

AGENDA
FINANCE AND AUDIT COMMITTEE MEETING
Monday, December 5, 2022, at 9:00 a.m.
UWCD Headquarters, First Floor, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

CALL TO ORDER – OPEN SESSION 9:00 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 October 3, 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. The Committee meeting scheduled for October 31, 2022, was canceled and appropriate notification was emailed to members, staff, and interested parties.

**4. Annual Comprehensive Financial Report (ACFR) presented by the Districts' Auditor Vasquez & Co.
Information Item**

The Committee will receive a presentation of the ACFR from the Districts' auditor Vasquez & Co.

EXECUTIVE (CLOSED) SESSION 9:35 a.m.

**5. Public Employee Performance Evaluation
Chief Financial Officer: Brian H. Zahn**

[Government Codes §54954.5 subdivision e and §5497 subdivision b]

SECOND OPEN SESSION 10:00 a.m.

6. Oral Report Regarding Executive (Closed) Session

Presented by Finance and Audit Committee Chair Lynn E. Maulhardt.

7. December 14, 2022, Board Meeting Agenda Item(s)

The Committee will review and discuss the following agenda items to be considered for approval at the December 14, 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 items:



7a. Resolution 2022-38 Adoption of Unmanned Aircraft System – Authorization and Operations Policy

Board Motion

The Committee will consider recommending Board approval of Resolution 2022-38, officially adopting a use of Unmanned Aircraft System (UAS) Policy for District employees and authorized third parties.

8. First Quarter Fiscal Year 2022-2023 Financial Reports (July 1, 2022 – September 30, 2022)

Information Item

The Committee will receive and review the fiscal year 2022-2023 first quarter financial reports for the period of July 1, 2022, through September 30, 2022.

9. First Quarter Fiscal Year 2022-2023 District Staff and Board Member Reimbursement Report (July 1, 2022 – September 30, 2022)

Information Item

The Committee will review the expense reimbursement report for all reimbursements of business expenses to staff and board members for the first quarter of fiscal year 2022-2023.

10. Monthly Investment Report (October 2022)

Information Item

The Committee will receive, review and discuss the Districts' investment portfolio and cash position as of October 31, 2022.

11. Monthly Pipeline Delivery Report (October 2022)

Information Item

The Committee will receive, review and discuss the Districts' pipelines' water activities as of October 31, 2022.

12. Board Requested Cost Tracking Items

Information Item

The Committee will receive and review the costs through October 31, 2022, 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 general environmental mandates, and CESA;
- c) in relation to litigation with the City of Ventura, Wishtoyo Foundation, Fifth Amendment takings, 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.

13. 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.

14. 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

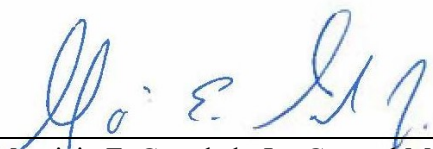
Brian Zahn

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 Jr., General Manager

Approved: 
Brian Zahn, Chief Financial Officer

Posted: (date) December 1, 2022

(time) 4:50 p.m.

(attest) Jackie Lozano

At: www.unitedwater.org

Posted: (date) December 1, 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, October 3, 2022, at 9:00 a.m.
UWCD Headquarters, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

COMMITTEE MEMBERS PRESENT:

Lynn E. Maulhardt, chair
Bruce E. Dandy, director (on behalf of Director Berger)
Mohammed A. Hasan, director

COMMITTEE MEMBER ABSENT:

Sheldon G. Berger, director

STAFF PRESENT:

Anthony Emmert, assistant general manager
Jackie Lozano, administrative assistant
Josh Perez, chief human resources officer
Zachary Plummer, technology systems manager
Daryl Smith, controller
Ambry Tibay, senior accountant
Brian Zahn, chief financial officer

PUBLIC PRESENT:

None

OPEN SESSION 9:04 a.m.

Chair Lynn Maulhardt called the meeting to order at 9:04 a.m.

Committee Members Roll Call

The Clerk called roll. Chair Maulhardt and Director Hasan were present as well as Director Dandy who was sitting in for Director Berger.

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 Dandy. Voice vote, three ayes (Hasan, Maulhardt, Dandy); none opposed; one absent (Berger). Motion carries, 3/0/1.

3. Approval of Minutes

The Committee received and reviewed the draft Committee meeting minutes of September 6, 2022. Motion to approve the Committee meeting minutes, Director Hasan; Second, Chair Maulhardt. Voice vote, two ayes (Hasan, Maulhardt); none opposed; one abstained (Dandy); one absent (Berger). Motion carries, 2/0/1/1.



4. October 12, 2022, Board Meeting Agenda Items

There were no motions for the Finance and Audit Committee members to review in advance of the October 12, 2022, UWCD Board of Directors meeting.

5. Fiscal Year 2021-2022 Year End Financial Reports (July 1, 2021 – June 30, 2022)
Information Item

The Committee reviewed and discussed with staff the fiscal year 2021-2022 financial reports, status of Capital Improvement Projects, and Investment Benchmark report, and as provided in a presentation by Chief Financial Officer Brian Zahn. Regarding Revenue and Expenditure (slide 3), Chair Maulhardt requested staff to revise the slide to show the delta between revenue increase and expenditure decrease, before bringing presentation to the Board. Also, there was some discussion between staff and the Committee regarding agriculture groundwater pumping (slide 7). Due to the sensitive nature of the discussion, the Committee requested an Executive (Closed) Session to continue the conversation at a later date. Upon the conclusion of discussion regarding Vendors (slide 13), Chair Maulhardt would like staff to give more thought into solar electricity when feasible for the District.

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

6. Monthly Investment Report (August 2022)
Information Item

The Committee members received and reviewed the monthly investment 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.

7. Pipeline Delivery Report (August 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.

8. Board Requested Cost Tracking Items
Information Item

The Committee members received and 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 general environmental mandates, and CESA;
- c) in relation to litigation with the City of Ventura, Wishtoyo Foundation, Fifth Amendment takings, 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) a 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.



9. Monthly Administrative Services Update

Information Item

Financial updates for the previous month were presented by Mr. Zahn. Human Resources Officer Josh Perez presented updates on Administration, Human Resources, Risk Management, and Information Technology (presentation attached). At the conclusion of the presentation, Chair Maulhardt asked staff to have on standby the updated Year End Financial Report presentation for the Board. No other presentations or highlights were requested to be brought forward. Mr. Zahn addressed the Committee to mention that the Board may see public representation from a groundwater user who would like to discuss their overdue account. It would be staff's recommendation to hold the action taken by the Board and not rescind any order in order to keep things moving forward.

In closing, Director Dandy asked staff when they would be providing the Board with a status update of all the significant dollar projects. Mr. Zahn answered, staff is reviewing these projects with the General Manager, and they are working on a forecast.

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

10. Future Agenda Items

No agenda items were brought forward from the Committee.

ADJOURNMENT 9:59 a.m.

Chair Maulhardt adjourned the meeting at 9:59 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 October 3, 2022.

