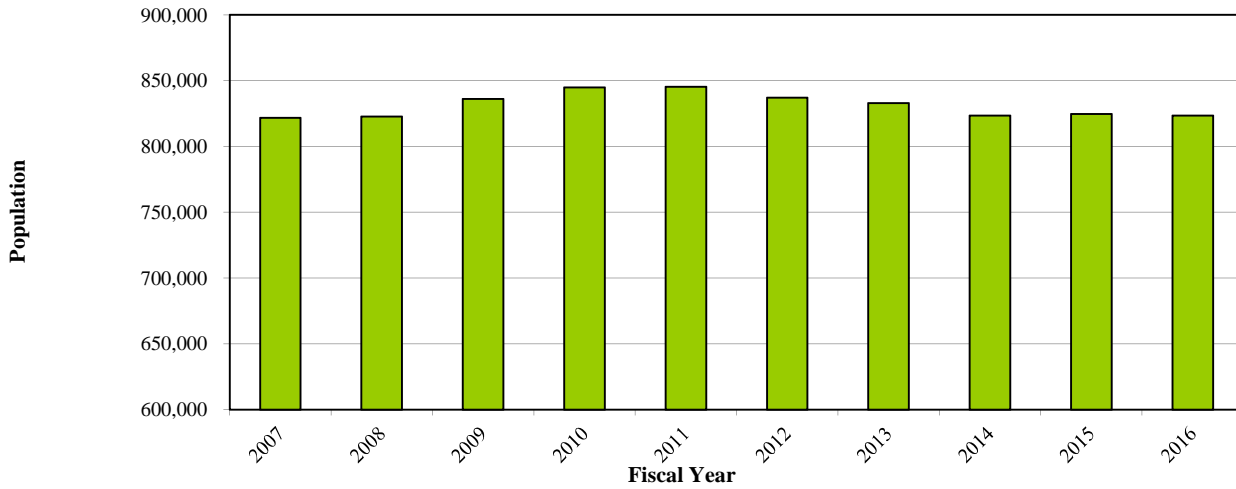
**Notes:**

(1) Operating expenses exclude depreciation expense.

**Source:** Casitas Municipal Water District Accounting Department

**Casitas Municipal Water District  
Demographics and Economic Statistics - County of Ventura  
Last Ten Calendar Years**

Year	Unemployment Rate	Population	Personal Income (thousands of dollars)	Personal Income per Capita
2007	4.3%	821,669	31,332,963	38,133
2008	4.6%	822,654	32,564,897	39,585
2009	9.2%	836,080	30,258,987	36,191
2010	10.0%	844,713	33,800,000	40,014
2011	11.0%	845,222	36,000,000	42,592
2012	10.7%	837,145	35,500,000	42,406
2013	9.3%	832,970	37,925,000	45,530
2014	6.2%	823,318	36,776,000	44,668
2015	6.0%	824,546	37,555,000	45,546
2016	6.0%	823,318	39,424,000	47,884



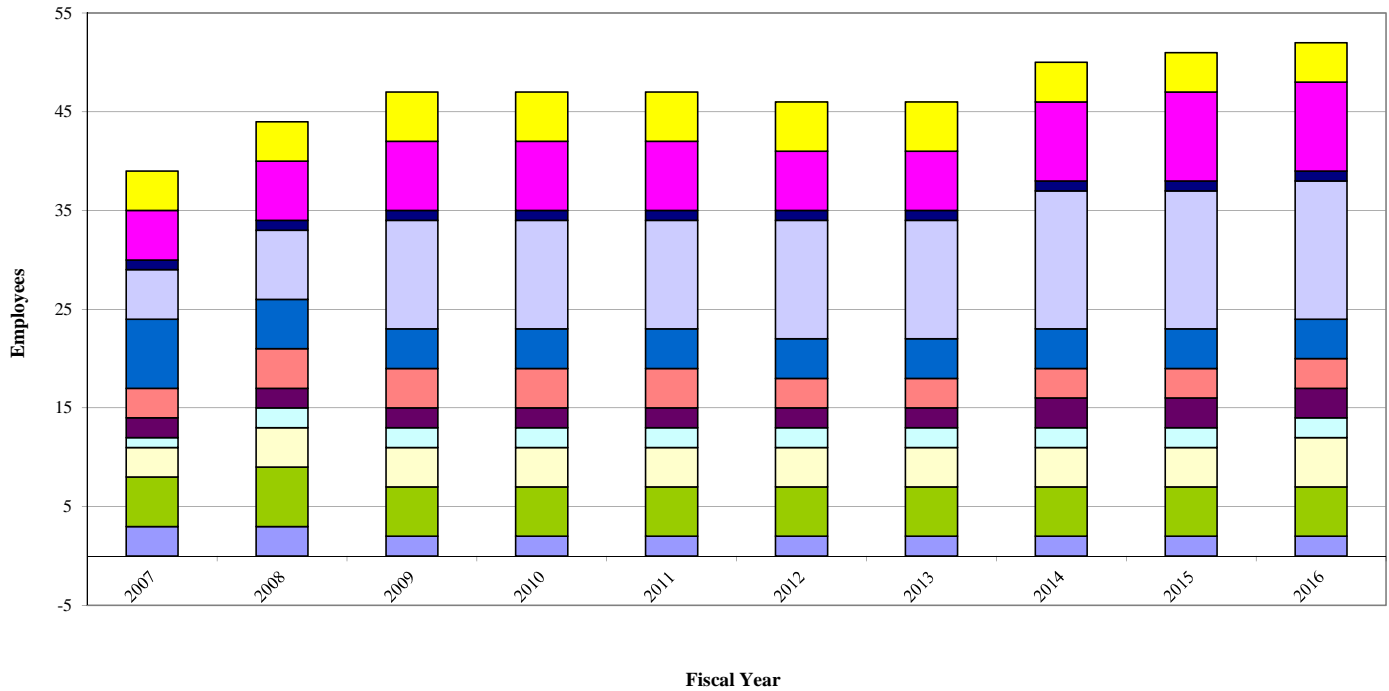
**Sources:** California Department of Finance and CaliforniaLaborMarketInfo

**Notes:**

(1) Only County data is updated annually. Therefore, the District has chose to use its data since the District believes that the County data is representative of the conditions and experience of the District.

**Casitas Municipal Water District  
Operating and Capacity Indicators – Employees  
Last Ten Fiscal Years**

Employees										
Department	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Management	3	3	2	2	2	2	2	2	2	2
Administration	5	6	5	5	5	5	5	5	5	5
Engineering	3	4	4	4	4	4	4	4	4	5
Water Quality Lab	1	2	2	2	2	2	2	2	2	2
Fisheries	2	2	2	2	2	2	2	3	3	3
Electrical and Mechanical	3	4	4	4	4	3	3	3	3	3
Distribution	7	5	4	4	4	4	4	4	4	4
Conservation and Treatment	5	7	11	11	11	12	12	14	14	14
Information Technology	1	1	1	1	1	1	1	1	1	1
Recreation Operations	5	6	7	7	7	6	6	8	9	9
Recreation Maintenance	4	4	5	5	5	5	5	4	4	4
<b>Total</b>	<b>39</b>	<b>44</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>46</b>	<b>46</b>	<b>50</b>	<b>51</b>	<b>52</b>



Sources: Casitas Municipal Water District Operations and Accounting Departments



**Casitas Municipal Water District  
Operating and Capacity Indicators – Operations  
Last Ten Fiscal Years**

---

**Other Operating and Capacity Indicators**

---

<b>Fiscal Year</b>	<b>Miles of Pipeline</b>	<b>Lake Storage Capacity (AF)</b>	<b>Lake Level at Year-End (AF)</b>	<b>Percentage of Lake Capacity</b>	<b>Daily System Capacity (MGD)</b>
2007	105.7	254,000	221,174	87.1%	65
2008	105.7	254,000	222,528	87.6%	65
2009	105.7	254,000	199,851	78.7%	65
2010	105.7	254,000	194,405	76.5%	65
2011	105.7	254,000	218,328	86.0%	65
2012	105.7	254,000	197,199	77.6%	65
2013	105.7	254,000	171,748	67.6%	65
2014	105.7	254,000	145,253	57.2%	65
2015	105.7	254,000	122,050	48.1%	65
2016	105.7	254,000	100,696	39.6%	65

