



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

General Manager
Mauricio E. Guardado, Jr.

Legal Counsel
David D. Boyer

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
Tuesday, December 8, 2020 – 9:00 A.M.
UWCD Headquarters, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

In addition to its public Finance and Audit Committee Meeting, public members could choose to participate virtually using the Webex video conferencing application.

COMMITTEE MEMBERS PRESENT:

Sheldon G. Berger, Chair
Bruce Dandy
Daniel C. Naumann

STAFF PRESENT:

Mauricio Guardado, General Manager
Anthony Emmert, Assistant General Manager
Joseph Jereb, Chief Financial Officer
Ambry Tibay, Senior Accountant
Josh Perez, Human Resources Manager
Zachary Plummer, Information Technology Administrator
Clayton Strahan, Chief Park Ranger
Jackie Lozano, Administrative Assistant II/Clerk for the Committee

PUBLIC PRESENT:

Burt Handy
Roger Martinez, Vasquez & Company LLP

OPEN SESSION 9:01 A.M.

The meeting was called to order by Chair Berger at 9:01 A.M.

Committee Members Roll Call

The Clerk called roll call. All three Directors were present (Berger, Dandy, Naumann).

1. Public Comment

Chair Berger asked if there were any public comments; none were offered.

2. Approval of November 9, 2020, Finance and Audit Committee Meeting Minutes

Motion to approve the Committee Minutes from November 9, 2020, Director Dandy; Second, Director Berger. Roll call vote, two ayes (Berger, Dandy); none opposed; one abstained, not present during last Committee meeting (Naumann). Motion carried, 2/0/1.



3. Audited Fiscal Year 2019-20 Comprehensive Annual Financial Report (CAFR)

Mr. Jereb introduced Vasquez & Company LLP Partner and Audit Practice Leader Roger Martinez to the Committee. Mr. Martinez provided an overview of their auditing process and summarized the report. The full report as presented was provided in the agenda packet.

Mr. Martinez mentioned the reporting model their company used was in line with all other water districts and water agencies. Their auditing team spent approximately 700 hours auditing the Districts' financial statements following accounting standards and guidelines as set forth by the State of California. For every hour spent, UWCD Finance staff spent at least three hours gathering supporting documentation. Upon their conclusion, Mr. Martinez was pleased to report no findings of authoritative issues to bring forward to management.

Chair Berger expressed his concern regarding Director intervention with reports from the Finance Department and would like to see a process or policy in place that limits any kind of Director intervention, especially from those who are not assigned to the Finance and Audit Committee. Mr. Martinez stated, to his knowledge, there are guidelines and best practices that are currently being used. He also mentioned that designating one individual member of the Board or the Finance Chair to communicate information from the auditors to the Board was not uncommon. There was nothing in the guidelines to say one way or the other. Chair Berger posed the question to General Manager Mauricio Guardado as to drafting a policy for the purpose of clearly defining expectations. Mr. Guardado agreed and suggested taking the language that had already been documented as part of the Board norms, policies and procedures as well as looking at language from the Finance policy documents to assemble a draft for review.

There was a discussion as to past processes of the Committee members meeting with the auditors without staff to discuss freely how the Finance Department is operating. As discussed with Chair Berger, Mr. Martinez mentioned it was always best to have an executive session prior to meeting with staff to address any concerns. Mr. Guardado actioned the Clerk of the Board to schedule a Special Committee meeting in the next couple of weeks with the Committee members and the audit team. Mr. Guardado also requested that, going forward, staff will ensure scheduling of such a meeting annually prior to the regularly scheduled Committee meeting for auditing purposes.

Chair Berger thanked Mr. Martinez for a wonderful presentation. No further comments or questions from the Committee.

4. December 9, 2020, Board Meeting Agenda Items

Agenda Item 4.1: Budget Transfer (Fund 420) in the amount of \$200,000 from Legal Fees (Fund/Account 420-600-52510) to Professional Fees (Fund/Account 420-600-5220) No Net Fiscal Impact

Mr. Jereb provided a summary of the budget transfer request to the Committee. In addition, Environmental Services Manager Linda Purpus summarized further that the work requested to be performed authorizes the consultant to prepare and submit regulatory applications for authorizations for a five-year term which does not include maintenance work. There would be no need to budget for this project in the future since the term does extend for five years at which time work would have been completed. Per Chair Berger, the Committee would recommend approval to the full Board.



No further comments or questions from the Committee.

