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January 29, 2019

Board of Directors  
United Water Conservation District

**Subject: Fiscal Year 2018-19 Second Quarter Financial Report**

Dear Board Members:

Enclosed for your review is the District's FY 2018-19 Second Quarter (July 1, 2018 through December 31, 2018) Financial Report. This report represents six months of financial information for District operations (50% 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 Sub-fund
- 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 PROGRAM STATUS**

A one-page summary of the District's current Five-Year Capital Improvement Program appears on page 10. As of December 31, 2018, all capital improvement projects (CIP) expenditures are within the total amount appropriated by the Board.

Most of the CIPs that have been funded are currently underway, in the planning, design or construction stages. Exceptions are the Brackish Water Treatment project, which is waiting on possible grant opportunities and the Santa Felicia Dam Sediment Management project, which is on hold due to a backlog of other projects.

- *Well Replacement Program (CIP Project # 8000)* - This is an ongoing CIP to eventually replace all of the original groundwater wells serving the Oxnard-Hueneme Pipeline System. The project is funded by the Oxnard-Hueneme Pipeline Well Replacement Fund. The rehabilitation of OH Well 11 was completed in December 2018. Water samples were collected and tested by Fruit Grower Lab (FGL) Nitrate values are currently 28 mg/L, nearly three times the maximum contaminant level (MCL). Well # 11 is not in use unless significant quantities of surface water are spread at El Rio to reduce nitrate levels in the lower aquifer system (LAS) via blending. The next well replacement project is scheduled for the 2019-20 Fiscal Year.
- *Ferro-Rose Recharge (CIP Project # 8018)* – The Ferro-Rose Recharge project has been brought to the forefront again with the District potentially leasing the Ferro and Rose Basins to Wellhead Energy (WE) for the production of solar energy. WE plans on placing solar panels on the floors of the Ferro and Rose Basins. The solar project would accelerate the need to construct the partition levees per the Northwest Hydraulic Consultant's feasibility analysis for the Ferro-Rose Recharge Project. The District intends to use the soil from the floor of Ferro Basin to construct the partition levees. Additionally, geotechnical investigations are in process to determine the soil quality and particle size. The results will help determine whether the native soil can be used as part of construction material for the basin partition levees. WE submitted a proposal to the Clean Power Alliance (CPA) in November 2018. Shortlist determination is expected in early 2019. The primary basins that are being proposed by WE include Ferro and Piru Basins. Saticoy and Noble Basins will also be proposed but at a different price point thereby decreasing the likelihood

of selection for Saticoy and Noble basins. If selected, WE is planning to complete the installation of the solar field and start operating the system by the end of 2021. WE has provided funds for Rincon Consultants to initiate the CEQA process. WE called for a meeting in early December to discuss the next steps of the CEQA process. Rincon Consultants was in attendance to receive information and ask questions as necessary. The partition levee portion of the project is funded by the Water Conservation Activities subfund (Zone A).

- *Santa Felicia Dam Outlet Works Rehabilitation (CIP Project # 8002)* – A 2012 seismic analysis of the intake tower, pressure conduit, penstock and tunnel 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. Based on the conceptual designs, structural and hydraulic analyses that were presented at the third Board of Consultants (BOC) meeting in October, 2018, the preferred outlet works improvement alternative includes constructing a new sloped intake, a new tunnel and conduits, a control system facility and a new hydroelectric plant. Staff will need to determine the production capacity of the new power plant. Alternatively, Staff is currently evaluating the option for keeping the existing hydroelectric plant. This assessment is based on engineering operations and environmental considerations. Staff is also reviewing the draft Engineering Summary Report that includes the conceptual design of the outlet works replacement. The report will be finalized in January 2019. The estimated cost to design and construct the new outlet works, including a new hydroelectric plant with the same flow as the existing hydroelectric plant is \$52 million.

*The public review period for the Draft EIR closed on December 19, 2019. Staff received several comments from private residents and several agencies, including CalTrans District 7, Ventura County Public Works, California Department of Fish and Wildlife and Tribal Historic & Cultural Preservation Department. The DEIR is scheduled to be finalized in January 2019. The District is pursuing Federal and State funding for the project. This project is funded by the Water Conservation Activities subfund (Zone A).*

- *Santa Felicia Dam Probable Maximum Flood Containment (CIP Project # 8003)*  
- The District continues to work with the Federal Energy Regulatory Commission (FERC) and the California Division of Safety of Dams (DSOD) regarding the path forward on the site-specific “Probable Maximum Flood” (PMF). 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. Based on the conceptual designs, structural and hydraulic analyses that were presented at the third Board of Consultants (BOC) meeting in October, 2018, the preferred spillway improvement alternative includes preserving the existing walls and lowering the floor slab from the existing ogee crest to the discharge chute. Staff is reviewing the

draft Engineering Summary Report that includes the conceptual design of the spillway improvement. The report will be finalized in January 2019. The estimated cost for this alternative is in the order of \$35 million pending FERC and the DSOD approvals.

*The public review period for the Draft EIR closed on December 19, 2019. Staff received several comments from private residents and several agencies, including CalTrans District 7, Ventura County Public Works, California Department of Fish and Wildlife and Tribal Historic & Cultural Preservation Department. The DEIR is scheduled to be finalized in January 2019. The District is pursuing Federal and State funding for the project. This project is funded by the Water Conservation Activities subfund (Zone A).*

- *Freeman Diversion Rehabilitation (CIP Project # 8001)* – Stantec has been approved to take the vertical slot fish passage facility to 30% design and anticipates having a 30% design report complete by early summer. NHC is now the lead designer for the notch and Hardened Ramp fish passage alternatives. NHC is under contract to take the notch to 30% design and hopes to have a 30% design report complete by early summer. For the Hardened Ramp NHC takes over the design reigns as a function of efficiency. There will be a lot of duplicative work between the notch and Hardened Ramp where having one consultant developing both seemed to be the logical choice. Due to the October 2018 Judgement Order in the Wishtoyo Lawsuit design work for the notch and Hardened Ramp needs to be completed by the end of January 2020. This project is funded from the Freeman Diversion Fund (Zone B).
- *Lake Piru Asphalt Repairs (CIP Project # 8010)* – 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) was completed in April 2018. The next phase of improvements will include the Olive Grove Campground, Oak Lane Campground, Juan Fernandez boat ramp parking lot and the upper marina parking lot. Staff is working on a bid package and expects to request bids and award a pavement contract in early 2019.
- *Park Service Officer Facility Replacement (CIP Project # 8009)* - The existing park service office was uninhabitable and had to be replaced. State Architect-approved drawings were received from Design Space Modular Builders, Inc., the District's modular building manufacturer, on August 30, 2016. Demolition of the existing office began in April 2018 and construction was completed on October 18, 2018. Final inspection of the new office was performed on October 18, 2018 and building occupancy was granted by the County of Ventura Building and Safety Division. The grand opening Ribbon Cutting Ceremony was held on November 15, 2018. Office communications are up and running. The official certificate of occupancy

was issued in December 2018 and the Park Service Staff are now occupying the building. As part of the project, a Tree Protection Plan was submitted to the Ventura County Planning Division. The plan requires the District to plant approximately 40 sycamore trees in lieu of the protected Aleppo Pine Tree that was removed due to the office construction. Trees will be planted in early 2019 at Group Campground No.2., along with a drip system.

- *Santa Felicia Dam Sediment Management (CIP Project # 8005)* - A milestone for this project was the recently completed 10-year sediment survey of the Lake Piru Reservoir. The current useable 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 (CIP Project # 8006)* - 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. Many of the projects proposed and reviewed in the feasibility study require pilot testing to validate treatment efficacy. The District held a meeting with stakeholders to receive input as part of the engineering evaluation on December 8, 2016. In November 2018, Staff started discussing one or more pilot studies and has been working with a consultant to develop a pilot test plan. The plan will be finalized in mid-2019.
- *Oxnard-Hueneme Pipeline Iron and Manganese Treatment (CIP Project # 8007)* - 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 twelve municipal water wells. Nine 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 (LAS also referred to as 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 aesthetic water quality problems for the District's wholesale customers on the O-H Pipeline. Staff prepared an engineering feasibility report of the proposed project. The study was distributed to the OH stakeholders. A professional services contract was awarded for the treatment plant design on July 11, 2018 to Kennedy/Jenks Consultants. The design is separated into two phases in order to optimize the existing infrastructure at the El Rio facility. The initial design phase is focusing on iron and manganese removal based on the current operating conditions. The second phase will integrate nitrate removal process for if and when groundwater conditions allow utilization of the upper aquifer system wells. Staff completed a two-month pilot study that evaluated the potential hazard and disposal options of iron and manganese treatment sludge and verified the efficiency of filtration process on waters from the

three LAS. As of December 2018, 30% design is approximately 70% complete. Design completion is tentatively scheduled for mid-2019. In support of the on-going design work, the District's on-call consultants Stantec (surveying services) and Oakridge Geoscience (geotechnical exploration services) performed work between in December. The work will be incorporated into the 30% design plans, specifications and estimates which are expected to be ready for staff review in early 2019.