N/A - Data not available for these years

AF - Acre Feet

MGD - Millions of Gallons per Day

**Sources:** Casitas Municipal Water District Operations and Accounting Departments

LAKE IMPROVEMENT FOUNDATION

GL# 11-2-62-2410-00

DATE	FROM	DEPOSIT	PYMTS	BALANCE
10/1/1997	Tanaka Bait & Tackle	500.00		\$500.00
10/1/1998	Oak View Civic Council	50.00		\$550.00
10/1/1998	Tanaka Bait & Tackle	1,250.00		\$1,800.00
9/1/1999	Tanaka Bait & Tackle	1,700.00		\$3,500.00
9/1/1999	Rotary Club of Ojai West	500.00		\$4,000.00
12/1/1999	Suzi Lydick	250.00		\$4,250.00
1/1/2000	Bill Hicks	300.00		\$4,550.00
5/1/2000	Pat Weinberger		487.99	\$4,062.01
6/1/2000	Cash Contributions	34.00		\$4,096.01
6/1/2000	James Word	15.00		\$4,111.01
6/1/2000	Ronald Paul	45.00		\$4,156.01
6/1/2000	Doris Harbison	15.00		\$4,171.01
?????	Unknown Entry	212.54		\$4,383.55
8/14/2002	Secretary of State		20.00	\$4,363.55
4/21/2003	American Bass Association	1,155.00		\$5,518.55
6/26/2003	American Bass Association	1,025.00		\$6,543.55
6/30/2004	Interest Transfer for Year	127.08		\$6,670.63
6/30/2004	Memorial for Jim Loeble		177.04	\$6,493.59
12/23/2003	Elaine Paul	100.00		\$6,593.59
7/1/2003	Affinity Group	250.00		\$6,843.59
6/30/2005	Santa Barbara Monumental Co.		283.08	\$6,560.51
9/23/2005	Interest Transfer for Year	159.68		\$6,720.19
8/18/2005	Secretary of State		20.00	\$6,700.19
1/25/2006	The Tax Specialists		500.00	\$6,200.19
6/30/2006	Interest Transfer for Year	233.55		\$6,433.74
2/6/2007	Norm Smith / Family Fishing		500.00	\$5,933.74
9/12/2007	State of California		20.00	\$5,913.74
12/26/2007	Roger Snowbarger	100.00		\$6,013.74
3/14/2008	Kenneth Wayne McFeeters	50.00		\$6,063.74
3/14/2008	Wells Hall	100.00		\$6,163.74
3/14/2008	David C. Regan	100.00		\$6,263.74
3/19/2008	Ojai Electric	100.00		\$6,363.74
3/19/2008	Ventura Wholesale Electric Inc.	15.00		\$6,378.74
3/24/2008	Coordinated Wire Rope	200.00		\$6,578.74
7/18/2008	Night Fishing Tournament	1170.00		\$7,748.74
8/22/2008	Contest for Fair Booth LCRA	300.00		\$8,048.74
9/9/2008	Night Fishing Tournament	1305.00		\$9,353.74
9/9/2008	Night Fishing Tournament	1350.00		\$10,703.74
9/10/2008	Moonlight Fishing	990.00		\$11,693.74
10/9/2008	Visions in Time Foundation	500.00		\$12,193.74
10/21/2008	Night Fishing Tournament	1215.00		\$13,408.74
10/21/2008	Night Fishing Tournament	900.00		\$14,308.74
10/30/2008	Reclass to Revenue Re: Rob, Pirates Festival		500.00	\$13,808.74
12/18/2008	Moonlight Fishing	510.00		\$14,318.74
2/1/2009	Okuma Fishing Tackle		858.00	\$13,460.74
2/1/2009	Okuma Fishing Tackle		683.18	\$12,777.56
2/1/2009	Okuma Fishing Tackle		333.19	\$12,444.37
2/1/2009	Okuma Fishing Tackle		482.63	\$11,961.74
2/1/2009	Okuma Fishing Tackle		107.25	\$11,854.49
4/1/2009	Casitas Park Store		1250.00	\$10,604.49
4/1/2009	Casitas Park Store		1250.00	\$9,354.49

5/8/2009	State of California		20.00	\$9,334.49
6/17/2009	Night Fishing Tournament	1,440.00		\$10,774.49
6/17/2009	Night Fishing Tournament	1,035.00		\$11,809.49
7/28/2009	Donation	510.00		\$12,319.49
8/18/2009	Donation Shelly M. Reyes	990.00		\$13,309.49
8/27/2009	Donation West Coast Christian Anglers	420.00		\$13,729.49
9/22/2009	Donation Shelly M. Reyes	855.00		\$14,584.49
9/22/2009	Donation Shelly M. Reyes	810.00		\$15,394.49
9/29/2009	Donation West Coast Christian Anglers	570.00		\$15,964.49
2/22/2010	Donation Kiwanis Club	500.00		\$16,464.49
2/22/2010	Donation Firemans Assoc. Charity Fund	606.00		\$17,070.49
3/15/2010	Check 4569 Okuma Fishing Tackle		985.07	\$16,085.42
3/15/2010	Check 4717 Coordinated Wire Rope		374.19	\$15,711.23
3/19/2010	Check 4770 Sysco Food Services of LA		2249.63	\$13,461.60
3/20/2010	Check 4648 Harbor Freight		21.60	\$13,440.00
3/25/2010	Check 4725 Erics Tackle		593.99	\$12,846.01
3/25/2010	Petty Cash Family Fishing Day		43.11	\$12,802.90
6/29/2010	Donation Shelly M. Reyes	900.00		\$13,702.90
3/9/2011	Importation Permit / Fish Planting		45.25	\$13,657.65
3/23/2011	Rainbow Trout / Kids Fishing Day		7500.50	\$6,157.15
3/24/2011	Food for Kids Fishing Day / Water Spring Alpine		239.60	\$5,917.55
3/24/2011	Food for Kids Fishing Day / Hot Dog Buns		315.90	\$5,601.65
5/9/2011	State of California		20.00	\$5,581.65
5/10/2011	LCIF Night Fishing	400.00		\$5,981.65
6/15/2011	Jim Reyes	925.00		\$6,906.65
8/29/2011	Money Order	500.00		\$7,406.65
10/18/2011	Daniel & Megan Merchant	155.00		\$7,561.65
10/18/2011	Kevin Caruso	255.00		\$7,816.65
2/22/2012	Flora Gardens - Replace Lobal Oak Tree		80.43	\$7,736.22
2/24/2012	Harbor Freight - Ties for Kids Fishing Day		8.54	\$7,727.68
6/15/2012	Donation - Richard Tauber	494.00		\$8,221.68
8/6/2012	Donation - Richard Tauber	416.00		\$8,637.68
8/10/2012	Donation - Richard Tauber	338.00		\$8,975.68
8/10/2012	Donation - Richard Tauber	105.00		\$9,080.68
8/14/2012	Donation - Richard Tauber	494.00		\$9,574.68
9/4/2012	Donation - Richard Tauber	100.00		\$9,674.68
9/4/2012	Donation - Richard Tauber	338.00		\$10,012.68
9/4/2012	Donation - Richard Tauber	520.00		\$10,532.68
12/19/2012	Live Rainbow Trout		2101.80	\$8,430.88
12/1/2012	Live Rainbow Trout		2101.80	\$6,329.08
4/4/2013	State of California		20.00	\$6,309.08
5/2/2013	Donation - Richard Tauber	1,120.00		\$7,429.08
5/8/2013	Donation - Richard Tauber	1,120.00		\$8,549.08
6/27/2013	Donation - Richard Tauber	1,120.00		\$9,669.08
7/24/2013	Donation - Richard Tauber	1,120.00		\$10,789.08
9/9/2013	Donation - Richard Tauber	1,120.00		\$11,909.08
9/18/2013	Dockside Products - Rowing Dock for LCRA		4000.00	\$7,909.08
2/25/2014	LCIF Exemption form 1023		400.00	\$7,509.08
10/4/2014	Donation - Richard Tauber	7,952.00		\$15,461.08
4/8/2015	State of California		20.00	\$15,441.08
9/25/2015	PSP Matting		3406.03	\$12,035.05
4/28/2016	PSP Matting		1786.29	\$10,248.76

## MEMORANDUM

---

TO: Steve Wickstrum, General Manager  
FROM: Carol Belser, Parks Services Manager  
RE: DRAFT PARK RANGER POLICY MANUAL  
DATE: December 6, 2016

---

### RECOMMENDATION

It is recommended that the Board of Directors review the Draft Park Ranger Policy Manual distributed at today's meeting under separate cover and provide comment at the next meeting of the Board (as agendized) for subsequent approval and implementation.

### BACKGROUND

At the May 25, 2016 meeting of the Board of Directors, the Board continued their evaluation of authorizing the employment of qualified Casitas employees with limited peace officer authority under the California Water Code 71341.5 and Penal Code 830.34(d). At that meeting the Board approved Ordinance 16-01 "An Ordinance of the Casitas Municipal Water District Establishing Rules and Regulations for Public Use of the Lake Casitas Recreation Area" granting peace officer authority for Park Rangers under Penal Code 830.34(d). Additionally at that meeting the Board approved the job classifications of Park Ranger I,II, III and IV. During the process and through Board discussions it was specifically requested by the Board to review the proposed policies for the new Park Rangers prior to implementation.

