

AGENDA

FINANCE AND AUDIT COMMITTEE MEETING

Monday, May 31, 2022 at 10:00 A.M.

UWCD Headquarters, Board Room, First Floor

1701 N. Lombard Street, Oxnard, CA 93030

Meeting attendees should be aware that the meetings of the Committee are, as required by law, open to the public and the District has very limited powers to regulate who attends Committee meetings. Therefore, attendees must exercise their own judgement with respect to protecting themselves from exposure to COVID-19, as the District cannot ensure that all attendees at public meetings will be free from COVID-19.

CALL TO ORDER – OPEN SESSION 10:00 A.M.

Committee Members Roll Call

1. Public Comment

The public may address the Finance and Audit Committee on any matter not on the agenda within the jurisdiction of the Committee. All comments are subject to a five-minute time limit.

2. Approval of Agenda

Motion

3. Approval of Minutes

Motion

The Committee will review the Minutes from the May 2, 2022, Finance and Audit Committee meeting and approve as submitted or direct staff to revise as necessary to accurately reflect the discussion and action(s) taken during the meeting.

4. June 8, 2022 Board Meeting Motion Agenda Item(s)

The Committee will review and discuss the following agenda item(s) to be considered for approval at the June 8, 2022 Board meeting. The Committee will formulate a recommendation to the entire Board based on the discussions with staff. The Committee will discuss the following item(s):

4a. Board Motion Item 3.E: Resolution 2022-26 Approving The Addition of the Chief Financial Officer and Controller as Authorized Signatories to United Water Conservation District's (District) Accounts in the County's Treasury Investment Pool and the Ventura County Financial Management System

The Board will consider adopting Resolution 2022-26, approving the addition of United Water Conservation District's (District) new Chief Financial Officer Brian Zahn and Controller Daryl Smith as authorized signatories on the District's accounts in the County Treasury Investment Pool and for use of the Ventura County Financial Management System.



4b. Board Motion Item 5.2: Resolution 2022-24 Adopting the Proposed District Budget Plan, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers for Fiscal Year 2021-22

The Board will consider adoption of Resolution 2022-24, adopting the proposed District Budget Plan, Fiscal Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers for Fiscal Year 2021-22. Staff will present the final changes of the Financial Policies to the Board.

4c. Board Motion Item 5.3: Resolution 2022-25 Requesting the Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Period 2022-23 Sufficient to Satisfy the State Water Project Charges

Board will consider adoption of Resolution 2022-25, requesting the County Auditor-Controller to compute and affix a tax rate for FY 2022-23 to provide approximately \$2,099,000 in property tax revenue sufficient to satisfy a portion of the voter approved debt for State Water Project costs.

5. Monthly Investment Report (April 2022)

Information Item

The Committee will receive, review and discuss the Districts' investment portfolio and cash position as of April 30, 2022.

6. Monthly Pipeline Delivery Report (April 2022)

Information Item

The Committee will receive, review and discuss the Districts' pipelines' water activities as of April 30, 2022.

7. Board Requested Cost Tracking Items

Information Item

The Committee will receive and review the costs to date that the District has 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, and District legal costs over the past several fiscal years;
- d) in relation to professional fees over the past several fiscal years; and
- e) summary of Board motion item(s) with fiscal impact.

8. Monthly Administrative Services Department Update

Information Item

The Committee will receive and review the monthly report from the Administrative Services team as well as receive a verbal presentation of its highlights.

9. Future Agenda Items

The Committee will suggest topics or issues for discussion on future agendas.



ADJOURNMENT

Directors:

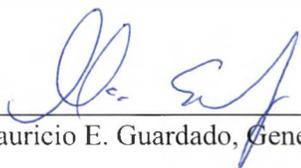
Chair Lynn E. Maulhardt
Sheldon G. Berger
Mohammed A. Hasan

Staff:

Mauricio E. Guardado, Jr.
Josh Perez
Zachary Plummer
Tony Huynh

Anthony Emmert
Brian Zahn
Daryl Smith
Ambry Tibay
Jackie Lozano

The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's services, programs or activities because of any disability. If you need special assistance to participate in this meeting, or if you require agenda material in an alternative format, please contact the District Office at (805) 525-4431. Notification of at least 48 hours prior to the meeting will enable the District to make appropriate arrangements.

Approved: 
Mauricio E. Guardado, General Manager

Approved: 
Anthony E. Emmert, Assistant General Manager

Posted: (date) May 26, 2022

(time) 4:45 P.M.

(attest) Jackie Lozano

At: www.unitedwater.org

Posted: (date) May 26, 2022

(time) 5:00 P.M.

(attest) Jackie Lozano

At: United Water Conservation District Headquarters, 1701 N. Lombard Street, Oxnard, CA 93030

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
Monday, May 2, 2022 – 8:30 a.m.
UWCD Headquarters, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

COMMITTEE MEMBERS PRESENT:

Chair Lynn E. Maulhardt
Mohammed A. Hasan
Sheldon G. Berger (joined meeting at 8:37 a.m.)

STAFF PRESENT:

Anthony Emmert, Assistant General Manager
Josh Perez, Chief Human Resources Officer
Brian Zahn, Chief Financial Officer
Zachary Plummer, Technology Systems Manager
Edward Reese, IT Systems Administrator
Daryl Smith, Controller
Ambry Tibay, Senior Accountant
Jackie Lozano, Administrative Assistant

PUBLIC PRESENT:

None

OPEN SESSION 8:30 a.m.

Chair Lynn Maulhardt called the meeting to order at 8:30 a.m.

Committee Members Roll Call

The Clerk called roll. Chair Maulhardt as well as Director Hasan were present. Director Berger was absent.

1. Public Comment

Chair Maulhardt asked if there were any public comments. None were offered.

2. Approval of the Agenda

Motion to approve the Committee meeting agenda, Director Hasan; Second, Director Maulhardt. Voice vote, two ayes (Hasan, Maulhardt); none opposed; one absent (Berger). Motion carried, 2/0/1.

3. Approval of Minutes

The Committee received and reviewed the draft Committee meeting minutes of April 4, 2022. Motion to approve the Committee meeting minutes, Director Hasan; Second, Director Maulhardt. Voice vote, two ayes (Maulhardt, Hasan); none opposed; one absent (Berger). Motion carried, 2/0/1.



4. May 11, 2022, Board Meeting Agenda Items

The Committee reviewed the following agenda item to be considered for approval at the May 11, 2022, Board of Directors meeting:

4a. Agenda Item 3.E: Third Quarter FY 2021-2022 Financial Report and Budget Amendments (July 1, 2021 – March 31, 2022)

Board Motion

The Committee received a report from staff as well as a presentation from Chief Financial Officer Brian Zahn on the FY 2021-2022 Third Quarter Financial Report for the period of July 1, 2021 through March 31, 2022. The presentation is attached for reference.

There was discussion among the Committee and staff on various topics such as groundwater irrigation productivities, District staffing, water conservation, and opinions of building and investing in water reserves. Director Hasan would like to know more about the water reserves and the investment strategy of the District. He requested staff's help to assist him to fully understand the details of the information provided. Mr. Zahn would follow-up with Director Hasan at the conclusion of the meeting.

There were comments and questions regarding the Supplemental Water Purchase Fund. Director Berger questioned if there were thoughts to leveling the fund or keeping the charge on. Also, if additional water becomes available in the future, what does United do on building reserves? Has the District put a cap on it to say this is as far as the District should go? Director Hasan mentioned because you can't predict the future, his feeling was the District should keep the money there and continue doing what its doing. If things change, the District should be able to jump in when water is available and felt the District was not at that point. He also mentioned staff would also need to factor in how much water the lake can take. Director Maulhardt agreed with Director Hasan to continue to monitor how the fund progresses. The Committee was in agreement to have Finance staff investigate the options if the District really wishes to set a limit and bring it back to the Committee for review and discussion.

The Committee would recommend approval of the Third Quarter FY 2021-2022 Financial Report and Budget Amendments (July 1, 2021 – March 31, 2022) to the full Board.

No further comments or questions were offered from the Committee. No public comments or questions were offered.

4b. Agenda Item 5.2: FY 2022-23 Proposed Budget Workshop

Board Motion

Mr. Zahn provided an overview of this motion item to the Committee. The Assistant General Manager Tony Emmert requested the Committee's approval and recommendation to the Board to host the budget workshop in conjunction with its Regular Board of Directors meeting on Wednesday, May 11, 2022. The Committee members were in agreement and would recommend this request to the full Board.

No questions or comments were offered from the Committee. No public comments or questions were offered.



5. Districts' Proposed Budget for Fiscal Year 2022-2023

Information Item

Staff prepared and posted to the UWCD website the Districts' Proposed Budget for Fiscal Year 2022-2023. The document is available for viewing via this link-path: <https://www.unitedwater.org/wp-content/uploads/2022/04/UWCD-Proposed-Budget-Book-2022-23.pdf>. Director Maulhardt mentioned, the link on the staff report to the proposed Budget was inactive. The Clerk of the Committee Jackie Lozano would correct this error at the conclusion of the meeting.

No questions or comments were offered from the Committee. No public comments or questions were offered.

6. District Staff and Board Member Reimbursement Report

Information Item

The Committee received and reviewed the expense reimbursement report for all reimbursements of business expenses to staff and Board members for the third quarter of FY 2021-2022.

There were no comments or questions from the Committee. No public comments or questions were offered. No action was taken by the Committee.

7. Monthly Investment Report (March 2022)

Information Item

The Committee members received and reviewed the monthly investment report as presented in the Finance and Audit Committee agenda packet. Director Hasan requested Finance staff's help with understanding the report. Mr. Zahn would meet with Director Hasan at the conclusion of the meeting.

There were no further comments or questions from the Committee. No public comments or questions were offered.

8. Pipeline Delivery Report (March 2022)

Information Item

The Committee members received and reviewed the pipeline delivery report as presented in the Finance and Audit Committee agenda packet.

There were no comments or questions from the Committee. No public comments or questions were offered. No action was taken by the Committee.

9. Board Requested Cost Tracking Items

Information Item

The Committee members received and reviewed the costs to date that the District has 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, and District legal costs over the past several fiscal years;
- d) in relation to the professional fees over the past several fiscal years; and
- e) summary of Board motion item(s) with fiscal impact.



There were no comments or questions from the Committee. No public comments or questions were offered. No action was taken by the Committee.

10. Monthly Administrative Services Update

Information Item

Financial updates for the month of April 2022 were provided to the Committee by Mr. Zahn. Chief Human Resources Officer Josh Perez presented updates on Administration, Human Resources, Risk Management, and Information Technology (presentation attached).