- *Brackish Water Treatment (CIP Project # 8019)* - The proposed project would require a significant change in the Fox Canyon Groundwater Management Agency policy with regards to various approaches to abate the seawater intrusion problem near the coast. The project is currently on hold due to the more pressing backlog of capital projects. Staff's concept proposal for developing a groundwater model for the Coastal Brackish Water Treatment Plant through the Proposition 1 Groundwater Grant Program (GWGP) was accepted by the State Water Resources Control Board (State Water Board) in November 2018 and the District was invited to submit a full proposal that is due in February 2019.
- *Solar Power Project (CIP Project # 8014)* – United is no longer pursuing a solar project at the Piru recharge basins as a capital improvement project. In 2018, the Board of Directors entered into a lease agreement with Wellhead Energy, a private energy firm, to lease the air space over the District's approximately 700 acres of recharge basins for solar power generation. If the project is permitted and installed the project will generate between \$400,000 and \$500,000 in lease revenues annually. In addition, United and Wellhead Energy are investigating the feasibility of behind the meter power generation at the El Rio facility to reduce United's power utility costs and provide energy reliability. United staff and Board members met with the Ventura County Supervisors and Ventura County's Chief Executive Officer to discuss the project. On September 25, 2018 the Ventura County Board of Supervisors passed Resolution 18-118 conceptually supporting the solar project. Wellhead Energy was not selected by Edison for the Local Capacity Requirements (LCR) Request for Proposals (RFP's). SCE has had challenges with bidders being able to meet their submitted objectives and therefore, SCE may reopen the RFPs. Wellhead submitted a proposal to the Clean Power Alliance (CPA) in November 2018, with the expectation that the selection results would be expected in early 2019. The CPA has extended the deadline for submittals and is planning to continue evaluating the submittals. In the event that Wellhead is not selected in the first phase, the dates would shift by one year. United will have up to 14 months from the project selection to get ready before construction begins by Wellhead. Wellhead Energy and United are continuing efforts to move forward with the project in the event Wellhead Energy is selected in subsequent SCE LCR RFPs or if the solar power may be sold to another power provider. The next step is a complete environmental review of the project which will be prepared by Rincon Consultants.
- *Rice Ave Overpass PTP (CIP Project # 8021)* – The City of Oxnard's bridge construction project at the intersection between Rice Avenue and 5<sup>th</sup> Street (Project) will cause interruption to water delivery services in

the Pumping Through irrigation Pipeline (PTP) system. The Project that is financed through multiple grants adding up to over 78 million dollars requires relocation of approximately 3,500 linear feet of United's 30-inch pipeline along Rice Avenue, and two turnouts, and significant modifications to PTP Well No. 4. The Project appears to only cover 19 percent of the relocation costs and intends to put the burden on the District to cover the remaining 81 percent of the relocation costs. The Environmental Impact Report/Environmental Assessment (EIR/EA) was released for public review in January 2018 and completed in May 2018 with Finding of No Significant Impact (FONSI). Construction of the project is scheduled to begin in June 2020. The District position is that the District has prior rights at the well site and any loss associated with construction of the overpass must be borne by the City. The District's staff has been providing comments and design input to the City since 2015 in order to reduce negative impacts on the PTP system. The District is in support of the Project, however, has not identified any legal authority based on which the City would demand the District to pay for a relocation cost that could potentially be several million dollars. The District's consultant Kennedy/Jenks has provided preliminary cost estimates for two relocation options identified by the City. The estimates including engineering design, construction and easement acquisition range from 4.2 to 4.5 million dollars. The PTP system is critical in managing local groundwater resources and mitigating seawater intrusion to the Oxnard Plain that benefits the local communities.

- *PTP Turnout Metering System (CIP Project # 8022)* – 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 began in April 2018; 11 of the 62 units have been installed. Phase 2, which consists of 15 meter systems, was released for production and delivery. There are currently right-of-way issues that need to be resolved before proceeding with the remaining 51 meters. In April 2018, the District hired Jensen Design & Survey to assist with the acquisition of utility easements at existing PTP system turnouts and work is currently underway.
- *District Pumping & Sequencing (CIP Project # 8017)* - This project is now complete. The Final 40% incentive payment that was under review by representatives from California Public Utilities Commission (CPUC) and Southern California Edison (SCE) has been released.
- *Day Use Pavilion Rehab (CIP Project # 8011)* – 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 as an in-house maintenance project utilizing United and

concessionaire personnel. Construction will be phased and tentatively scheduled for early to mid-2019.

- *Quagga Decontamination Station (CIP Project # 8008)* – 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 addition to the decontamination station, staff is considering constructing a boat and watercraft quarantine storage compound.
- *Pothole Trailhead (CIP Project # 8023)* – 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 US Forest Service (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 had 30 days to submit comments. The District is proceeding with environmental clearance and the final project design. The Negative Mitigated Declaration (NMD) was released for public review in May 2018. After the public comment period had ended, the Board of Directors adopted the Notice of Determination (NOD) approving the NMD on July 11, 2018. A professional services contract for the parking lot design was awarded in June 2018. It appears that the County requires the District to go through the Conditional Use Permit (CUP) modification process tied to the other vault toilets at the lake. The District's consultant, Phoenix Civil Engineering, Inc. is working on scheduling a meeting with Ventura County Planning and the District to discuss the permitting process. Construction could begin by September 2019 after bird nesting season.
- *Juan Fernandez Day Use (CIP Project # 8013)* – 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 Article 412 of the FERC license for Santa Felicia Dam project. The FERC license compliance division has requested that the RMP be revised and resubmitted with a license amendment. The recreation management plan assessed the public need to install these additional facilities and is recommending alternative improvements that are less costly and more appropriate. The license amendment application and the RMP were submitted to the FERC on September 20, 2018. There is no current timeline for the FERC response. In October 2018, United Board of Directors adopted the RMP.
- *New Headquarters (CIP Project # 8024)* – In February of 2016 a needs assessment was presented to the Board which studied the District's current facilities' (Main office and EPCD leased space) ability to accommodate the needs of United. Based on the results of the survey, the Board gave direction to seek alternative headquarters sites and expansion options. In August of 2018, the District purchased the property located at 1701 Lombard St. in Oxnard, CA. Approximately two thirds of the roughly 29,000 square foot building will be utilized for District purposes, with the remaining amount set aside for common area and rental space. The District



has contracted, and began engagement with, Roesling Nakamura Terada Architects, Inc. to provide architectural services for space planning. The District will move into the new building in summer 2019.

- *Recycled Water Program (CIP Project # 8020)* – This project is for the distribution and use of recycled water for the purposes of groundwater recharge in the District’s Saticoy basins and direct use by agricultural customers of the Pumping Trough Pipeline (PTP) and Pleasant Valley County Water District (PVCWD). The District prepared an engineering report for the permitting of the PTP system and received conditional approval from the Los Angeles Regional Water Quality Control Board (LA RWQCB) on October 6, 2017. The District is currently in the process of addressing the LA RWQCB’s conditions that includes the removal of twenty-two (22) known cross-connections. To date, four (4) of the known cross-connections have been removed by customers. Additionally, cross-connection testing is underway for dual-plumbed properties without known cross-connections. For spreading and recharge of recycled water in the Saticoy basins, a Groundwater Replenishment Reuse Project (G.R.R.P.) permit is required with the LA RWQCB. The District’s engineering consultant prepared an Alternatives Analysis and Feasibility Study in March 2017 to evaluate potential pipeline conveyances for recycled water. Additionally, an initial study and mitigated negative declaration was prepared in accordance with the California Environmental Quality Act. The District presented a proposal to the City of Oxnard in July 2017 to construct a pipeline that would utilize all of its recycled water. Acceptance of the proposal is dependent on the City of Oxnard’s findings from the preparation of its Recycled Water Business Plan. The City of Oxnard is planning to solicit the second phase of the Hueneme Road Pipeline project for construction bids sometime in 2019. The District is exploring the possibility of a pipeline interconnection between PVCWD and the PTP system for the conveyance of recycled water.
- *Day Use Restroom Rehab (CIP Project # 8012)* – 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 Project (CIP Project # 8025)* – 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 is committed to fund 30 percent of the study. The alignment study was completed in November 2017. As part of the CEQA preparation, the Draft Environmental Impact Report (DEIR) was scheduled to be completed by the end of the 2018 calendar year. Staff provided comments on the 2nd administrative DEIR in December 2018. The Draft EIR release date for public review is expected to be announced in January 2019. The primary burden for the design and construction

will be borne by the City of Ventura and Calleguas MWD. If the project is determined to be feasible by the four agencies, construction could begin within four years.