### ANALYSIS

Casitas contracted the services of Lexipol LLC., as recommended by Special Counsel, of Lawrence Beach Allen and Choi to draft a Park Ranger Policy Manual specific to the Casitas Municipal Water District using the expertise and template of policies provided by Lexipol. The custom policy manual is the product of several months of collaborative effort between Lexipol professional staff, and review and comment by Special Counsel, Casitas General Manager, Casitas Human Resources Manager, and Casitas personnel. The manual has been distributed for review and comment to SEIU Local 721.

The Park Ranger Policy Manual is a living document. Through the contract with Lexipol, Casitas will receive on-going support and will be provided with recommended policy

updates as law and case law change law enforcement practices, as well as daily bulletins and a mechanism for documenting staff's review of updates, new and deleted policies. This recommended procedure for Board's review of the Park Ranger Policy Manual was discussed by the Recreation Committee at their December 6, 2016 meeting. The Park Ranger Policy Manual is the critical component to the Park Ranger implementation and integration into the Lake Casitas Recreation Area staffing structure as discussed by the Board at the September 14, 2016 meeting. Once review, comment and approval of the Park Ranger Policy Manual by the Board is finalized, Casitas staff will complete hiring phase of Park Ranger's managed by the Division Officer.

# MEMORANDUM

---

TO: Board of Directors

From: Steven E. Wickstrum, General Manager

RE: Release of Public Review Draft by the State of California – “*Making Water Conservation a California Way of Life – Implementing Executive Order B-37-16*” – November 2016

Date: December 2, 2016

---

## RECOMMENDATION:

It is recommended that the Board of Directors be informed of the draft Plan that is proposed by the State to make water conservation a way of life and direct staff to assess the implications of the Plan as it applies to Casitas and provide comment to the State.

## BACKGROUND:

On November 30, 2016, State agencies released a draft plan to make water conservation a way of California Life. With the continuing extreme drought conditions in the southern part of the State and extreme water conditions that could result from climate change, the draft Plan is aimed to achieve the main objectives of the Governor’s Executive Order B-37-16. The 72-page draft Plan can be viewed at the State Water Resources Control Board website under the title referenced above. The press release and Executive Summary are attached to this memorandum for your initial interest. The State desires to have comments submitted by December 19, 2016.

The Plan outlines the objectives by two classifications, the first classification are directives that the State has existing authority to implement. The first classification includes:

- 1) the continuation of the emergency water conservation regulations beyond the expiration date of February 28, 2017;
- 2) monthly reporting and permanent prohibition of wasteful practices;
- 3) reducing water supplier leaks and water loss; and
- 4) certification of innovative technologies for water conservation.

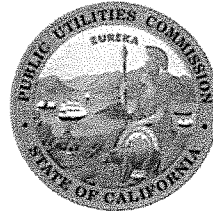
The Plan is proposing some changes to implementation of these directives, such as a requirement of urban water suppliers to submit validated water loss audit reports to the

Department of Water Resources. Additional workshops are expected to be held by the State to receive additional input from water agencies and the public.

The second classification is composed of recommendations that require new and expanded authorities of the State agencies. Of key interest is the development and implementation of new water use targets that are based on strengthened standards. This new recommendation tends to move away from the conservation target setting method that has been implemented during the past three years. The new method of water use target setting needs to be analyzed and understood by the District, and if necessary, the District should provide comment to the State.

The other recommendations under this second classification are to strengthen water shortage contingency plans, provide drought planning for small water suppliers, and make changes to the agricultural water management planning.

As with any of the recent water conservation plans and the implementation direction that is passed down from the State, the District will need to evaluate the impacts to District policy and develop an implementation strategy. The District will identify and express to the State where the Plan may have a conflict with District policy.



## State Plan Seeks To Make Water Conservation A Way of Life

FOR IMMEDIATE RELEASE  
Nov. 30, 2016

**Contacts:**  
Ted Thomas, DWR (916) 653-9712  
George Kostyrko, SWRCB (916) 341-7365

SACRAMENTO – Working to make water conservation a way of life, State agencies today released a draft plan for achieving long-term efficient water use and meeting drought preparedness goals that reflect California’s diverse climate, landscape, and demographic conditions.

“Californians rose to the challenge during this historic drought and recognized that conservation is critical in the face of an uncertain future. This plan is about harnessing the creativity and innovation that Californians have shown during the driest years in state history and making water conservation a way of life in the years ahead,” said California Department of Water Resources Director Mark W. Cowin. “This plan will help make permanent changes to water use so California is better prepared for whatever the future brings.”

The new plan’s fundamental premise is that efficient water use helps all of California better prepare for longer and more severe droughts caused by climate change.

California recently suffered the driest four years in state history, with only average rainfall last year, and 75 percent of the state remains in severe drought conditions. Meanwhile, a new report from UCLA projects that the Sierra Nevada snowpack — one of California’s largest sources of water supply—is likely to drop 50 percent by the end of the century due to climate change. Recognizing these risks and many others, today’s plan seeks permanent changes to water use that boost efficiency and prepare for more limited water supplies. These practices will help achieve a top priority in the Governor’s Water Action Plan - to “Make Conservation a California Way of Life.”

Today’s plan builds on the success of mandatory water restrictions during California’s severe drought and develops long-term water conservation measures that will ensure all communities have sufficient water supplies. This will involve activities such as ensuring farmers plan and prepare for severe drought and permanently banning wasteful practices like hosing off sidewalks and driveways.



“The last few years provided the wake-up call of all wake-up calls that water is precious and not to be taken for granted,” said Felicia Marcus, Chair of the State Water Resources Control Board. “Californians rose to the occasion collectively during the drought. We can build on that success and now prepare for a more unpredictable and disruptive future marked by a changing climate – and do it equitably and cost effectively.”

Today’s plan represents a shift from statewide mandates to a set of conservation standards applied based on local circumstances, including population, temperature, leaks, and types of commercial and industrial use. For example, communities in hotter and drier climate zones will receive irrigation allowances that reflect evaporation levels.

Key water conservation efforts included in today’s plan include:

- Permanent bans on wasteful practices, such as hosing driveways and excessively watering lawns.
- Technical assistance and financial incentives for water suppliers to implement leak prevention, detection, and repair programs.
- Collecting information about innovative water conservation and water loss detection and control technologies.
- Requiring agricultural water suppliers to quantify water use in their service areas and describe measures to increase water use efficiency.
- Full compliance with water use targets for urban water suppliers by 2025.
- Planning and preparing for continued and future drought and water shortages.

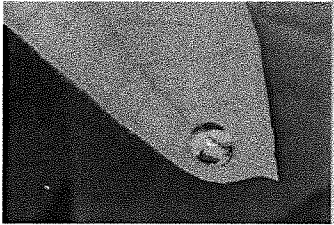
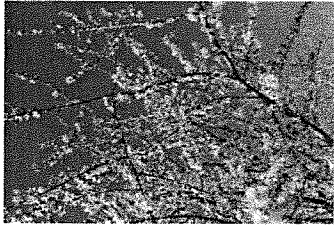
Some of the actions described in the draft plan will require working with the Legislature on new and expanded State authority, while others can be implemented under existing authorities. All recommendations aim to achieve the main objectives of the Governor’s Executive Order B-37-16: use water more wisely, eliminate water waste, strengthen local drought resilience, and improve agricultural water use efficiency and drought planning.

In addition to taking action to implement this long-term water conservation plan, State agencies recognize the reality that most of California potentially faces a sixth year of historic drought. Therefore, in January the State Water Board will also consider whether it must extend its existing emergency water conservation regulations, as required by Governor Brown’s recent executive order. The State Water Board has already taken action to maintain mandatory reductions in communities that could not verify they have enough water supplies to withstand three more years of severe drought.

Today’s plan, entitled, Making Water Conservation a California Way of Life, Implementing Executive Order B-37-16, is the result of extensive community and stakeholder engagement across California. The plan was prepared by the Department of Water Resources, the State Water Resources Control Board, the Public Utilities Commission, Department of Food and Agriculture and the Energy Commission. For more information on the development of the draft plan, visit [http://www.water.ca.gov/wateruseefficiency/conservation/#\\_blank](http://www.water.ca.gov/wateruseefficiency/conservation/#_blank)

The state encourages the public to submit comments on today’s draft plan. Comments should be submitted to [wue@water.ca.gov](mailto:wue@water.ca.gov) no later than **Dec.19, 2016**. Public comments will be posted at: <http://www.water.ca.gov/wateruseefficiency/conservation/comments.cfm>.

###



# Making Water Conservation a California Way of Life

## Implementing Executive Order B-37-16

PUBLIC REVIEW DRAFT  
November 2016



This report was prepared by the California Department of Water Resources, State Water Resources Control Board, California Public Utilities Commission, California Department of Food and Agriculture, and California Energy Commission in response to Governor Edmund G. Brown Jr's Executive Order B-37-16 and to provide information to the California Legislature and the public.