Director Maulhart inquired to the timing of the audit process. Finance staff responded that the preliminary process starts in June 2022. Government code requires no more than five years with the same managing partner. Director Berger suggested, prior to the expiration of the auditor's term, to evaluate their performance (pros and cons). He would also like to hear from the firm before that time. Mr. Emmert provided that the firm is only committed to one year at a time, if staff feels a need to change firms. Director Berger appreciated the information provided from staff.

During updates on Risk Management, in particular the new AED installed in the Board Room, Director Maulhardt would like to see a directional sign added to the wall which would clearly display the location in an emergency. Mr. Perez expressed his appreciation for the suggestion.

There were no further comments or questions from the Committee. No public comments or questions were offered.

11. Future Agenda Items

Chair Maulhardt polled the Committee as to any future agenda items. Director Hasan would appreciate a report from the Committee on the efforts or ways of reducing the legal fees. He also mentioned there were many costs that were looked at but would like to focus on legal fees. It was mentioned by Finance staff that two months ago legal fees were discussed in detail. The Committee would find, on the next budget cycle, that the legal fees would be cut in half due to the end of one of the lawsuits. Director Hasan was pleased with that news. Mr. Zahn was in agreement to discuss ways of keeping the costs down on legal fees.

No further agenda items were brought forward from the Committee.

ADJOURNMENT 9:31 a.m.

Chair Maulhardt adjourned the meeting at 9:31 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 May 2, 2022.

ATTEST: _____
Chair Lynn E. Maulhardt



Third Quarter Fiscal Year 2021-2022 Financial Review

MAY 2, 2022



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Highlights



REVENUE AND OPERATING EXPENSES ACTUALS CONTINUE FAVORABLE TO BUDGET

REVENUE

- Total operating revenue is approximately \$1.8M or 8% ahead of budget
- Pipeline revenues are favorable to budget by approximately \$1.6M or 22%
- Groundwater extraction fees are below budget by approximately \$1.0M or -11%

EXPENDITURE

- Personnel expenses are slightly below budget (-8%) due in part to vacant staff positions in a couple of departments
- Professional and legal fees, maintenance and utilities drive underrun to budget (\$2.9M); however, an additional (\$1.6M) in the miscellaneous account attributable to principal reductions adds to the favorability
- Allocated overhead below budget on lower operating expenses (\$336k)

FUND BALANCE

- OH Pipeline Fund currently below minimum balance, however, the is performing better than budgeted and a surplus is projected for 6/30/2022

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Overview

WATER VOLUMES CONTINUE TO DRIVE REVENUE UPSIDE

<i>in \$000's</i>	3Q 21-22 Actual	3Q 21-22 Budget	3Q 20-21 Actual
Taxes	3,634	2,795	2,410
Water Delivery/Fixed Cost	9,065	7,423	9,193
Groundwater	8,847	9,888	8,585
Other Operating Revenue	2,139	1,847	422
Non-Operating Revenue	805	718	580
Total Revenue	24,490	22,671	21,190
Personnel Expense	7,799	8,425	7,342
Operating Expense*	8,714	14,005	8,212
Allocated Overhead	3,185	3,682	2,854
Debt Service	858	857	995
Other	708	2,347	500
Total Expenditure	21,264	29,316	19,903

*Includes Depreciation

REVENUE

- Revenue is up \$1.8M, despite the fact that groundwater extraction fees are \$1.0M (-11%) below budget
- Tax revenue is up \$839K, 30% above budget and 51% above the prior year

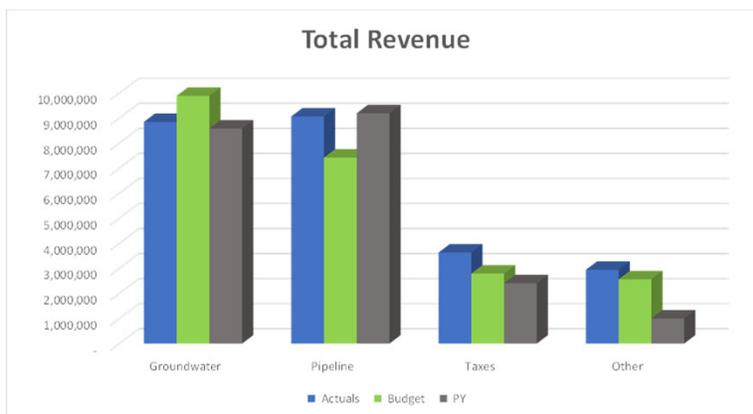
EXPENDITURE

- Maintenance, Legal, Professional Fees and Utilities combined are below budget \$2.9M
- With depreciation included, total Operating Expense was \$5.9M favorable to budget



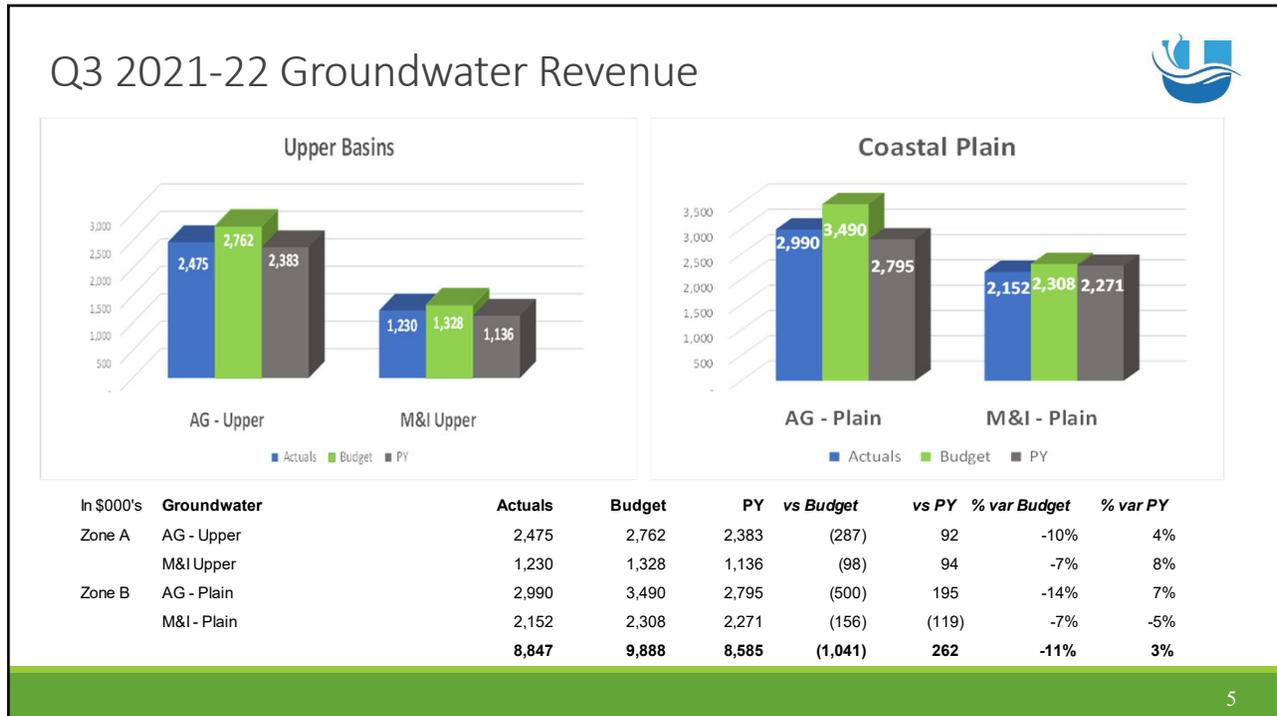
Q3 2021-2022 Revenue

Q3 PIPELINE AND TAX REVENUE AHEAD OF BUDGET

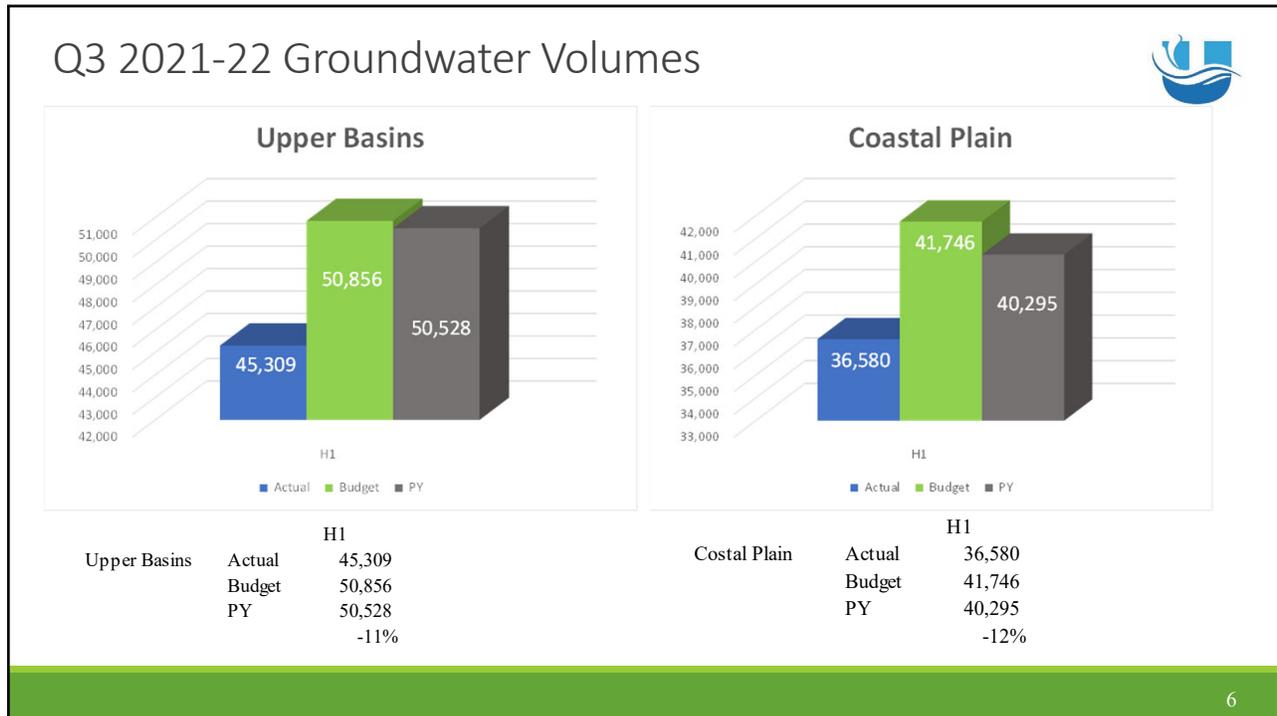


TOTAL OPERATING REVENUE \$1.8M OVER BUDGET

- Pipeline Revenue is \$1.6M above budget due to higher volumes delivered
- Tax revenue added to the revenue favorability as it was approximately \$840K above budget and \$1.2M above the prior year
- Other revenue is slightly higher than budget, \$379K; however, it is \$1.9M favorable to the prior year, in part due to the increased revenues at Lake Piru and state grants