ATTEST: _____
Chair Lynn E. Maulhardt



Fourth Quarter Fiscal Year End 2021-2022 Financial Review

OCTOBER 3, 2022



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Highlights

REVENUE AND OPERATING EXPENSES ACTUALS CONTINUE FAVORABLE TO BUDGET

REVENUE

- Total operating revenue is \$2.9M or 8% ahead of budget
 - Pipeline revenues are favorable to budget by \$1.4M or 12%
 - Groundwater revenues are favorable to budget by \$479K or 3%
 - Taxes are favorable to budget by \$1.7M or 34%
 - Other revenue was unfavorable to budget by \$603K or 66% due to an increase in Allowance for Doubtful Accounts

EXPENDITURE

- Personnel expenses are below budget \$300K or 3.0% due in part to open positions
- Professional and legal fees are below budget \$2.1M or 30.0% due to underspending across all departments
- Utilities are over budget \$316K or 17% primarily due to higher electricity prices
- Operations/Maintenance are below budget \$1.2M or 24.5%
- Allocated overhead is below budget \$194K on lower operating expenses



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Overview

WATER RATES AND VOLUME CONTINUE TO DRIVE REVENUE UPSIDE

in \$000's	FY21-22 Actual	FY21-22 Budget	FY20-21 Actual
Taxes	6,552	4,879	4,266
Water Delivery/Fixed Cost	12,531	11,147	11,907
Groundwater	18,139	17,660	15,919
Other Operating Revenue	1,823	1,918	447
Non-Operating Revenue	327	835	2,999
Total Revenue	\$ 39,372	\$ 36,440	\$ 35,538
Personnel Expense	10,703	11,003	7,075
Professional Fees	4,768	6,826	6,128
Operating Expense*	7,355	9,748	7,520
Debt Service	1,078	1,333	1,233
Other	2,047	2,005	639
Total Expenditure	\$ 25,950	\$ 30,915	\$ 22,595

*Includes Depreciation

REVENUE

- Revenue is better than budget \$2.9M
 - Pipeline favorable \$1.4M
 - Taxes favorable \$1.7M.
 - Groundwater favorable \$0.5M

EXPENDITURE

- Professional fees, legal fees, and maintenance combined are below budget \$2.8M
- With depreciation included, total Operating expense was \$2.4M favorable to budget

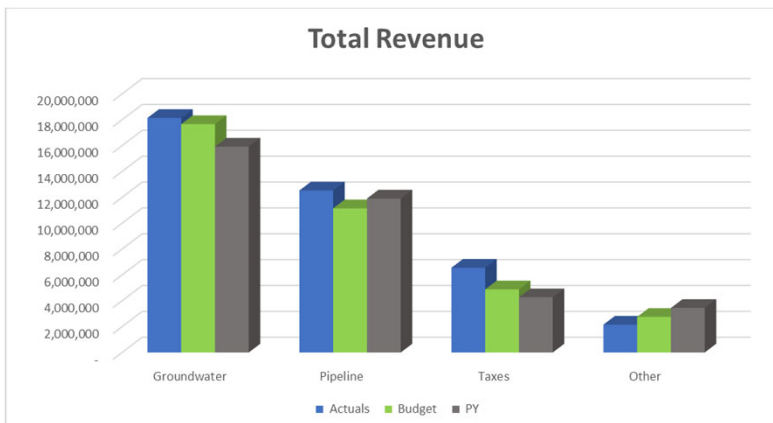
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FY2021-2022 Revenue

GROUNDWATER, PIPELINE AND TAX REVENUE AHEAD OF BUDGET

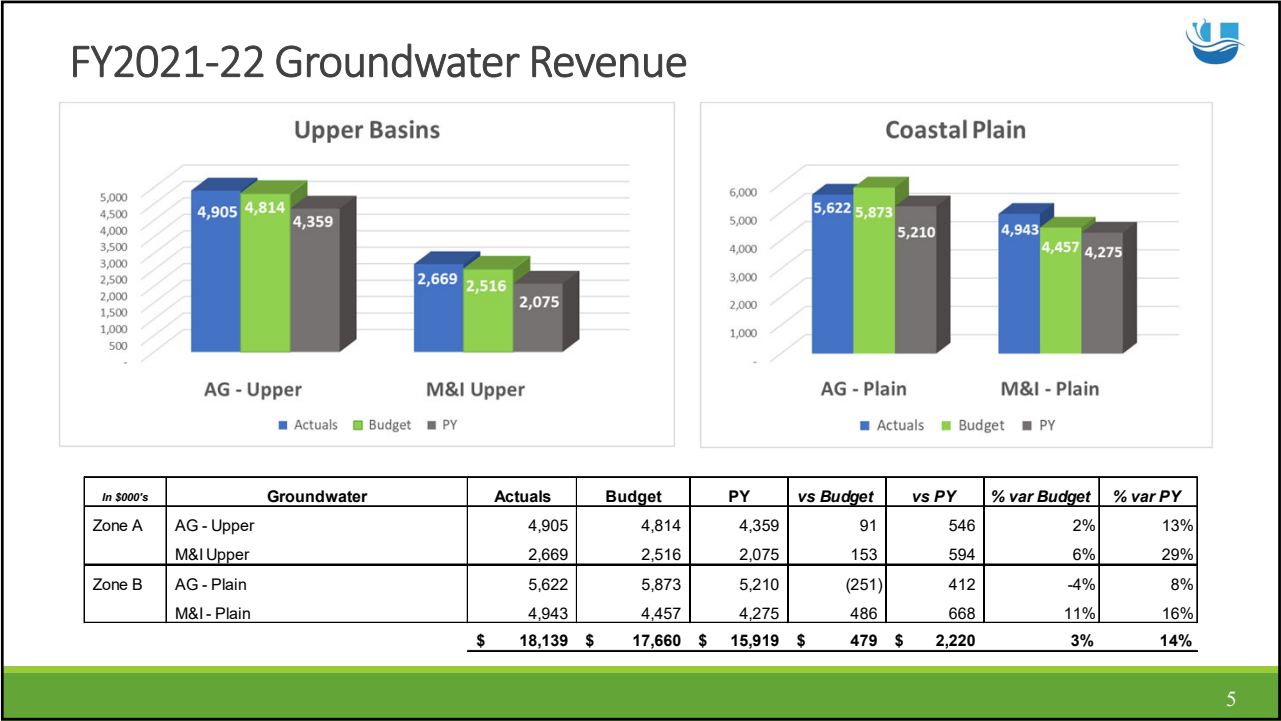


TOTAL OPERATING REVENUE \$2.9M OVER BUDGET

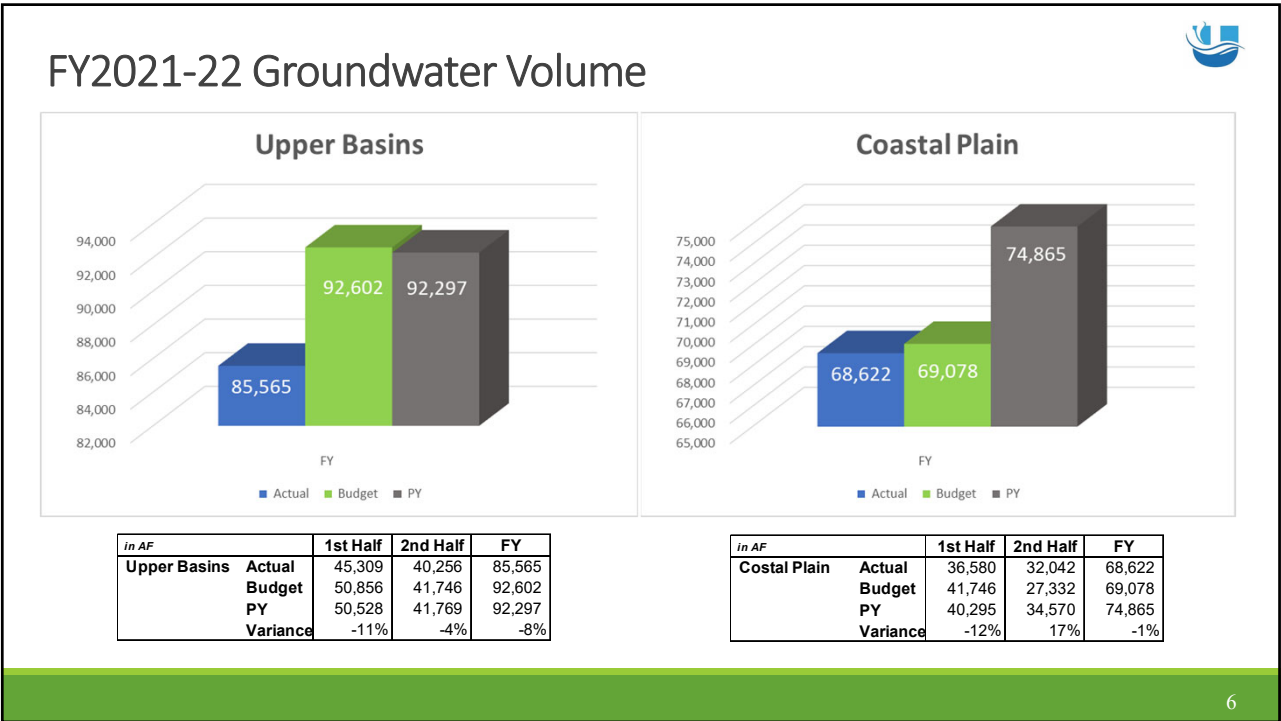
- Pipeline revenue is \$1.4M above budget due to higher rates and volumes
- Tax revenue is \$1.7M favorable to budget due to higher property values
- Groundwater is \$0.5M favorable to budget due to volume
- Other revenue is slightly unfavorable to budget \$0.6M