- *Alternative Supply Assurance Supply Pipeline (CIP Project # 8030)* - The District is evaluating conveyance and delivery options of available surplus or purchased water from the State Water Project (SWP) from Lake Piru to United's service area. Civiltec Engineering Inc. was retained to evaluate potential pipeline alignments and capacities and prepare estimated construction costs for at least two water deliveries and storage scenarios along the Santa Clara River. Staff completed preliminary evaluation of improving conveyance of SWP water along the Santa Clara River Valley to the Freeman Diversion, and developed models to support feasibility of the project and evaluated alternatives most beneficiary to the stakeholders, recharge of groundwater basins and surface water delivery to PTP and PV systems. A concept level cost estimate for a preliminary pipeline alignment is in order of \$100 million. Staff presented the results to the Planning Committee on December 20, 2018.

### **CASH POSITION AND INVESTMENTS OF THE DISTRICT**

As of December 31, 2018, the District had a total of \$26.8 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:

	<b>Dec 31, 2018</b>	<b>Dec 31, 2017</b>
Local Agency Investment Fund (LAIF)	\$ 24,832,306	\$ 14,799,420
Ventura County Investment Pool	\$ 1,488	\$ 9,000,000
Union Bank – 2009 COP Reserve Account	\$ 852,779	\$ 864,182
Union Bank – 2001, 2005 Account Balances	\$ 681	\$ 232
Union Bank Checking Account (UB)	\$ 0	\$ 3,920,272
Bank of the Sierra Checking Account	\$ 1,095,785	\$ 0
County Treasury	\$ 50,512	\$ 60,636
Petty Cash	\$ 400	\$ 450
<b>Total</b>	<b>\$ 26,833,950</b>	<b>\$ 28,645,192</b>

Approximately \$853,000 is held by Union Bank as trustee which is held in reserve for future debt payments. Any restrictions on the remaining \$26 million are listed in this report.

The Local Agency Investment Fund (LAIF), Ventura County Investment Pool (VCIP), and operating checking account balance decreases of \$1.8 million in December 2018, as compared to December 2017, is primarily the result of the New Headquarters purchase.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Anthony Emmert', with a stylized flourish at the end.

Anthony Emmert, Assistant General Manager

## FY 2018-19 Second Quarter Financial Review

July 1, 2018 through December 31, 2018

50% 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 second quarter of FY 2018-19 was \$2,683,510 which is \$349,914 (15%) more than the projected figure of \$2,333,596. Primary reasons for this over-budget include increased earnings on investment (\$153K), property tax revenue (\$108K), and rents & leases (\$157K), much of which is a \$94K buy-out by Workright Uniform. Partially offsetting this is under-budget groundwater (\$58K) chiefly due to adjustments to revenue from FY 2017-18.

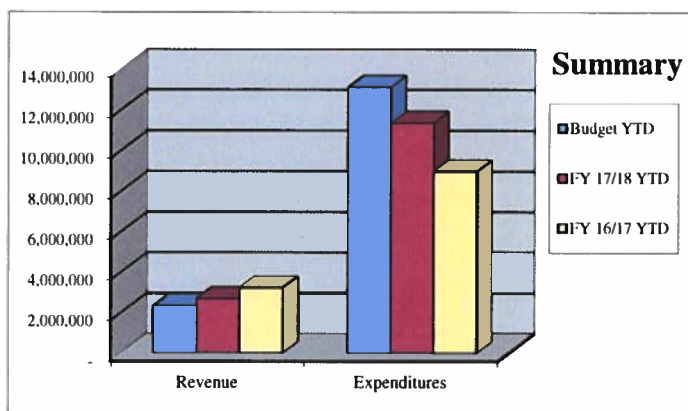
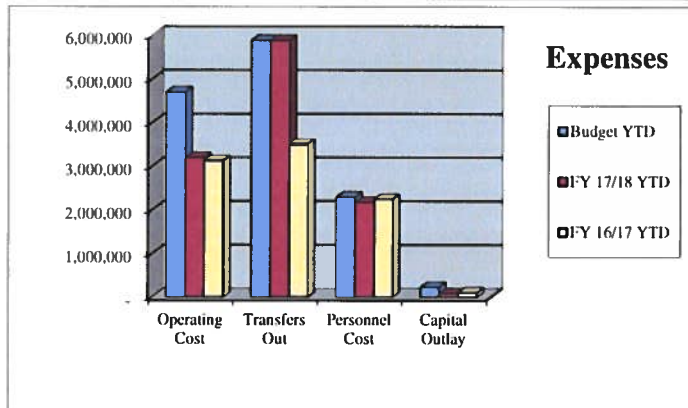
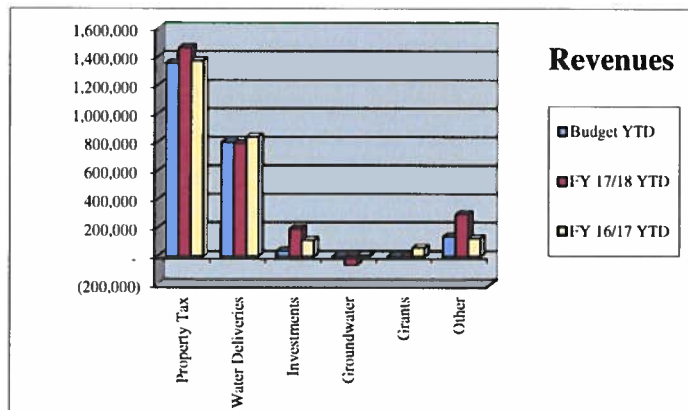
Compared to last year, total revenue through the second quarter was lower by \$511,714 (16%) from the FY 17-18 total of \$3,195,224. This decrease is attributable primarily to transfers-in (\$674K) from the CIP fund last year as a result of a fund reconciliation. Water delivery revenue (\$47K), grant revenue for the patrol boat (\$61K) and groundwater adjustments (\$56K) also contributed to the decreased revenue. Offsetting the decrease were higher investment earnings (\$80K), property tax revenue (\$93K), lease income at the new headquarters (\$168K). OH pipeline deliveries were down 370 (6%) acre-feet and PT pipeline deliveries were down 712 (20%) acre-feet from FY 2017-18, although water deliver revenue was down only 6%.

**Appropriation/Expenditure Status** – Expenditures through the second quarter of FY 2018-19 totaled \$11,334,656 or \$1,760,447 (13%) lower than the projected \$13,095,103. Professional and legal fees (\$584K) related to the Fish Passage, Quagga, FERC improvements, HCP, GW Model, along with an under-expenditure for PMC operations account for most of this variance, with \$575K carried over from FY 2017-18. Most of the under-expenditure is due to timing issues as there are \$790K in encumbrances. Additionally, staff will be requesting a decrease in budgeted fees for PMC operations. Other timing variances due to budgeting being done on a monthly average basis include maintenance costs (\$135K) and capital outlays for the fish passage (\$137K). Overhead costs (\$260K) also were under-expended, although this also is a timing issue. The budget was increased by \$405K at the first quarter review for organizational restructuring and previously approved and proposed increases and much of the work has not yet begun. Staff anticipates these timing issues to resolve themselves by year-end. Open positions in EPCD also accounted for a lower salary cost (\$137K).

Compared to last year, current year expenditures through the second quarter are higher by \$2,386,112 (27%). Higher transfers-out (\$2.4M) to CIP projects in FY 2018-19 is the primary reason for this increase. The New Headquarters (\$3.1M) accounting for the bulk of it with other projects partially offsetting the New Headquarters. Overhead costs (\$168K) also have run higher in FY 2018-19 over last year. Helping to offset these increases were savings for professional fees (\$151K), due to lower PMC operating costs and lower costs for Quagga eradication, and staffing costs (\$64K) primarily due to open positions in EPCD.

**Fund Balance**– The beginning fund balance was approximately \$4,504,898 higher than anticipated, of which \$950,646 is designated for prior year carry-overs, netting a \$3,554,252 higher balance than projected. Assuming FY 2018-19 activity is consistent with the approved budget and recommended revisions, the ending undesignated working capital balance for the fund should be approximately \$12,866,414, of which \$7,185,156 is undesignated.