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Top-10 Groundwater Pumpers AG



Customer Name	FY 21-22	FY 20-21	% Change
FARMERS IRRIGATION CO,	5,392	6,051	-11%
PLEASANT VALLEY CO WTR,	4,831	2,246	115%
FILLMORE FISH HATCHERY,	4,194	3,293	27%
SESPE AGRICULTURAL WATER,	2,752	3,860	-29%
REITER BROTHERS INC,	2,370	2,669	-11%
DUDA FARM FRESH FOODS INC	2,283	2,675	-15%
SOUTHLAND SOD FARMS,	2,040	2,736	-25%
DEL NORTE WATER COMPANY,	1,180	1,440	-18%
ALTA MUTUAL WATER CO,	1,147	1,434	-20%
NAUMANN RANCH,	959	1,040	-8%
Top 10 Total	27,148	27,443	6%
% of Billed AF	40%	36%	

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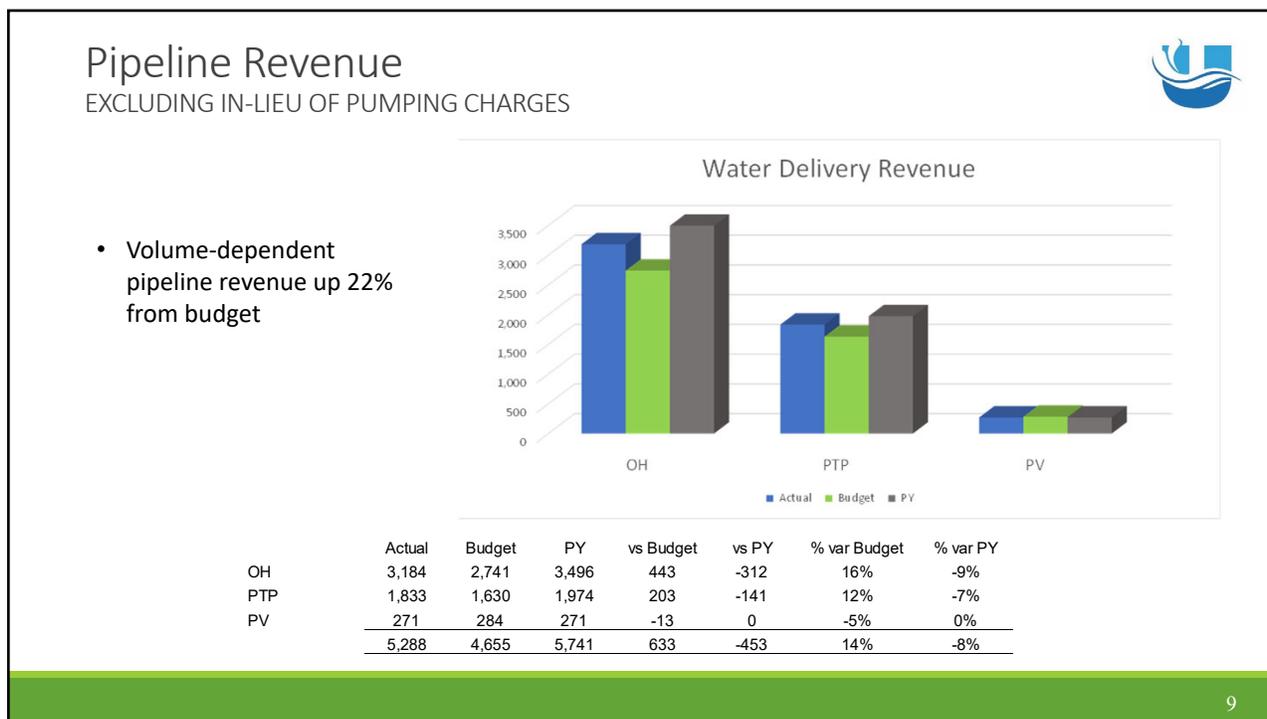
Top-10 Groundwater Pumpers M&I



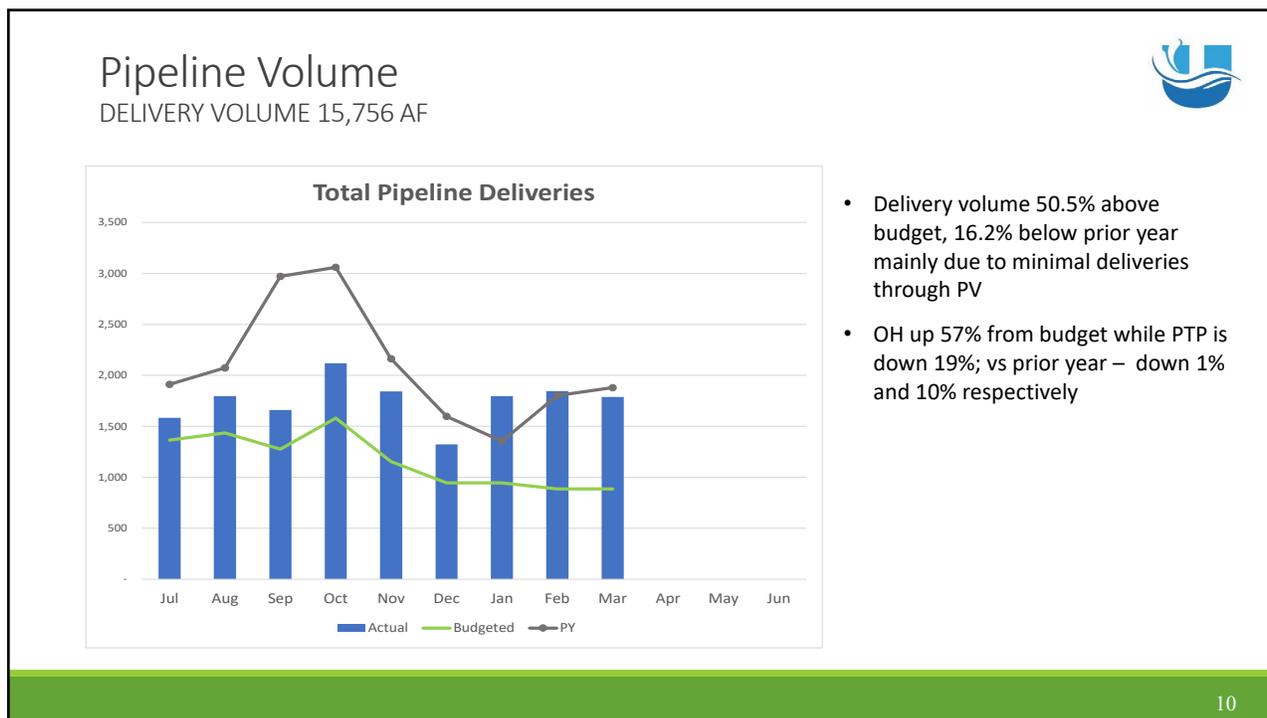
Customer Name	FY 21-22	FY 20-21	% Change
SAN BUENAVENTURA, CITY OF	4,932	4,885	1%
OXNARD - WTR DIV, CITY OF	2,329	4,351	-46%
SANTA PAULA, CITY OF	2,235	2,369	-6%
FILLMORE, CITY OF	1,160	1,131	3%
CAMARILLO (A/P), CITY OF	761	456	67%
RIVER RIDGE GOLF COURSE	361	407	-11%
WARRING WATER SERVICE,	283	254	11%
STERLING HILLS GOLF CLUB,	189	167	13%
BOSKOVICH FARMS INC,	121	152	-21%
CALIFORNIA AMERICAN WATER	112	128	-13%
Top 10 Total	12,481	14,299	-2%
% of Billed AF	92%	92%	

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Personnel Expenses

\$399K 7% BELOW BUDGET, 7% OVER PREVIOUS YEAR

\$000's	3Q 21-22 Actual	3Q 21-22 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Regular Salary	4,747	5,072	4,449	-325	-6%	298	7%
Over-time Salary	96	143	120	-47	-33%	-24	-20%
Part-time	240	267	166	-27	-10%	74	45%
Salaries	5,083	5,482	4,735	-399	-7%	348	7%
Retirement- Classic	1,370	1,461	1,226	-91	-6%	144	12%
Retirement - PEPRA	154	158	140	-4	-3%	14	10%
Soc Sec/457b Expense	316	317	289	-1	0%	27	9%
Medicare Expense	73	82	68	-9	-11%	5	7%
SUI Expense	10	16	12	-6	-38%	-2	-17%
Medical Ins Exp	537	700	502	-163	-23%	35	7%
LTD	13	12	9	1	8%	4	44%
Life Insurance	15	20	14	-5	-25%	1	7%
Worker's Comp Expens	182	154	176	28	18%	6	3%
OPEB	46	23	171	23	100%	-125	100%
Employee Benefits	2,716	2,943	2,607	-227	-8%	109	4%
Personnel Expenses	7,799	8,425	7,342	-626	-7%	457	6%

- Several positions in a couple departments are still or were vacant resulting in Regular Salaries being below budget by \$325K.
- CalPERS benefits are under budget by \$91K.
- Medical Insurance expense was below budget by \$163K, adding to the overall favorability.