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Top-10 Groundwater Pumpers - AG

Customer Name	Total AF 2021-2022	Total AF 2020-2021	Difference	% Change
FARMERS IRRIGATION CO.	10,075.01	10,995.63	(920.62)	-8%
PLEASANT VALLEY CO WTR,	8,273.85	6,311.71	1,962.14	31%
FILLMORE FISH HATCHERY,	8,242.56	8,303.06	(60.50)	-1%
SESPE AGRICULTURAL WATER,	4,434.61	6,199.92	(1,765.31)	-28%
REITER BROTHERS INC.	4,233.01	4,553.64	(320.63)	-7%
SOUTHLAND SOD FARMS,	3,935.35	4,971.49	(1,036.14)	-21%
DUDA FARM FRESH FOODS INC	3,674.66	4,206.81	(532.15)	-13%
SAN CAYETANO MUTUAL WTR,	2,221.12	2,336.63	(115.51)	-5%
DEL NORTE WATER COMPANY,	2,195.23	2,497.27	(302.04)	-12%
ALTA MUTUAL WATER CO,	2,138.94	2,451.61	(312.67)	-13%

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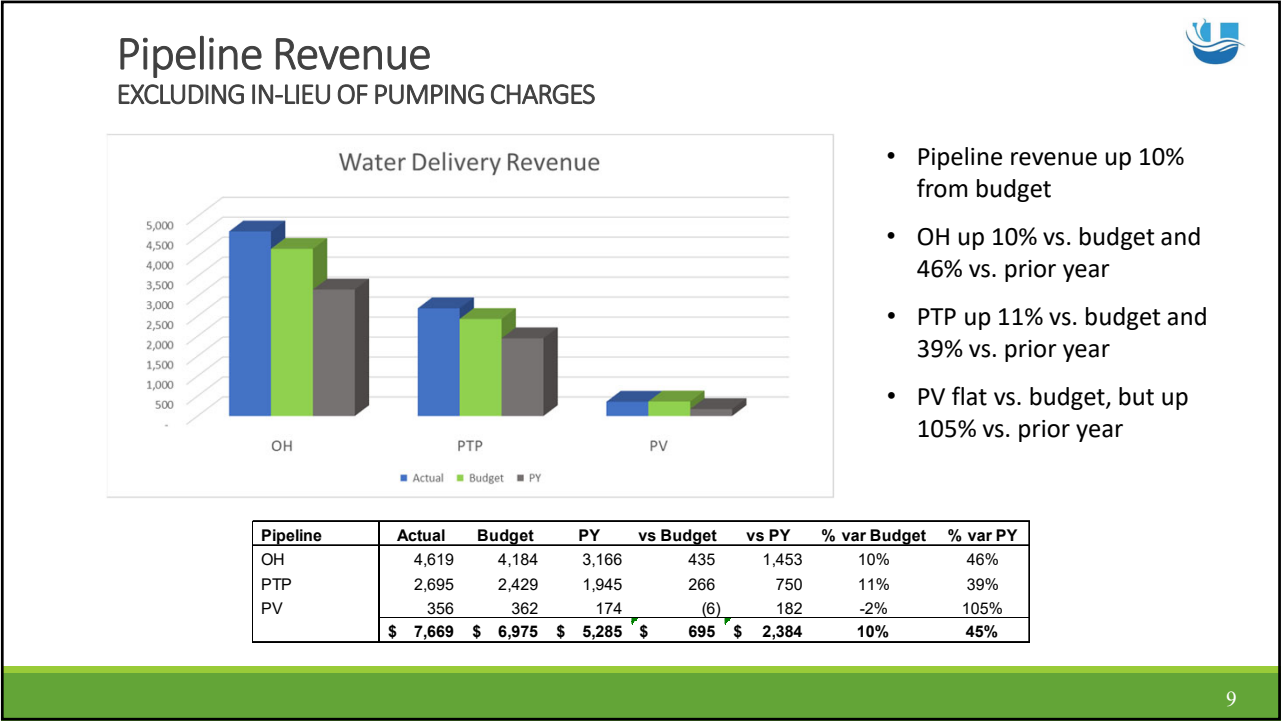


Top-10 Groundwater Pumpers - M&I

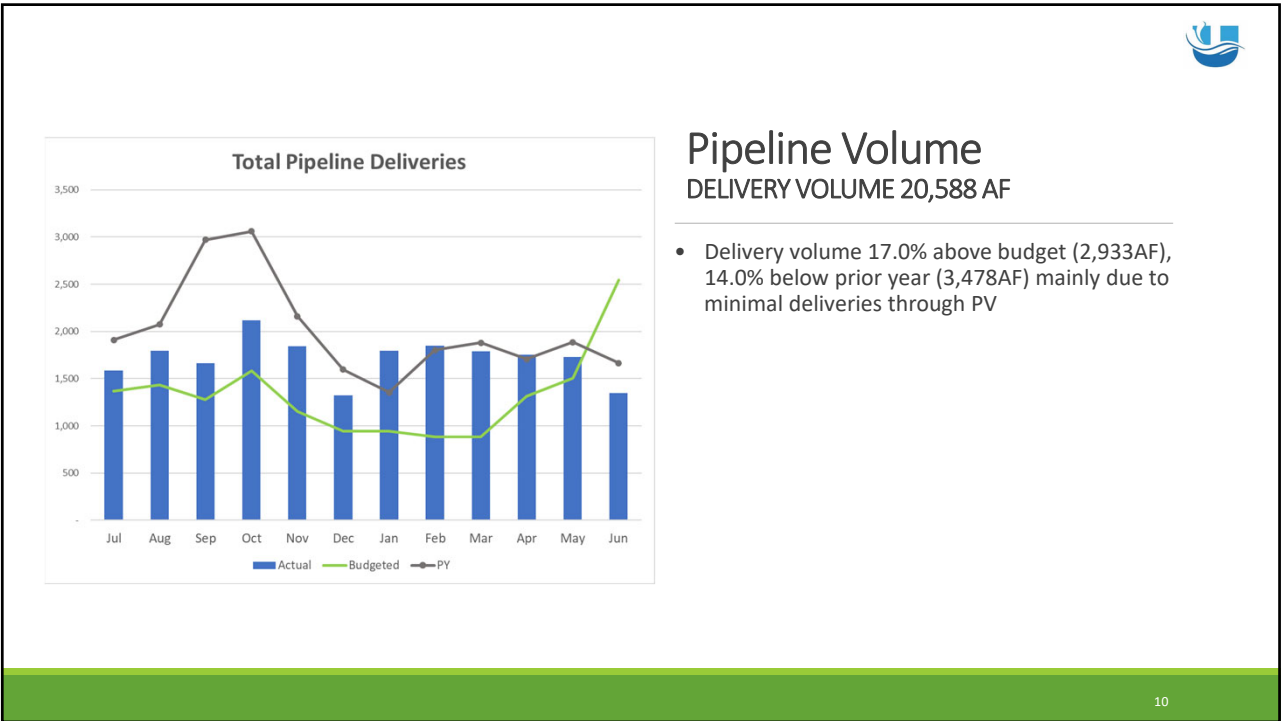
Customer Name	Total AF 2021-2022	Total AF 2020-2021	Difference	% Change
SAN BUENAVENTURA, CITY OF	10,476.45	9,243.44	1,233.01	13%
OXNARD - WTR DIV, CITY OF	6,218.18	8,088.79	(1,870.61)	-23%
SANTA PAULA, CITY OF	4,484.30	4,468.87	15.43	0%
FILLMORE, CITY OF	2,167.99	2,193.05	(25.06)	-1%
CAMARILLO (A/P), CITY OF	1,201.59	468.07	733.52	157%
RIVER RIDGE GOLF COURSE	728.95	833.13	(104.18)	-13%
WARRING WATER SERVICE,	494.09	456.77	37.32	8%
STERLING HILLS GOLF CLUB,	341.21	378.17	(36.96)	-10%
CALIFORNIA AMERICAN WATER	223.13	246.34	(23.21)	-9%
BOSKOVICH FARMS INC,	211.59	151.89	59.70	39%