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



## FY 2018-19 Second Quarter Financial Review

July 1, 2018 through December 31, 2018

50% of Fiscal Year Completed

### Recreation Activities

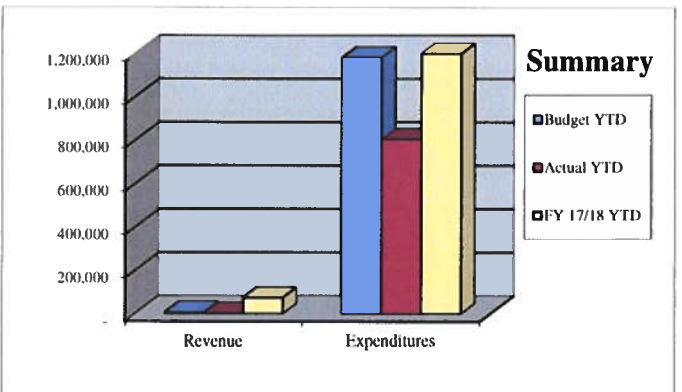
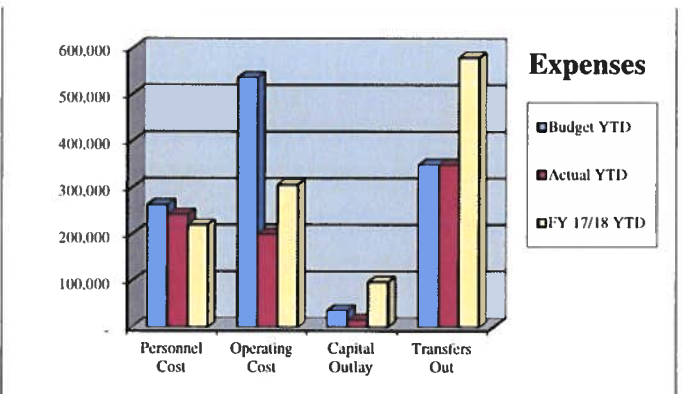
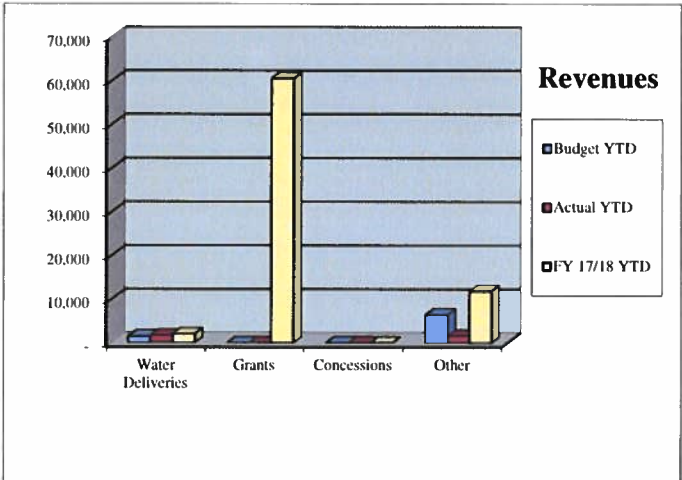
*Recreation Activities accounts for all of the recreation activities at the Lake Piru Recreation Area. Recreation activities are provided to comply with FERC license requirements for operating the Santa Felicia Dam, which has a District-Wide benefit. Revenues include ad valorem property taxes, rents 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 second quarter of FY 2018-19 was \$3,322, which is \$4,624 (58%) lower than the \$7,947 projected. This is due primarily to lower filming revenues than budgeted.

Compared to last year, current year revenue through the second quarter was \$70,918 lower. This is primarily due to grant revenues of \$60,500 in FY 2017-18 for a new patrol boat with lower filming revenues accounting for the balance.

**Appropriation/Expenditure Status** – Expenditures through the second quarter of FY 2018-19 were \$805,832, which was \$376,367 (32%) lower than the budget projection of \$1,181,749. The primary under-expenditure was in areas budgeted as monthly averages whereas expenditures occur throughout the year. An under-expenditure for PMC operations (\$244K) is a combination of timing and of lower than anticipated expenses. Current expenses through December are \$120K and staff is waiting for a revised billing reflecting a carryover credit from FY 2017-18. Maintenance (\$42K), capital outlays (\$20K), and overhead costs (\$16K) are under budget due to timing issues. Personnel costs (\$21K) also came in under budget. Salaries and benefits for CIP and maintenance projects (\$27K) are timing issues while overtime pay (\$12K) has been cut back substantially. Staff anticipates most timing under-expenditures to catch up by year end, and will be requesting a reduction in budgeted professional fees to reflect reduced expenditures to PMC.

Compared to last year, current second quarter expenditures for the Recreation Fund were \$392,480 (33%) lower than the \$1,197,862 expended in FY 2017-18. The lower costs consist primarily of transfers out (\$229K), which funded multiple Capital Improvement projects, capital outlays (\$81K) for a new patrol boat, and professional fees (\$104K) for payments made to PMC in December, 2017.





## FY 2018-19 Second Quarter Financial Review

July 1, 2018 through December 31, 2018

50% 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 second quarter of FY 2018-19 was \$497,896, which is \$28,168 (6%) higher than the budget projection of \$469,729. This is largely due to higher than projected earnings on investments (\$50K) and lease revenues (\$19K). These are partially offset by lower water delivery revenue (\$6K) and adjustments to groundwater revenue (\$31K).

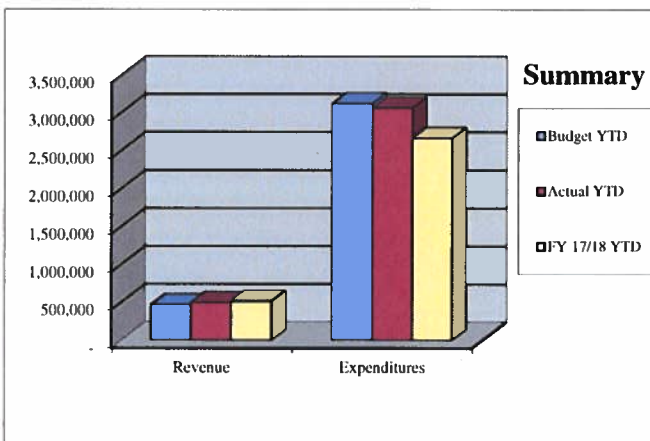
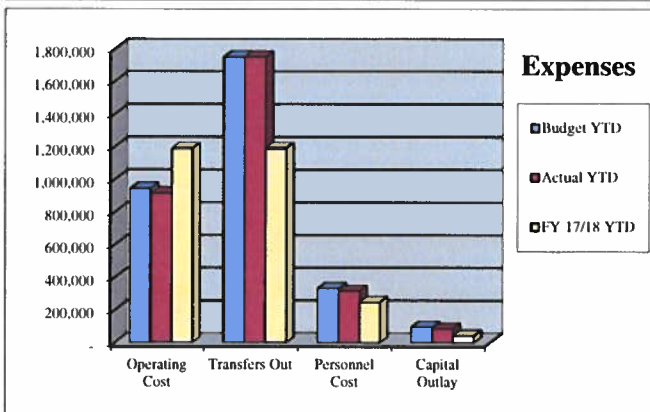
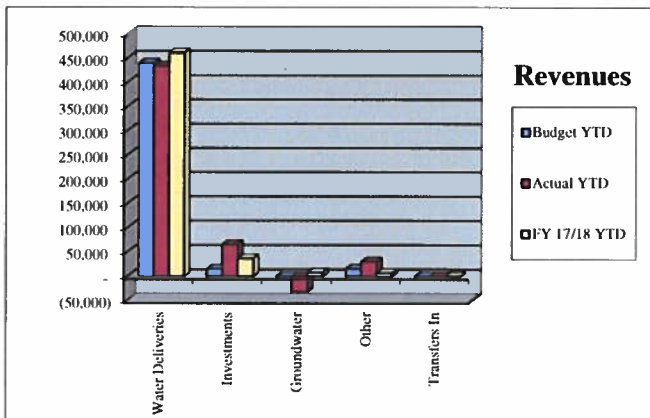
Compared to last year, current year revenues for the same period decreased \$13,130 (3%). This decrease is primarily due to decreased water delivery revenue (\$26K) and groundwater revenue (\$39K). These decreases are partially offset by a increased investment earnings (\$29K) and lease income from the new headquarters (\$30K).

**Appropriation/Expenditure Status** – Expenditures through the second quarter of FY 2018-19 in the Freeman Fund totaled \$3,061,505 which is \$57,298 (2%) lower than the budget projection of \$3,118,803. This is largely due to the timing of expenditures for overhead (\$69K) and maintenance costs (\$34K) which are running under budget so far this fiscal year. Offsetting these are higher contractual fees (\$60K) related to HCP, CEQA and NEPA, and legal fees related to the Wishtoyo litigation. Due to the increasing level of expenditures for Wishtoyo litigation, staff is considering a request for a further appropriation for legal fees using current designations for legal services.

Compared to last year, expenditures for the same period were \$400,028 (15%) higher. This is largely due to transfers-out (\$562K), particularly for the New Headquarters (\$780K) and Freeman Rehab (\$550K) projects. Personnel costs (\$69K), maintenance (\$46K) and overhead costs (\$41K) were also higher than FY 2017-18. This increase was due to greater time devoted to Freeman-related issues. The higher expenditures were partially offset by lower professional fees (\$333K) and capital outlays (\$40K). Legal costs for the Wishtoyo litigation ran \$503K higher the first half of FY 2017-18 compared to the first half of FY 2018-19.