Operating Expenses

PROFESSIONAL FEES AND MAINTENANCE DRIVE PLAN UNDERRUN

\$000's	3Q 21-22 Actual	3Q 21-22 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Profess Fees - Engineering	54	244	45	-190	-78%	9	20%
Prof. Fees - Environmental	452	1,071	276	-619	-58%	176	64%
Prof. Fees - IT consulting	25	122	48	-97	-80%	-23	-48%
Prof. Fees - GW Consulting	26	96	22	-70	-73%	4	18%
Prof. Fees - Other	531	1,300	906	-769	-59%	-375	-41%
Professional Fees	1,088	2,833	1,297	-1,745	-62%	-209	-16%
Legal Fees	1,798	2,165	1,912	-367	-17%	-114	-6%
Utilities	1,248	1,309	1,014	-61	-5%	234	23%
Maintenance	1,032	1,758	576	-726	-41%	456	79%
Field Supplies	266	398	279	-132	-33%	-13	-5%
Insurance	558	268	346	290	108%	212	61%
Office Expenses	284	393	255	-109	-28%	29	11%
Miscellaneous	2,292	3,901	2,246	-1,609	-41%	46	2%
Travel, Trainings and Meetings	64	193	23	-129	-67%	41	178%
Gasoline, Diesel, Fuel	130	150	71	-20	-13%	59	83%
Fox Canyon GMA	-176	472	92	-648	-137%	-268	-291%
Safety, supplies, clothing	81	100	52	-19	-19%	29	100%
Telephone	49	65	49	-16	-25%	0	0%
General Operating Expenses	5,828	9,007	5,003	-3,179	-35%	825	16%
State Water Import Costs	827	1,435	940	-608	-42%	-113	100%
Total Operating Expenses	9,541	15,440	9,152	-5,899	-38%	389	4%

- A combination of all Professional Fees are favorable to budget by \$1.7M, with a savings of \$619K in Environmental and \$190K in Engineering
- Miscellaneous is favorable to budget by \$1.6M and includes depreciation below budget by \$747K as well as \$1.4M in principal reduction in the budget
- Legal fees are favorable to budget by \$367K and prior year by \$114K
- State Water import costs are favorable to budget by \$608K



Top 10 Vendors

Excluding: SWP, Taxes, Debt Service, and CIP

Vendor	FY 21-22	FY 20-21	\$ Change
ATKINSON, ANDELSON, LOYA, RUUD AND ROMO	\$ 1,923,191.78	\$ 1,586,291.13	\$ 336,900.65
SO. CALIFORNIA EDISON	\$ 1,852,298.86	\$ 1,054,900.10	\$ 797,398.76
GEI CONSULTANTS, INC	\$ 1,530,157.12	\$ 2,205,231.38	\$ (675,074.26)
BUREAU OF RECLAMATION - REGION: LOWER COLORADO	\$ 1,350,583.00	\$ 631,080.00	\$ 719,503.00
GSE CONSTRUCTION COMPANY INC	\$ 876,356.00	\$ -	\$ 876,356.00
UNIVERSITY OF IOWA	\$ 835,457.29	\$ -	\$ 835,457.29
OILFIELD ELECTRIC CO INC	\$ 747,154.98	\$ 1,052.00	\$ 746,102.98
QUINN COMPANY, INC	\$ 732,149.06	\$ 127,892.55	\$ 604,256.51
SPECIAL DISTRICT RISK	\$ 562,301.64	\$ 477,879.47	\$ 84,422.17
THE DRALA PROJECT INC	\$ 364,020.30	\$ -	\$ 364,020.30
Top 10 Total	\$ 10,773,670.03	\$ 6,084,326.63	\$ 4,689,343.40

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Supplemental Water Purchase Fund STATUS UPDATE

	<u>Revenue (\$000'S)</u>
Beginning Balance - July 1, 2021	\$1,600
REVENUES	
Surcharge Revenue	\$494
Water Delivery	\$161
LAIF Interest	-\$1
EXPENDITURES	
2021 Carryover Water Purchase	\$0
Ending Balance March 31, 2022	\$2,254

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United Water

CONSERVATION DISTRICT

United Water Conservation District shall manage, protect, conserve and enhance the water resources of the Santa Clara River, its tributaries and associated aquifers, in the most cost effective and environmentally balanced manner.

ADMINISTRATIVE SERVICES DEPARTMENT

MAR-APR 2022
UPDATES

1



FINANCIAL UPDATE

CHIEF FINANCIAL OFFICER
BRIAN H. ZAHN

2

CASH COLLECTIONS

Pipeline: \$ 1.4M
Groundwater: \$ 155K
Property Tax: \$ 19K
Rent: \$ 13K
Miscellaneous: \$ 73K
Total: \$ 1.6M



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LAKE PIRU CASH COLLECTIONS

Day Use: \$ 10K
Concessions: \$2K
Boating & Watercraft: \$ 3K
Boat Storage: \$ 2K
Camping: \$ 55K
Miscellaneous: \$ 1K
Total: \$ 73K



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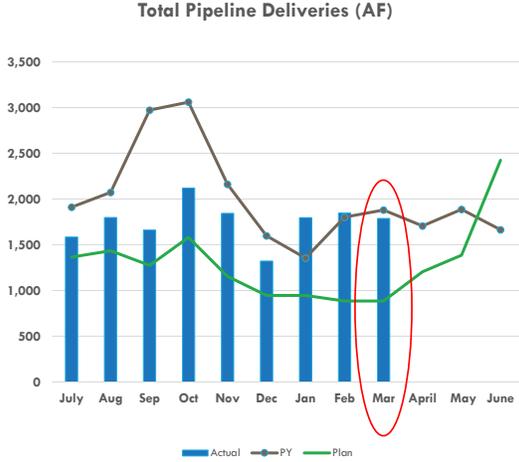
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MARCH 2022 PIPELINE

	\$ Billed	Actual AF	Plan AF	Variance
OH	\$745K	1191	625	566
PT	\$315K	597	260	337
PV	\$26K	0	100	-100

- Year-to-date March deliveries 39% ahead of Plan and -16% below PY
- Year-to-date March deliveries 44% ahead of Plan and -4% below PY excluding PV



Total Pipeline Deliveries (AF)

Month	Actual	PY	Plan
July	1600	1900	1400
Aug	1800	2100	1400
Sep	1700	3000	1300
Oct	2100	3100	1600
Nov	1900	2200	1200
Dec	1300	1600	1000
Jan	1800	1400	1000
Feb	1800	1800	900
Mar	1800	1900	900
April	1700	1700	1200
May	1900	1900	1400
June	1700	1700	2400



FINANCE DEPARTMENT

- Compiled department requests to form Preliminary Budget and calculate proposed rates for FY 2022-23. Finance staff met with Department Managers, General Manager, and Assistant General Manager to discuss new budget requests.
- Provided Proposed Budget Projections to rate analysts.
- Filed annual State Controller's Compensation Report.



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- Continue to work on recruitments and onboarding for several Recreation positions such as Seasonal Park Ranger Assistants and Camp Host Volunteers.
- Submitted claim to SDRMA regarding recent damage to district vehicle.
- Began preparation of annual administrative leave and merit pay for designated staff members.
- SEIU Local 721 requests formally reviewed and responded to.
- Working on recruitments/promotions for the following positions (see next slide).

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CURRENT EMPLOYEE RECRUITMENTS

Field Technician:
Selection made – employee will start on 6/15/2022

Accountant II:
Job posted – closing date is on 5/08/2022

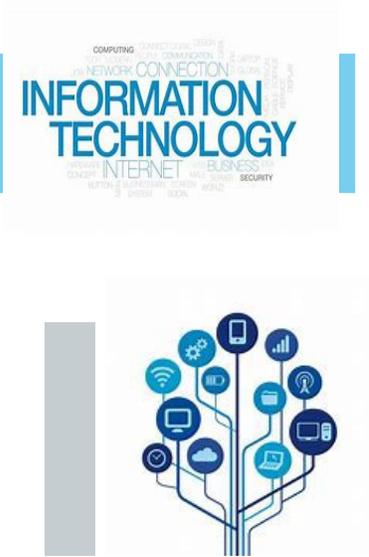
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- Conducted respirator fit testing for O&M staff at El Rio while minimizing operational impact.
- Evaluated feasibility of conducting Occupational Hearing Test internally and potential cost-savings and operational flexibility.
- Updated District's Cyber Incident Response Plan in collaboration with Technology Systems and O&M Control Systems teams.
- Procured AED for District headquarters, first floor, Board Room with device mounted by O&M department staff.
- Provided annual training to staff on Respiratory Protection, Valley Fever, and Protection from Wildfire Smoke in accordance with Cal/OSHA regulations.
- Evaluated Security Systems Upgrade proposal from vendor to ensure concept meets District's current and future needs.

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- Met with subject matter experts for consultation to improve the resilience of District's technology assets assigned within our Oxnard HQ data center.
- With support of O&M, developed and improved conference room camera and sound equipment were integrated in United's conference room which has a dual role as its designated EOC in the event of an emergency.
- Implemented new E-mail Anti-Phishing and Anti-Exploitation security software to protect United's subscribed cloud services.
- IT staff continued to implement additional recommendations from Federal Partners DHS/CISA who are aiding in a review of the District's Cyber Security program.
- Completed certification program provided by Genetec for Cameras and Physical Access Control systems.

11

11

Future Agenda Items



12

12



ADJOURNMENT

Thank you!

United Water Conservation District
"Conserving water since 1927"

13



Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager

From: Anthony Emmert, Assistant General Manager

Date: May 24, 2022 (May 31, 2022 meeting)

Agenda Item: 4a. **(Board Motion Item 3.E) Resolution 2022-26 Approving the Addition of the Chief Financial Officer and Controller as Authorized Signatories to United Water Conservation District's (District) Accounts in the County's Treasury Investment Pool and the Ventura County Financial Management System**
Motion

Staff Recommendation:

The Committee will review and consider recommending to the full Board the adoption of Resolution 2022-26, approving the addition of United Water Conservation District's (District) new Chief Financial Officer Brian Zahn and Controller Daryl Smith as authorized signatories on the District's accounts in the County Treasury Investment Pool and for use of the Ventura County Financial Management System.

Background:

This Resolution, if adopted by the UWCD Board, supports the Ventura County Auditor-Controller's Office request for Local Agency Signature Authorization forms for the Fiscal Year 2022-23 as well as Authorized Signatures for Wire Transfers Form (ASWT) enabling both gentlemen to access financial information or invests in the County's Treasury Investment Pool as well as initiate wire transfers between District accounts in the Treasury Investment Pool and the District's accounts with the Bank of Sierra.

Fiscal Impact:

There is no fiscal impact associated with the adoption of Resolution 2022-26.

