

Board of Directors
Bruce E. Dandy, President
Robert Eranio, Vice President
Daniel Naumann, Secretary/Treasurer
Sheldon G. Berger
Lynn E. Maulhardt
Edwin T. McFadden III
Michael Mobley



UNITED WATER CONSERVATION DISTRICT
“Conserving Water since 1927”

General Manager
Mauricio E. Guardado, Jr.

Legal Counsel
David D. Boyer

November 1, 2017

Board of Directors
United Water Conservation District

Subject: Fiscal Year 2017-18 First Quarter Financial Report

Dear Board Members:

Enclosed for your review is the District's FY 2017-18 First Quarter (July 1, 2017 through September 30, 2017) Financial Report. This report represents three months of financial information for District operations (25% of the total fiscal year). The report includes budget to actual comparisons for District revenues, expenditures, water deliveries and a discussion of any significant variances. The financial data is unaudited and therefore subject to revisions

This report focuses primarily on the operating funds of the District and corresponding Capital Improvement Project (CIP) funds:

- General/Water Conservation Fund
 - Recreation & Ranger Activities Subfund
- Freeman Fund
- Oxnard/Hueneme Pipeline (OHP) Fund
- Pleasant Valley Pipeline (PVP) Fund
- Pumping Trough Pipeline (PTP) Fund
- State Water Import Fund
- Overhead Fund

Staff provides the Board's Finance & Audit Committee with monthly cash position and pipeline delivery activities reports throughout the fiscal year. Quarterly financial reports are submitted to the Board to provide information on the financial status of the District and to assure the Directors and our rate payers that staff is operating within the parameters of the annual adopted budget, including any supplemental appropriations. At the end of each fiscal year, an outside certified public accounting firm performs an independent financial audit to test staff's financial reporting accuracy and internal controls. It is staff's responsibility to ensure that the Board has received adequate financial information throughout the year so that there are no surprises, and so that fiscally prudent decisions can be made when the Board is asked to consider approval of budgeted and unbudgeted expenditure requests.

This report compares the revenues and budget appropriations projected for the entire fiscal year with actual data to provide the Board and our rate payers with a preliminary financial view (subject to audit adjustments). The following discussion will provide a summary of the District's projected

revenues and approved spending plan compared to what actually occurred throughout the year. It also provides an update on approved and funded capital improvement projects.

Operating Funds

Narrative and graphical analyses are provided by fund (and the Recreation sub-fund) on pages 1 through 8. Pipeline Water Delivery activity is provided on page 9.

Capital Improvement Project (CIP) Status

A one-page summary of the District's current Five-Year CIP Plan appears on page 10. As of September 30, 2017, all CIP project expenditures are within the total amount appropriated by the Board.

The new CIPs funded in FY 2017-18 are not yet underway.

- *Saticoy Shop Replacement Building* - The FY 2016-17 Budget includes monies to construct a replacement shop building at the Saticoy Spreading Grounds facility. Design work was completed in 2014. During the permitting phase of work, the County of Ventura required a new Conditional Use Permit (CUP) for the shop building. This was not anticipated and caused a delay in the project schedule. In addition, the California Regional Water Quality Control Board required the District to obtain a wastewater discharge permit for the existing septic disposal system. A contract has been awarded for the project and construction. Relocation of utilities, demolition of the old shop building and site work began in January 2017. Construction of the steel framing began in April 2017. Installation of the water fire storage tank was completed in April 2017. Anticipated project completion and occupancy is December 2017.
- *Well Replacement Program* - This is an ongoing CIP to eventually replace all of the original groundwater wells serving the Oxnard-Hueneme Pipeline System. In the current fiscal year, the project involved the construction of new groundwater production Well No. 18 and the destruction of Well No. 4. The project is funded by the Oxnard-Hueneme Pipeline Well Replacement Fund. The project was completed in August 2017. The California Division of Drinking Water (DDW) issued a permit for the well and the well has been placed into service.
- *Ferro-Rose Recharge* – The Ferro-Rose Recharge Project will increase the District's groundwater recharge capacity in the Oxnard Forebay Basin by extending water conveyance and retention features to the District-purchased reclaimed aggregate mining basins (Ferro, Rose). The District retained Northwest Hydraulics Consultants (NHC) to evaluate the feasibility of diverting storm water from the Santa Clara River with higher sediment loads, in order to replace water that may be left in the Santa Clara River to improve migration of steelhead trout and improve riparian habitat. NHC also investigated the feasibility of conveying surface water directly to the Rose and Ferro Basins. NHC has completed the Phase 2 study which includes three viable alternatives with preliminary construction costs. The project is currently on hold due to more pressing backlogs of capital projects and development of the Multi-Species Habitat Conservation Plan

(MSHCP) for the Freeman Diversion. This project is funded by the Water Conservation Activities subfund (Zone A).

- *Santa Felicia Dam Outlet Works Rehabilitation* – The FY 2015-16 Budget included the Santa Felicia Dam Outlet Works Rehabilitation Project, while the FY 2013-14 Budget included the same scope of work under two separate projects. The scope of work included the replacement of the penstock supports and exterior coating, as well as the replacement of the intake tower. In May 2012, GEI Consultants (GEI) prepared a seismic analysis of the intake tower, pressure conduit, penstock and tunnel. The report concluded that the intake tower and conduits would fail during a Maximum Credible Earthquake (MCE). Due to the potential deformation of the upstream face of the dam, the existing intake tower and outlet works conduit cannot be considered in replacement alternatives. The estimated cost to design and construct a new outlet works is in the order of \$25 to \$100 million, depending on the option selected. Staff has begun the environmental compliance process and preparation of the environmental documents. The draft Environmental Impact Report (EIR) will be released for public comment in 2018. The consultant team is finalizing the preliminary design with the expectation of selecting a preferred design by the middle of the 2017-18 fiscal year. The field work and the drilling for the preliminary geotechnical investigation was performed in July and August 2017. Staff convened the board of consultants (BOC) to provide peer review and oversee the design and construction. The BOC convened its first meeting on February 14, 2017. The BOC will reconvene on February 7, 2018 in Sacramento, California after the geotechnical investigation has been completed. This project is funded by the Water Conservation Activities subfund (Zone A).
- *Santa Felicia Dam Probable Maximum Flood Containment* - The District continues to work with the FERC and the California Division of Safety of Dams (DSOD) regarding the path forward on the site-specific “Probable Maximum Flood” (PMF) and “Probable Maximum Precipitation” (PMP). The FERC and the DSOD rejected the site specific study prepared and submitted by the District and the California Department of Water Resources, the owner and operator of Lake Pyramid. However, the study did identify several flaws in the model favored by the two oversight agencies. At this time, the estimated cost to design and construct the modifications to the dam and spillway is in the order of \$25 to \$100 million, depending on the option ultimately required by the FERC and the DSOD. The level of protection will be dependent upon a risk reduction assessment, which has been prepared by the District’s consultant. The risk reduction assessment was submitted to FERC and DSOD in April 2015. The dam safety regulators have agreed to a minimum inflow PMF value of 220,000 cubic feet per second. Staff has begun the environmental compliance process and the preparation of environmental documents. The draft Environmental Impact Report (EIR) will be released for public comment in 2018. The field work and drilling for the preliminary geotechnical investigation was performed in July and August 2017. The consultant team is finalizing the preliminary design with the expectation of selecting a final design by the beginning of the 2017-18 fiscal year. Staff convened the board of consultants (BOC) to provide peer review and oversee the design and construction. The BOC convened its first meeting February 14, 2017. The BOC will reconvene February 7, 2018 in Sacramento, California after the geotechnical investigation has been completed. The project is funded from the Water Conservation Activities subfund (Zone A).

- Freeman Diversion Rehabilitation* - The District awarded a contract to AECOM for the hydraulic design of a proposed hardened fish ramp at the Freeman Diversion Dam. Phase I of the Freeman Diversion Hardened Ramp Hydraulic Design Project is complete (thirty-percent design phase), and resulted in the identification of several alternatives for further modeling. The consultants have completed the sixty-percent design report, which entails conducting a two-dimensional mathematical modeling of the selected cross-sectional alternatives for further refinement and assessment for meeting the design criteria. This also includes designing the headworks. The design of the hardened fish ramp is being developed in close collaboration with the National Oceanic and Atmospheric Agency, the National Marine Fisheries Service (NMFS), the U.S. Fish and Wildlife Service (USFWS), and the California Department of Fish and Wildlife (CDFW). The Draft Environmental Impact Report (DEIR) being prepared for the ramp requires that United investigate potential alternatives identified by the various regulatory agencies and stakeholders. The District retained Northwest Hydraulics Consultants (NHC) to evaluate the feasibility of the “Notched” diversion structure, infiltration galleries and other alternatives. The project is funded from the Freeman Diversion Fund (Zone B).
- Santa Felicia Hydroelectric Power Plant Repair* - The Board of Directors awarded a contract in March 2014 for inspection and repair of the Santa Felicia Dam Hydroelectric Power Plant. The contractor submitted his inspection report on July 2, 2014. One goal of the repair project was to modify the smaller Unit No. 1 to operate within the constraints of the new minimum habitat and migration flow releases required by the FERC. Southern California Edison (SCE) account representatives evaluated the potential revenues from the sale of the power generated by the hydro plant. As per this analysis, the smaller Unit No. 1 would not generate sufficient revenue to cover the cost of the repairs. The cost recovery for Unit No. 1 was more than ten years. However, the larger Unit No. 2 has a cost recovery of approximately six years. The Board of Directors approved a contract amendment to complete the Unit No. 2 repairs and the work was completed in April 2016. The repaired unit has not operated due to prolonged drought and no conservation release. A recent study prepared by GEI Consultants indicated that water released through the smaller Unit 1 turbine creates shear stress that could produce a 100% mortality rate in the invasive quagga mussel veligers for the low flow habitat release. The Unit 1 repair was completed the end of December 2016. Money budgeted for less effective quagga control measures were used to partially offset the turbine repair costs. The power plant is generating revenue but is limited to the lower lake levels and the prolonged drought. Staff is investigating potential modifications to the power service agreement to provide more favorable power rates and increase revenues. This project is now deemed complete and will be closed out this fiscal year.
- Lake Piru Asphalt Repairs* – The annual maintenance budget for the Lake Piru Recreation includes a pavement maintenance program of the campground service roads, parking lots and campground roads. Several of the roadways in the park and parking lot have been resurfaced since the program was implemented in 2011. A regular and systematic maintenance program provides a safe environment for park visitors and a positive impression of the park. Piru Canyon Road (Olive Grove Campground to Reasoner Canyon) will be completed in January 2018.