Agenda Item 4.4: Resolution 2020-19 Approving an Amended and Restated Ordinance No. 15 to Amend the Established Rules and Regulations for the Lake Piru Recreation Area and Extend the Authority Granted to the District's Park Ranger Personnel

Chief Park Ranger Clayton Strahan summarized the Board-requested updates of the Resolution to the Committee, as provided in the agenda packet. This Resolution was initially presented to the Committee and Board of Directors in October 2020.

Questions or comments from the Committee were addressed and, per Chair Berger, the Committee would recommend approval of the updated Resolution to the full Board.

Chair Berger asked Mr. Guardado to please speak with President Mobley regarding reinstating the Recreation Committee meetings as he feels there is a high need. Mr. Guardado responded that the District is currently working on this request and is putting a plan together to move forward with the Executive Committee's approval.

5. Monthly Investment and Pipeline Delivery Reports (October 2020)

The Committee reviewed the monthly investment and pipeline delivery reports as presented in the Finance and Audit Committee packet.

Informational item. No action was taken by the Committee.

6. Board Requested Cost Tracking Items

The Committee reviewed the costs to date that the District had incurred:

- a) as part of the licensing efforts and the probable maximum flood studies for the Santa Felicia Dam;
- b) in relation to environmental mandates;
- c) in relation to litigation with the City of Ventura, Wishtoyo Foundation complaint and District legal costs over the past several fiscal years; and
- d) in relation to professional fees over the past several fiscal years.

Informational item. No action was taken by the Committee.

7. Monthly Administrative Services Update

Financial updates for the month of November 2020 were provided to the Committee by Mr. Jereb. Human Resources Manager Mr. Josh Perez presented updates on Administration, Human Resources, IT, and Risk Management (presentation attached).

Informational item. No action was taken by the Committee.

8. Future Agenda Items

Chair Berger polled the Committee as to any future agenda items. None were offered.

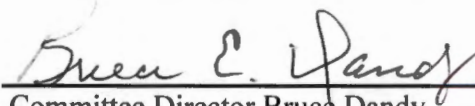
Chair Berger thanked Director Naumann for filling in on the Committee and, again, thanked the auditing firm for a really good report.



ADJOURNMENT 10:17 A.M.

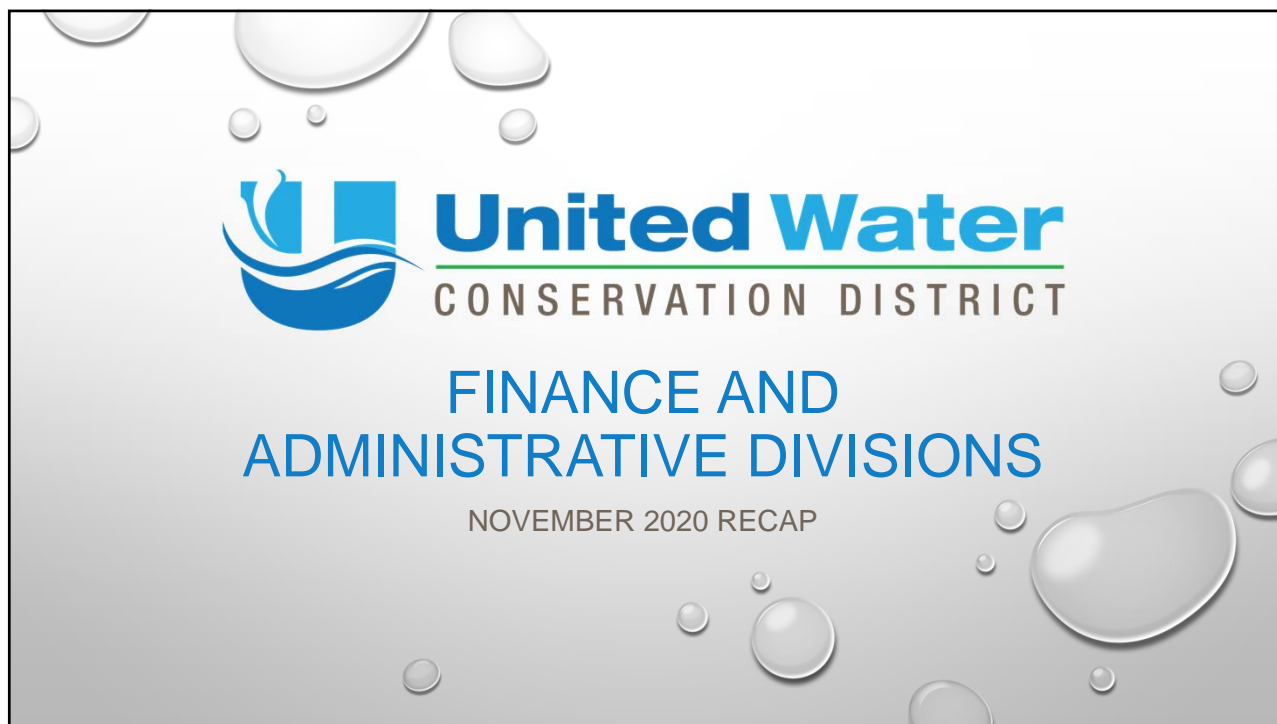
Chair Berger adjourned the meeting at 10:17 A.M.