Attachment: A. Resolution 2022-26

RESOLUTION 2022-26
**A RESOLUTION OF THE BOARD OF DIRECTORS OF UNITED WATER
CONSERVATION DISTRICT APPROVING THE ADDITION OF
THE CHIEF FINANCIAL OFFICER AND CONTROLLER
AS AUTHORIZED SIGNATORIES TO UNITED WATER CONSERVATION
DISTRICT'S (DISTRICT) ACCOUNTS
IN THE COUNTY'S TREASURY INVESTMENT POOL AND
THE VENTURA COUNTY FINANCIAL MANAGEMENT SYSTEM**

WHEREAS, the United Water Conservation District has hired Brian Zahn as its Chief Financial Officer and Daryl Smith as its Controller; and

WHEREAS, the United Water Conservation District desires to authorize Mr. Zahn and Mr. Smith as signatories on the District's County Treasury Investment Pool and the Ventura County Financial Management System.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of United Water Conservation District authorizes the addition of Brian Zahn and Daryl Smith as authorized signers on its County Treasury Investment Pool accounts and authorizes Brian Zahn and Daryl Smith as approved users of the Ventura County Financial Management System on behalf of United Water Conservation District and approves both gentlemen as authorized signers for the District's wire transfer requests.

APPROVED AND ADOPTED THIS 8TH DAY OF JUNE 2022

Bruce E. Dandy, President

Lynn E. Maulhardt, Secretary/Treasurer



United Water

CONSERVATION DISTRICT

Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer

Date: May 26, 2022 (May 31, 2022, meeting)

Agenda Item: **4b. (Board Motion Item 5.2) Resolution 2022-24 Adopting the Proposed District Budget Plan, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers from Fiscal Year 2021-22 Motion**

Staff Recommendation:

The Committee will review and consider recommending for full Board approval adoption of Resolution 2022-24, adopting the proposed District Budget Plan, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers from Fiscal Year 2021-22. Staff will present the final changes of the Financial Policies to the Committee.

1. Consider the FY 2022-23 Budget (which includes, among other things amended District financial policies, the overhead allocation methodology, staffing levels and salary schedule) and recommended revisions to the original budget proposals identified later in this report and comments from Board members and the public.
2. Adopt Resolution 2022-24 (Attachment A) that:
 - a. Approves the FY 2022-23 Budget, noting and including any changes agreed to by the Board as part of its budget deliberations at the May 11, 2022 meeting to the proposed budget submitted on April 22, 2022;
 - b. Authorizes necessary FY 2020-21 appropriation carryovers;
 - c. Approves Overhead Allocation Rates for FY 2022-23;
 - d. Approves staffing levels and salary schedules; and
 - e. Approves the financial policies that accompany the Proposed FY 2022-23 Budget document.

Summary:

The District's Proposed FY 2022-23 Budget was made available on April 22, 2022, and formally presented to the Board on May 11, 2022, in a public budget workshop. The presentation included an overview of the budget process, development of revenues and expenditures projections, rate

Agenda Item: 4b. (Board Agenda Item 5.2) Resolution 2022-24 Adopting the Proposed District Budget, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers from Fiscal Year 2021-22
Motion

changes recommended, how costs are fairly and proportionally allocated to the various funds, and a review of the Proposed FY 2022-23 Budget in detail. The proposed Oxnard Hueneme Pipeline budget was reviewed with the Oxnard Hueneme Pipeline contractors on April 27, 2022. The Pumping Trough Pipeline (PTP) users were addressed by District staff on April 28, 2022.

Discussion:

The District's budget is comprised of the General/Water Conservation Fund (combination of Water Conservation Activities Sub Fund (Zone A), General Operating Activities Sub Fund and Recreation Activities Sub Fund), four enterprise funds, a special revenue fund (State Water Import Fund) and the Overhead Fund. The Water Conservation Activities Sub Fund (Zone A) includes District-wide water conservation activities such as groundwater recharge operations, groundwater monitoring, modeling and analysis and the necessary environmental compliance required to support the District's core mission to preserve and augment groundwater resources. The Water Conservation Activities Sub Fund is funded primarily by revenue generated from groundwater extraction charges and in-lieu water delivery charges and may be partially augmented by available property tax revenue at the discretion of the Board. The General Operating Activities Sub Fund includes all activities that indirectly support District-wide water conservation efforts in Zone A. The General Operating Activities Sub Fund and the Recreation Activities Sub Fund are supported primarily by the District's property tax receipts.

The District's four enterprise funds are comprised of the Freeman Diversion Fund (Zone B), Oxnard/Hueneme Pipeline Fund (OH), Pleasant Valley Pipeline Fund (PV) and the Pumping Trough Pipeline Fund (PTP). All expenses directly related to each enterprise fund are charged to that fund and are part of the equation used to determine delivery charges for each pipeline and how the groundwater extraction charge (Zone B) is determined for the Freeman Diversion.

The District maintains a State Water Importation Fund to account for the purchase and importation of water from the State Water Project, which is funded through a voter approved special property tax assessment, separate from the property tax receipts accounted for in the General/Water Conservation Fund, as discussed earlier.

The District's budget includes the Supplemental Water Fund which will account for the purchase of water other than the Table A allocation from the State Water Project. The fund will be funded through a surcharge on groundwater extraction and in-lieu fees. The Supplemental Water Fund will be utilized exclusively for purchases of outside water and not for any other District expenses.

The District's Overhead Fund is used to account for the indirect administrative costs of operating the District. These costs are proportionally distributed to the five primary operating funds used by the District via the overhead allocation rate setting methodology specified in the OH Pipeline Water Delivery contract and approved by the Board prior to each fiscal year as part of the budget approval process. Every month during the fiscal year, actual expenditures in the Overhead Fund are charged against the operating funds (excluding the State Water Importation Fund) and revenues

Agenda Item: 4b. (Board Agenda Item 5.2) Resolution 2022-24 Adopting the Proposed District Budget, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers from Fiscal Year 2021-22
Motion

are transferred to the Overhead Fund to match revenues with expenditures; although overhead costs for liability/property insurance premiums and capital asset purchases are allocated and charged directly to the five operating funds.

The District is currently comprised of two zones: Zone A - Water Conservation Activities Sub Fund (also sometimes referred to as the Zone A Water Conservation Fund) and Zone B (Freeman Fund). California Water Code Section 75540 provides the Board with the authority to establish zone(s) at its discretion, based on the District's annual investigation and report on groundwater conditions. A zone may include the entire District. The Board has consistently established the entire District as Zone A, in recognition that all of the groundwater basins in the District are hydro-geologically connected and it is acknowledged annually that there is an average annual and accumulated overdraft "of all the groundwater basins in the District." Zone A (Water Conservation Activities Sub Fund) charges are used to provide services, operations, infrastructure, and facilities that the District's Board has determined benefit all of the groundwater basins within the District by assisting in the District's efforts to combat the average annual and accumulated overdraft and corresponding seawater intrusion, as well as promote safe, reliable, sustainable and cost-effective local water supplies. Zone A charges do not include any metered or potable water utility or delivery operations, other than the Saticoy Well Field, established and used as a groundwater management facility. The FY 2022-23 Budget document includes more detailed information on the programs and activities funded under the General/Water Conservation Fund, and the Freeman Diversion Fund (Zone B). Groundwater extractions and pipeline delivery customers in Zone B pay both the Zone A and B groundwater extraction charges.

The FY 2022-23 Budget as discussed at the May 11, 2022, budget workshop includes:

1. Changes to the Water Conservation Sub Fund Groundwater Extraction Charge (Zone A).
 - Agricultural - \$63.01/AF to \$66.48/AF
 - Municipal & Industrial - \$189.03/AF to \$199.43/AF
 2. Changes to the Freeman Extraction Charge (Zone B).
 - Agricultural - \$39.02/AF to \$41.17/AF
 - Municipal & Industrial - \$117.07/AF to \$123.51/AF
 3. Changes to the Water Purchase Surcharge to facilitate the purchase of Article 21 or other supplemental water in future years.
 - Agricultural - \$4.50/AF to \$5.50/AF
 - Municipal and Industrial - \$13.50/AF to \$16.50/AF
 4. Changes in Oxnard Hueneme Pipeline Fixed Costs per unit of peak capacity of \$26,621 to \$32,555.
-

Agenda Item: 4b. (Board Agenda Item 5.2) Resolution 2022-24 Adopting the Proposed District Budget, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers from Fiscal Year 2021-22 Motion

5. Changes in the projected volume of groundwater extractions in the Upper and Lower Basins for agricultural pumpers decreased by approximately 2% from prior year's budget.
6. Changes in Oxnard Hueneme Pipeline Variable Rate O&M Charge of \$200.56 to \$363.17.
7. No changes to the Oxnard Hueneme Pipeline Fixed Well Replacement Charge of \$13.14.
8. Inclusion of FY 2021-22 appropriation carryovers including ongoing capital improvement projects and open contractual or purchase order commitments that have been made but not yet completed and would run into the next fiscal year.

With the adoption of the FY 2022-23 Budget, the Board approves the various components included within the budget document such as:

- District Financial Policies (printed separately) and includes amended sections noted below.
 - Budget Amendment Policy (page 8)
 - Expense Policy (page 45)
 - Expense and Compensable Activity Policy – Board Members and District Executives (page 50)
 - Procurement Policy (page 78)
 - Reserve Policy (page 88)
- A redlined version of the of the Proposed Financial Policies for FY2022-23 is posted to the UWCD website and available upon request (link-path provided: <https://www.unitedwater.org/wp-content/uploads/2022/05/UWCD-Proposed-Financial-Policies-FY-22-23-REDLINE-Version.pdf>).
- Staffing levels and related salary/compensation schedules (pages 13-15)
 - Overhead allocation plan (page 32)

Fiscal Impact:

Adoption of the FY 2022-23 Budget, as modified and recommended sets the District's rates and the Board's spending plan for staff for the upcoming fiscal year. This spending plan represents the authorization to expend funds over the next 12 months per the policies and established objectives and goals of the Board of Directors. The budget can be amended throughout the fiscal year as often and whenever the Board so desires, via a majority vote of its members. If a budget is not adopted, staff would not have the authority to expend funds or carry out District operations.