- *Park Service Officer Facility Replacement* - The current park service office is uninhabitable and must be replaced. State Architect-approved drawings were received from Design Space Modular Builders, Inc., the District's modular building manufacturer, on August 30, 2016. The County of Ventura Building and Safety Division has issued a permit for the modular building. The District will solicit bids for the site work associated with installation of the building. Staff anticipates awarding the installation contract in January 2018 with construction being completed by spring 2018.
- *Santa Felicia Dam Sediment Management* - A milestone for this project was the recently completed 10-year sediment survey of the Lake Piru Reservoir. The current capacity of the reservoir is approximately 81,942 acre-feet. The sediment management project is currently on hold due to the more pressing backlog of capital projects.
- *Lower River Invasive Species Control* - In anticipation of an infestation of Quagga mussels at the Freeman Diversion, the District is investigating potential modifications to protect the recharge basins, canals and pipelines. A contract was awarded in September 2015 to a qualified consulting firm to prepare the initial engineering feasibility study. The feasibility study was completed in October 2016. The proposed improvements will include a combination of construction and modifications to the current operations. The District held a meeting with stakeholders to receive input as part of the engineering evaluation on December 8, 2016. The project is currently on hold due to the more pressing backlog of capital projects.
- *Oxnard-Hueneme Pipeline Iron and Manganese Treatment* - The Oxnard-Hueneme (O-H) pipeline is supplied from a wellfield within and near the El Rio Groundwater and Booster Pumping Plant facility. The wellfield includes thirteen municipal water wells. Ten of the wells pump water from the upper aquifer system. Three of the wells (Well Nos. 12, 13, and 14) draw water from the Lower Aquifer System (Fox Canyon Aquifer). These deeper wells are primarily used as a backup source of water during peak demand periods or emergencies. The overall water quality from the lower system wells is generally better but they include higher concentrations of dissolved iron and manganese. The current levels of these elements are not a health hazard but cause undesirable water quality problems for the District's wholesale customers on the O-H Pipeline. Staff has prepared an engineering feasibility report of the proposed project. The study has been distributed to the OH stakeholders. The O-H customers have not decided whether or not to proceed with the project. The District will solicit requests for proposals and statements of qualifications for design of the proposed treatment facilities during FY 2017-18 if directed by the OH stakeholders.
- *Brackish Water Treatment* - Staff is continuing with the stakeholder outreach efforts to elected officials (e.g., County of Ventura Board of Supervisors, Congresswoman Julia Brownley's staff, Assembly Member Daz Williams, Senator Hannah-Beth Jackson's staff, City of Oxnard officials), local water resource entities (e.g., Fox Canyon Groundwater Management Agency, Calleguas Municipal Water District), as well as entities representing local groundwater water pumpers (e.g., Farm Bureau of Ventura County, VC COLAB) on the Oxnard Plain. Research is continuing on possible grant opportunities to support this project.

- *Solar Power Project* – This project is intended to reduce the electrical costs of the District, in particular that of the Oxnard-Hueneme and Pumping Trough pipelines, by installing a solar power facility in the Piru area. To date, the geotechnical study, topographic survey, and CEQA compliance have been completed. SCE completed the Interconnection Application study and in late October 2015 the Independent System Impact Study (ISIS) was finalized. The ISIS identified \$243,200 of costs necessary to support the solar power project. The first installment payment of \$36,340 was paid in January 2016 and subsequently refunded to the District in August. The District is currently on hold with this project pending the prioritization of the District's debt capacity.
- *Rice Ave Overpass PTP* – The City of Oxnard is proceeding with the design of the new overpass. The District's staff is providing design input to reduce negative impacts on the PTP system. The City of Oxnard does not currently have funding to construct the \$60 million project. The project will impact the operation of PTP well No. 4. The District has prior rights at the well site and any loss associated with construction of the overpass will be borne by the City of Oxnard. The District does have a utility reimbursement agreement with the City. District staff has ceased work on this project until the City procures funding and executes a reimbursement agreement with the District for the project.
- *PTP Turnout Metering* – This project proposes to replace 62 meter turnouts on the PTP pipeline. Grant funding that provides 50% matching funds for the meter replacements has been approved by the State, and a Board resolution to accept the funds was approved by the Board in February 2017. Funding for a 50% portion of the project will be required by the PTP customers. Installation of the first phase of equipment by O&M personnel is scheduled for the winter of 2018 pending final approval of the Grant contract by the State of California.
- *District Lighting & Pumping* - The FY 2017-18 Budget includes monies to retrofit lighting and well pumps to improve efficiency. Both the lighting and pumping portions of the project have been completed. Incentive funds were received from SCE in May and August for the pumping portion of the project and more incentive funds are expected for the lighting portion.
- *District Pumping & Sequencing* - The FY 2017-18 Budget includes monies to optimize pump sequencing efficiency. OH well enclosures for the well motor soft start controllers are completed. Staff has installed 6 of 16 new well controllers. Estimated completion date November 30, 2017. Staff requested an incentive deadline extension from SCE.
- *Day Use Pavilion Rehab* – Design work begun for reconstructing and repairing the 22 pavilion units within the Reasoner Canyon Day Use area in August 2017 with construction originally scheduled for fall 2017. The bids received exceeded the existing budget and the Engineering staff is reconfiguring the project with the anticipation to rebid and award a contract by January 2018.
- *Quagga Decontamination Station* – Project has not yet begun. The District is seeking grant funding for the project. The grant funding may require special legislation to allow the use of funds set aside for monitoring activities to be used for construction of control facilities

such as the decontamination station. In lieu of the decontamination station, staff is considering constructing a boat and watercraft quarantine storage compound.

- *Pothole Trailhead* – FERC issued an order approving the Recreation Trail Plan on January 6, 2017. The CEQA assessment is currently being conducted for this project. Staff is coordinating with the USFS on their NEPA process for a companion project associated with realignment of the Pothole trail and trailhead. The final plan was submitted to stakeholders on November 1, 2017, who have 30 days to submit comments.
- *Juan Fernandez Day Use* – The District retained Stantec to prepare a Recreation Management Plan (RMP) for the Lake Piru Recreation area. Construction of the Juan Fernandez Day Use facilities is required to comply with the conditions of the FERC license for Santa Felicia Dam. The recreation management plan will assess the public need to install these additional facilities. The deadline for submitting the RMP to the FERC is November 15, 2017.
- *New Headquarters* – A needs assessment was completed and presented to the Board in February of 2016, studying the current facilities' (Main office and EPCD leased space) ability to accommodate the needs of the district. Based on the results of the survey, the Board gave direction to seek alternative sites and expansion options. The most favorable option (at the time), known as "Santa Paula West" has encountered various delays which prompted a recent second look at available properties. Staff expects this project to be a two to three year process. Staff is still investigating other potential sites that may involve a shorter completion time and lower capital costs.
- *Recycled Water Program* – This project is intended to convert PTP to recycled water use. A permit is required by the Division of Drinking Water before the District can deliver recycled water to PTP users. The District is preparing an engineering feasibility analysis to determine the most economical project. A moderate amount of engineering staff time has been utilized thus far. The viability is dependent on the findings of a recycled water business plan being prepared by the City of Oxnard.
- *Day Use Restroom Rehab* – This project will rehab the existing vault restroom in the Reasoner Canyon day use area. Due to the small size of the project the repairs will be combined with the pavilion Rehab project.
- *State Water Interconnection* – United Water is partnering with the City of Ventura, Calleguas MWD and Casitas MWD to bring State Water Project water to western Ventura County. The water would be wheeled through the Calleguas system to the three agencies. The pipeline would also provide Calleguas MWD an emergency source of supply should it lose its connection with Metropolitan Water District (MWD) for an extended period of time. The City is the lead agency and is completing the alignment and hydraulic analysis to determine the location and capacity of the proposed pipeline. United's currently committed to fund 30 percent of the study. The tentative date for completing the alignment study is November 2017. The CEQA preparation has begun and is scheduled to be completed by the end of the 2018 calendar year. If the project is determined to be feasible by the four agencies construction could begin within four years.

Cash position and investments of the District

At September 30, 2017, the District had a total of \$27.4 million in cash and investments. As noted on the cash position report, some of the District's resources are readily available for use while other funds have restrictions that limit how they can be used. The District must adhere to any legal, bond or contractual restrictions placed on funds. However, some restrictions are based on Board designations and can be redirected for other uses if the Board so determines.