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Personnel Expenses

\$000's	FY 2021-22 Actual	FY2021-22 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Regular Salary	6,839	6,801	4,343	38	1%	2,496	57%
Over-time Salary	134	190	129	-56	-30%	5	4%
Part-time	352	356	149	-4	-1%	203	136%
Salaries	7,325	7,347	4,621	-22	0%	2,704	59%
Retirement- Classic	1,601	1,656	1,269	-55	-3%	332	26%
Retirement - PEPR	218	211	122	7	3%	96	78%
Soc Sec/457b Expense	412	399	278	13	3%	134	48%
Medicare Expense	105	109	65	-4	-4%	40	61%
SUI Expense	12	22	11	-10	-46%	1	8%
Medical Ins Exp	791	934	516	-142	-15%	275	53%
LTD	19	16	3	3	16%	16	525%
Life Insurance	24	27	15	-3	-13%	9	58%
Worker's Comp Expense	89	205	82	-116	-57%	7	9%
OPEB	107	78	93	30	38%	14	100%
Employee Benefits	3,378	3,656	2,454	-278	-8%	924	38%
Personnel Expenses	10,703	11,003	7,075	-301	-3%	3,628	51%

- Salaries are basically flat to budget
- Employee Benefits are positive to budget primarily due to:
 - Lower actuals in medical insurance
 - Lower workers compensation insurance

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Operating Expenses

PROFESSIONAL FEES AND MAINTENANCE DRIVE PLAN UNDERRUN



\$000's	FY 21-22 Actual	FY 21-22 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Profess Fees - Engineering	58	325	165	(267)	-82%	(107)	-65%
Prof. Fees - Environmental	782	1,429	443	(647)	-45%	339	76%
Prof. Fees - IT consulting	55	164	79	(109)	-66%	(24)	-30%
Prof. Fees - GW Consulting	54	127	95	(73)	-57%	(41)	-43%
Prof. Fees - Other	901	1,674	857	(773)	-46%	44	5%
Professional Fees	\$ 1,850	\$ 3,719	\$ 1,639	\$ (1,869)	-50%	\$ 211	13%
Legal Fees	\$ 1,798	\$ 2,165	\$ 4,489	\$ (367)	-17%	\$ (2,691)	-60%
Utilities	2,078	1,752	1,599	326	19%	479	30%
Maintenance	1,659	2,543	842	(884)	-35%	817	97%
Field Supplies	663	916	393	(253)	-28%	270	69%
Insurance	560	358	344	202	56%	216	63%
Office Expenses	399	508	163	(110)	-22%	236	145%
Miscellaneous	38	139	2,554	(101)	-73%	(2,516)	-99%
Travel, Trainings and Meetings	112	238	25	(125)	-53%	87	350%
Gasoline, Diesel, Fuel	213	187	110	26	14%	103	94%
Fox Canyon GMA	747	629	555	118	19%	192	35%
Safety, supplies, clothing	157	158	71	(0)	0%	86	100%
Telephone	73	83	13	(10)	-12%	60	462%
General Operating Expenses	\$ 6,699	\$ 7,510	\$ 6,669	\$ (811)	-11%	\$ 30	0%
State Water Import Costs	\$ 795	\$ 1,802	\$ 1,462	\$ (1,007)	-56%	\$ (667)	100%
Total Operating Expenses	\$ 11,143	\$ 15,197	\$ 14,259	\$ (4,054)	-27%	\$ (3,116)	-22%

- Professional Fees are favorable to budget by \$1.9M, primarily driven by Engineering \$267K, Environmental \$646K, and Finance \$119K
- Legal fees are favorable to budget by \$367K
- Utilities are \$326K unfavorable to budget due to electricity rates
- Operations is \$1.1M favorable primarily driven by \$842K in maintenance savings and \$128K in license and permitting savings
- State Water import costs are favorable to budget by \$1.0M

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Top 10 Vendors

Excluding SWP, Taxes, Debt Service, and CIP

Vendor	FY 2021-22	FY 2020-21	\$ Change
ATKINSON, ANDELSON, LOYA, RUUD AND ROMO	\$ 2,509,646.00	\$ 1,919,648.42	\$ 589,997.58
SO. CALIFORNIA EDISON	\$ 1,974,506.80	\$ 1,151,332.39	\$ 823,174.41
ENVIRONMENTAL ADVOCATES	\$ 923,541.37	\$ 1,191,996.83	\$ (268,455.46)
SPECIAL DISTRICT RISK	\$ 563,115.96	\$ 594,862.61	\$ (31,746.65)
FOLEY & LARDNER LLP	\$ 473,523.15	\$ 504,187.60	\$ (30,664.45)
SOMACH, SIMMONS & DUNN	\$ 284,849.44	\$ 411,947.05	\$ (127,097.61)
R & B AUTOMATION, INC	\$ 265,166.86	\$ 63,564.34	\$ 201,602.52
SAWYER PETROLEUM	\$ 208,691.35	\$ 122,468.01	\$ 86,223.34
PACIFIC VISTA LANDSCAPE SERVICES, INC.	\$ 203,531.00	\$ 67,845.00	\$ 135,686.00
ROBERT HALF INTERNATIONAL, INC.	\$ 148,583.57	\$ 107,292.52	\$ 41,291.05
Top 10 Total	\$ 7,555,155.50	\$ 6,135,144.77	\$ 1,420,010.73

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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	\$934
Water Delivery	\$205
LAIF Interest	\$1
EXPENDITURES	
2021 Carryover Water Purchase	\$0
Ending Balance June 30, 2022	\$2,740

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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
MONTHLY UPDATE