Attachments: A Resolution 2022-24

RESOLUTION 2022-24

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
UNITED WATER CONSERVATION DISTRICT ADOPTING THE
PROPOSED DISTRICT BUDGET, FINANCIAL POLICIES, OVERHEAD
ALLOCATION METHOD, STAFFING LEVELS AND SALARY SCHEDULES
FOR FISCAL YEAR 2022-23 AND APPROPRIATION CARRYOVERS
FOR FISCAL YEAR 2021-2022**

SECTION 1. FISCAL YEAR 2022-23 BUDGET

WHEREAS, the General Manager, on April 22, 2022, submitted the Proposed Budget Plan for United Water Conservation District for the Fiscal Year 2022-23, commencing July 1, 2022; and

WHEREAS, as required by the “WATER SUPPLY AGREEMENT FOR DELIVERY OF WATER THROUGH THE OXNARD/HUENEME PIPELINE” the following activities were undertaken by the District:

1. A preliminary draft of the District’s Fiscal Year 2022-23 Budget Plan, including the Oxnard/Hueneme Pipeline Fund (OH) budget, was submitted to the contractors for their review on April 22, 2022;
2. The preliminary draft of the budget included a summary of projected water deliveries; fixed and variable costs and projected fixed, variable and marginal rates;
3. The District held an OH contractors’ meeting on April 27, 2022; and

WHEREAS, a Board of Directors’ Budget Workshop was held on May 11, 2022, study session of the following was reviewed and discussed:

1. The budget preparation process; and
2. The FY 2022-23 Budget Plan and five-year CIP Plan, as recommended by the General Manager, and

WHEREAS, the Board of Directors conducted a hearing on June 8, 2022 to discuss and consider the proposed Fiscal Year 2022-23 Budget Plan as originally submitted.

RESOLUTION 2022-24
(continued)

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of United Water Conservation District, hereby approves and adopts the Fiscal Year 2022-23 Budget Plan as proposed to the Board of Directors on June 8, 2022, with the following revisions, as directed by the Board:

SECTION 2: FISCAL YEAR 2021-22 APPROPRIATION CARRY-OVERS
(Encumbrances)

WHEREAS, the completion of District work does not necessarily coincide with the calendar dates of the fiscal year, and as such work is in progress, contracts are in progress, or work otherwise is unavoidably delayed beyond June 30, 2022.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of United Water Conservation District hereby authorizes the carryover of specific appropriations from one budget year (FY 2021-22) to the next (FY 2022-23) to complete Board authorized work plan(s) and other operating needs, and therefore, effective June 30, 2022 before closing the District's financial accounting records for FY 2021-22, the Board of Directors hereby appropriates and authorizes the carryover in the General/Water Conservation Fund and other specified District funds for use in FY 2022-23, those appropriations from the Fiscal Year 2021-22 Budget deemed necessary by the General Manager to complete specific projects or services that could not be finalized prior to June 30, 2022.

SECTION 3. FISCAL YEAR 2022-23 FINANCIAL POLICIES

BE IT RESOLVED that the Board of Directors of United Water Conservation District hereby approves the following financial policies as submitted by staff in the proposed Fiscal Year 2022-23 District Budget:

1. Accounts Receivable/Write Off Policy
2. Accounts Receivable Collections Policy
3. Auditor Rotation & Selection Policy
4. Budget Amendment Policy
5. Budget Submittal Policy
6. Capital Asset Policy
7. Debt Management Policy
8. Disposition of Surplus Assets Policy
9. Disputed or Revised Groundwater Pumping Records
10. Employee Recognition Policy
11. Engineering Projects and Administration Policy
12. Environmental Activity Cost Allocation Policy
13. Expense Policy – Staff

RESOLUTION 2022-24
(continued)

14. Expense and Compensable Policy – Board Members and District Executives
15. Fraud Prevention/Detection Policy
16. Groundwater Well Registration & Inactive Well Policy
17. Identity Theft Prevention Program Policy
18. Investigation of Underreporting of Groundwater Production
19. Investment Policy
20. Procurement Policy
21. Records Management Retention and Destruction Policy
22. Reserve Policy
23. Vehicle and Equipment Replacement and Maintenance/Repairs Schedule and Policy
24. Verification of Groundwater Production Statement

SECTION 4. OVERHEAD ALLOCATION METHOD

WHEREAS, District management has reviewed the relationship of overhead expenses to the various funds and programs of the District; and

WHEREAS, the review considered the relative proportion of each fund’s expenditures to total operating expenditures, the units of billings per fund, the direct labor hours worked in each fund, the number of accounts payable transactions in each fund and the revenue generated in each fund based on prior year activity; and

WHEREAS, in the judgment of management and after review by the Finance and Audit Committee the following allocation of overhead expenses is equitable, proportional and rational.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of United Water Conservation District hereby approves District overhead expenses to be proportionately allocated for Fiscal Year 2022-23 to the District’s operating funds as follows:

General/Water Conservation Fund	61.80 %
Freeman Fund	17.66 %
OH Pipeline Fund	11.53 %
PV Pipeline Fund	0.79 %
PT Pipeline Fund	8.22 %
Total	100.00 %

RESOLUTION 2022-24
(continued)

SECTION 5. STAFFING LEVELS AND SALARY SCHEDULES

BE IT RESOLVED that the Board of Directors of United Water Conservation District hereby approves the Position Titles and Annual Salary Ranges and Staffing Levels as amended in the proposed Fiscal Year 2022-23 Budget Plan.

ADOPTED AND PASSED this 8th day of June 2022.

ATTEST: _____
Bruce Dandy, President

ATTEST: _____
Lynn Maulhardt, Secretary/Treasurer



United Water

CONSERVATION DISTRICT

Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer

Date: May 24, 2022 (May 31, 2022, meeting)

Agenda Item: 4c. (Board Agenda Item 5.3) Resolution 2022-25 Request for County Auditor-Controller to Affix a Tax Rate for the Fiscal Year 2022-23 Sufficient to Satisfy State Water Project Charges
Motion

Staff Recommendation:

The Committee will review and consider recommending to the full Board approval of Resolution 2022-25 requesting the County Auditor-Controller to compute and affix a tax rate for FY 2022-23 to provide approximately \$2,099,000 in property tax revenue sufficient to satisfy a portion of the voter approved debt for State Water Project costs.

Discussion:

Annually, in order to fund State Water Project Table A allocation costs, the District's Board of Directors must request that the County's Auditor-Controller compute and affix a tax rate to the property tax roll for the upcoming fiscal year.

As part of the budget preparation, staff estimates the operating costs and debt service for State Water that corresponds to the District's annual 5,000 acre-foot (AF) share of the 20,000 AF Table A contracted amount held by the Ventura County Watershed Protection District (VCWPD). The Board may fund these costs by using tax revenues or a combination of tax revenues and reserves. These estimates are to be submitted to the County no later than August 1, for the Auditor-Controller to establish calculations for the tax rate necessary to fund the annual project cost obligation.

The State of California operates the State Water Project on a calendar year basis and the District typically attempts to purchase as much of its Table A allocation as possible for delivery. The District cannot currently receive delivery of State Water during the months of January through October, largely due to Endangered Species Act issues along middle Piru Creek.

Agenda Item: 4c. (Board Agenda Item 5.3) Resolution 2022-25 Request for County Auditor-Controller to Affix a Tax Rate for the Fiscal Year 2022-23 Sufficient to Satisfy State Water Project Charges Motion

Of the total \$1,608,000 budgeted costs for State Water in FY 2022-23, approximately \$1,066,100 represents the District's projected share of the VCWPD State Water contractual fixed costs. As the Board is aware, Port Hueneme Water Agency (PHWA) leases 1,850 AF of the District's 5,000 AF Table A allocation, leaving the District with a total of 3,150 AF. PHWA reimburses the District only for actual State Water delivered.

As of May 2022, the Department of Water Resources has authorized deliveries at 5 percent of State Water Contractors' Table A allocation. The District's allocation at 5 percent is 250 AF.

The assessment rate for FY 2022-23 will be based on the actual assessed valuation of properties within the State Water Importation tax roll areas. It is not possible for staff to estimate what the actual assessed valuation total will be. The assessor calculates a rate by dividing the District's request by the total assessed valuation of properties within the State Water Importation tax roll areas. That rate is then applied to the assessed value of each individual property to compute a proportional share to affix to each property owner's individual tax bill.

Fiscal Impact:

Property tax revenue of \$2,099,000. is necessary to cover the budgeted costs of State Water in FY 2022-23 and maintain adequate reserves, pursuant to the District's reserve policy.

Attachment: A – Resolution 2022-25

RESOLUTION 2022-25

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
UNITED WATER CONSERVATION DISTRICT
REQUESTING THE AUDITOR-CONTROLLER TO COMPUTE AND AFFIX
A TAX RATE FOR THE FISCAL PERIOD 2022-2023 SUFFICIENT TO SATISFY THE
STATE WATER PROJECT CHARGES**

WHEREAS, the United Water Conservation District, as of July 1, 1970, was allocated 5,000 acre-feet of state water; and

WHEREAS, since 1970 there has been annual revenue needed to pay the State Water Project fixed and variable charges (voter approved debt) for the District's 5,000 acre-foot allocation, and United Water Conservation District has paid the variable charges in the years when all or a portion of the Table A allocation was received; and

WHEREAS, the estimated amount of revenue required for the fiscal year July 1, 2022, through June 30, 2023, to satisfy unfunded State Water Project charges is \$2,099,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the United Water Conservation District does request the Auditor-Controller to compute and affix a tax rate for the fiscal period July 1, 2022, through June 30, 2023, sufficient to satisfy the State Water Project charges up to the amount set forth above.

ADOPTED AND PASSED this 8th day of June 2022.

ATTEST: _____
Bruce Dandy, President

ATTEST: _____
Lynn Maulhardt, Secretary/Treasurer



Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer
Daryl Smith, Controller

Date: May 13, 2022 (May 31, 2022, meeting)

**Agenda Item: 5 (Board Item 3.C) Monthly (April 30, 2022) Investment Report
Information Item**

Staff Recommendation:

Review and discuss the most current investment report for April 30, 2022, that is enclosed.

Discussion:

Based on the information included in the attached reports, staff will present a summary and discuss key information as an overview.

Fiscal Impact:

As shown.

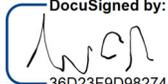
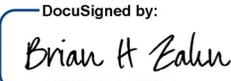
Attachment: Combined Investment Report

**United Water Conservation District
Monthly Investment Report
April 30, 2022**

<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	2,784,504	1	5.46%
US Bank - 2020 COP Bond Balance	14,761,032	1	28.96%
Petty Cash	3,400	1	0.01%
County Treasury	1,644	1	0.00%
LAIF Investments	33,417,921	1	65.56%
Total Cash, Cash Equivalents and Securities	50,968,501		100.00%
Investment Portfolio w/o Trustee Held Funds	50,968,501		
Trustee Held Funds	-		
Total Funds	50,968,501		

Local Agency Investment Fund (LAIF)	Beginning Balance	Deposits (Disbursements)	Ending Balance
	28,895,890	4,522,031	33,417,921
	Interest Earned YTD	Interest Received YTD	Qtrly Yield
	53,538	76,793	0.32%

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.