The District's cash, cash equivalents and securities held in the various accounts as compared to the prior year are as follows:

| | Sept 30, 2017 | Sept 30, 2016 |
|--|---------------------|----------------------|
| Local Agency Investment Fund (LAIF) | \$25,923,451 | \$ 24,076,836 |
| Union Bank – 2009 COP Reserve Account | \$ 861,990 | \$ 898,914 |
| Union Bank – 2001, 2005, 2009 Account Balances | \$ 24 | \$ 9 |
| Union Bank Checking Account (UB) | \$ 545,376 | \$ 674,297 |
| County Treasury | \$ 60,636 | \$ 60,908 |
| Petty Cash | \$ 450 | \$ 350 |
| Total | \$27,391,927 | \$ 25,711,314 |

Approximately \$862,000 is held by Union Bank as trustee which is held in reserve for future debt payments. Any restrictions on the remaining \$26.5 million are listed in this report. The Local Agency Investment Fund (LAIF) account balance increase of \$1,846,615 in September 2017, as compared to September 2016, is primarily the result of an overall increase in cash resulting from higher property taxes received in the General/Water Conservation and State Water funds.

If you have any questions regarding this report on the financial position, please let me know.

Respectfully submitted,

Tina Rivera, Chief Financial Officer



UNITED WATER CONSERVATION DISTRICT

FY 2017-18 First Quarter Financial Review

July 1, 2017 through September 30, 2017

25% of Fiscal Year Completed

General/Water Conservation Fund

As a water conservation district, the District's financial reporting is unique. The District attempts to comply and distinguish its water conservation authority mandate as provided for in the California Water Code, and the District's governmental status that requires it to comply with Generally Accepted Accounting Principles (GAAP). In an effort to provide clarity and transparency for its unique status and for budgeting purposes, the General/Water Conservation Fund is broken down into the following activities: Water Conservation Activities (Zone A), General Operating Activities and Recreation Activities.

Revenue status – Total revenue through the first quarter of FY 2017-18 was \$1,380,505 which is \$817,837 (145%) more than the projected figure of \$562,668. The primary reason for this increase is a transfer in of \$674K from the CIP fund related to the Brackish Water Treatment Plant, which had its scope of work reduced, and the SFD-LP Recreation Vehicle Shelters, which was cancelled. Also contributing to higher than budgeted revenue were water delivery revenue (\$93K), earnings on investments (\$42K) and an early payment by Gean Farms (\$18K). OH pipeline deliveries were up 342 (11%) acre-feet and PT pipeline deliveries were up 309 (25%) acre-feet from the budgeted.

Compared to last year, total revenue through the first quarter was higher by \$811,568 (142%) from the FY 16-17 total of \$568,937. This increase is attributable primarily to the transfer in from the CIP fund. Water delivery revenue (\$66K), grant revenue for the patrol boat (\$61K) and earnings on investments (\$47K) also contributed to the increased revenue. OH pipeline deliveries were up 456 (16%) acre-feet and PT pipeline deliveries were down (3%) acre-feet from FY 2016-17.

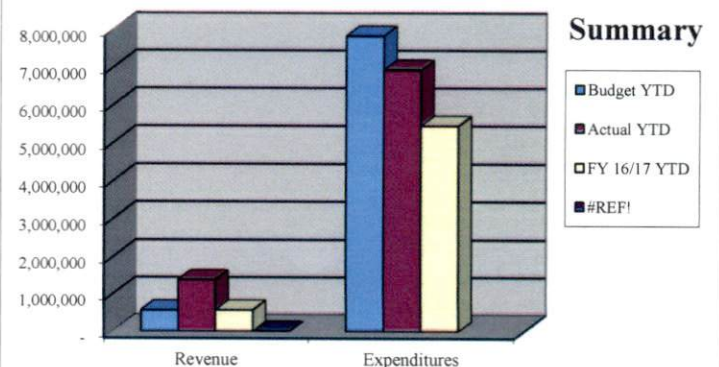
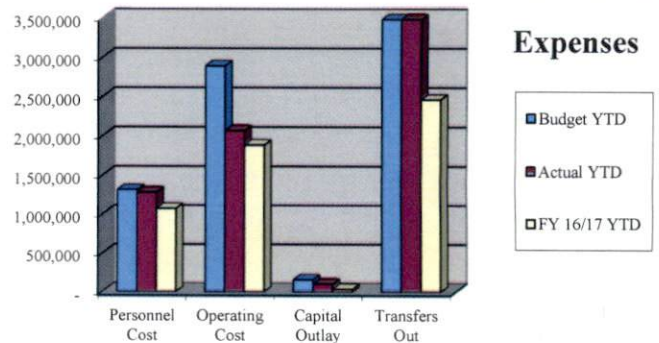
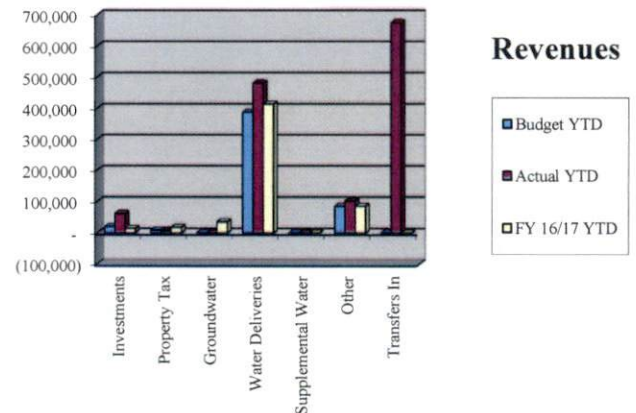
Appropriation/Expenditure Status – Expenditures through the first quarter of FY 2017-18 totaled \$6,928,105 or \$910,472 (12%) lower than the projected \$7,838,577. Professional and legal fees (\$680K) related to the Fish Passage, Safe Yield, FERC improvements, HCP, Brackish Water and the Wishtoyo complaint account for most of this variance, with \$407K carried over from FY 2016-17. The balance is based on timing issues due to expenses being budgeted over the fiscal year as monthly averages.

Other timing variances due to budgeting being done on a monthly average basis include insurance expenses (\$72K), overhead (\$75K), maintenance (\$52K), capital outlays for equipment (\$44K), personnel (\$31K), and small tools (\$23K). Additionally, there was an additional \$49K carried over from FY 2016-17 for a wetlab for Quagga mussels.

Compared to last year, current year expenditures through the first quarter are higher by \$1,477,166 (27%). Transfers-out (\$1M) to CIP projects in FY 2017-18 accounted for much of this increase with more projects being funded in the current year. Other areas which increased over FY 2016-17 in the first quarter included personnel costs (\$211K), overhead (\$71K), maintenance costs (\$53K) and debt repayment (\$39K). Capital outlays were also higher by \$66K due to the new patrol boat.

Fund Balance– The beginning fund balance was approximately \$833,165 higher than anticipated, of which \$503,355 is designated for prior year carry-overs, netting a \$329,810 higher balance than projected. Assuming FY 2017-18 activity is consistent with the approved budget, the ending undesignated working capital balance for the fund should be approximately \$13,893,000, of which \$5,141,658 is undesignated.

The District's reserve policy requires a \$4 - \$5 million minimum undesignated fund balance which is projected to be met.





UNITED WATER CONSERVATION DISTRICT

FY 2017-18 First Quarter Financial Review

July 1, 2017 through September 30, 2017

25% of Fiscal Year Completed

Recreation Activities

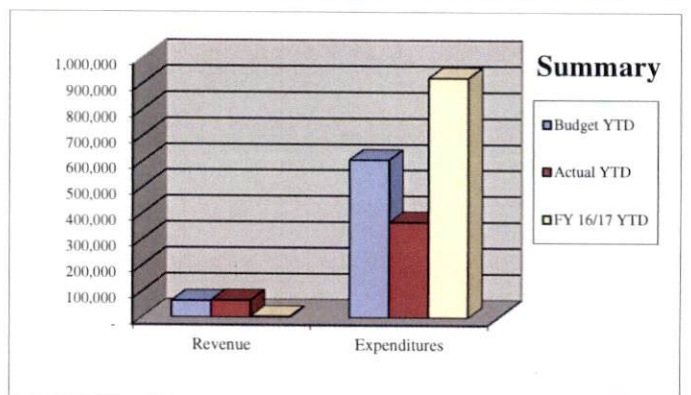
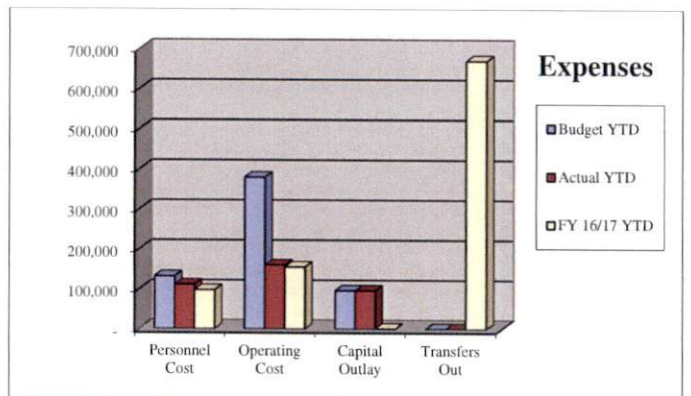
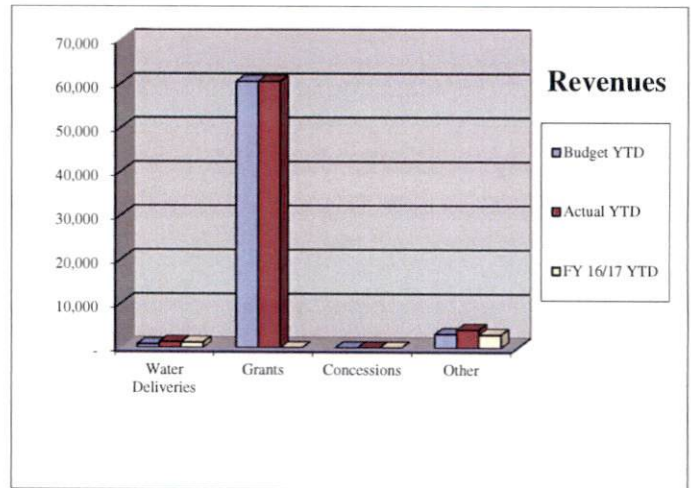
Recreation Activities accounts for all of the recreation activities at the Lake Piru Recreation Area. Recreation activities are provided to comply with FERC license requirements for operating the Santa Felicia Dam, which has a District-Wide benefit. Revenues include ad valorem property taxes, rents and fees charged to the recreation concessionaire, and special event fees. The District funds three Public Service Officers to administer the concessionaire contract, maintain the recreation area's potable and irrigation water systems, provide boating safety and enforcement of the District's established park rules, and help manage the quagga mussel infestation.