October 3, 2022

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FINANCIAL UPDATE

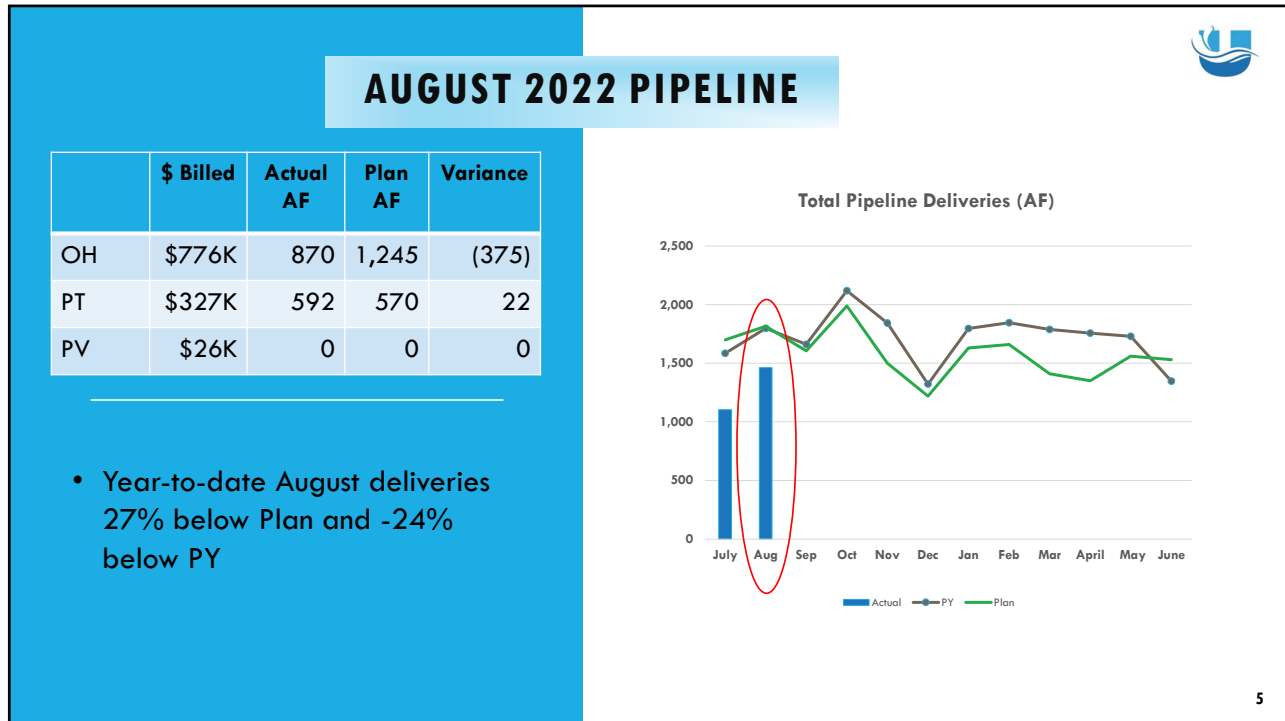
CHIEF FINANCIAL OFFICER
BRIAN H. ZAHN

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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	Engineering	Contract with Northwest Hydraulic Consultants for the Freeman Diversion Hardened Ramp Additional Modeling and Design Updates	Y	421-400-81020 CIP 8001	\$645,515	N/A
5.2	Environmental	Pre-implementation Studies in Support of FERC Fish Passage Assessment – Amendment to Professional Consulting Services Agreement with Cramer Fish Sciences	Y	050-600-52220 4340-300	\$425,633	N/A
TOTAL					1,071,148	

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FINANCE DEPARTMENT

- Finalized groundwater extraction fee billing for the period of January 1 to June 30, 2022, during the first week of September
- Completed groundwater extraction fee invoicing for Fillmore and Piru Basins GSA, and Mound Basin GSA
- Completed all year-end entries to close the books for fiscal year 2021-22 in preparation for audit fieldwork
- Completed fiscal year 2021-22 Fourth Quarter Financial Reports and Analysis of Total Year Spend
- Auditors began their year-end field work on September 12, 2022, and staff has spent significant time providing auditors with requested backup documentation
- Completed fiscal year 2020-21 Purchase Order and CIP Budget rollovers and closed outstanding Purchase Orders that needed to be closed-out per Finance Department instructions

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ADMINISTRATIVE SERVICES UPDATE

CHIEF HUMAN RESOURCES OFFICER
JOSH PEREZ

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- Coordinating open enrollment for Health Care, Flexible Spending Account and AFLAC Insurance to be effective January 1, 2023
- Sent out open enrollment emails to all staff members and calculated new rates
- Prepared for All-staff Health Care Overview presentation scheduled for September 20
- Prepared for All-staff 457 Plan presentation by Lincoln Financial for September 22
- Continued transition of 457 Plan and finalized payroll process for transition period
- Finalized Governmentjobs.com UWCD new recruitment tool and centralized system for all future job applicants
- Processed fiscal yearend annual evaluations
- Onboarded and began training the new Administrative Assistant III Vanessa Vasquez
- Onboarded Part Time Engineer Kaili Taniguchi



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CURRENT EMPLOYEE RECRUITMENTS

Environmental Services Manager
Position closed, resumes being review and interview planned

Park Ranger Cadet
Physical Agility exam 9/23 and 10/15 for candidates









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- Coordinated annual fire extinguisher training and service of all existing extinguishers Districtwide
- Participated in Dam Safety Owner Program Audit
- Supported Engineering staff with EAP Tabletop Exercise Planning
- Conducted hearing tests for remaining Engineering and Ranger staff as part of Hearing Conservation Program
- Delivered HQ Security and Emergency Response training to Administrative staff
- Collaborated with O&M Control Systems and District IT staff on implementing new security system migration
- Coordinated meeting with Ventura County Sheriff's Office on security system integration for Lake Piru and Santa Felicia Dam as part of the federated integration plan
- Partnered with legal counsel on refinement of draft Unmanned Aircraft Systems (UAS) policy to be presented to the Board upon General Manager review and concurrence

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- Established fiber optics wiring Build-out in headquarters server room
- Relocated the visual presentation equipment in the Board Room to the LAN room for noise reduction as well as future Board Room improvements
- Created Genetec camera, area, and user schematics, and provided access to the system to various subgroups. This will inevitably serve to enhance our security throughout all sites at the District.
- Met with Ventura County Sheriff's Office/Fillmore Police Department to discuss access to Genetec cameras post-server migration
- Continued contribution to IT portion of the annual Audit process.
- Continued efforts with our Cybersecurity Vulnerability Assessments.

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Future Agenda Items





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ADJOURNMENT

Thank you!

United Water Conservation District
"Conserving water since 1927"



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Staff Report

To: UWCD Finance and Audit Committee Members

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

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

Date: November 29, 2022 (December 5, 2022, meeting)

Agenda Item: 4 – Audited FY 2021-22 Annual Comprehensive Financial Report
Information Item

Staff Recommendation:

The Committee will receive the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022.

Discussion:

At the end of the District's fiscal year, July 1 through June 30, its financial records are reviewed and audited by an independent auditor to determine if the District's financial statements are fairly presented, in all material respects, and in conformity with accounting principles generally accepted in the United States of America.

It is the auditor's opinion that the financial statements for fiscal year July 1, 2021, through June 30, 2022, are presented fairly, in all material respects, and are in conformity with accounting principles. Representatives from Vasquez & Company, LLP, are scheduled to meet with the Finance Committee on December 5, 2022, and with the Board of Directors on December 14, 2022, to present the audited financial statements to the Committee and Board, and to discuss their findings and recommendations.

At the same two meetings, the UWCD Finance and Audit Committee members and UWCD Board of Directors will be presented with a copy of the ACFR, which is a compilation of many different items including a transmittal letter to the Board from District management, Management's Discussion and Analysis (MD&A) of the financial data, a statistical section, and notes. These items are prepared by all levels of District staff during the course of the audit.

Attachment:

Electronic copy only – Audited Financial Year 2021-22 ACFR

Please note that the Annual Comprehensive Financial Report (ACFR) will be emailed directly to each of the Committee Members. A copy of the report will also be posted to the District's website, as a supplement to the Full Committee Packet for the December 5, 2022, UWCD Finance and Audit Committee Meeting. A print copy of the ACFR will also be available for the public to view at District headquarters prior to the Committee meeting on December 5, 2022.