**Working Capital** – The beginning working capital balance was approximately \$635,043 higher than anticipated. Additionally, \$522,466 is designated for prior year carryovers netting a \$112,577 higher balance than projected. Assuming FY 2018-19 activity is consistent with the approved budget and recommended revisions, the ending working capital balance for the fund should be approximately \$1,311,596 of which \$886,596 is undesignated.

The District's reserve policy requires an undesignated balance of between \$800,000 and \$1,000,000 for this fund, which is projected to be met.



## FY 2018-19 Second Quarter Financial Review

July 1, 2018 through December 31, 2018

50% 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 second quarter of FY 2018-19 totaled \$2,181,181, which is \$2,029,260 (48%) lower than the \$4,210,441 projected. The primary reason for this was lower financing proceeds (\$2M). UWCD anticipated issuing debt to finance the Iron/Manganese project which has produced a \$2M shortfall to budgeted revenue. Staff will be requesting a budget reduction since construction will not begin until well into FY 2019-20. Water deliveries were also lower by \$75K (4%), which is 344 acre-feet (6%) lower than the 5,600 acre-feet budgeted. Slightly offsetting the decrease were higher investment earnings (\$34K).

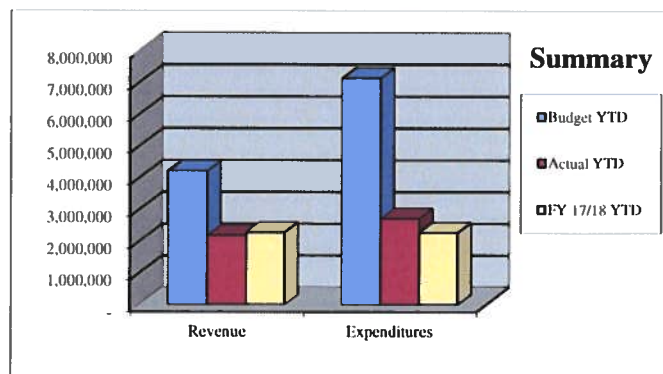
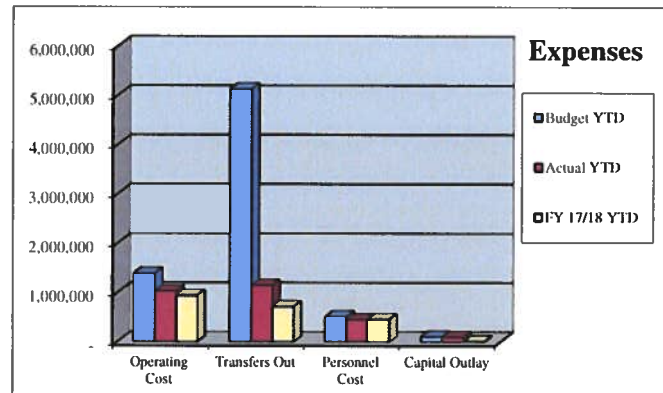
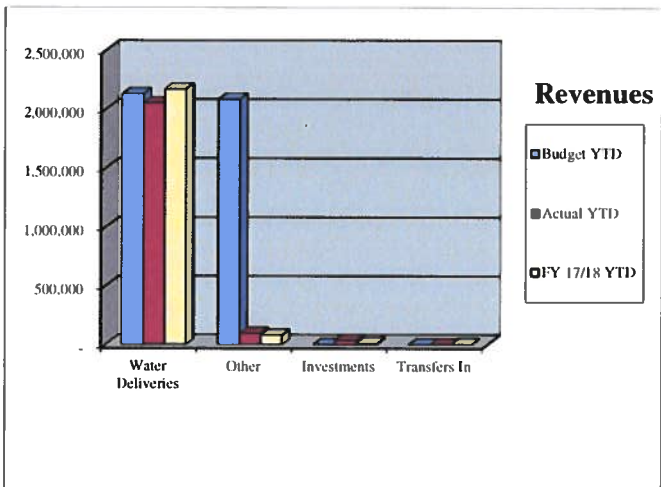
Compared to last year, total OH Pipeline Fund revenues decreased by \$87,657 (4%). Pipeline deliveries in FY 2018-19 were 370 (7%) acre-feet lower than last year's figure of 5,626 acre-feet, reducing revenue by \$116K (5%). Helping to offset the decrease were higher earnings on investments (\$22K) and lease income (\$24K) at the new headquarters.

**Appropriation/Expenditure Status** – Total expenditures through the second quarter of FY 2018-19 were \$2,714,153, which is \$4,416,037 (62%) lower than the projection of \$7,130,190. The primary under-expenditure is for transfers-out for financing for the Iron/Manganese project. Once again, staff will be requesting this be reduced from the budget for FY 2018-19. Other under-expenditures are primarily budgeting timing issues. Budgeting for professional services (\$25K) and maintenance costs (\$48K) is based on monthly averages, whereas actual monthly expenditures occur at different intervals. Staff expects these expenditures to catch up as the year progresses. Fox Canyon (\$79K) has no activity through the period but is expected to catch up in the third quarter as payment is due at the end of February. Utility (\$93K) and overhead costs (\$64K) were also lower than budget projections. Both, however, have a tendency to be lower in the first quarter and higher in the fourth quarter due to end of year accruals. Personnel costs (\$64K) have been running lower year to date, chiefly due to labor being used more extensively on the PTP Metering project.

Compared to last year, current year expenditures in the second quarter for the OH Pipeline Fund were \$620,984 (30%) higher. Transfers-out (\$438K) were the primary increase due to the new headquarters (\$749K). Other increases included capital outlays (\$85K) for OH Well #11 rehab, heavier maintenance costs (\$79K) on the OH pipeline, emergency callouts, and other issues, and overhead costs (\$37K).

**Working Capital** – The beginning working capital was approximately \$870,756 more than anticipated, with \$78,271 designated for prior year carryovers, netting a \$792,485 higher balance than projected. Assuming FY 2018-19 activity is consistent with the approved budget and requested modifications, the ending working capital balance for the fund should be \$1,888,537 all of which is undesignated.

The District's calculated reserve policy requires a \$1,077,720 undesignated balance for this fund which is expected to be met.





## FY 2018-19 Second Quarter Financial Review

July 1, 2018 through December 31, 2018

50% 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 second quarter of FY 2018-19 was \$175,213, which is \$10,523 (6%) higher than the budgeted 164,690. This is primarily due to higher earnings on investment (\$6K) as well as rents and leases (\$4K).

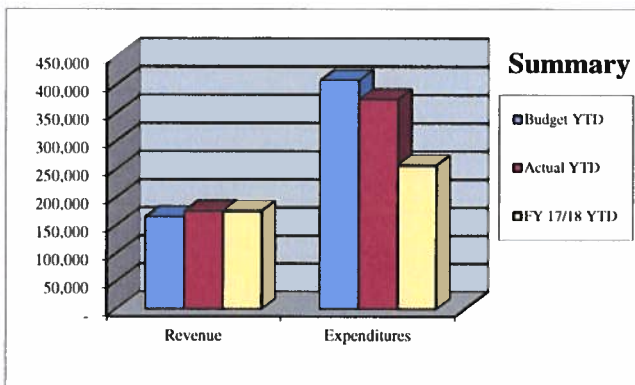
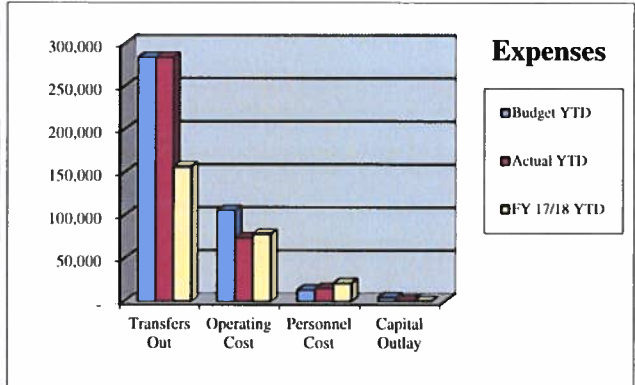
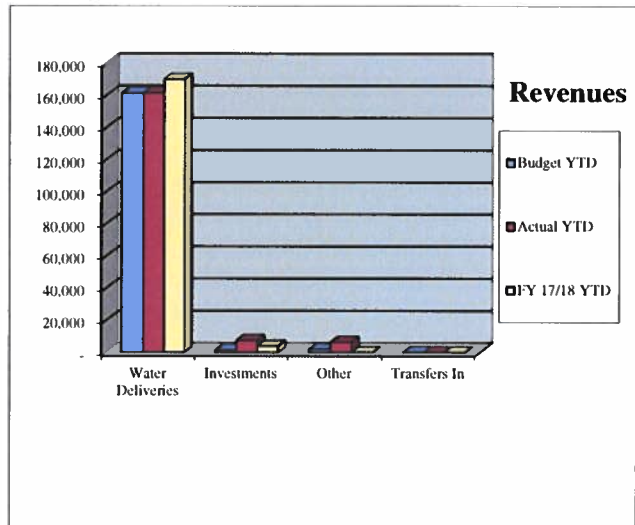
Current year second quarter revenue was \$1,272 (1%) higher than prior year revenue of \$173,941. Water deliveries (\$8K) were lower but were offset by higher earnings on investment (\$3K) and rents and leases (\$6K). The variance in rents and leases from the current year is entirely due to the purchase of the new headquarters building, now bringing in rent revenue.