Revenue status – Total revenue through the first quarter of FY 2017-18 was \$65,898 which is on target with projections.

Compared to last year, current year revenue through the first quarter was \$61,732 higher than the \$4,166 received in FY 2016-17. This is primarily due to grant revenues of \$60,500 for a new patrol boat.

Appropriation/Expenditure Status – Expenditures through the first quarter of FY 2017-18 were \$367,397 which was \$240,577 (40%) lower than the budget projection of \$607,968. The primary portion of this difference is a timing issue for the PMC concessions agreement (\$194K) which has not yet been billed to UWCD.

Compared to last year, current first quarter expenditures for the Recreation Fund were \$555,506 lower than the \$922,897 expended in FY 2016-17. The lower costs consist primarily of transfers out (\$670K), which funded multiple Capital Improvement projects. Offsetting this was the cost for the new patrol boat (\$90K) and higher personnel costs (\$14K), which was due to O&M staff time being devoted to recreation maintenance activities.





UNITED WATER CONSERVATION DISTRICT

FY 2017-18 First Quarter Financial Review

July 1, 2017 through September 30, 2017

25% of Fiscal Year Completed

Freeman Diversion Fund (Zone B)

This fund is used to account for all activities of the Freeman Diversion program. The fund's revenue source is the Freeman Facilities groundwater extraction charge imposed by the District on all water deliveries via the District's 3 pipelines and all groundwater extractions in Zone B. These funds are used to operate and maintain the Freeman Diversion Dam, along with any capital improvements that are necessary or mandated in order to comply with the Endangered Species Act or other regulatory requirements.

Revenue Status – Revenue received in the Freeman Fund through the first quarter of FY 2017-18 was \$290,266, which is \$66,178 (30%) higher than the budget projection of \$224,087. This is largely due to receiving 343 AF over projected in water delivery revenues (\$51K) and earnings on investment (\$15K).

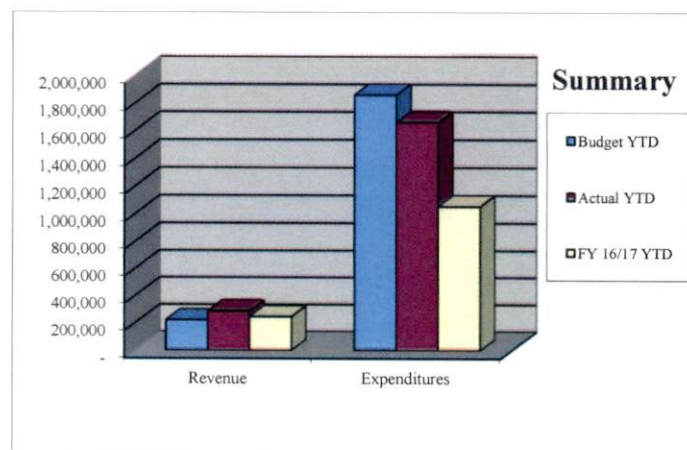
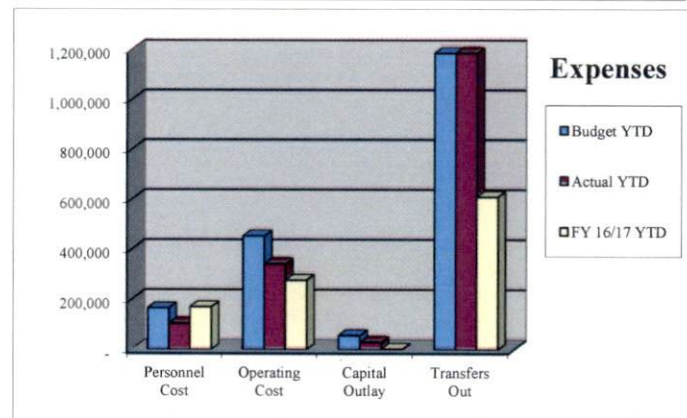
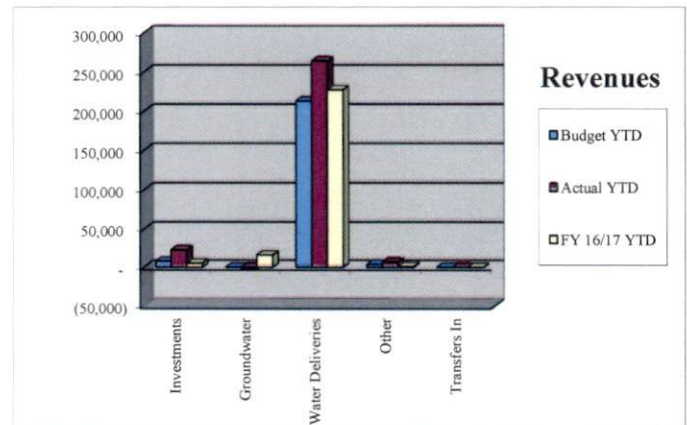
Compared to last year, current year revenues for the same period increased \$41,133 (17%). This increase is primarily due to water delivery revenue (\$37K). OH pipeline deliveries were up 456 acre-feet (16%) and PT pipeline deliveries were down 56 acre-feet (3%). Other notable increases were earnings on investments (\$18K) and late fees (\$5K) from a large customer. Groundwater revenue was down \$19K to offset this revenue.

Appropriation/Expenditure Status – Expenditures through the first quarter of FY 2017-18 in the Freeman Fund totaled \$1,660,175 which is \$199,731 (11%) lower than the budget projection of \$1,859,906. This is partly due to operating expenditures being under budget (\$112K) due to professional services costs (\$66K) related to HCP and CEQA. Staff believes both will be expended later in the fiscal year. Maintenance costs (\$32K), capital outlay projects (\$28K), and overhead (\$20K) were under budget due to timing issues and are expected to catch up by year end. Partially offsetting the under expenditures was an expense in insurance cost (\$19K). Personnel costs (\$60K) were also under budget. The under budget personnel costs are possibly due to the change in labor rate with the retirement of two long-term employees and less time devoted to Freeman-related issues.

Compared to last year, expenditures for the same period were \$602,975 (57%) higher. This is largely due to transfers out (\$576K), particularly the Recycled Water (\$863K) and Freeman Diversion projects (\$233K). Professional fees (\$44K), overhead (\$22K) and capital outlay (\$27K) were higher than FY 2016-17. The higher expenditures were partially offset by lower personnel cost (\$65K). The lower personnel costs are possibly due to the change in labor rate with the retirement of two long-term employees and less time devoted to Freeman-related issues.

Working Capital – The beginning working capital balance was approximately \$76,834 higher than anticipated. Additionally, \$225,003 is designated for prior year carryovers netting a \$148,169 lower balance than projected. Assuming FY 2017-18 activity is consistent with the approved budget and recommended revisions, the ending working capital balance for the fund should be approximately \$2,502,882 of which \$782,882 is undesignated.

The District's reserve policy requires an undesignated balance of between \$800,000 and \$1,000,000 for this fund may not be met.





UNITED WATER CONSERVATION DISTRICT

FY 2017-18 First Quarter Financial Review

July 1, 2017 through September 30, 2017

25% of Fiscal Year Completed

Oxnard/Hueneme Pipeline Fund

This fund is used to account for the operation and maintenance of the Oxnard/Hueneme Pipeline. In an effort to minimize seawater intrusion caused by District-Wide groundwater overdraft, the District delivers groundwater from the El Rio Well Field to the Oxnard/Port Hueneme area via the pipeline for municipal, industrial and agricultural use, minimizing groundwater pumping near the coast. Revenue is derived from water deliveries and interest earnings from fund reserves.

Revenue status – Revenue for the first quarter of FY 2017-18 totaled \$1,309,947, which is \$228,419 (21%) higher than budget projection of \$1,081,528. Current year pipeline deliveries for the first three months were 3,352 acre-feet, which is 342 acre-feet (11%) higher than the 3,010 acre-feet budgeted. Higher pipeline deliveries increased water delivery revenues by \$210K (20%). Earnings on investments (\$7K) and miscellaneous revenues (\$6K) accounted for the balance of the increase. Miscellaneous revenues include GMA fees, late fees and employee rents.