This report is available in electronic form:  
<http://www.water.ca.gov/wateruseefficiency/conservation/>

**Edmund G. Brown Jr.**

Governor  
State of California

**Mark W. Cowin**

Director  
California Department of Water Resources

**Felicia Marcus**

Chair  
State Water Resources Control Board

**Michael Picker**

President  
California Public Utilities Commission

**Karen Ross**

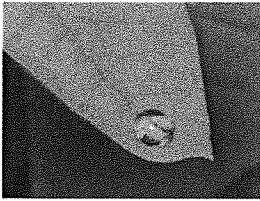
Secretary  
California Department of Food and Agriculture

**Robert B. Weisenmiller**

Chair  
California Energy Commission

# Executive Summary

---



*Water resource management in California faces unprecedented challenges from climate change and a growing population. In the years ahead, the task of managing water to maintain vibrant ecosystems while supporting a robust economy will require the collective and concerted efforts of state and local governments, non-governmental organizations, businesses, and the public. Increased conservation and water use efficiency are needed to ensure the resilience of our water supplies to increasingly severe droughts and other impacts of climate change.*

California is currently in the grips of an extreme drought with record low precipitation. This five-year drought has caused severe impacts across the State, including community water sources running dry, the loss of agricultural production and jobs, depletion of groundwater basins, widespread tree death, and impacts to fish and wildlife. While most urban areas have been spared from water rationing, emergency conservation has provided a critical safeguard against more dire consequences under extended drought conditions. After Governor Edmund G. Brown, Jr. called for a 25 percent reduction in urban water use in 2015, Californians rose to the challenge and saved over 24 percent during the nine months the mandate was in place.

Executive Order B-37-16, signed by Governor Brown on May 9, 2016, builds on that success to establish long-term water conservation measures and improved planning for more frequent and severe droughts. The centerpiece of the Executive Order is a requirement for the State's 410 urban water suppliers to meet new water use targets. Rather than measuring water savings as a percentage reduction from a chosen baseline, the new standards will take into account the unique climatic, demographic and land-use characteristics of each urban water agency's service area. This approach represents a fundamental shift to a conservation framework that is more durable and that can be applied equitably and uniformly across the enormous variation in local conditions in California. The new targets will ensure all urban water is used efficiently and will facilitate conservation measures such as conversion to California-friendly landscapes, replacement of inefficient fixtures and appliances, and reductions in system leakage.

Other aspects of the proposed conservation framework will:

- Provide greater consistency among water suppliers statewide in the elements of Urban Water Management Plans, Water Shortage Contingency Plans, and Agricultural Water Management Plans; and continue work with counties to improve drought planning in small communities and rural areas;
- Enable water suppliers to customize their water management strategies and plan implementation to regional and local conditions;
- Empower water suppliers to take a place-based response to water shortages caused by drought or other water emergencies, while planning for longer drought cycles; and
- Incentivize and set standards for the use of new technologies and practices to reduce leaks.





This next generation of water efficiency and conservation will fulfill the first directive of the California Water Action Plan, to “Make Conservation a California Way of Life.” Improved water efficiency will also support the State’s ambitious climate change goals by reducing energy use and greenhouse gas emissions associated with water use and by building resilience to future droughts.

Five state agencies – the Department of Water Resources, the State Water Resources Control Board, the California Public Utilities Commission, the California Department of Food and Agriculture, and the California Energy Commission (collectively referred to as the “EO Agencies”) – are charged with implementing the Executive Order’s four inter-related objectives: using water more wisely, eliminating water waste, strengthening local drought resilience, and improving agricultural water use efficiency and drought planning. Collectively, the EO Agencies will be undertaking a suite of actions that can be implemented using existing authorities, ranging from rulemaking proceedings to expanded technical assistance, to evaluation and certification of new technologies to implement the four objectives. Where necessary, the EO Agencies also recommend additional actions, authorities, and resources necessary to meet EO requirements that cannot be implemented within existing authorities.

The EO Agencies employed a robust stakeholder engagement process, which commenced with a series of public listening sessions in June 2016. The EO Agencies also convened two stakeholder advisory groups – an Urban Advisory Group and an Agricultural Advisory Group – comprised of specific stakeholder types identified in the Executive Order, as well as additional interests such as disadvantaged communities / environmental justice advocates, academia, industry, professional associations, environmental advocacy groups, and others. These meetings were open to the public and used to solicit input for EO Agency consideration. The EO Agencies will continue to solicit stakeholder and public input, make use of technical experts, and provide assistance to successfully implement this long-term framework for water conservation.

Under the proposed framework, the EO Agencies and water suppliers would meet the Executive Order’s objectives through the following actions.

**Executive Order B-37-16 contains four inter-related objectives:**

-  Using Water More Wisely
-  Eliminating Water Waste
-  Strengthening Local Drought Resilience
-  Improving Agricultural Water Use Efficiency and Drought Planning

### Using Water More Wisely

**Emergency Conservation Regulations (Executive Order Item 1):** The State Water Resources Control Board (Water Board) will extend its current emergency water conservation regulation, which is in effect through February 2017, for an additional 270 days based on supply conditions and water conservation levels. The Water Board will hold a public workshop and propose extended emergency regulations in January 2017, if necessary.

**New Water Use Targets (Executive Order Items 2 and 6):** Upon statutory authorization, the EO Agencies will adopt new water use standards for all urban water use and a new urban water use target methodology. Urban water suppliers would, in turn, be required to calculate their unique water use targets based on those standards and local conditions. The EO agencies will establish

interim targets that are applicable starting in 2018, and require full compliance with final targets by 2025. This report proposes a timeline for the EO Agencies to establish final water use standards. The report also documents the process to develop standards; reporting and compliance requirements; and assistance to be provided by the EO Agencies. Additional legal authority would be required for successful implementation.

**Permanent Monthly Reporting (Executive Order Item 3):** The Water Board will open a rulemaking process to establish permanent monthly urban water reporting on water usage, amount of conservation achieved, and any enforcement efforts. The rulemaking will start at the end of 2016 and run through 2017, concurrently with EO Item 4, below.



## Eliminating Water Waste

**Water Use Prohibitions (Executive Order Item 4):** The Water Board will open a rulemaking process to establish permanent prohibitions on wasteful water practices, building on the current prohibited uses in the emergency regulation. The rulemaking will start at the end of 2016 and run through 2017, concurrently with EO Item 3.

**Minimizing Water Loss (Executive Order Items 5 and 6):** The EO Agencies will meet the requirements of EO Items 5 and 6 through implementation of Senate Bill 555, along with additional actions to satisfy the Executive Order's directives related to reducing water supplier leaks. Implementation actions include the following:

- **Rules for validated water loss audit reports:** By October 1, 2017 and annually thereafter, urban retail water suppliers must submit validated water loss audit reports to the Department of Water Resources (DWR). DWR will adopt rules for standardizing water loss audits in early 2017. DWR will also revise funding guidelines so that water suppliers that do not submit reports will be ineligible for DWR grants and loans.
- **Water loss performance standards:** By July 1, 2020, the Water Board will adopt rules requiring urban retail water suppliers to meet performance standards for the volume of water losses.
- **Technical assistance for water loss audits:** The Water Board is also funding the California Water Loss Control Collaborative's Technical Assistance Program to ensure high quality and properly validated water loss audits. For smaller water suppliers addressing water losses, the Water Board will offer financial assistance through the Drinking Water State Revolving Fund beginning in 2017.
- **Minimizing leaks:** The California Public Utilities Commission (CPUC) will order large, investor-owned water utilities to accelerate work to minimize leaks. The CPUC may grant financial incentives for minimizing leaks during the review of each utility's upcoming General Rate Case applications.


**Innovative Water Loss & Control Technologies (Executive Order Item 7):** The California Energy Commission (CEC) is evaluating various options for certification of water loss detection and control technologies at utility, household, and appliance levels. The CEC is also making investments in research and funding programs for water saving devices and technologies.



## Strengthening Local Drought Resilience

**Water Shortage Contingency Plans (Executive Order Items 8, 9, and 6):** Upon statutory authorization, urban water suppliers will be required to submit a Water Shortage Contingency Plan and conduct a 5-year Drought Risk Assessment every five years, and conduct and submit a water budget forecast annually. The EO Agencies will establish appropriate compliance and reporting criteria, and provide assistance to urban suppliers for meeting the requirements. Additional authorities would be required for successful implementation.

**Drought Contingency Planning for Small Water Suppliers and Rural Communities (Executive Order Item 10):** The EO Agencies' recommendations focus on improving drought vulnerability assessment and proactive actions, and supplier readiness and responsiveness during drought conditions. Currently, the recommendations focus on pathways for the EO Agencies to continue to work with counties to develop more specific, functional recommendations, which would be expected to continue into 2017. Additional authorities and funding may be required for successful implementation.