Staff Report

To: UWCD Finance and Audit Committee Members

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

From: Josh Perez, Chief Human Resources Officer
Tony Huynh, Risk and Safety Manager

Date: November 30, 2022 (December 5, 2022 meeting)

Agenda Item: 7a. (Board Motion 5.1) Resolution 2022-38 Adoption of Unmanned Aircraft System – Authorization and Operations Policy

Staff Recommendation:

The Committee will review and consider recommending for full Board approval Resolution 2022-38, officially adopting a use of Unmanned Aircraft System (UAS) Policy for District employees and authorized third parties.

Discussion:

Based on industry best practices and the increased utilization of UAS, staff is recommending the formal adoption by the Board of Directors of a UAS – Authorization and Operations Policy. The applications of UAS, also known as drones, have expanded significantly over the past several years. From capturing footage for public outreach to inspections and public safety, the anticipated use of UAS will continue to rise. This extends to requests by third party productions who film at Lake Piru. While the benefits are great, there are also risks if remote pilots are not properly trained or fail to meet the necessary risk mitigation requirements. This policy sets forth the standards for all UAS remote pilots to fly safely with respect to all applicable federal, state, and local laws, especially in light of the proximity to nearby airports and potential naval flight operations.

Based on a review of industry best practices, discussions with both SDRMA and legal counsel, and General Manager input, staff is requesting the Board to discuss and adopt the attached formal Unmanned Aircraft System – Authorization and Operations Policy covering District employees and authorized third parties at District facilities. This document will be reviewed annually with changes incorporated as necessary to ensure we maintain current standards of UAS regulations.

Fiscal Impact:

Other than ensuring licensed pilots and facility managers understand the requirements set forth in this policy, there is no known direct fiscal impact associated with the adoption of this policy.

Agenda Item: 7a. (Board Motion 5.1) Resolution 2022-38 Adoption of Unmanned Aircraft System – Authorization and Operations Policy

Attachments:

- A – Resolution 2022-38 Adoption of Unmanned Aircraft System – Authorization and Operations Policy
- B – Adoption of Unmanned Aircraft System – Authorization and Operations Policy
- C – Authorized Third Party Request to Operate Unmanned Aircraft System Form

RESOLUTION 2022-38

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF UNITED WATER CONSERVATION DISTRICT ADOPTING A USE OF UNMANNED AIRCRAFT SYSTEM – AUTHORIZATION AND OPERATIONS POLICY

WHEREAS, United Water Conservation District has assigned an Unmanned Aircraft System (UAS) to employees, contractors, interns, or volunteers; or received a request from authorized third parties on the use of an UAS at District facilities; and

WHEREAS, United Water Conservation District (“District”) is committed to ensuring that staff members are properly trained and have a detailed and thorough understanding and clear understanding of the organization’s UAS – Authorization and Operations policies; and

WHEREAS this policy has been reviewed by staff as well as the Board of Directors as a best-in-class practice by local, state, and federal government partners, United Water Conservation has an obligation to formalize a specific UAS – Authorization and Operations Policy to appropriately direct employees & authorized third parties on the safe operation of UAS as well as to ensure appropriate risk mitigation efforts and best practices are followed.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UNITED WATER CONSERVATION DISTRICT HEREBY RESOLVES AS FOLLOWS:

- 1) That the attached United Water Conservation District Unmanned Aircraft System – Authorization and Operations be adopted for all identified parties as noted above.

PASSED AND ADOPTED THIS 14th DAY of September 2022.

ATTEST: _____
__ Bruce E. Dandy, Board President

ATTEST: _____
Lynn E. Maulhardt, Board Secretary/Treasurer



Unmanned Aircraft System – Authorization and Operations Policy



United Water Conservation District

September 14, 2022

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1. Policy Purpose

The United Water Conservation District ("District") recognizes that Unmanned Aircraft Systems ("UAS") offer opportunities, including but not limited to operational, facility survey, research, and commercial. Operation of an UAS is regulated by the United States Federal Aviation Administration ("FAA") and by federal, state, local laws and/or regulations, and District procedures. This policy is meant to define the restrictions and parameters for operating an UAS, commonly known as a "drone", on or above District property and/or in connection with District activities, including but not limited to operational and/or commercial uses. It is the intent of the District to allow UAS flight on District property for educational, operational, facility survey and limited commercial purposes while ensuring compliance with legal obligations and minimizing risks to safety, security, and privacy.

2. Scope and Application

This policy and the procedures set forth herein shall apply to all District employees and/or staff and authorized third parties as defined herein, that seek to operate an UAS on or above any District property. Operation of an UAS by an individual(s), entity(ies), and/or organization(s) not specified in this policy is expressly prohibited. As specified herein, authorized third parties must receive written approval in advance of operating an UAS on or above District property.

3. Definitions:

District Property: Any land, grounds, buildings, or facilities owned, leased, or controlled and/or used by the District per formal contractual or legal agreements.

Unmanned Aircraft System ("UAS"): Any remotely operated or controlled aircraft intended to fly within the National Airspace System. Includes devices commonly referred to as drones and all of the associate support equipment, control station, data links, telemetry, communications and navigation equipment necessary to operate the unmanned aircraft. FAA regulations apply to all types of UAS regardless of size or weight. All UAS, excluding model aircrafts (as defined below), must be registered with the FAA and marked with a registration number prior to any flight operation.

Small UAS ("sUAS"): A UAS weighing less than 55 pounds, including everything that is onboard or otherwise attached to the aircraft, and can be flown without the possibility of direct human intervention from within or on the aircraft. sUAS operated for non-hobby or non-recreational purposes are subject to FAA's Small UAS Rule, Part 107. (14 C.F.R. Section 107).

Model Aircraft: Model aircrafts are considered differently by the FAA than other UAS and are subject to different regulations. A model aircraft must be: (1) flown for hobby or recreational purposes; (2) capable of sustained flight in the atmosphere; and (3) flown within the visual line of sight of the aircraft operator. It must not exceed a weight of 55 pounds. Model aircrafts may be operated in one of two ways: (1) according to the FAA's Special Rule for Model Aircrafts; or (2) according to the FAA's sUAS Rule at Part 107. Model aircrafts are expressly prohibited on District property.

Certificate of Authorization ("COA"): A certificate granted to an individual or entity by the FAA which outlines specific conditions for flight. The FAA may insert provisions during the approval process to ensure the UAS can be operated safely. A Public Use COA is granted to a public agency or organization to operate a specific aircraft for a specific purpose in a specific location. A Public Use COA is only issued after the process of determining public status, government use, and an operational and technical review.

Certificate of Waiver ("CoW"): The FAA allows an UAS operation to deviate from certain provisions of Part 107 if the FAA finds that the proposed operation can be safely conducted under the terms of that CoW. (14 C.F.R. § 107.205.)

Reasonable Expectation of Privacy: Locations where there is an objective expectation of privacy. Examples include but are not limited to restrooms and/or privately owned adjacent property.

Remote Identification Rule: Requires UAS to broadcast pertinent identification, location, and performance information of the UAS and control station. The Remote Identification Rule may be satisfied by any of the following: the UAS broadcasting the signal itself, attaching a broadcast module to the UAS while in flight, or operating in an FAA-recognized identification area without broadcasting equipment and within visual line of sight. The District may apply for an FAA-recognized identification area at its discretion.