<p>DocuSigned by:  <small>36D23E9D982745E...</small></p> <hr/> <p>Mauricio E. Guardado, Jr., General Manager</p>	<p align="right">5/17/2022</p> <hr/> <p align="right">Date Certified</p>
<p>DocuSigned by:  <small>70D59ECE0D8D46E...</small></p> <hr/> <p>Anthony Emmert, Assistant General Manager</p>	<p align="right">5/17/2022</p> <hr/> <p align="right">Date Certified</p>
<p>DocuSigned by:  <small>6685DB362A674A3...</small></p> <hr/> <p>Brian Zahn, Chief Financial Officer</p>	<p align="right">5/16/2022</p> <hr/> <p align="right">Date Certified</p>

United Water Conservation District			
Cash Position			
April 30, 2022			
Fund	Total	Composition	Restrictions/Designations
General/Water Conservation Fund:		Revenue collected for district operations	
General/Water Conservation	17,991,253	4,988,566	Includes General, Rec & Ranger, Water Conservation
		4,962,000	Reserved for legal expenditures
		5,809,000	Designated for replacement, capital improvements, and environmental projects
		2,231,687	Supplemental Water Purchase Fund
General CIP Funds	3,783,685	3,783,685	Appropriated for capital projects
2020 COP Bond Funds	12,890,580	12,890,580	Reserved for CIP Projects
Special Revenue Funds:		Revenue collected for a special purpose	
State Water Project Funds	5,433,874	5,433,874	Procurement of water/rights from state water project
Enterprise Funds:		Restricted to fund usage	
Freeman Fund	1,970,133	1,970,133	Operations, Debt Service and Capital Projects
		-	Designated for replacement and capital improvements
		-	Reserved for legal expenditures
Freeman CIP Fund	(922,753)	(922,753)	Appropriated for capital projects
OH Pipeline Fund	2,553,757	2,553,757	Delivery of water to OH customers
OH CIP Fund	3,704,726	3,704,726	Appropriated for capital projects
OH Pipeline Well Replacement Fund	481,816	481,816	Well replacement fund
PV Pipeline Fund	504,929	504,929	Delivery of water to PV customers
PV CIP Fund	185,836	185,836	Appropriated for capital projects
PT Pipeline Fund	1,532,369	1,532,369	Delivery of water to PTP customers
PT CIP Fund	858,297	858,297	Appropriated for capital projects
Total District Cash & Investments	50,968,501	50,968,501	



Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer
Daryl Smith, Controller

Date: May 13, 2022 (May 31, 2022, meeting)

Agenda Item: 6 **Monthly (April 30, 2022) Pipeline Delivery Report**
Information Item

Staff Recommendation

Review and discuss the most current pipeline delivery report for April 30, 2022, that is enclosed.

Fiscal Impact

As shown.

Discussion

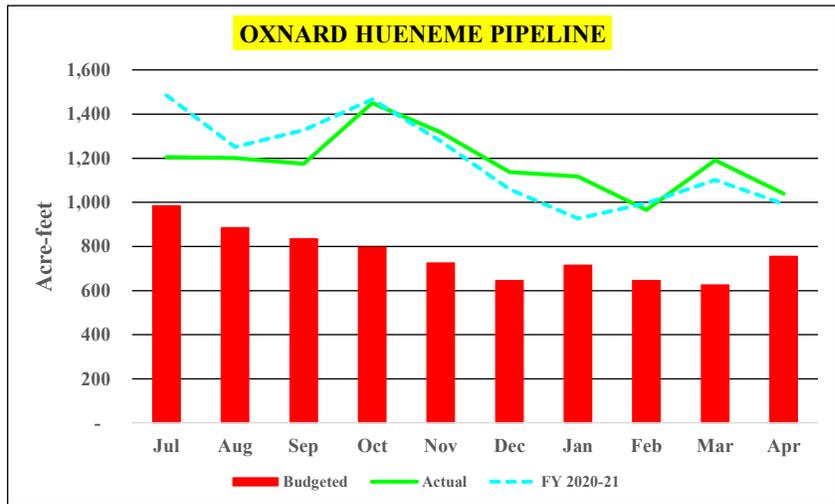
Based on the information included in the attached reports, staff will present a summary and discuss key information as an overview.

Attachment: Pipeline Delivery Report

**United Water Conservation District
Pipeline Water Deliveries (Acre-feet)
FY 2021-2022 data thru April 30, 2022**

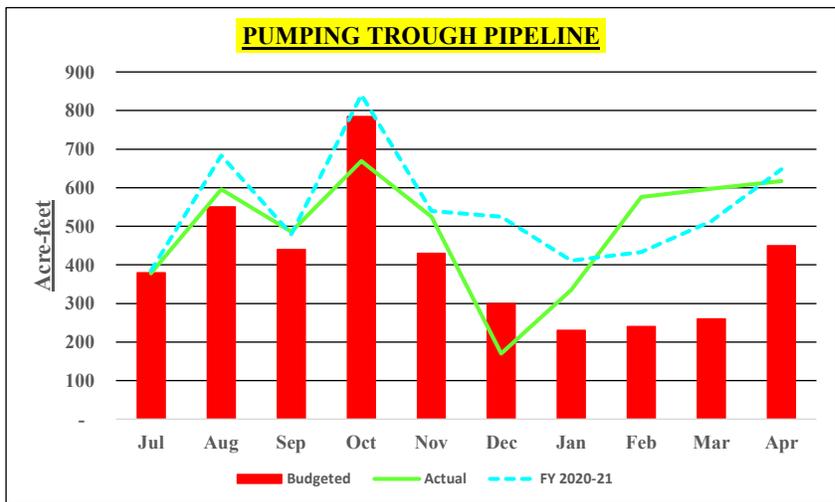
OH Pipeline 21-22			
	Projection	Actual	Difference
Jul	985	1,205	220
Aug	885	1,201	316
Sep	835	1,175	340
Oct	795	1,450	655
Nov	725	1,318	593
Dec	645	1,137	492
Jan	715	1,118	403
Feb	645	965	320
Mar	625	1,191	566
Apr	755	1,040	285
May	915		
Jun	1,955		
Totals	10,480	11,800	4,190
YTD	7,610	11,800	4,190

YTD Actual to Budget: 55.1%



PT Pipeline 2021-22			
	Projection	Actual	Difference
Jul	380	378	(2)
Aug	550	596	46
Sep	440	486	46
Oct	785	669	(116)
Nov	430	525	95
Dec	300	170	(130)
Jan	230	335	105
Feb	240	576	336
Mar	260	597	337
Apr	450	617	167
May	470		
Jun	470		
Totals	5,005	4,949	884
YTD	4,065	4,949	884

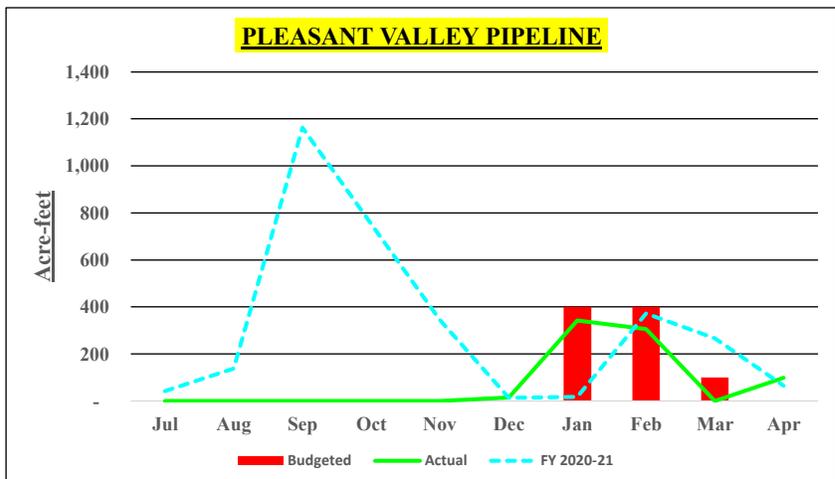
YTD Actual to Budget: 21.7%



884

PV Pipeline 2021-22			
	Projection	Actual	Difference
Jul	-	-	-
Aug	-	-	-
Sep	-	-	-
Oct	-	-	-
Nov	-	-	-
Dec	-	15	15
Jan	400	342	(58)
Feb	400	305	(95)
Mar	100	-	(100)
Apr	-	99	99
May	-		
Jun	-		
Totals	900	761	(139)
YTD	900	761	(139)

YTD Actual to Budget: -15.4%





Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer
Daryl Smith, Controller

Date: May 13, 2022 (May 31, 2022, meeting)

Agenda Item: 7 **Board Requested Cost Tracking Items
Information Item**

Staff Recommendation:

Review and discuss the cost to date reports for:

- 1) FERC licensing
- 2) The Probable Maximum Precipitation/Flood Study
- 3) General/Water Conservation Fund Environmental
- 4) Freeman Fund Environmental
- 5) Quagga Mussels
- 6) City of Ventura Litigation
- 7) Wishtoyo Litigation
- 8) All legal fees
- 9) All professional fees (excluding legal fees)
- 10) Summary of Board Motion Item(s) with Fiscal Impact

Based on the information provided and the ensuing discussion, provide any necessary direction to staff.

Discussion:

The Finance and Audit Committee requested a monthly update of the accounting being maintained by the District for costs being incurred for various items. The attached report provides data through April 30, 2022.

Fiscal Impact:

As shown.