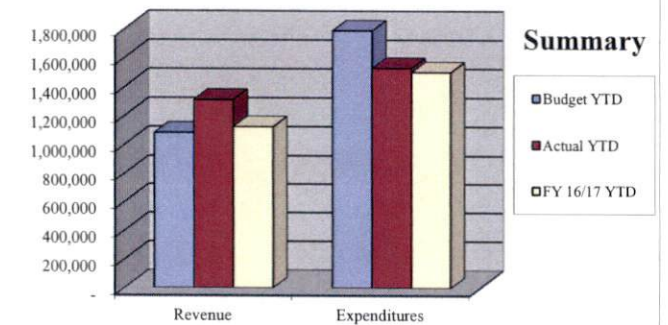
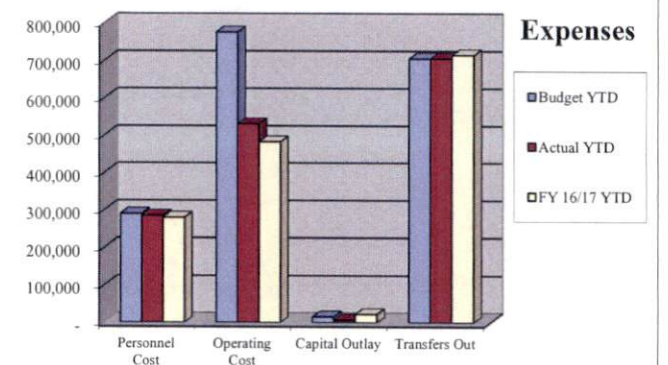
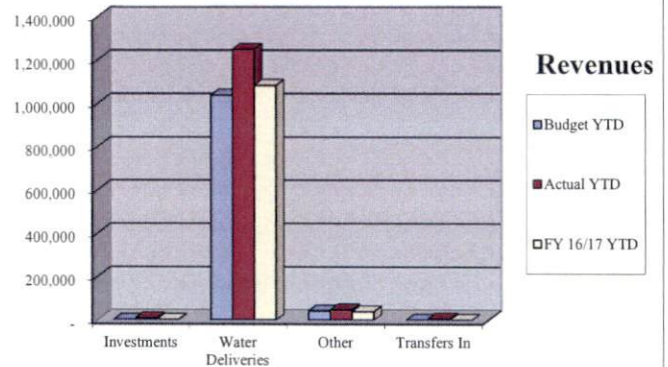
Compared to last year, total OH Pipeline Fund revenues increased by \$187,526 (17%). Pipeline deliveries were 456 acre-feet (16%) higher than last year. Water deliveries (\$166K) were the primary reason for the increase.

Appropriation/Expenditure Status – Total expenditures through the first quarter of FY 2017-18 were \$1,527,593, which is \$259,301 (14%) lower than the projection of \$1,786,894. The under expenditures are essentially budgeting timing issues. Budgeting for professional services (\$15K), maintenance costs (\$40K) and Fox Canyon GMA costs (\$40K) are all created as monthly averages, whereas actual monthly expenditures have not kept up with budget projections. Staff expects these expenditures to catch up as the year progresses. Utilities (\$132K) and personnel costs (\$5K) were also lower than budget projections. Utilities are essentially a timing issue as utility costs are typically low in the first quarter and budgeting is done on an average monthly basis.

Compared to last year, current year expenditures in the first quarter for the OH Pipeline Fund increased \$27,755 (2%). The increase was primarily attributable to higher overhead (\$32K) costs. Personnel cost (\$5K), contractual services (\$6K) and materials and supplies (\$7K) also contributed to the increase. Capital outlay costs (\$15K) and CIP transfers-out (\$9K) were lower than FY 2016-17, which slightly offset the increase.

Working Capital – The beginning working capital was approximately \$587,586 more than anticipated, with \$45,339 designated for prior year carryovers, netting a \$542,247 higher balance than projected. Assuming FY 2017-18 activity is consistent with the approved budget, the ending working capital balance for the fund should be \$1,592,246 all of which is undesignated.

The District's calculated reserve policy requires a \$1,050,000 undesignated balance for this fund which is expected to be met.





UNITED WATER CONSERVATION DISTRICT

FY 2017-18 First Quarter Financial Review

July 1, 2017 through September 30, 2017

25% of Fiscal Year Completed

Pleasant Valley Pipeline Fund

The Pleasant Valley Pipeline Fund is used to account for the operation and maintenance of the Pleasant Valley Pipeline and District reservoirs. In an effort to minimize seawater intrusion caused by District-Wide groundwater overdraft, the District diverts surface water at the Freeman Diversion and/or pumps water from the Saticoy Well Field and transports it via pipeline to the Pleasant Valley County Water District for agricultural use, minimizing groundwater pumping near the coast. Revenue is derived from water deliveries and interest earnings from fund reserves.

Revenue status – Total revenue received through the first quarter of FY 2017-18 was \$87,246, which is right on the mark to budgeted expectations.

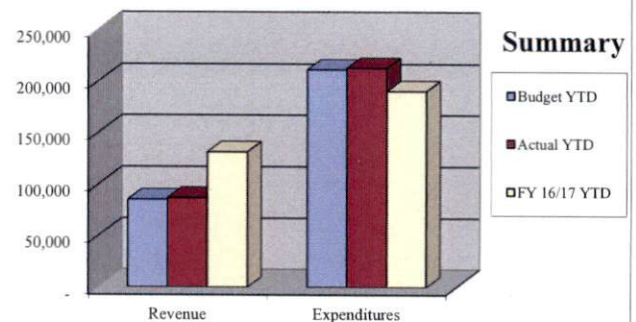
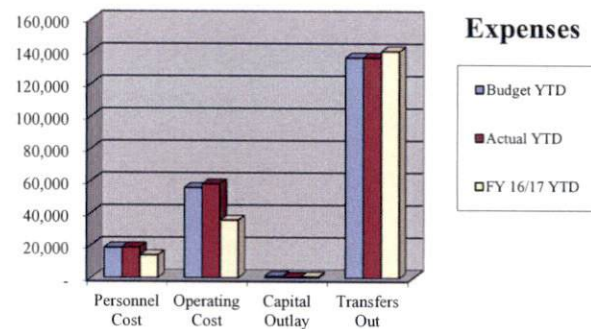
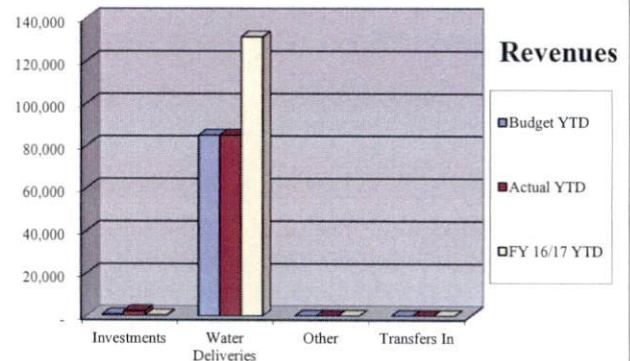
Current year first quarter revenues were \$44,333 (34%) lower than prior year revenues of \$131,579. This is entirely due to a fixed cost decrease to the PVP of \$43,700 per month to \$28,270 per month. Surface water deliveries through the PVP were once again non-existent as a result of lack of surface water due to drought conditions.

Appropriation/Expenditure Status – The total expenditures through the first quarter of FY 2017-18 were \$213,557 which is \$1,829 (1%) higher than the \$211,728 budget projection. The increase was predominantly due to higher maintenance costs (\$9K). Overhead costs (\$4K) and contractual services (\$2K) slightly offset the expenditure increase.

Compared to last year, current year expenditures through the first quarter for the PVP Fund increased by \$23,054 (12%) from \$190,503. This was primarily due to the timing of maintenance costs (\$16K) and higher personnel costs (\$5K) in the current year.

Working Capital – The beginning working capital balance was approximately \$140,898 higher than anticipated, of which \$19,064 is designated for prior year carryovers, netting a \$121,834 higher balance than projected. Assuming FY 2017-18 activity is consistent with the approved budget and requested supplemental appropriations, the ending working capital balance for the fund should be \$432,822 all of which is undesignated.

The District's calculated reserve policy requires a \$310,810 undesignated balance for this fund, which is projected to be exceeded.





UNITED WATER CONSERVATION DISTRICT

FY 2017-18 First Quarter Financial Review

July 1, 2017 through September 30, 2017

25% of Fiscal Year Completed

Pumping Trough Pipeline Fund

The Pumping Trough Pipeline Fund is used to account for the operation and maintenance of the Pumping Trough Pipeline which provides a combination of Santa Clara River surface water, Saticoy Well Field water and Fox Canyon aquifer water for agricultural users. This pipeline works in an effort to minimize seawater intrusion caused by District-Wide groundwater overdraft, minimizing groundwater pumping near the coast and in this highly impacted area. Revenue is derived from water deliveries and interest earnings on fund reserves.

Revenue status – As of the first quarter of FY 2017-18, \$586,938 in revenues were received, which is \$67,712 (10%) lower than the budget projection of \$654,649. The under-revenues are primarily due to grant income and proceeds from debt issuance budgeted for the PTP Turnout Metering System project. Grant revenue will be received in accordance with expenditures for the PTP Turnout project, which are expected to occur later in FY 17-18. Partially offsetting the lower revenues received were water deliveries at \$77,386 (17%) higher than budgeted. Deliveries through the PTP over the first three months were 310 acre-feet (25%) greater than projected.