I certify that the above is a true and correct copy of the minutes of the UWCD Finance and Audit Committee Meeting of December 8, 2020.

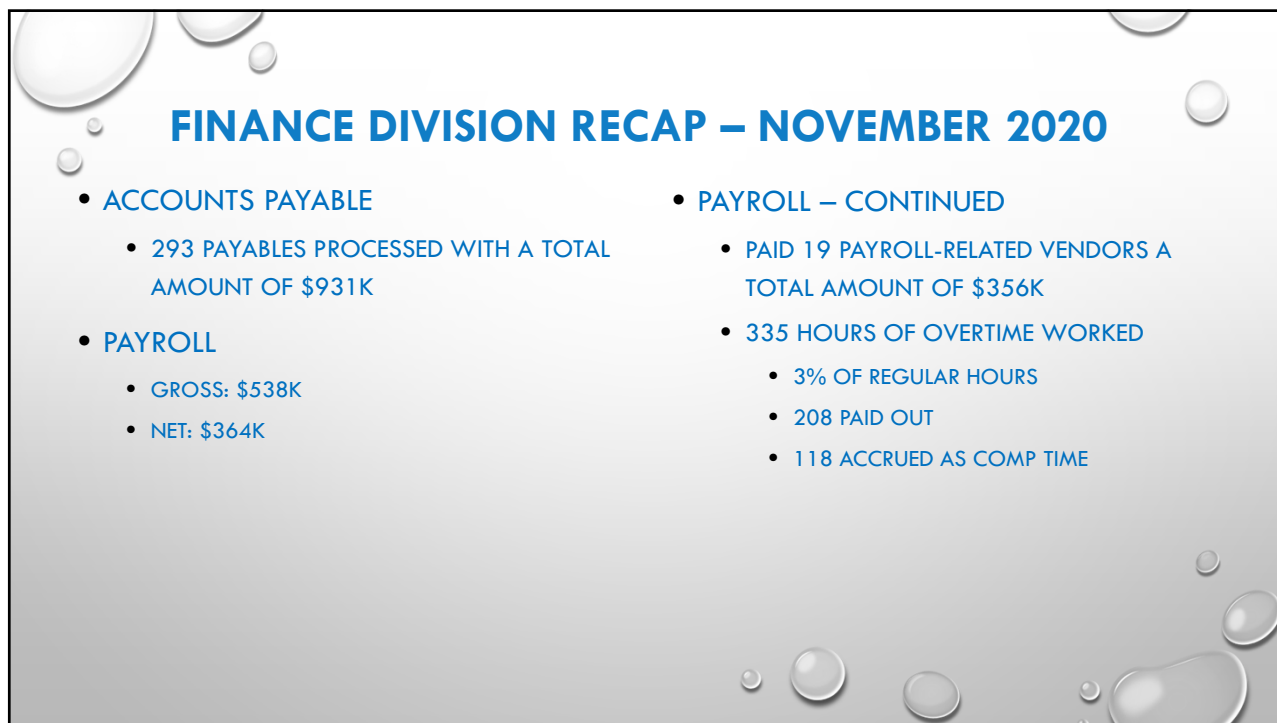


Committee Director Bruce Dandy

Substitute for Committee Chair Sheldon G. Berger



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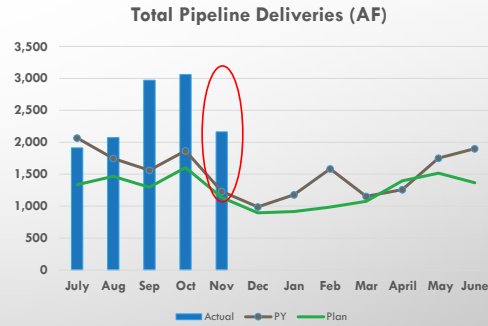


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FINANCE DIVISION RECAP, CONTINUED NOVEMBER 2020

• **NOVEMBER 2020 PIPELINE:**

	\$ Billed	Actual AF	Plan AF	Variance
OH	\$788K	1,278	695	583
PT	\$272K	540	440	100
PV	\$61K	344	0	344



- YTD Nov deliveries 78% ahead of Plan and 44% over PY
- 81% of FY Plan delivered to date
- Excluding PV deliveries, volumes 46%, 21% ahead of Plan & PY