**Appropriation/Expenditure Status** – The total expenditures through the second quarter of FY 2018-19 were \$374,017 which was \$33,484 (8%) below the \$407,501 budget projection. Under-expenditures included maintenance (\$16K) and overhead costs (\$14K) which are primarily a timing issue.

Compared to last year, current year expenditures through the second quarter for the PVP Fund were higher by \$118,062 (46%). The significant variance is due to funding for the new headquarters (\$155K) which was partially offset by lower personnel costs (\$6K) and operating expenditures (\$4K).

**Working Capital** – The beginning working capital balance was approximately \$69,921 higher than anticipated, of which \$14,199 is designated for prior year carryovers, netting a \$55,722 higher balance than projected. Assuming FY 2018-19 activity is consistent with the approved budget, the ending working capital balance for the fund should be \$313,424 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 met.





## FY 2018-19 Second Quarter Financial Review

July 1, 2018 through December 31, 2018

50% 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 second quarter of FY 2018-19, \$1,094,494 in revenue was received, which is \$445,772 (29%) less than the budget projection of \$1,540,266. Budgeted PTP grant funds (\$339K) for PTP metering and Rice Overpass projects have not been received as grants are not paid until expenditures are made. Additionally, UWCD was anticipating issuing debt to finance the PTP Turnout Metering project which has produced a \$215K shortfall to budgeted revenue. Helping to offset these under-revenues was water delivery revenue. Over the first six months, water deliveries were higher by 214 acre-feet, or \$91K (9%) greater than projected.

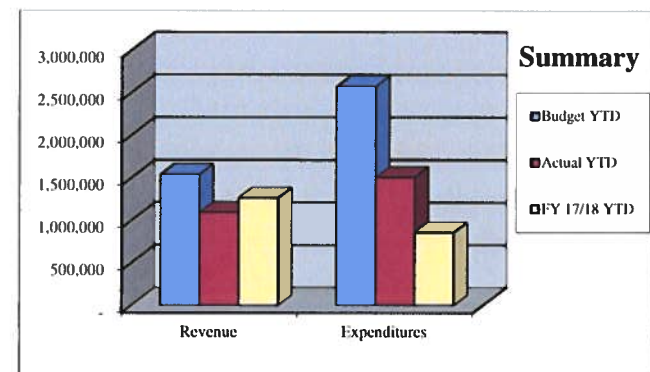
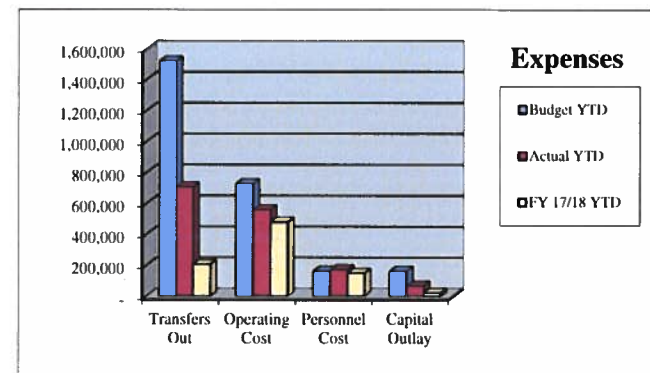
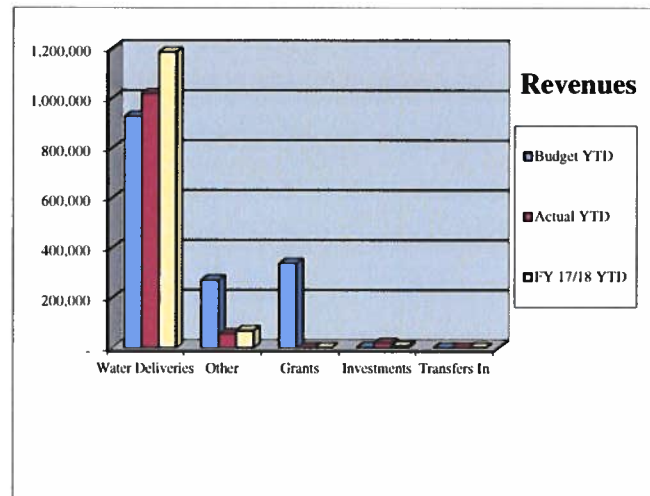
Compared to last year, total revenues through the second quarter were \$166,969 (13%) lower, primarily attributed to lower water deliveries (\$167K) of 712 acre-feet (20%). Other decreases included not receiving additional rebates from SCE (\$23K) and lower Fox Canyon revenue (\$9K) due to the lower water deliveries. These decreases were partially offset by an increase in rent revenue (\$19K) and investment earnings (\$11K).

**Appropriation/Expenditure Status** – As of the second quarter of FY 2018-19, a total of \$1,506,645 was expended in the PTP Fund, which was \$1,066,218 (41%) lower than the budget projection of \$2,572,864. This was primarily due to lower transfers out (\$811K) related to funding for the Rice Avenue Overpass and PTP Metering project. Transfers out to those projects consist of grant funding, reimbursements and debt proceeds, which will be transferred out to the CIP fund as revenues are received. Under-expenditures due to timing issues were maintenance costs (\$61K), capital outlay for the PTP Well #1 rehab (\$96K), utilities (\$12K), Fox Canyon expenses (\$32K), and contractual services (\$20K). Partially offsetting the under-expenditures were benefit costs (\$12K) for unfunded pension liabilities paid in July but budgeted throughout the year.

Compared to last year, current year second quarter expenditures for the PTP Fund increased \$652,035 (76%) from \$854,610. This increase was primarily due to a \$502K increase in transfers-out to CIP projects due to the new headquarters. Capital Outlays (\$46K) for structure and improvement projects also increased, along with personnel costs (\$24K), maintenance expenses (\$40K), and overhead cost (\$32K).

**Working Capital** – The beginning working capital balance was approximately \$321,267 higher than anticipated. Additionally, \$109,353 is designated for prior year carryovers, netting a \$211,914 higher balance than projected. Assuming FY 2018-19 activity is consistent with the approved budget, the expected ending working capital balance for the fund should be \$441,062, all of which is undesignated.

The District's reserve policy requires between \$250,000 and \$300,000 undesignated balance for this fund, which is projected to be exceeded.



## FY 2018-19 Second Quarter Financial Review

July 1, 2018 through December 31, 2018

50% 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 through the second quarter of FY 2018-19 was \$1,476,066 which is \$378,855 (34%) higher than the \$1,097,211 projected. This was primarily due to property taxes received which were higher by \$348K along with an increase in investment earnings (\$27K). Typically, about 60% of secured property taxes are received in December, so staff expects the over-budget revenues to level out by year-end.

Compared to last year, current year revenue received for the second quarter is \$64,568 (5%) higher than the \$1,411,498 received in FY 2017-18. This was primarily due to an increase in property taxes (\$40K) along with an increase in investment earnings (\$22K).