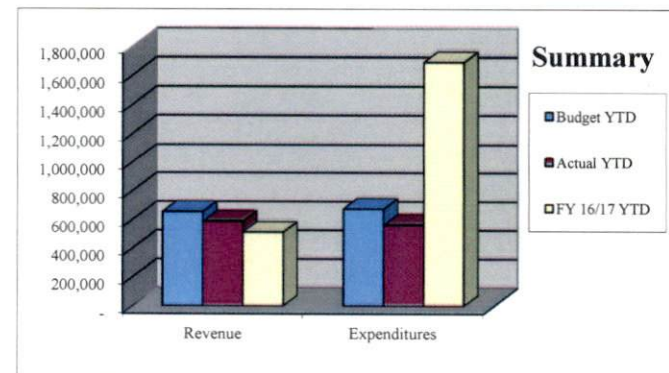
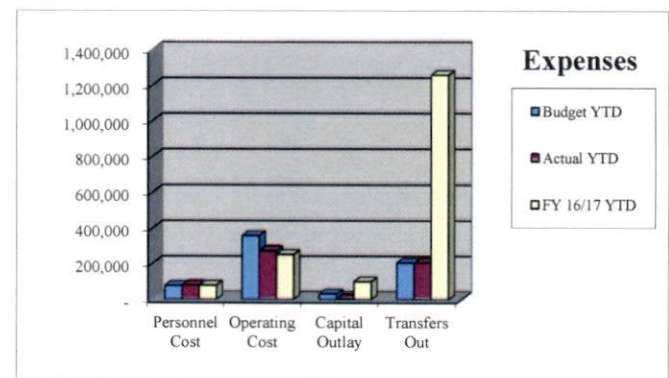
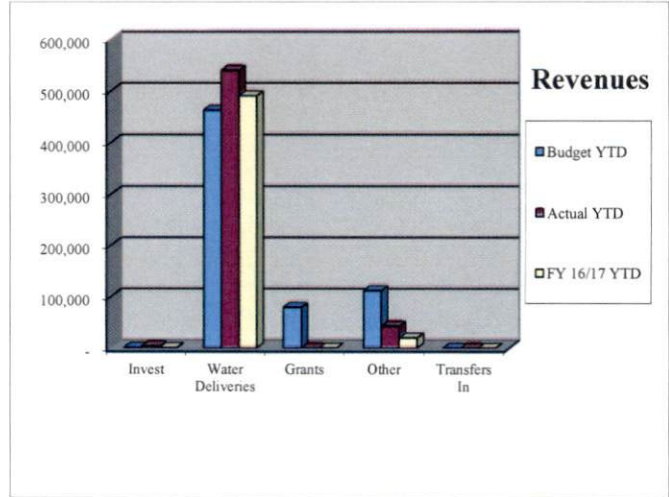
Compared to last year, total revenues through the first quarter were \$75,558 (15%) higher, primarily due to an increase in water delivery rates. Revenue from pipeline delivery increased \$49,339 (10%) over FY 16-17, while pipeline deliveries were down 55 acre-feet (3%). Rebates for energy efficiency on PTP wells of \$23,247 also contributed to the increase in revenues compared to FY 16-17.

Appropriation/Expenditure Status – As of the first quarter of FY 2017-18, a total of \$562,098 was expended in the PTP Fund, which was \$112,590 (17%) lower than the budget projection of \$674,688. This was primarily due to lower maintenance costs (\$38K), capital outlay (\$30K), utility (\$18K), overhead (\$14K) and contractual services (\$12K).

Compared to last year, current year first quarter expenditures for the PTP Fund decreased \$1,128,761 (67%) from \$1,690,859. This decrease was primarily due to a \$1M decrease in transfers-out to CIP projects. Capital outlays (\$98K) for structure and improvement projects also decreased. Operating costs increased by \$21K due to higher water chemical (\$12K), utility (\$9K), and overhead (\$19K) costs. Decreases in maintenance (\$21K) partially offset those increases.

Working Capital – The beginning working capital balance was approximately \$11,102 lower than anticipated. Additionally, \$27,135 is designated for prior year carryovers, netting a \$37,237 lower balance than projected. Assuming FY 2017-18 activity is consistent with the approved budget, the expected ending working capital balance for the fund should be \$71,289, all of which is undesignated.

The District's reserve policy requires between \$250,000 and \$300,000 undesignated balance for this fund, which is not projected to be met.





UNITED WATER CONSERVATION DISTRICT

FY 2017-18 First Quarter Financial Review

July 1, 2017 through September 30, 2017

25% of Fiscal Year Completed

State Water Import Fund

This fund is used to account for all activities of the District's State Water Import program. The District, along with the Casitas Municipal Water District (25%) and the City of Ventura (50%), have a Table A allocation of 20,000 acre feet per year of State Water Project water. The total 20,000 acre feet Table A entitlement is available as a result of a contractual agreement between the State and the Ventura County Watershed Protection District. The District pays one quarter of the approximate \$2 million per year fixed cost. Additional charges (variable costs) can incur when State Water is actually delivered to a contractor. This fund's source of revenue is money requested from voter-approved assessed District-Wide property taxes.

Revenue Status – Total revenue for the first quarter of FY 2017-18 was \$10,479 which is \$6,070 (138%) higher than the \$4,409 projected. This was primarily due higher earnings on investments and late fees.

Compared to last year, current year revenue received for the first quarter is \$9,475 higher than the \$1,004 received in FY 2016-17. This was primarily due to higher earnings on investments and late fees.

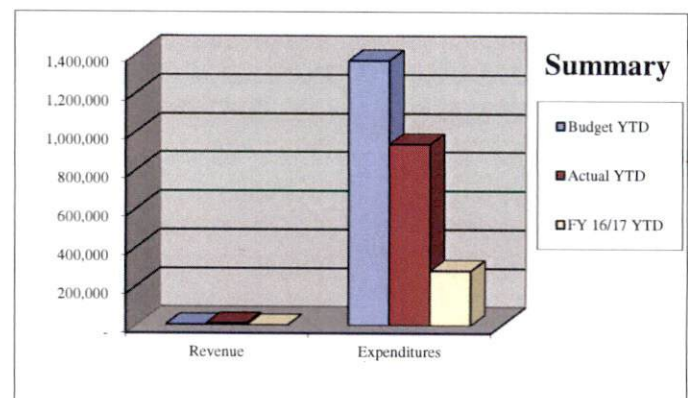
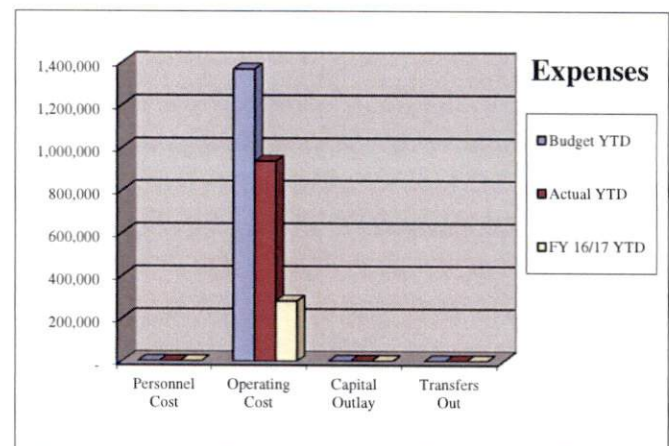
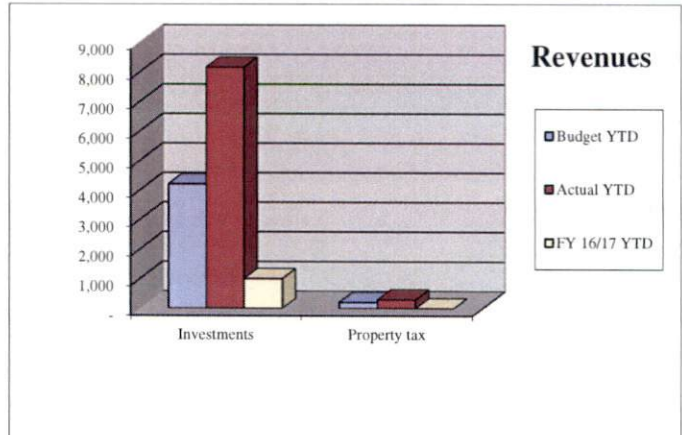
The primary revenue source for the fund, a voter approved property tax assessment, is largely received in December/January and April of each fiscal year. The amount received depends on the amount requested by the District each year, which is based on projected revenues and expenditures in the State Water Import Fund. Neither Zone A nor Zone B groundwater extraction charges are used to pay for the District's contractual State Water costs.

Appropriation/Expenditure Status – Total expenditures for the first quarter of FY 2017-18 were \$936,371 which is \$430,234 (31%) less than the expected \$1,366,606. This was due to lower than expected expenditures for Article 21 water. While \$1 million was carried over for Article 21 water, only \$642,346 has been spent with the remaining \$359K anticipated to be billed later in the year.

Compared to last year, current year expenditures were \$653,888 (231%) higher. While no Article 21 water was purchased in FY 2016-17, \$642K was spent in FY 2017-18. Given the complexities of the State Water program, expenditures can vary significantly throughout the years, leaving few options for meaningful year-to-year variance analysis.

Fund Balance– The beginning fund balance was approximately \$1,514,919 higher than anticipated, of which \$1,000,000 was designated for carryovers. Assuming FY 2017-18 activity is consistent with the approved budget, the ending balance for the fund should be approximately \$1,490,299.