## Improving Agricultural Water Use Efficiency and Drought Planning

**Strengthened Agricultural Water Management Plan Requirements (Executive Order Items 11, 12, 13, and 6):** Upon statutory authorization, agricultural water suppliers will be required to: (1) develop an annual water budget for the agricultural water service area, (2) identify agricultural water management objectives and implementation plans, (3) quantify measures to increase water use efficiency, and (4) develop an adequate drought plan for periods of limited supply. The proposal would expand existing requirements to require agricultural water suppliers providing water to over 10,000 irrigated acres of land to prepare, adopt, and submit plans by April 1, 2021, and every five years thereafter. Agricultural water suppliers would also be required to submit an annual report to DWR by April 1 of each year that documents water budget inflow and outflow components in the water budget for the preceding water year. Expanded authorities would be required for successful implementation.

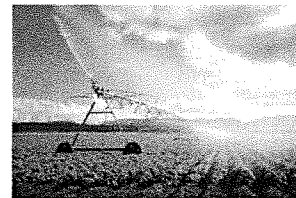






Table ES-1 summarizes the organization of the conservation framework presented in this report and the corresponding Executive Order items. For each component, the report describes the need for change, the vision for accomplishing the change, and specific actions required to realize the vision. Given the need for additional authorities, the Legislature has a critical role in successful implementation of the Executive Order.

Setting and meeting the conservation and efficiency goals described in this report represents a major step forward towards long-term water security. The framework supports the development of increased resiliency, more efficient water use, stronger water management portfolios and more robust financial systems. With the support of our businesses and residents, water agencies, environmental organizations, schools and universities, elected officials and others, we can keep California healthy, beautiful, and vibrant for decades to come.

Table ES-1. Actions and Recommendations Summarized in this Report

Chapter Section and Title where Item is Addressed	Executive Order Items													Within Existing Authorities (Chapter 2)	Requires New Authority (Chapter 3)	
	 Use Water More Wisely			 Eliminate Water Waste				 Strengthen Local Drought Resilience			 Improve Agricultural Water Use Efficiency & Drought Planning					
	1	2	3	4	5	6	7	8	9	10	11	12	13			
2.1 Emergency Water Conservation Regulations for 2017	●													✓		
2.2 Permanent Prohibition of Wasteful Practices			●	●										✓		
2.3 Reduced Water Supplier Leaks and Water Losses					●	●								✓		
2.4 Certification of Innovative Technologies for Water Conservation and Energy Efficiency							●							✓		
3.1 New Water Use Targets Based on Strengthened Standards		●				●									✓	
3.2 Water Shortage Contingency Plans						●		●	●						✓	
3.3 Drought Planning for Small Systems & Rural Communities										●					✓	
3.4 Agricultural Water Management Plans						●						●	●	●		✓

Note: The Executive Order directs DWR, Water Board, and CPUC to develop methods to ensure compliance with the provisions of the order, including technical and financial assistance, agency oversight, and, if necessary, enforcement action by the Water Board to address non-compliant water suppliers. These are described in Chapters 2 and 3.



CASITAS MUNICIPAL WATER DISTRICT  
LAKE CASITAS RECREATION AREA

DATE: October 21, 2016  
 TO: Recreation Committee  
 FROM: Carol Belser, Park Services Manager  
 SUBJECT: Recreation Area Monthly Report for September 2016

Visitation Numbers

The following is a comparison of visitations\* for September 2016:

	Sept. 2016	Sept. 2015	August 2016
Visitor Days	56,768	44,478	84,032
Camps	5,331	5,757	8,113
Cars	14,192	11,121	21,008
Boats	154	127	145
Kayaks & Canoes	20	7	10

Fiscal Year to Date Visitation	
2015/2016	195,022
2016/2017	276,166
% Change	41.608

\*The formulas for calculating the above attendance figures derived from the daily cash reports are as follows:

**Visitor Days** = Daily vehicles + 30 minute passes X 3 + café passes + attendance at special events + annual vehicle decals + replacement decals + campsites occupied + extra vehicles X 4

**Camps** = Campsites occupied + extra vehicles

**Cars** = Daily vehicles + 30 minute passes X 3 + café passes + attendance at special events + annual vehicle decals + replacement decals + campsites occupied + extra vehicles

**Boats** = Daily boats + overnight boats + annual decals + replacement decals

**Kayaks & Canoes** = Daily kayaks and canoes + overnight kayaks and canoes + annual kayaks and canoes

Boating

There were 4 cables sold for new inspections, 6 vessels were re-inspected and a total of 328 vessels were retagged for September. Two vessels failed the first inspection in September 2016. With the historic drought and receding water levels the launch ramp at Santa Ana no longer could accommodate vessel launches and exits, so the 1961 Old Coyote ramp has been successfully put back in use.

Operations

The September 2016 summer season continued with good visitation numbers as reflected above in the Recreation Area in spite of the historic drought. The Astronomy Nights continue to attract customers to the free events, a wedding was held in the Recreation Area, the Casitas Water Adventure attracted good attendance numbers through the Labor Day Weekends and the two consecutive Saturdays it remained open, the Ojai Invitational Cross Country meet was held, and the annual Coyote Classic a three day event began September 30. The Coyote Classic Disc Golf Tournament had almost 200

participants, more than in previous years. In preparation for the Park Ranger division, staff conducted interviews and planned the next phase of the recruitment process.

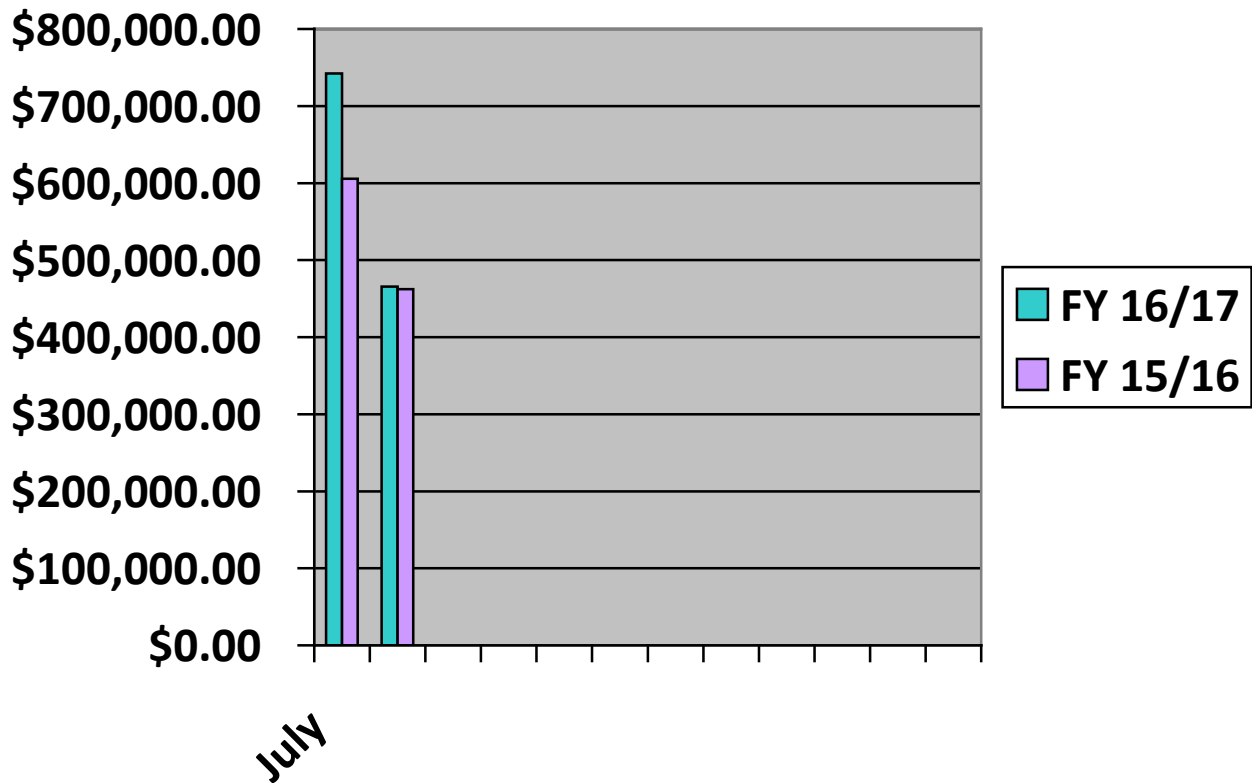
Incidents

Incidents in the Recreation Area for the month of September 2016 that include assistance from outside services: Two medicals, a report of a domestic, a boating rescue resulting in a BUI arrest and a brush fire.

Revenue Reporting

The 2016 unaudited monthly figures below available to date illustrate all Lake Casitas Recreation Area's revenue collected in the respective months (operations, concessions, Water Adventure, etc.) per the District's Financial Summary generated by the Finance Manager.