4. Procedure for Use of UAS by District Employees

All District employees must obtain any required or necessary City permits, a FAA-approved COA, CoW, and/or comply with Title 14, Part 107 of the Code of Federal Regulations, in order to operate an UAS on or above District Property in the course of their employment. Use of an UAS by a District employee on or above District Property is limited to those activities, obligations, and/or responsibilities that fall within the scope of their employment and during business hours. Assuming District employee meets the requirements set forth herein to operate a UAS and has provided any and all required documentation specified herein to RiskManagement@unitedwater.org, no prior approval to operate a District-owned UAS during business hours is necessary. District employees are prohibited from utilizing personally owned UAS on or above District Property. A District employee may only utilize a District-owned and registered UAS on or above District Property. District employee use of a District-owned UAS for personal purposes is expressly prohibited. All data, files, images, photography, film, and/or information obtained and/or gathered on a District-owned UAS shall remain the property of the District.

In the event that the use of a District-owned UAS by a District employee for purposes falling within the District employee's scope of employment is required and/or necessary after business hours, said District employee shall notify the Risk & Safety Manager of the reasons for such after-hours use within 24 hours of such operation.

If District employee uses a District-owned UAS during District sponsored event, the Risk & Safety Manager shall in advance notify all persons in attendance that an UAS may fly over them. Notice may be provided in writing by posting the notice at the entry point of the event.

5. Use by Authorized Third Parties

Any authorized third party, defined herein as contractors hired by the District and limited commercial users (i.e., commercial filming, commercial photography, and/or commercial surveying), wishing to operate a UAS on or above District property must first complete and submit a Request to Operate UAS Form for approval through the District's Risk & Safety Manager, who will consult and obtain approval from the District Department Head who is the responsible party managing the authorized third party. Authorized third parties are required to adhere to the requirements set forth in this policy as well as those set forth in the Authorized Third Party Request to Operate UAS Form. All authorized third-parties must provide proof of any required or necessary City permits, a FAA approved COA, CoW, and/or compliance with Title 14, Part 107 of the Code of Federal Regulations at the time of submitting the Authorized Third Party Request to Operate UAS Form. In addition, as specified herein, operation of an UAS on or above District property must be under a contract which holds the District harmless from any resulting claims or harm to individuals and damage to District property and provides insurance.

6. Coordination with Air Traffic Control

Portions of District property fall within 5 miles of an airport. UAS operation of any size within 5 miles of an airport must be coordinated with air traffic control (ATC) and authorized operators are required to obtain a COA if required by the FAA for operation of an UAS within such space. Any and all authorized operators of an UAS under the District's policy (including District employees) must comply with all updated UAS Facility Maps and/or Grids, as well as any and all altitude limitations set forth in a COA. UAS operation of any size within 2 miles of a heliport must be coordinated with heliport management. ATC, heliport management and the District have the right to deny UAS operations within these zones.

7. Authorized Third Party Request to Operate UAS Form

All authorized third parties as defined herein, wishing to operate an UAS on or above District property must obtain prior written consent from the District's Risk & Safety Manager and/or their designee by submitting an Authorized Third Party Request to Operate UAS Form to the District's Risk Management Department at least 10 days before the flight. District's Risk & Safety Manager will coordinate and ensure approval from the District Department Head managing the authorized third party operator prior to approval of the Authorized Third Party Request to Operate UAS Form. If approved, a copy of the approved Flight Authorization Form must be in possession of the UAS operator at all times during flight activity.

8. Privacy

In operating UAS for purposes of recording or transmitting visual images or videography, all operators must take all reasonable measures to avoid areas normally considered private. California state law provides that a person who knowingly or intentionally places a camera or electronic surveillance equipment that records images or data of any kind while unattended on the private property of another person without the consent of the owner or tenant of the private property is guilty of a misdemeanor. No sound is to be monitored or recorded at any time by UAS.

9. District UAS Procurement and Registration

To ensure compliance with District policies and federal regulations, any District employee and/or District department wishing to purchase an UAS with District funds must first obtain prior authorization and approval from their Department head, followed by the District's Risk & Safety Manager and/or their designee. The physical maintenance, storage, and preparation of an UAS owned and operated by the District or its employees shall be in accordance with District practice and policy. All District UAS must be registered with the FAA. Documentation of District owned and/or purchased UAS must be provided to the District's Risk Management Department specifying the make, model, and serial number, in order for it to be added to the District's insurance coverage.

10. Damage and/or Injury

The Risk & Safety Manager and/or their designee should be immediately notified in the event of damage and/or injury during a UAS operation. Additionally, all authorized third party operators are solely responsible for fulfilling FAA accident reporting requirements, when applicable.

11. Insurance

Prior to operating an UAS on or above District property, all authorized third parties, including any individuals other than District employees operating UAS in their capacities as employees, must provide a Certificate of Insurance indicating that the coverage is primary and the District is named as additional insured. At a minimum, third parties must provide proof of coverage including: comprehensive General Liability insurance which provides for injuries including accidental death, per any occurrence in an amount not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate; property damage insurance in an amount not less than \$1,000,000 per occurrence.

12. Hold Harmless

Any authorized third party operating an UAS on or above District property must agree to indemnify, hold harmless, and defend the District, its directors, officers, agents, employees and representatives from all claims, lawsuits or actions of every name, kind and description, brought for, or on account of injuries to or death of any person, including user or any employee, agent or invitee of user, or damage to property including intangible property and to whomsoever belonging, where such injuries, death or damages arise from or are due to user's/operator's use of the District's Property or premises, user's/operator's use of an UAS on or above District Property, and/or the Request to Operate an UAS form, provided that this indemnity obligation shall not apply to injuries for which the District has been found in a competent jurisdiction to be solely liable by reason of its own negligence.

13. Violations

Adherence to this overall policy is enforced by the District. and include all District facilities including Lake Piru Recreation Area. Any violations of District policies by an individual and/or entity operating a UAS will be dealt with in accordance with District policies and regulations, which may include revocation of District flight approval and future use. Legal prohibitions regarding trespassing and other legal action may also be pursued against third parties that operate a UAS in violation of the District's policy.



AUTHORIZED THIRD PARTY REQUEST TO OPERATE UNMANNED AIRCRAFT SYSTEM FORM

Any Authorized Third Party (i.e. United Water Conservation District hired contractor and/or Limited Commercial Users) must complete and submit this Authorized Third Party Request to Operate Unmanned Aircraft System (UAS) Form to United Water Conservation District's ("District") HR/Risk Management Department for review and approval prior to any UAS operation on District property. This document must be completed and submitted not less than ten (10) days in advance of flight operations. The requestor will receive a response within 5 business days of receipt of the request. If the HR/Risk Management Department requires more time to process the request or requires more information, they will notify the requestor as soon as reasonably possible. Prior to submission of this form, the requestor must review the District's Unmanned Aircraft System – Authorization and Operations Policy. **Any omission of information requested in this form may result in the delay of processing.**

SECTION 1: REQUESTOR CONTACT INFORMATION

(Contact information must be included for all UAS operators. Please attach additional sheet, if needed.)

Applicant Full Name: First _____ M.I. _____ Last _____

Age _____ Affiliation: _____
(Current employee, vendor, etc.)

Organization/Authorized Third Party _____

Mailing Address _____

Contact Phone _____ Email Address _____

SECTION 2: PURPOSE OF UAS REQUEST/PROPOSED ACTIVITY

Provide full details of flight purpose (research, operational, commercial, etc.), including identity of UAS operator(s) and/or flight team. Provide all forms of data to be collected, such as imagery, and the intended use of such data. Depending on your intended use and activities associated with the use of your UAS, there may be other District approvals required before you can operate your UAS on District Property. (Please provide information on an additional sheet of paper if more room is needed.)