The District's reserve policy requires a \$1,000,000 minimum undesignated fund balance for this fund, which is expected to be met.





UNITED WATER CONSERVATION DISTRICT

FY 2017-18 First Quarter Financial Review

July 1, 2017 through September 30, 2017

25% of Fiscal Year Completed

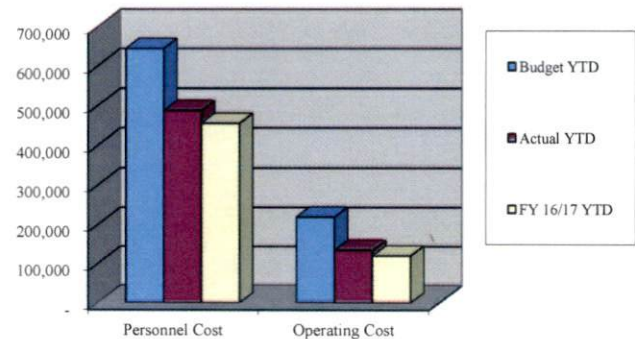
Overhead Fund

The Overhead Fund is used to account for expenditures related to the overall administration and management of the District. Overhead related expenditures are reported in this fund and then allocated to the operating funds. Staff calculates the allocation percentages using an approved methodology and the Board adopts the allocation annually.

Appropriation/Expenditure Status – As of the end of the first quarter of FY 2017-18, a total of \$686,734 was expended in the Overhead Fund, which was \$196,212 (22%) lower than the budget projection of \$882,946.

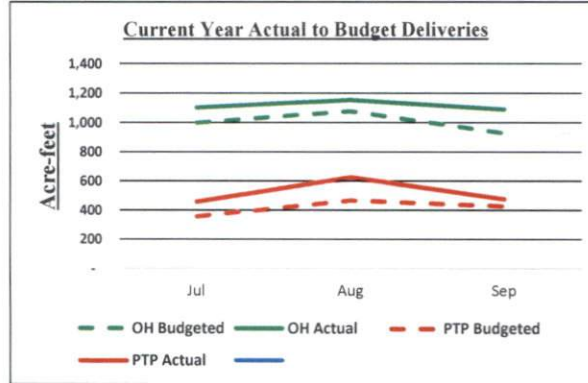
This was primarily the result of lower than expected expenditures for professional services and legal counsel services (\$74K) and personnel cost (\$156K). The lower personnel costs were a combination of the unfilled Controller position and a timing issue with the Retirement Benefit Plan payment for the former General Manager. Offsetting these under-expenditures were higher than anticipated capital outlays (\$46K) for the Santa Paula computer network which was a timing issue.

Compared to last year, current year first quarter expenditures for the Overhead Fund increased \$111,076 (19%). Variances of note were an increase in personnel costs (\$32K), professional fees (\$22K), and capital outlays for the Santa Paula computer network (\$65K).

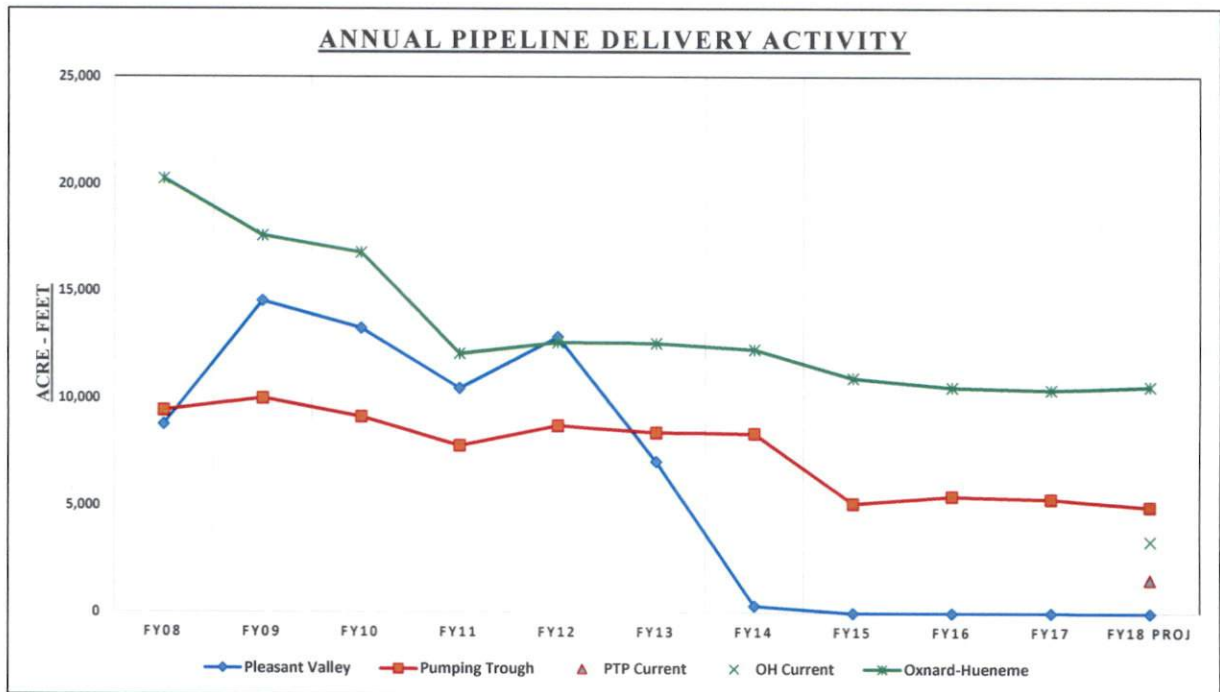


**United Water Conservation District
Pipeline Water Deliveries (Acre-feet)
FY 2017-18 data thru September 30, 2017**

| OH Pipeline 2017-18 | | | |
|---------------------|------------|--------|------------|
| | Projection | Actual | Difference |
| Jul | 1,000 | 1,104 | 104 |
| Aug | 1,080 | 1,156 | 76 |
| Sep | 930 | 1,093 | 163 |
| Oct | 1,010 | | (1,010) |
| Nov | 810 | | (810) |
| Dec | 700 | | (700) |
| Jan | 830 | | (830) |
| Feb | 690 | | (690) |
| Mar | 830 | | (830) |
| Apr | 890 | | (890) |
| May | 980 | | (980) |
| Jun | 840 | | (840) |
| Totals | 10,590 | 3,353 | (7,237) |
| YTD | 3,010 | 3,353 | 343 |



| PT Pipeline 2017-18 | | | |
|---------------------|------------|--------|------------|
| | Projection | Actual | Difference |
| | 360 | 462 | 102 |
| | 470 | 628 | 158 |
| | 430 | 480 | 50 |
| | 760 | | (760) |
| | 360 | | (360) |
| | 230 | | (230) |
| | 280 | | (280) |
| | 250 | | (250) |
| | 360 | | (360) |
| | 450 | | (450) |
| | 530 | | (530) |
| | 500 | | (500) |
| Totals | 4,980 | 1,570 | (3,410) |
| YTD | 1,260 | 1,570 | 310 |



United Water Conservation District
CURRENTLY APPROPRIATED CAPITAL IMPROVEMENT PROJECT PLAN
FY 2017-18 Available Appropriations as of September 30, 2017