LCRA TOTAL REVENUE



CASITAS MUNICIPAL WATER DISTRICT  
LAKE CASITAS RECREATION AREA

DATE: November 14, 2016  
 TO: Recreation Committee  
 FROM: Carol Belser, Park Services Manager  
 SUBJECT: Recreation Area Monthly Report for October 2016

Visitation Numbers

The following is a comparison of visitations\* for October 2016:

	October 2016	October 2015	Sept. 2016
Visitor Days	46,216	33,200	56,768
Camps	3,832	3,759	5,331
Cars	11,554	8,300	14,192
Boats	128	89	154
Kayaks & Canoes	9	4	20

Fiscal Year to Date Visitation	
2015/2016	228,222
2016/2017	322,382
% Change	41.258

\*The formulas for calculating the above attendance figures derived from the daily cash reports are as follows:

**Visitor Days** = Daily vehicles + 30 minute passes X 3 + café passes + attendance at special events + annual vehicle decals + replacement decals + campsites occupied + extra vehicles X 4

**Camps** = Campsites occupied + extra vehicles

**Cars** = Daily vehicles + 30 minute passes X 3 + café passes + attendance at special events + annual vehicle decals + replacement decals + campsites occupied + extra vehicles

**Boats** = Daily boats + overnight boats + annual decals + replacement decals

**Kayaks & Canoes** = Daily kayaks and canoes + overnight kayaks and canoes + annual kayaks and canoes

Boating

There were six cables sold for new inspections, two vessels were re-inspected and a total of 385 vessels were retagged for October. One vessel failed the first inspection in October 2016. With the historic drought and receding water levels the launch ramp at Santa Ana no longer could accommodate vessel launches and exits, so the 1961 Old Coyote ramp has been successfully put back in use.

Operations

October 2016 was a busy month in the Lake Casitas Recreation Area even though the summer season is over and the Casitas Water Adventure had closed for the season. The annual Coyote Classic Disc Golf tournament was held Sept 30, October 1 and 2, three cross country events were held October 5, 13 and 28, the “One Love Fest” a three day concert series with music, yoga and vendors was held in the Event Area October 7, 8 and 9 with a good participant turn out and it proved to be a compatible event for the Recreation Area, and October 22 and 23 a cyclocross (bicycle event) was held in campground Grebe area. In addition to the events and activities, staff continued to move forward with

the Park Ranger hiring process by refining the policy manual with legal counsel review in preparation of the Board's final review.

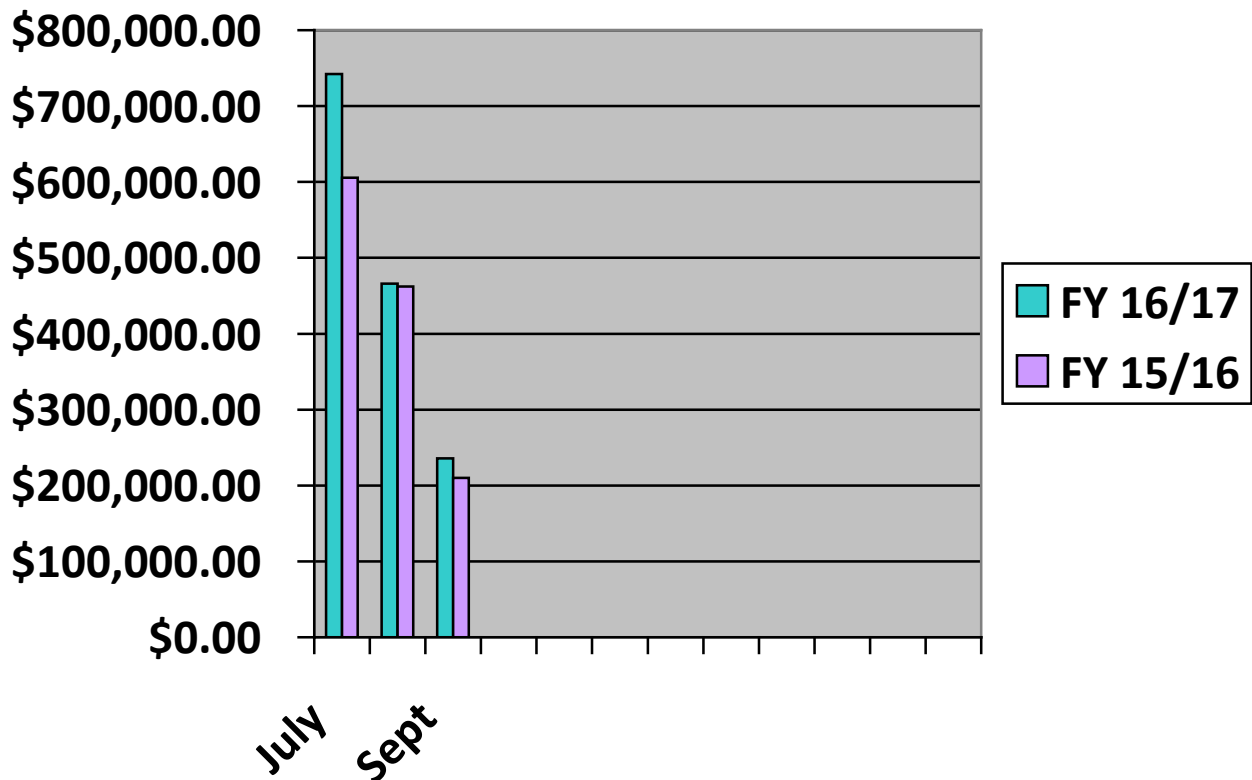
Incidents

Incidents in the Recreation Area for the month of October 2016 that include assistance from outside services: boating under the influence, a mental health emergency and four medical calls.

Revenue Reporting

The 2016 unaudited monthly figures below available to date illustrate all Lake Casitas Recreation Area's revenue collected in the respective months (operations, concessions, Water Adventure, etc.) per the District's Financial Summary generated by the Finance Manager.

LCRA TOTAL REVENUE



**CASITAS MUNICIPAL WATER DISTRICT**

**MINUTES**

**Water Resources Committee**

DATE: December 7, 2016  
TO: Board of Directors  
FROM: General Manager, Steve Wickstrum  
Re: Water Resources Committee Meeting of November 22, 2016, 9:30 AM

**RECOMMENDATION:**

It is recommended that the Board of Directors receive and file this report.

**BACKGROUND AND OVERVIEW:**

1. **Roll Call.**

Director Bill Hicks  
Director Russ Baggerly  
General Manager, Steve Wickstrum  
Resources Manager, Ron Merckling

Public – Ted Moore and Michael Page

2. **Public Comments.**

3. **Board Comments.**

None.

4. **Manager Comments.**

Ron Merckling commented that the Board agenda has a contract for the turf removal program. Ventura Water is spearheading the program with Casitas and the City of Santa Paula as smaller participants in the program.

5. **Update on water Security Projects.**

In regard to the Horizontal Bore project, the General Manager informed the Committee that he has approved the initiation of field survey work by Water Resources Engineering Associates (WREA) that will begin to identify and assess water springs that may be under the influence of the Matilija Formation. The initial cost estimate, time and materials, that was provided by the consultant was \$19,500. The Committee concurred with moving forward in a timely manner with the field surveys.

In regard to the State water interconnection, staff has provided input to Ventura Water for inclusion in the consultant's scope of work.

Mr. Ted Moore presented to the Committee a proposal for a public-private partnership project that would involve to drilling of wells in areas that he has identified as water retaining fault lines. Mr. Mike Page represented himself as an expert in the identification of the fault line water and well driller. Two specific locations were suggested as potential well sites. The Committee deferred the proposal for further consideration.

6. **Update on the Robles Biological Committee.**

The General Manager reported that the Robles biological Committee held their annual meeting on November 16, 2016. A key issue brought to the attention of the Biology Committee was the current level of water volume in Lake Casitas resulting from the in the continuing drought condition and the “Critical Drought Protection Measures” condition stated in the Biological Opinion. When Lake Casitas declines to 100,000 AF, the Biology Committee would analyze specific drought data and have a discussion of temporary options to protect the Ventura River Project water supply.

The Casitas representatives in the Biology Committee brought forward recommendations for flow modifications that are based on the equitable sharing of the temporary reduction in water allocations to customers, as identified by the Casitas Water Efficiency and Allocation Program (WEAP). The Committee appeared to be very receptive to the recommendations and will consider the recommendations to be referred to the Management committee for further review and implementation.

# CASITAS MUNICIPAL WATER DISTRICT

## MINUTES Recreation Committee

DATE: December 6, 2016  
TO: Board of Directors  
FROM: Park Services Manager, Carol Belser  
Re: Committee Meeting of December 6, 2016

### RECOMMENDATION:

It is recommended that the Board of Directors receive and file this report.