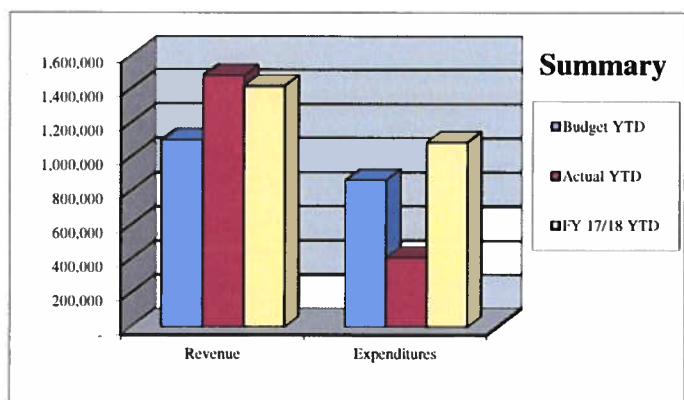
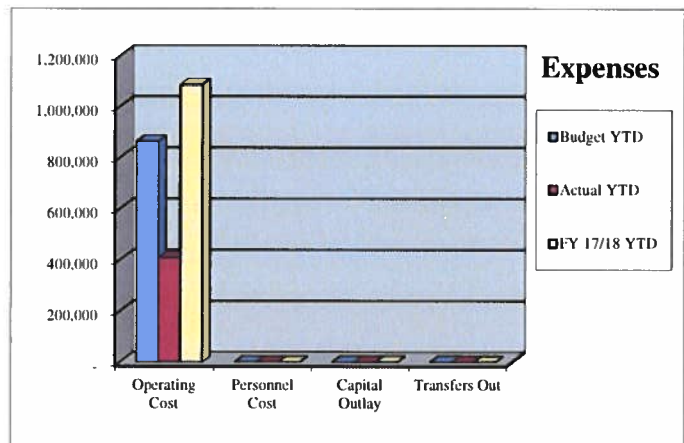
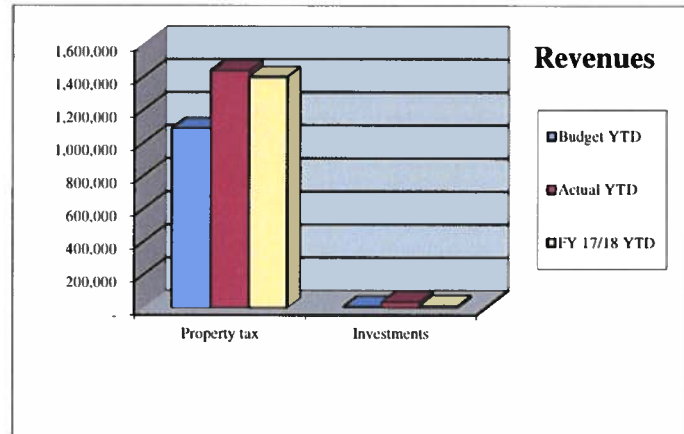
The primary revenue source for the fund, a voter approved property tax assessment, is largely received in December/January and April of each fiscal year. The amount received depends on the amount requested by the District each year, which is based on projected revenues and expenditures in the State Water 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 FY 2018-19 were \$408,251 which is \$454,189 (53%) less than the expected \$862,440. This was due to under-expenditures of variable state water imports (\$455K) which are budgeted on a monthly average basis. Whether expenditures catch up later in the fiscal year depends upon the allocation to be received and the timing of the allocation.

Compared to last year, current year expenditures were \$674,974 (62%) lower. This was due primarily to the purchase of Article 21 water (\$642K) 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 \$1,316,289 higher than anticipated. Assuming FY 2018-19 activity is consistent with the approved budget, the ending balance for the fund should be approximately \$3,155,317.

The District's reserve policy requires a \$1,606,211 minimum undesignated fund balance for this fund, which is expected to be met.



## FY 2018-19 Second Quarter Financial Review

July 1, 2018 through December 31, 2018

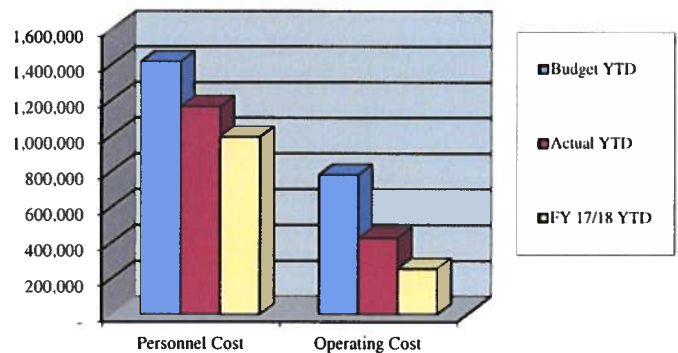
50% of Fiscal Year Completed

### 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.*

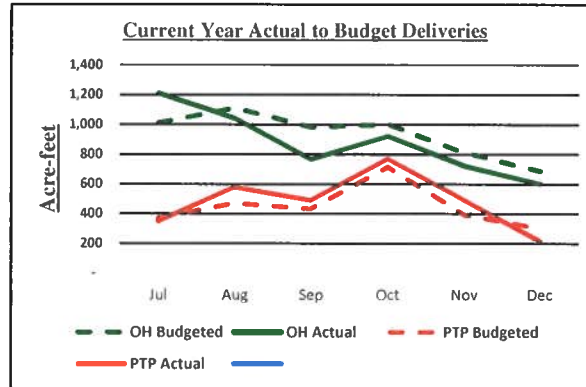
**Appropriation/Expenditure Status** – As of the end of the second quarter of FY 2018-19, a total of \$1,592,536 was expended in the Overhead Fund, which was \$606,131 (28%) lower than the budget projection of \$2,198,667. This was primarily the result of lower than expected expenditures for personnel costs (\$252K), professional fees (\$272K), and office expenses (\$29K). Lower personnel costs were chiefly due to the unfilled CFO, HR Manager, and Controller positions. Professional services are largely encumbered and have seen budget increases for recruitment of management personnel. It is believed these expenditures will catch up as invoices are received for budgeted services.

Compared to last year, current year second quarter expenditures for the Overhead Fund increased by \$279,736 (21%). Variances of note were an increase in personnel costs (\$172K) due to an employee severance package and several cash outs and professional fees (\$151K) which were predominantly legal costs. This was partially offset by lower capital outlays (\$65K) due to a dell server purchase last fiscal year.

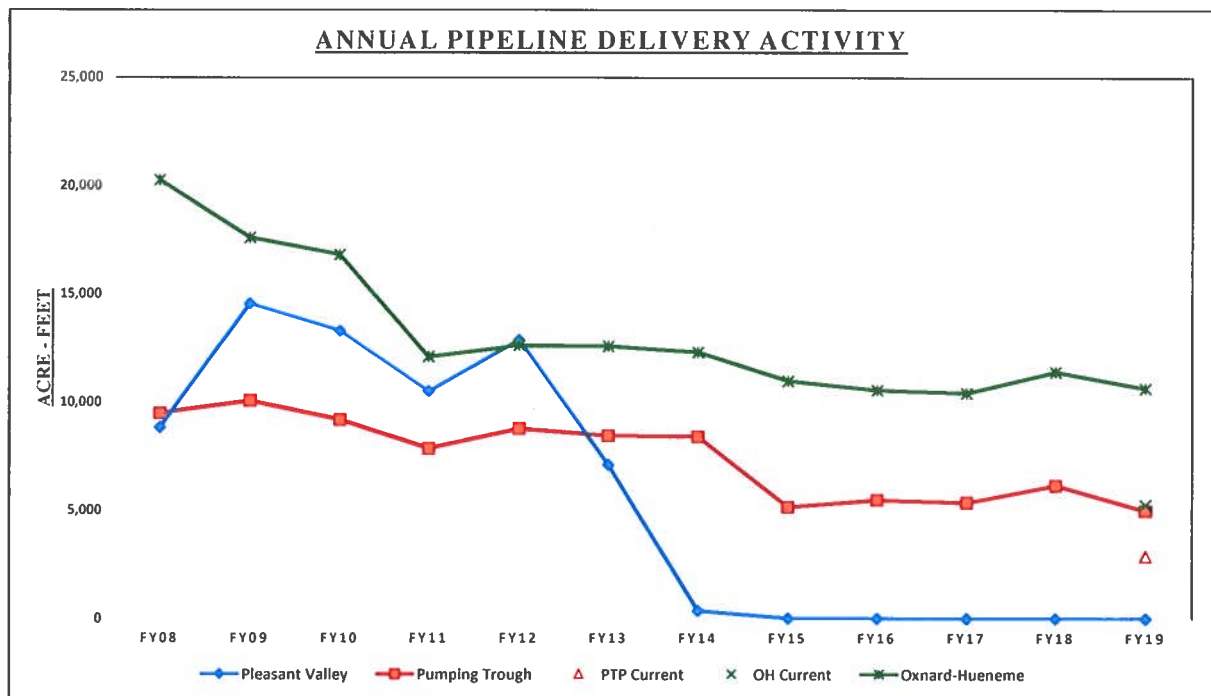


**United Water Conservation District  
Pipeline Water Deliveries (Acre-feet)  
FY 2018-19 data thru December 30, 2018**

OH Pipeline 2018-19			
	Projection	Actual	Difference
Jul	1,010	1,211	201
Aug	1,110	1,042	(68)
Sep	980	765	(215)
Oct	1,000	918	(82)
Nov	810	720	(90)
Dec	690	600	(90)
Jan	800		(800)
Feb	740		(740)
Mar	790		(790)
Apr	900		(900)
May	970		(970)
Jun	840		(840)
Totals	10,640	5,256	(5,384)
YTD	5,600	5,256	(344)



PT Pipeline 2018-19			
	Projection	Actual	Difference
	370	349	(21)
	470	577	107
	430	489	59
	710	767	57
	390	488	98
	300	214	(86)
	250		(250)
	250		(250)
	330		(330)
	490		(490)
	520		(520)
	490		(490)
	5,000	2,884	(2,116)
	2,670	2,884	214