| Project Description | Old | | | 1st Budget Year | 1st Activity Date | Expected End Year | Class | Total Est Project Cost | Appropriations | | | Expended and Encumbered | | | % of Total Est Project costs spent to date | Remaining Appropriations FY 17-18 |
|---|-----------|-----------|-----------|-----------------------|-------------------------|-------------------------|-------|------------------------------|---|-----------------------------|----------------------------|-------------------------|---------------------|------------------|---|---|
| | Fund # | Proj # | Proj # | | | | | | Total Approp Approved thru FY 17-18 | Suppl Approp FY 17-18 | Total Approp to Date | Total as of 6/30/17 | Current FY 17-18 | Total to date | | |
| Well Replacement Program Well #18 | 452 | 816 | 8000 | 2015-16 | 08/06/15 | 2017 | I | 1,705,725 | 827,875 | | 827,875 | 539,166 | 91,355 | 630,521 | 36.96% | 197,354 |
| Freeman Diversion Rehab | 421 | 880 | 8001 | 2009-10 | 03/23/11 | 2020+ | II&IV | 39,746,617 | 5,537,021 | | 5,537,021 | 1,974,445 | 208,143 | 2,182,588 | 5.49% | 3,354,433 |
| SFD Outlet Works Rehab | 051 | 874 | 8002 | 2007-08 | 04/20/11 | 2020+ | I&II | 63,747,989 | 2,508,686 | | 2,508,686 | 1,050,451 | 692,662 | 1,743,112 | 2.73% | 765,574 |
| SFD PMF Containment | 051 | 879 | 8003 | 2008-09 | 06/22/09 | 2020+ | II | 29,012,695 | 2,269,656 | | 2,269,656 | 724,480 | 760,991 | 1,485,471 | 5.12% | 784,185 |
| SFD Hydro Electric Plant Rehab Unit 2 | 050 | 881 | 8004 | 2016-17 | 10/05/16 | 2016 | II | 101,900 | 101,900 | | 101,900 | 101,460 | - | 101,460 | 99.57% | 440 |
| SFD Sediment Management | 051 | 898 | 8005 | 2013-14 | 05/28/14 | 2019 | II | 153,938 | 153,707 | | 153,707 | 60,113 | - | 60,113 | 39.05% | 93,594 |
| Lower River Invasive Species Control | | 908 | 8006 | 2015-16 | 08/06/15 | 2020+ | IV | 870,516 | 603,220 | | 603,220 | 123,014 | 1,468 | 124,482 | 14.30% | 478,738 |
| OHP Iron and Manganese Treatment | 451 | 909 | 8007 | 2015-16 | 08/06/15 | 2018 | III | 4,602,738 | 746,783 | | 746,783 | 76,946 | 1,878 | 78,824 | 1.71% | 667,959 |
| Quagga Decontamination Station | 051 | 918 | 8008 | 2016-17 | 06/23/17 | 2017 | II | 154,286 | 139,182 | | 139,182 | 763 | 63 | 826 | 0.54% | 138,356 |
| Park Service Officer Facility Replacement | 051 | 897 | 8009 | 2012-13 | 06/18/13 | 2017 | I | 703,711 | 703,896 | | 703,896 | 258,278 | 108,247 | 366,525 | 52.08% | 337,371 |
| Lake Piru Asphalt Repairs | 051 | 886 | 8010 | 2010-11 | 02/17/11 | 2019 | I | 1,626,434 | 1,397,368 | | 1,397,368 | 858,637 | 5,821 | 864,459 | 53.15% | 532,909 |
| Day Use Pavillion Rehab | 051 | 916 | 8011 | 2016-17 | 08/18/17 | 2017 | I | 212,980 | 197,884 | | 197,884 | | 6,726 | 6,726 | 3.16% | 191,158 |
| Day Use Restroom Rehab | 051 | 917 | 8012 | 2016-17 | | 2017 | I | 32,171 | 28,201 | | 28,201 | | - | - | 0.00% | 28,201 |
| Juan Fernandez Day Use | 051 | 920 | 8013 | 2016-17 | 06/30/17 | 2018 | I | 163,942 | 81,793 | | 81,793 | 14,814 | 35,187 | 50,001 | 30.50% | 31,792 |
| Solar Project - Piru | | 911 | 8014 | 2015-16 | 01/04/16 | 2018 | II | 92,697 | 85,545 | | 85,545 | 39,328 | - | 39,328 | 42.43% | 46,217 |
| Saticoy Shop Replacement Building | | 805 | 8015 | 2007-08 | 02/03/11 | 2017 | II | 1,637,139 | 1,633,166 | | 1,633,166 | 1,292,800 | 238,892 | 1,531,692 | 93.56% | 101,474 |
| District Lighting & Pumping | | 914 | 8016 | 2016-17 | 09/01/16 | 2017 | I | 366,884 | 404,883 | | 404,883 | 375,379 | 1,877 | 377,256 | 102.83% | 27,627 |
| District Pumping Sequencing | | 915 | 8017 | 2016-17 | 08/30/16 | 2017 | I | 194,433 | 191,123 | | 191,123 | 110,938 | 26,725 | 137,663 | 70.80% | 53,460 |
| Ferro-Rose Recharge | 051 | 864 | 8018 | 2006-07 | 03/23/07 | 2019 | III | 5,368,866 | 1,736,904 | | 1,736,904 | 1,096,614 | 1,466 | 1,098,080 | 20.45% | 638,824 |
| Brackish Water Treatment | 051 | 910 | 8019 | 2015-16 | 07/08/15 | 2017+ | III | 96,536 | 12,857 | | 12,857 | 7,103 | - | 7,103 | 7.36% | 5,754 |
| Recycled Water Program | | 922 | 8020 | 2016-17 | 10/00/16 | 2019 | III | 2,406,834 | 1,465,034 | * | 1,465,034 | 225,427 | 83,419 | 308,846 | 12.83% | 1,156,188 |
| Rice Ave Overpass PTP | 471 | 912 | 8021 | 2016-17 | | 2018 | II | 257,161 | 28,136 | | 28,136 | | - | - | 0.00% | 28,136 |
| PTP Turnout Metering System | 471 | 913 | 8022 | 2016-17 | 03/10/17 | 2018 | I | 1,319,043 | 1,001,543 | | 1,001,543 | 2,374 | 4,777 | 7,151 | 0.54% | 994,392 |
| Pothole Trailhead | 051 | 919 | 8023 | 2016-17 | 02/14/17 | 2017 | I | 152,663 | 148,701 | | 148,701 | 25,020 | 6,319 | 31,339 | 20.53% | 117,362 |
| New Headquarters | 051 | 921 | 8024 | 2016-17 | 08/04/17 | 2018 | II | 4,000,000 | 1,500,000 | | 1,500,000 | | 1,031 | 1,031 | 0.03% | 1,498,969 |
| State Water Interconnection Project | 051 | | 8025 | 2016-17 | 06/15/17 | 2019 | II | 1,203,209 | 529,366 | | 529,366 | 51,861 | 152,096 | 203,957 | 16.95% | 325,409 |
| Lower Piru Creek Habitat | 051 | | 8026 | 2017-18 | | 2019 | IV | 990,309 | 222,540 | | 222,540 | - | - | - | 0.00% | 222,540 |
| OH Well #14 VFD Conversion | 451 | | 8027 | 2017-18 | | 2019 | II | 100,401 | 99,158 | | 99,158 | - | - | - | 0.00% | 99,158 |
| El Rio Asphalt Repairs | | | 8029 | 2017-18 | | 2018 | I | 89,795 | 89,795 | | 89,795 | - | - | - | 0.00% | 89,795 |
| TOTAL AMOUNT PER YEAR | | | | | | | | 161,111,612 | 24,445,923 | - | 24,445,923 | 9,009,410 | 2,429,143 | 11,438,553 | 7.10% | 13,007,370 |

Class I = Infrastructure Repair or Replacement
Class II = Structural/Hydraulic Improvement (no yield)
Class III = Water Resource Improvement
Class IV = ESA Improvement


* \$30,000 pending

United Water Conservation District
Monthly Investment Report
September 30, 2017

| Investment Recap | G/L Balance | Weighted Avg Days to Maturity | Diversification Percentage of Total |
|--|-----------------------|--|--|
| Union Bank Checking Accounts | 545,376 | 1 | 1.99% |
| Petty Cash | 450 | 1 | 0.00% |
| County Treasury | 60,636 | 1 | 0.22% |
| LAIF Investments | 25,923,451 | 1 | 94.63% |
| Union Bank - 2001 revenue bond balance | 17 | 1 | 0.00% |
| Union Bank - 2005 revenue bond balance | 7 | 1 | 0.00% |
| Union Bank - 2009 COP Bond Reserve Account | 861,990 | 7,921 | 3.15% |
| Total Cash, Cash Equivalents and Securities | 27,391,927 | | 100.00% |
| Investment Portfolio w/o Trustee Held Funds | 26,529,913 | | |
| Trustee Held Funds | 862,014 | | |
| Total Funds | 27,391,927 | | |

| Local Agency Investment Fund (LAIF) | Beginning Balance | Deposits (Disbursements) | Ending Balance |
|--|--------------------------|---------------------------------|-----------------------|
| | 28,723,451 | (2,800,000) | 25,923,451 |
| | Interest | Interest | |
| | Earned YTD | Received YTD | Qtrly Yield |
| | 75,970 | 66,752 | 1.07% |

All District investments are shown above and conform to the District's Investment Policy. All investment transactions during this period are included in this report. Based on budgeted cash flows the District appears to have the ability to meet its expenditure requirements for the next six months.


 For MEG
Mauricio E. Guardado, Jr., General Manager

20 OCT 2017
Date Certified


Tina Rivera, Chief Financial Officer

10-26-17
Date Certified

United Water Conservation District

Cash Position
September 30, 2017

| Fund | Total | Composition | Restrictions/Designations |
|--|-------------------|--------------------|--|
| General/Water Conservation Fund: | | | Revenue collected for district operations |
| General/Water Conservation | 9,326,269 | 609,847 | Includes General, Rec & Ranger, Water Conservation |
| | | 861,990 | Reserved for future debt repayment 2009 COP |
| | | 350,000 | Reserved for legal expenditures |
| | | 7,504,432 | Designated for replacement and capital improvements |
| General CIP Funds | 7,314,942 | 7,314,942 | Appropriated for capital projects |
| Special Revenue Funds: | | | Revenue collected for a special purpose |
| State Water Project Funds | 788,768 | 788,768 | Procurement of water/rights from state water project |
| Enterprise Funds: | | | Restricted to fund usage |
| Freeman Fund | 1,053,513 | (666,487) | Operations, Debt Service and Capital Projects |
| | | 1,420,000 | Designated for replacement and capital improvements |
| | | 300,000 | Reserved for legal expenditures |
| Freeman CIP Fund | 4,819,966 | 4,819,966 | Appropriated for capital projects |
| OH Pipeline Fund | 801,750 | 801,750 | Delivery of water to OH customers |
| OH CIP Fund | 1,070,750 | 1,070,750 | Appropriated for capital projects |
| OH Pipeline Well Replacement Fund | 470,787 | 470,787 | Well replacement fund |
| PV Pipeline Fund | 609,769 | 609,769 | Delivery of water to PV customers |
| PT Pipeline Fund | 1,135,413 | 1,135,413 | Delivery of water to PTP customers |
| Total District Cash & Investments | 27,391,927 | 27,391,927 | |

Benchmark Yields

| | | |
|--------------------------------|---------------------|-------|
| LAIF | 1st Quarter 2017-18 | 1.07% |
| Ventura County Investment Pool | September 30, 2017 | 1.21% |
| 3mo Treasury Bills | September 30, 2017 | 1.06% |