### BACKGROUND AND OVERVIEW:

1. **Roll Call.**  
Director Bill Hicks  
Director Jim Word  
Steve Wickstrum, General Manager  
Carol Belser, Park Services Manager  
Joe Evans, Division Officer  
Aaron Wall, Park Service Officer III/Aquatics  
Public – Dee Bennett
2. **Public Comments.**  
None.
3. **Board/Management Comments.**  
Director Hicks reported that he attended an interesting meeting about the desalination plant in the Oceanside area. It provides 56,000 acre feet per year to the residents and businesses of San Diego County. Carol Belser reported that staff from the Bureau of Reclamation are currently visiting the Lake Casitas Recreation Area to review the grant funded projects. Ms. Belser also reported on a customer boating incident that resulted in an injury.
4. **Review of the September and October Recreation Reports.**  
Carol Belser distributed the draft reports for September and October 2016. Director Hicks was glad to see visitation numbers are doing well in spite of the historic drought. The reports will be forwarded to the Board for review and filing.
5. **Review of Incidents and Comments.**  
Joe Evans reported on incidents in the LCRA for the month of November 2016 that included 36 calls for service by customers and 44 customer contacts. Responses included 4 medical, 13 disturbances, 2 Sheriff responses, 8 unattended campfires, 2 body contact violations, 14 traffic violations, 9 parking violations and 11 leash law violations. Mr. Evans also reported a recent theft of shower quarters that the Sheriff's Office is investigating. Director Hicks asked if the Recreation Area had a policy regarding drones. Ms. Belser responded that currently there is no policy, but the topic was discussed yesterday in a meeting with Casitas staff, the Bureau of Reclamation and Federal Law Enforcement personnel. Mr. Wickstrum added that the District may look into adopting a policy restricting drones from flying over sensitive areas such as campgrounds and the Casitas Water Adventure.
6. **Discussion of One Love Fest Special Event.**  
Carol Belser reviewed the 2016 One Love Festival held at the Recreation Area on October 9, 10 and 11, 2016. She reported the event went well. Both the event organizer and staff identified issues for improvement if the event returns in the future. Ms. Belser reported that the event organizer has expressed interest in a One Love Fest 2017 and had requested approval of a

midnight event cut off time for Friday and Saturday nights (as opposed to a 10 p.m. time) prior to submitting an application for 2017. The committee discussed the event, and did not express objection if there are no complaints. Joe Evans advised that if a disturbance was reported to the Sheriff's Office with a signed complaint, the time of day or Casitas' approval would be unrelated to the disturbance having to cease.

7. **Status of Old Coyote Launch Ramp.**

Ms. Belser reported that the Old Coyote Launch Ramp continues to serve launching needs. The Maintenance Foreman made the assessment that the ramp should last several more months even if the lake level continues to decrease.

8. **Bureau of Reclamation Additional Grant Funding.**

Ms. Belser reported that Bureau of Reclamation staff have identified an additional \$148,000 in grant funds for the Lake Casitas Recreation Area to add to the active grant R15AP0006.

9. **State of California Grant for Floating Restrooms.**

Ms. Belser reported that the State of California has awarded Casitas with two replacement floating restrooms (replacing units #169 and #170). She reported that state staff informed her the new restrooms were under construction.

10. **Presentation of the Draft Casitas Water Adventure 2016 End of Season Report.**

Aaron Wall distributed the draft report and described the highlights of the 2016 season. He complimented his staff for the great job they did during his absence due to the new baby addition to his family. Discussion continued on the report including the ticket sales for the late day pass that had increased from the previous year. Mr. Wall informed the Committee that the ticket price and allotment time increased. Director Hicks complimented Mr. Wall on the great job he is doing. Discussion continued on the schedule to bring the report to the Board for review either in December 2016 or January 2017.

11. **Discussion Regarding the Park Ranger Recruitment Status.**

Ms. Belser reported that the recruitment process for the Park Ranger employees is moving forward. Interviews and agility testing have been completed and several candidates are now undergoing background investigations. She reported that the Board adoption of the Park Ranger Policy Manual will need to be in place before Park Rangers can be hired.

12. **Discussion Regarding Progress of the Park Ranger Policy Manual.**

Ms. Belser reviewed the recommended schedule for the Board's review, comment and adoption of the Park Ranger Policy Manual. Mr. Wickstrum informed the Committee on the process of the Park Ranger Policy Manual developed through Lexipol, Special Counsel, Human Resources, staff and himself. He added that the draft was given to the SEIU 721 for review and comment. Discussion continued on the manual adoption process review and comments schedule. Director Word inquired on the integration of the Park Rangers with the Park Services Officers in the Recreation Area. Mr. Wickstrum stated that the organizational structure was presented to the Board at the September 2016 meeting. Mr. Word suggested that the sooner the policy moved forward to the Board the better.

13. **Discussion Regarding the Status of the Lake Casitas Improvement Foundation.**

Ms. Belser reported that the Lake Casitas Improvement Foundation (LCIF) fund balance to date was \$10,248.00 Mr. Wickstrum reported that the LCIF will convene in December.



CASITAS MUNICIPAL WATER DISTRICT  
Minutes

DATE: December 9, 2016  
TO: Board of Directors  
FROM: General Manager, Steve Wickstrum

Re: Executive Committee Meeting of December 9, 2016

**RECOMMENDATION:**

It is recommended that the Board of Directors receive and file this report.

**MEETING:**

1. **Roll Call.**

Directors Peter Kaiser and Russ Baggerly  
Steve Wickstrum, General Manager  
Ron Merckling, Resources Manager

Public: Angelo Spandrio  
John Johnston

2. **Public Comments.**

None

3. **Board/Manager comments.**

The General Manager commented that Staff has met with the Bureau of Reclamation and US Forest Service to review the cooperative law enforcement agreement between the two federal agencies and operations at Lake Casitas and Open Space lands.

The General Manager commented that the scheduled Board meeting of December 28 be considered to be cancelled. The proximity to the holidays and staff vacations during the agenda preparation week and week of the Board meeting justify the consideration of the cancellation of the meeting. This recommendation will be moved to the consideration of the Board.

4. **Discussion regarding State's Draft Plan to make water conservation a way of life.**

On November 30, the State issued a new plan to implement the requirements of Executive Order B-37-16 and has requested comments be provided prior to December 19, 2016. The Committee discussed the various issues that were of initial concern and the positive directions that move past prior plan implementations. Staff will ask the Board to authorize staff to prepare and submit comments to the State. This item will move forward to the Board for consideration of the authorization.

5. **Discussion regarding the Alternate Plan demonstration of the Ojai Basin Groundwater Management Agency.**

The Committee discussed the direction to bring the Report to the Casitas Board of Directors for discussion and to provide direction to Director Baggerly regarding the submittal of the Report to the State Department of Water Resources. Mr. Spandrio provided recommendations to improve the transparency of the OBGMA, such as by providing timely data to the public. Mr. Johnston contributed to the dialogue of public information and clarity of the current water issues. This item will move forward to the Board for review and providing direction to Director Baggerly.

6. **Discussion regarding the Desalination Forum held on December 1, 2016, at the County of Ventura.**

The Committee concurred that the Desal Forum was of great value to agencies and the public. The expansion of the water portfolio with desal as an element of the portfolio is one that must begin. At this time, it appears that Calleguas is leading the charge, and that Casitas and all water agencies of Ventura County be a collaborative partner in the development of a regional ocean desal water system.

---

---

**CASITAS MUNICIPAL WATER DISTRICT  
INTEROFFICE MEMORANDUM**

---

---

**TO:** NEIL COLE, PRINCIPAL CIVIL ENGINEER  
**FROM:** JORDAN SWITZER, ENGINEERING TECHNICIAN  
**SUBJECT:** LAKE CASITAS MONTHLY STATUS REPORT FOR NOVEMBER 2016  
**DATE:** DECEMBER 7, 2016

---

**RECOMMENDATION:**

This item is presented for information only and no action is required.

**DISCUSSION:**

Rainfall Data for November, 2016

	<u>Casitas Dam</u>	<u>Matilija Dam*</u>
November, 2016	0.83"	0.70"
Water Year (WY) to Date (Oct 1-Sep 30)	1.54"	1.60"
Average Annual Rainfall	23.70"	28.33"

*\*Matilija Dam rain gage malfunctioned in November. The average of the two nearest rain gages (North Fork and Matilija Canyon) used to estimate rainfall at Matilija Dam.*

Robles Fish Passage and Diversion Facilities

Diversion Data

November 2016:	0 A.F.	Total Diversions to Date:	0 A.F.
Diversion Days in October:	0	Diversion Days this WY:	0

Reservoir Data

Water Surface Elevation (11/30/16):	486.63 feet
Water Storage on December 1, 2016:	90,178 A.F.
Water Storage Last Month:	91,570 A.F.
Net Change in Storage	-1,362 A.F.

Change in Storage from November 30, 2015: -19,042 A.F.