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FINANCE DIVISION RECAP, CONTINUED NOVEMBER 2020

- **CASH COLLECTIONS: TOTAL \$1.5M**
 - PIPELINE: \$1.4M
 - GROUNDWATER: \$11K
 - RENTS: \$13K
 - TAXES: \$84K
 - ELECTRICITY: \$17K
 - MISCELLANEOUS: \$19K

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FINANCE DIVISION RECAP, CONTINUED NOVEMBER 2020

- CLOSED ISSUE OF 2020 COPS WHICH HAD BEEN PRICED IN OCTOBER
- CONTINUED WORK ON FY 19-20 CAFR WHICH WILL BE COMPLETED BY DECEMBER 4.
- HELD KICK-OFF MEETING WITH NBS PUBLIC FINANCE WHO WILL BE EVALUATING OPTIONS FOR ALTERNATIVE REVENUE STREAMS AND CIP PROJECTS FOR WHICH THE OPTIONS WOULD BE MOST APPROPRIATE.
- NEW TEMPORARY ACCOUNTANT CONTINUED TRAINING ON ACCOUNTS RECEIVABLES AND CROSS-TRAINING AMONG FINANCE STAFF.

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HUMAN RESOURCES RECAP NOVEMBER 2020

- PROCESSED EMPLOYEE EVALUATIONS AND STEP INCREASES THAT WERE SCHEDULED FOR NOVEMBER.
- PROCESSED EMPLOYEE PAYROLL CHANGES INTO INCODE (ADDRESS CHANGE, TAX CHANGES, CHANGES IN DEDUCTIONS, BASE PAY, CASH OUT REQUESTS)
- FINALIZING ALL ENROLLMENT FORMS FOR FLEXIBLE SPENDING PLAN FOR 2021
- UPDATED FINANCIAL AND PAYROLL SYSTEMS WITH ALL 2021 RATES FOR ALL MEDICAL AND TAX PLAN TIERS
- COMPLETED SEVERAL AUTHORIZATION FORMS FOR EMPLOYEE RESPIRATOR/AUDIOGRAM AND OTHER PHYSICAL FITNESS TESTING REQUIREMENTS TO MAINTAIN OUR COMMITMENT TO SAFETY
- COMPLETED A SALARY SURVEY REQUEST BY THE CALLEGUAS MUNICIPAL WATER DISTRICT

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RISK MANAGEMENT RECAP NOVEMBER 2020

- COMPLETED INJURY AND ILLNESS PREVENTION PROGRAM REVISION
- SUPPORTED THE PROCUREMENT AND DEPLOYMENT OF FIRSTNET MOBILE TEST DEVICES TO DETERMINE THEIR VIABILITY FOR DISTRICT WIDE USE AND OPERATIONS
- ATTENDED AND PARTICIPATED IN ACTIVE ASSAILANT TRAINING COURSE BY JOINT REGIONAL INTELLIGENCE CENTER
- PROVIDED COVID-19 STATUS UPDATE & TRAINING ON CONFINED SPACE ENTRY IN MONTHLY SAFETY MEETING
- DUPLICATED COPIES OF OVER 6,000 SDS DOCUMENTS AS PART OF STANDARDIZATION AND DIGITIZATION EFFORT TO CREATE A NEW SDS MANAGEMENT SYSTEM WITH 936 SDS RECORDS.
- COORDINATED CPR TRAINING: BLS PROVIDER CPR COURSE FOR O&M STAFF WITH EMT CERTIFICATED & PILOTING HYBRID CPR/FIRST AID/AED COURSE WITH REMOTE SKILLS ASSESSMENT VIA ZOOM AND DISPOSABLE MANIKIN TO ACCOMMODATE COVID-19 RISKS
- COORDINATED FERC SECURITY BRANCH WEBINAR ON ANNUAL SECURITY COMPLIANCE CERTIFICATION WITH ENGINEERING, O&M, IT, AND RANGERS

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INFORMATION TECHNOLOGY RECAP NOVEMBER 2020

- CYBER SECURITY POSTURE IMPROVEMENTS TO PROTECT INDIVIDUAL USER ACCOUNTS
- WORK GOING INTO MOBILE DEVICE POTENTIAL DEPLOYMENT AND EFFECTIVE MANAGEMENT OF DEVICES (TEAM EFFORT WITH A PILOT PROGRAM)
- EQUIPMENT ASSESSMENT ACROSS THE BOARD FOR DEPARTMENTS TO BEST ACCOMMODATE NEEDS IN A POST COVID-19 WORK ENVIRONMENT

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