*United Water Conservation District*

**CURRENTLY APPROPRIATED CAPITAL IMPROVEMENT PROJECT PLAN**

**FY 2018-19 Available Appropriations as of December 31, 2018**

Total							Appropriations			Expended and Encumbered			% of Total	Remaining	
							Total Approp	Suppl	Total	Total as	Current	Total	Est Project	Remaining	
Project Description	Fund #	Proj #	1st Budget Year	1st Activity Date	Expected End Year	Class	Approved thru FY 18-19	Approp FY 18-19	Approp to Date	of 6/30/18	FY 18-19	to date	costs spent to date	FY 18-19	
Well Replacement Program Well #18	452	8000	2015-16	08/06/15	2021	I	831,854		831,854	631,078	1,056	632,134	37.52%	199,720	
Freeman Diversion Rehab	421	8001	2009-10	03/23/11	2023+	II&IV	6,319,428		6,319,428	2,265,466	392,516	2,657,982	6.46%	3,661,446	
SFD Outlet Works Rehab		8002	2007-08	04/20/11	2023+	I&II	3,778,106		3,778,106	1,680,582	246,726	1,927,308	2.84%	1,850,798	
SFD PMF Containment		8003	2008-09	06/22/09	2023+	II	2,765,334		2,765,334	1,343,150	332,308	1,675,458	5.66%	1,089,877	
SFD Sediment Management		8005	2013-14	05/28/14	2020	II	144,954		144,954	60,113	-	60,113	39.11%	84,841	
Lower River Invasive Species Contro	471	8006	2015-16	08/06/15	2023+	IV	860,852		860,852	124,791	354	125,144	0.85%	735,708	
OHP Iron and Manganese Treatmen	451	8007	2015-16	08/06/15	2020	III	2,146,784		2,146,784	114,436	688,195	802,631	15.85%	1,344,153	
Quagga Decontamination Station		8008	2016-17	06/23/17	2019	II	289,050		289,050	826	210	1,036	0.36%	288,014	
Park Service Officer Facility Replace		8009	2012-13	06/18/13	2019	I	777,485		777,485	504,673	211,557	716,230	92.12%	61,255	
Lake Piru Asphalt Repairs		8010	2010-11	02/17/11	2021	I	1,511,528		1,511,528	1,115,419	-	1,115,419	61.03%	396,109	
Day Use Pavillion Rehab		8011	2016-17	08/18/17	2019	I	237,679		237,679	9,281	-	9,281	3.90%	228,398	
Day Use Restroom Rehab		8012	2016-17		2019	I	55,419		55,419	-	-	-	0.00%	55,419	
Juan Fernandez Day Use		8013	2016-17	06/30/17	2020	I	123,429		123,429	43,381	23,236	66,617	26.82%	56,812	
Solar Project - Piru	451	8014	2015-16	01/04/16	2019	II	96,213		96,213	40,074	-	40,074	41.65%	56,139	
Saltcoy Shop Replacement Building		8015	2007-08	02/03/11	2019	II	1,637,139		1,647,688	1,550,786	88	1,550,874	94.73%	96,814	
Ferro-Rose Recharge		8018	2006-07	03/23/07	2021	III	3,446,577		1,896,577	1,099,994	6,612	1,106,606	32.11%	789,971	
Brackish Water Treatment		8019	2015-16	07/08/15	2019	III	53,010		53,010	7,103	210	7,313	13.80%	45,697	
Recycled Water Program	420	8020	2016-17	10/00/16	2023+	III	1,834,013		1,594,013	353,223	55,750	408,973	22.30%	1,185,040	
Rice Ave Overpass PTP	471	8021	2016-17	08/17/18	2019	II	315,163		315,163	-	31,867	31,867	10.11%	283,296	
PTP Turnout Metering System	471	8022	2016-17	03/10/17	2019	I	1,387,323		1,387,323	233,196	330,260	563,455	40.61%	823,868	
Pothole Trailhead		8023	2016-17	02/14/17	2019	I	200,701		200,701	51,723	25,905	77,628	38.68%	123,073	
New Headquarters		8024	2016-17	08/04/17	2019	II	8,000,000		7,300,000	42,265	5,985,640	6,027,905	75.35%	1,272,095	
State Water Interconnection Project		8025	2016-17	06/15/17	2022	II	1,496,444		741,444	127,569	83,787	211,356	14.12%	530,088	
Lower Piru Creek Habitat		8026	2017-18		2020	IV	635,525		425,526	-	-	-	0.00%	425,526	
EI Rio Asphalt Repairs	451	8029	2017-18	04/10/18	2019	I	89,795		89,795	1,189	78,393	79,582	88.63%	10,213	
Alternative Supply Alliance Pipeline		8030	2018-19	06/08/18	2019	II	308,753		308,753	8,753	36,714	45,467	14.73%	263,286	
SFD Spillway Floor Repair		8031	2018-19		2019	I	82,516		82,516	-	-	-	0.00%	82,516	
TOTAL AMOUNT PER YEAR							183,341,992	35,980,624	-	35,980,624	11,409,072	8,531,383	19,940,455	10.88%	16,040,169
Class I = Infrastructure Repair or Replacement															
Class II = Structural/Hydraulic Improvement (no yield)															
Class III = Water Resource Improvement															
Class IV = ESA Improvement															




**United Water Conservation District**  
**Monthly Investment Report**  
**December 31, 2018**

<u>Investment Recap</u>	<u>G/L Balance</u>	<u>Weighted Avg Days to Maturity</u>	<u>Diversification Percentage of Total</u>
Bank of the Sierra	1,095,785	1	4.08%
Petty Cash	400	1	0.00%
County Treasury	50,512	1	0.19%
LALF Investments	24,832,306	1	92.53%
VC Investment Pool	1,488	1	0.01%
Union Bank - 2001 revenue bond balance	198	1	0.00%
Union Bank - 2005 revenue bond balance	483	1	0.00%
Union Bank - 2009 COP Bond Reserve Account	852,779	7,471	3.18%
<b>Total Cash, Cash Equivalents and Securities</b>	<b>26,833,950</b>		<b>100.00%</b>
<b>Investment Portfolio w/o Trustee Held Funds</b>	<b>25,980,490</b>		
<b>Trustee Held Funds</b>	<b>853,460</b>		
<b>Total Funds</b>	<b>26,833,950</b>		

<b>Local Agency Investment Fund (LALF)</b>	<b>Beginning Balance</b>	<b>Deposits (Disbursements)</b>	<b>Ending Balance</b>
	23,332,306	1,500,000	24,832,306
	<b>Interest</b>	<b>Interest</b>	<b>Qtrly Yield</b>
	<b>Earned YTD</b>	<b>Received YTD</b>	
	275,740	212,255	2.40%

<b>Ventura County Investment Pool</b>	<b>Beginning Balance</b>	<b>Deposits (Disbursements)</b>	<b>Ending Balance</b>
	26,488	(25,000)	1,488
	<b>Interest</b>	<b>Interest</b>	<b>Qtrly Yield</b>
	<b>Earned YTD</b>	<b>Received YTD</b>	
	12,322	69,769	2.27%

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.

  
Mauricio E. Guardado, Jr., General Manager  
Date Certified 2/5/19

  
Anthony Emmert, Assistant General Manager  
Date Certified 01 FEB 2019

**United Water Conservation District**  
**Cash Position**  
**December 31, 2018**

<b>Fund</b>	<b>Total</b>	<b>Composition</b>	<b>Restrictions/Designations</b>
<b>General/Water Conservation Fund:</b>			
<b>Revenue collected for district operations</b>			
General/Water Conservation	5,612,270	(24,767) 852,779 225,000	Includes General, Rec & Ranger, Water Conservation Reserved for future debt repayment 2009 COP Reserved for legal expenditures
General CIP Funds	6,922,503	4,559,258 6,922,503	Designated for replacement and capital improvements Appropriated for capital projects
<b>Special Revenue Funds:</b>			
<b>Revenue collected for a special purpose</b>			
State Water Project Funds	3,815,113	3,815,113	Procurement of water/rights from state water project
<b>Enterprise Funds:</b>			
<b>Restricted to fund usage</b>			
Freeman Fund	(533,108)	(958,108)	Operations, Debt Service and Capital Projects
Freeman CIP Fund	5,160,875	425,000	Designated for replacement and capital improvements
OH Pipeline Fund	1,921,293	5,160,875	Reserved for legal expenditures
OH CIP Fund	1,028,371	1,921,293	Appropriated for capital projects
OH Pipeline Well Replacement Fund	673,602	1,028,371	Delivery of water to OH customers
PV Pipeline Fund	284,308	673,602	Appropriated for capital projects
PV CIP Fund	348,144	284,308	Well replacement fund
PT Pipeline Fund	608,481	348,144	Delivery of water to PV customers
PT CIP Fund	992,099	608,481	Appropriated for capital projects
PT CIP Fund	992,099	992,099	Delivery of water to PTP customers
PT CIP Fund	992,099	992,099	Appropriated for capital projects
<b>Total District Cash &amp; Investments</b>	<b>26,833,950</b>	<b>26,833,950</b>	

### Benchmark Yields

LAIF	2nd Quarter 2018-19	2.40%
Ventura County Investment Pool	December 31, 2018	2.27%
3mo Treasury Bills	December 31, 2018	2.45%