**Consumption Report**

**Water Sales FY 2016-2017 (Acre-Feet)**

Classification	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Month to Date		
													2016 / 2017	2015 / 2016	
													Total	Total	
AD Ag-Domestic	564	513	570	381	0	0	0	0	0	0	0	0	0	2028	1995
AG Ag	451	386	382	276	0	0	0	0	0	0	0	0	0	1495	1403
C Commercial	75	80	71	33	0	0	0	0	0	0	0	0	0	259	282
DI Interdepartmental	8	7	7	6	0	0	0	0	0	0	0	0	0	28	31
F fire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
I Industrial	2	1	1	1	0	0	0	0	0	0	0	0	0	4	6
OT Other	28	19	18	16	0	0	0	0	0	0	0	0	0	81	56
R Residential	121	117	122	88	0	0	0	0	0	0	0	0	0	448	458
RS - P Resale Pumped	147	236	248	205	0	0	0	0	0	0	0	0	0	837	453
RS - G Resale Gravity	163	169	165	287	0	0	0	0	0	0	0	0	0	784	1759
TE Temporary	3	1	2	1	0	0	0	0	0	0	0	0	0	8	8
<b>Total</b>	<b>1,562</b>	<b>1,528</b>	<b>1,586</b>	<b>1,295</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,971</b>	<b>6,450</b>
<b>Total 2015 / 2016</b>	<b>1,421</b>	<b>1,689</b>	<b>1,781</b>	<b>1,559</b>	<b>1,396</b>	<b>1,364</b>	<b>373</b>	<b>660</b>	<b>555</b>	<b>1,001</b>	<b>1,142</b>	<b>1,404</b>		<b>N/A</b>	<b>14,345</b>



CFD No. 2013-1 (Ojai) - Cost Analysis

	Services & Suplies	Legal Fees	Labor Expense	Other Services	Total Expenses
2011 / 2012	-289.50	42,560.00	11,098.37	0.00	53,368.87
2012 / 2013	831.82	223,462.77	14,836.68	0.00	239,131.27
2013 / 2014	29.89	91,878.06	3,835.65	0.00	95,743.60
2014 / 2015	0.00	68,457.10	0.00	0.00	68,457.10
2015 / 2016	6.12	152,811.84	2,938.86	0.00	155,756.82
July	0.00	5,624.87	0.00	0.00	5,624.87
August	0.00	21,652.74	221.06	0.00	21,873.80
September	97.98	19,326.07	0.00	0.00	19,424.05
October	0.00	11,486.55	552.67	0.00	12,039.22
November	0.00	15,352.45	0.00	0.00	15,352.45
December	0.00	0.00	0.00	0.00	0.00
January	0.00	0.00	0.00	0.00	0.00
Feburary	0.00	0.00	0.00	0.00	0.00
March	0.00	0.00	0.00	0.00	0.00
April	0.00	0.00	0.00	0.00	0.00
May	0.00	0.00	0.00	0.00	0.00
June	0.00	0.00	0.00	0.00	0.00
Total YTD Cost	<u>97.98</u>	<u>73,442.68</u>	<u>773.73</u>	<u>0.00</u>	<u>74,314.39</u>
Total Cost	<u>676.31</u>	<u>652,612.45</u>	<u>33,483.29</u>	<u>0.00</u>	<u>686,772.05</u>
Tax Assessment - County of Ventura: 2015 / 2016					<u>-460,342.64</u>
<b>Total CMWD CFD 2013-1 Cost</b>					<b><u>226,429.41</u></b>

**CASITAS MUNICIPAL WATER DISTRICT  
TREASURER'S MONTHLY REPORT OF INVESTMENTS  
12/09/16**

Type of Invest	Institution	CUSIP	Date of Maturity	Adjusted Cost	Current Mkt Value	Rate of Interest	Date of Deposit	% of Portfolio	Days to Maturity
*TB	Federal Farm CR Bank	3133EGZW8	10/25/2024	\$833,918	\$825,818	2.014%	10/25/2016	4.17%	2836
*TB	Federal Farm CR Bank	31331VWN2	4/13/2026	\$928,190	\$878,306	1.901%	5/9/2016	4.43%	3364
*TB	Federal Farm CR Bank	3133EFK71	3/9/2026	\$853,959	\$840,949	2.790%	3/28/2016	4.24%	3330
*TB	Federal Farm CR Bank	3133EFYH4	2/8/2027	\$1,015,202	\$992,170	3.000%	3/24/2016	5.01%	3659
*TB	Federal Farm CR Bank	3133EGWD	9/29/2027	\$694,629	\$669,094	2.354%	11/17/2016	3.38%	3890
*TB	Federal Home Loan Bank	3130A3DL	9/8/2023	\$1,585,306	\$1,508,940	1.486%	10/13/2016	7.61%	2429
*TB	Federal Home Loan Bank	313379EE5	6/14/2019	\$1,366,668	\$1,358,978	1.625%	10/3/2012	6.86%	905
*TB	Federal Home Loan Bank	3130A0EN	12/10/2021	\$542,883	\$521,440	1.107%	5/9/2016	2.63%	1801
*TB	Federal Home Loan Bank	3130A5R35	6/13/2025	\$769,116	\$734,970	2.875%	2/19/2016	3.71%	3064
*TB	Federal Home Loan Bank	313383YJ4	9/8/2023	\$473,223	\$442,950	1.203%	7/14/2016	2.23%	2429
*TB	Federal Home Loan Bank	3130AIXJ2	6/14/2024	\$937,041	\$874,431	2.875%	8/2/2016	4.41%	2705
*TB	Federal Home Loan Bank	3133XFKF	6/11/2021	\$660,894	\$648,166	5.625%	1/16/2013	3.27%	1622
*TB	Federal Home Loan MTG Corp	3137EABA	11/17/2017	\$1,034,789	\$1,039,370	5.125%	1/3/2012	5.24%	338
*TB	Federal Home Loan MTG Corp	3137EADB	1/13/2022	\$676,784	\$677,127	2.375%	9/8/2014	3.42%	1834
*TB	Federal National Assn	31315P2J7	5/1/2024	\$804,136	\$755,711	1.721%	5/1/2016	3.81%	2662
*TB	Federal National Assn	3135G0ZR	9/6/2024	\$1,482,383	\$1,414,028	2.625%	5/25/2016	7.13%	2787
*TB	Federal National Assn	3135G0K3	4/24/2026	\$2,531,307	\$2,372,225	2.125%	5/25/2016	11.97%	3375
*TB	US Treasury Inflation Index NTS	912828JE1	7/15/2018	\$1,128,971	\$1,161,493	1.375%	7/6/2010	5.86%	576
*TB	US Treasury Inflation Index NTS	912828MF	1/15/2020	\$1,127,844	\$1,175,691	1.375%	11/18/2015	5.93%	1116
*TB	US Treasury Note	912828WE	11/15/2023	\$768,664	\$792,731	2.750%	12/13/2013	4.00%	2496
Accrued Interest					\$135,173				
<b>Total in Gov't Sec. (11-00-1055-00&amp;1065)</b>				<b>\$20,215,908</b>	<b>\$19,819,762</b>			<b>99.98%</b>	
<b>Total Certificates of Deposit: (11.13506)</b>				<b>\$0</b>	<b>\$0</b>			<b>0.00%</b>	
**	<b>LAIF as of: (11-00-1050-00)</b>		N/A	<b>\$449</b>	<b>\$449</b>	0.61%	Estimated	<b>0.00%</b>	
***	<b>COVI as of: (11-00-1060-00)</b>		N/A	<b>\$2,859</b>	<b>\$2,854</b>	0.73%	Estimated	<b>0.01%</b>	
<b>TOTAL FUNDS INVESTED</b>				<b>\$20,219,217</b>	<b>\$19,823,065</b>			<b>100.00%</b>	
Total Funds Invested last report				\$19,392,286	\$19,073,403				
Total Funds Invested 1 Yr. Ago				\$19,129,951	\$19,349,140				
****	<b>CASH IN BANK (11-00-1000-00) EST.</b>			<b>\$4,863,461</b>	<b>\$4,863,461</b>				
	<b>CASH IN Western Asset Money Market</b>			<b>\$1,398</b>	<b>\$1,398</b>	0.01%			
<b>TOTAL CASH &amp; INVESTMENTS</b>				<b>\$25,084,075</b>	<b>\$24,687,924</b>				
TOTAL CASH & INVESTMENTS 1 YR AGO				\$21,860,712	\$22,079,901				

- \*CD CD - Certificate of Deposit
- \*TB TB - Federal Treasury Bonds or Bills
- \*\* Local Agency Investment Fund
- \*\*\* County of Ventura Investment Fund
- Estimated interest rate, actual not due at present time.
- \*\*\*\* Cash in bank

No investments were made pursuant to subdivision (i) of Section 53601, Section 53601.1 and subdivision (j) Section 53635 of the Government Code.

All investments were made in accordance with the Treasurer's annual statement of investment policy.