Attachments: Attachment A – Consolidated Cost Summary

United Water Conservation District
 Consolidated Cost Summary Report
 Through April, 2022

Fiscal Year	FERC License	PMF Study	Gen/Water Conservation Environmental	Freeman Environmental	Quagga Mussels	City of Ventura Lawsuit *	Wishtoyo Complaint	Legal Fees	Other Professional Fees	Total Professional Fees
2001-02	27,083	-	-	-	-	-	-	-	-	-
2002-03	137,116	-	-	-	-	-	-	-	-	-
2003-04	395,575	-	-	-	-	-	-	-	-	-
2004-05	527,191	53,364	-	-	-	-	-	-	-	-
2005-06	169,655	16,486	3,170	148,847	-	-	-	-	-	-
2006-07	74,929	10,554	71,678	170,323	-	-	-	-	-	-
2007-08	105,950	-	304,745	170,995	-	-	-	-	-	-
2008-09	364,883	-	1,483,036	458,887	-	-	-	1,267,547	822,498	2,090,045
2009-10	258,473	68,839	524,532	548,673	-	-	-	324,553	860,496	1,185,049
2010-11	407,597	123,915	306,071	374,490	-	-	-	255,183	992,758	1,247,941
2011-12	789,792	87,059	479,648	138,686	-	353,598	-	533,216	902,051	1,435,267
2012-13	531,196	6,942	568,207	291,674	-	52,222	-	261,810	1,316,817	1,578,627
2013-14	771,128	97,340	499,114	434,354	186,505	365,903	169,167	770,488	1,244,116	2,014,604
2014-15	968,028	120,094	116,393	725,345	232,259	227,522	85,654	505,973	1,811,454	2,317,427
2015-16	469,632	53,062	137,400	605,003	311,047	161,858	230,513	690,261	1,463,670	2,153,931
2016-17	435,599	257,750	139,791	666,810	613,210	23,373	1,029,773	1,030,758	1,535,352	2,566,110
2017-18	363,051	617,564	119,971	546,179	413,501	272,526	2,410,909	2,931,575	2,153,367	5,084,942
2018-19	735,757	436,136	137,761	659,368	431,494	193,240	1,174,589	2,104,842	2,526,710	4,631,553
2019-20	682,306	188,753	57,942	1,184,780	290,047	411,440	4,812,891	5,839,441	2,898,804	8,738,246
2020-21	298,484	1,692,037	22,583	533,030	348,733	1,540,385	2,301,320	4,841,413	2,115,988	6,957,400
2021-22	555,739	527,074	39,034	291,415	309,024	176,451	772,924	2,012,021	1,241,871	3,253,891
Report Total	9,069,167	4,986,968	5,011,074	7,948,858	3,135,820	3,778,520	12,987,739	23,369,081	21,885,952	45,255,033
Previous Report Total	9,004,778	4,910,565	5,010,036	7,916,910	3,087,285	3,749,305	12,918,938	23,171,248	21,731,580	44,902,828
<i>Current Activity</i>	<i>64,389</i>	<i>76,404</i>	<i>1,038</i>	<i>31,948</i>	<i>48,534</i>	<i>29,215</i>	<i>68,801</i>	<i>197,834</i>	<i>154,372</i>	<i>352,205</i>

* Does not include City of San Buenaventura judgment

Current Activity Narrative:

- FERC - The activity for April (\$64K) was primarily spent on staff time (\$19K) and professional fees (\$45K).
- PMF - The activity for April (\$76K) was primarily spent on staff time (\$3K), design (\$70K), and CEQA Permits (\$3K).
- Gen/Wtr Cons - The activity for April (\$1K) was spent on staff time (\$1K).
- Freeman - The activity for April (\$32K) was spent primarily on staff time (\$27K) and professional fees (\$5K) related to HCP support.
- Quagga - The activity for April (\$49K) was spent primarily on staff time (\$14K) and professional fees (\$35K) related to quagga mussel eradication and the scientific dive agreement.
- Ventura - There were legal costs of \$29K associated with the settlement of the City of Ventura Lawsuit.
- Wishtoyo - The activity for April (\$69K) was spent on legal fees related to the Wishtoyo complaint.
- Legal Fees - Includes all legal fees for the District. These fees were dominated by the Wishtoyo and Ventura lawsuits, Fox Canyon and general legal.
- Other Prof Fees - Includes all contracted professional fees except legal fees. These fees were dominated by fish passage costs, consulting fees and quagga removal costs.

BOARD MOTION ITEMS with FISCAL IMPACT

Motion Number	Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
5.1	Water Resources	Conclusion of Annual Groundwater Hearing, Acceptance of Public Comment and Setting of 2022-23 Zones and Extraction Charges (Resolution No.'s 2022-22 and 2022-23)	N/A	N/A	Revenues	N/A
5.6	Operations and Maintenance	Authorize the Supplemental Appropriation of Funds to Purchase a Replacement Pump for the Pumping Trough Pipeline (PTP) Reservoir	N	PTP Reserves (Fund 470)	(189K)	N/A
				TOTAL	(\$189K)	



Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Josh Perez, Chief Human Resources Officer
Brian Zahn, Chief Financial Officer
Zachary Plummer, Technology Systems Manager
Tony Huynh, Risk and Safety Manager
Kris Sofley, Executive Assistant/Clerk of the Board

Date: May 24, 2022 (May 31, 2022, meeting)

Agenda Item: 8 **(Board Item 4.1) Monthly Administrative Services Department Report**
Information Item

Staff Recommendation:

The Committee will receive this staff report and presentation from the Administrative Services Department regarding its activities for the month of May 2022.

Discussion:

Finance

- Met with Department Managers to review their March YTD spend and created an updated projection and analysis of total FY 21-22 spend.
- Presented Proposed FY 22-23 Budget and Financial Policies at the May 11, 2022, Board meeting.
- Held meetings with the OH and PTP customers to discuss the FY 22-23 Budget and District activity.
- Held audit kickoff meeting and began interim fieldwork for the audit.
- Prepared FY 22-23 Proposed Budget for GSAs.
- Began recruitment for open Accounting Technician and Accountant II positions.
- Provided O&M with financial data needed for filling out the State Water Resources Control Board's Electronic Annual Report for the OH Pipeline.

Administrative

- Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the UWCD's Recreation Committee and Finance and Audit Committee meetings as well as the regular UWCD Board meeting in May.
-

Agenda Item 8 (Board Item 4.1) Monthly Administrative Services Department Report Information Item

- Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the Fillmore and Piru Basins Groundwater Sustainability Agency's Regular Board meeting May.
- Completion of UWCD Headquarters' decorating, including installation of over 40 John Carman photographs (printed on canvas and stretched on frames) throughout the second-floor space.
- Continued to host AWA VC Water Issues Committee and Board meeting events for May at the UWCD Boardroom with support from Administrative staff and IT Manager.
- Continued to host the Santa Clara River Watershed Committee meeting at the UWCD Boardroom with support from Administrative staff and IT Manager.
- Provided tour of Boardroom and demonstrations of audio, video, and computer technology for a group from Rancho Simi Recreation and Park District.
- Coordinated with AWA VC on UWCD's exhibition space at the annual Water Symposium (May 26); secured a video presentation at the opening of the Symposium's luncheon event; and arranged for the presentation of the 2022 Richard V. Laubacher Water Conservation Award.
- Admin Team also coordinated Directors and Staff travel, accommodation, and participation at the 2022 ACWA Spring Conference in Sacramento (May 3-5); the CSDA Legislative Days in Sacramento (May 17-18); and Staff visits to the Bureau of Reclamation and University of Iowa to evaluate modeling efforts for fish passage alternatives; in addition to individual training and event participation.

Human Resources

- Working on completing PAFs for merit pay and administrative leave for selected eligible staff members.
- Processed exit documents for several full-time and part-time staff that submitted retirement notices or resignations during the month.
- Processed employee evaluations and step increases that were scheduled for May.
- Processed employee payroll changes into InCode (address change, tax changes, changes in deductions, base pay, cash out requests).
- In coordination with Water Resources Department, assisted in gathering groundwater hearing exhibits for the 2022 groundwater/workshop hearings.
- Continued work on recruitments for the following positions:
 - Accounting Technician
 - Selection made pending GM approval
 - Accountant II
 - Candidates being reviewed - interviews to be scheduled shortly
 - Environmental Services Lead Field Technician
 - Candidates being reviewed
 - Human Resources Generalist
 - Candidate review completed - interviews being scheduled for June 3
 - Park Ranger III
 - Candidates reviewed - interviews scheduled for first week of June

Agenda Item 8 (Board Item 4.1) Monthly Administrative Services Department Report Information Item

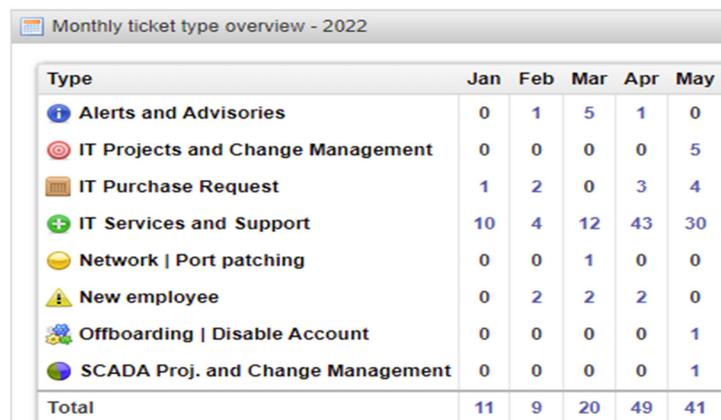
- Worked with SDRMA regarding several ongoing insurance claims submitted regarding vehicle damage.

Safety and Risk Management

- Led DHS Dams Sector Information Sharing Drill across multiple departments and partnered with IT Department on evaluating technology in District EOC.
- Trained and certified 10 new staff members in CRP/AED/First Aid at Lake Piru Recreation Area.
- Delivered Annual Heat Illness Prevention training at monthly safety meeting.
- Continued Respiratory Fit Testing Efforts throughout O&M.
- Procured audiometric device for in-house hearing testing which will begin in July.
- Supported IT Department with cyber security efforts as needed.
- Supported HR Department with HR Generalist candidate screenings/reviews.

Technology Systems

- IT and Risk Management Participated in a national wide drill exercise. Internal staff had the opportunity to assess our readiness to activate the EOC and evaluate our responses to the simulated scenarios.
- Completed cybersecurity review with the DHS Vulnerabilities detection team.
- IT staff provided Technology support for several district held hybrid meeting events, including services to AWA and Ventura Watershed, and OH/PTP User Meetings.
- IT staff continued to fulfill requests to deploy updated computer and mobile device equipment.
- IT staff provided technical assistance to relocate computer and network equipment into the modernized Lake Piru entrance Kiosk.
 - IT has been coordinating network improvements with O&M Instruments Department to provide network availability for new security equipment coming online over the next few months at the Lake Piru Recreation Area.
- IT staff are continuing to recommend that staff submit their requests to the ticketing application allowing IT staff to prioritize support and security responses.
- Monthly ticket overview summarized below:



Type	Jan	Feb	Mar	Apr	May
Alerts and Advisories	0	1	5	1	0
IT Projects and Change Management	0	0	0	0	5
IT Purchase Request	1	2	0	3	4
IT Services and Support	10	4	12	43	30
Network Port patching	0	0	1	0	0
New employee	0	2	2	2	0
Offboarding Disable Account	0	0	0	0	1
SCADA Proj. and Change Management	0	0	0	0	1
Total	11	9	20	49	41