Specific Location of Flight _____

Date(s) of UAS Flight _____

Start Time _____ End Time _____

Photos/Videos will be taken? ☐ Yes ☐ No

SECTION 3: EXPERIENCE OF OPERATORS

Provide full details on each UAS operator's flight experience. Provide information regarding all UAS operators' licenses and/or certificates. All operators must present proof of a Remote Pilot Certificate, FAA approved Certificate of Waiver or Authorization and/or any required or necessary City permits.

SECTION 4: UAS DESCRIPTION

Type/Model of UAS _____

Weight/Dimensions _____

Power Source/Serial # _____

Equipment Attached (e.g. cameras, Geo-fencing, etc.) _____

Previous Request Approved Yes ☐ No ☐

If Yes, Date of Previous Approval _____

FAA Registration No. (not applicable to model aircraft) _____

FAA Authorization and Expiration Date (not applicable to model aircraft)



I have attached an FAA Certificate of Waiver or Authorization Remote Pilot Certificate, any required or necessary City permits, and/or other relevant documentation for this request.

Signature _____ Date _____

Printed Name _____

By signing above, the individual/entity submitting this request attests to prior review of the District's Unmanned Aircraft System – Authorization and Operations Policy, and agrees to and will abide by all District policies governing the use of UAS on or over District property. A copy of the approved Authorized Third Party Request to Operate Unmanned Aircraft System (UAS) Form must be in the possession of the operator(s) at all times during the activity, and must be presented to any District official or representative with control or jurisdiction over the activity, upon request. The District reserves the right to request additional documentation as a condition of approval and operation. In addition, any operator violating any portion of the District UAS Policy will be held accountable for their actions.

SECTION 5: UAS/Drone Operating Requirements

Unless an individual is able to show proof of FAA approval of an exception, all third parties operating an UAS on or above District property, including model aircrafts, must comply with the requirements set forth in Attachment 1 to this form, which is incorporated into this form by this reference.

SECTION 6: INSURANCE

All third parties (any individuals other than District employees operating UAS in their capacities as employees) must submit a Certificate of Insurance with insurance providing primary coverage and naming the District as an additional insured. Third parties shall procure and maintain the following coverage for the duration of this UAS authorization: Comprehensive General Liability insurance which provides for injuries including accidental death, per any occurrence in an amount not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate and Property Damage insurance in an amount not less than \$1,000,000 per occurrence.

SECTION 7: HOLD HARMLESS, AGREEMENT, AND UNDERSTANDING

I agree to indemnify, hold harmless, and defend in accordance with Civil Code Section 2778, the District, its directors, officers, agents, employees and representatives from all claims, lawsuits or actions of every name, kind and description, brought for, or on account of injuries to or death of any person, including user or any employee, agent or invitee of user, or damage to property including intangible property and to whomsoever belonging, where such injuries, death, or damages arise from or are due to user's/operator's use of the District's premises or property, user's/operator's use of an UAS on or above District property, and/or the Authorized Third Party Request to Operate an UAS form, provided that this indemnity obligation shall not apply to injuries for which the District has been found in a competent jurisdiction to be solely liable by reason of its own negligence.

Signature _____ Date _____

Printed Name _____



_____ (Initial) I agree to hold United Water Conservation District harmless from any claims of harm to individuals or property resulting from the operation of an Unmanned Aircraft System (UAS) or drone.

_____ (Initial) I understand and agree to comply with the terms and conditions of the District's policy, federal law and regulations, state law, and any local ordinances related to the use of a UAS or drone.

_____ (Initial) I understand that I shall maintain the visual line of sight with the UAS or drone at all times.

_____ (Initial) I understand that the UAS or drone shall be kept away from any area reasonably considered private, including, but not limited to, restrooms and individual homes.

_____ (Initial) I understand that the District reserves the right to rescind my authorization for the use of a UAS or drone at any time.

Signature _____ Date _____

_____ Attached copy of Certificate of Waiver/Authorization or Exemption from the Federal Aviation Administration

_____ Attached copy of Remote Pilot Certificate

_____ Attached copy of any applicable or necessary City permits

_____ Attached copy of Certificate of Liability Insurance

SECTION 8: RISK AND SAFETY MANAGER APPROVAL

Request Approved Yes _____ No _____

Request Approved By Department Head Responsible for Managing Authorized Third Party:

Yes _____ No _____

Request Approved By Facility Manager Yes _____ No _____

District comments or requirements for operation are listed below and must be observed. If not approved, a summary of the decision is outlined.



Attachment 1

UAS/Drone Operating Requirements

- UAS must be registered with the FAA (exception: UAS weighing less than .55 pounds)
- Conduct a pre-flight inspection to ensure airworthiness.
- Fly below 400 feet or as restricted by a COA and remain clear of surrounding obstacles .
- Keep the UAS within the visual line-of-sight at all times.
- Remain clear of other aircraft, especially low-flying helicopters, and do not interfere with manned aircraft operations.
- UAS must comply with remote identification requirements.
- Do not fly UAS near emergency response efforts, i.e. fires.
- Operator must not fly UAS while under the influence.
- Operators must be aware of airspace requirements, including no fly zones.
- Notify the airport and air traffic control tower prior to flying within five miles of an airport.
- Fly a UAS under 55 pounds.
- Do not fly near emergency response efforts.
- Do not fly UAS directly over unprotected persons.
- Do not recklessly attempt to perform maneuvers that could result in injury or damage.
- Fly in accordance with any applicable community-based safety guidelines.
- Do not use UAS for the unapproved recording of individuals or for any unlawful purpose.
- Do not operate where radio-controlled equipment is prohibited by law.
- Do not operate over non-District property at any time.
- Do not attach non-manufacturer approved items to UAS (i.e. string, flag, additional sensors)
- Only persons with appropriate certification and District approval may fly the UAS.
- UAS may only be flown during nighttime when the remote pilot in command has completed a current initial knowledge test or recurrent training for nighttime operation and the sUAS has lighted anti-collision lighting visible for at least 3 statute miles and has a flash rate sufficient to avoid collision. All other UAS may only be flown during daytime hours.
- UAS may not be flown within 100 feet of buildings.



- UAS may not be flown within 150 feet of persons or animals.
- UAS may not be flown in adverse weather conditions such as in high winds or reduced visibility.
- UAS may not be flown in a manner which interferes with ground vehicles or traffic.
- UAS may not be flown inside buildings.
- UAS may not be used to monitor or record sensitive institutional or personal information.
- UAS may not conduct surveillance or photograph persons in areas where there is an expectation of privacy without the individual's permission.
- UAS may not be used to monitor or record areas where there is a reasonable expectation of privacy in accordance with accepted social norms. These include but are not limited to rest rooms and/or individual homes.



Staff Report

To: UWCD Finance and Audit Committee Members

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

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

Date: November 28, 2022 (December 5, 2022 meeting)

Agenda Item: 8. **First Quarter Fiscal Year 2022-2023 Financial Reports (July 1, 2022 – September 30, 2022)**
Information Item

Staff Recommendation:

The Committee will receive, and staff will provide a presentation of the First Quarter 2022-2023 Financial Reports for the period of July 1, 2022, through September 30, 2022.

Discussion:

The District normally prepares quarterly financial reports which provide an analysis of District operations at the end of each quarter to highlight variances and for fiscal accountability.

This report represents the first three months of financial information for District operations for FY 2022 - 23 (or 25 percent of the total fiscal year). Included in this report are budget to actual comparisons to date for District revenues, expenditures and water deliveries, and discussion of any significant variances. This report is based on unaudited financial data and therefore is subject to revisions as staff makes any necessary adjustments.

The following budget modifications are being recommended as of the fourth quarter review:

- Staff currently offers no recommendations for budget adjustments.

Attachments:

Attachment A – FY 2022-23 First Quarter Report, Capital Improvement Projects
Attachment B – FY 2022-23 First Quarter Financial Reports



November 30, 2022

Board of Directors
Bruce E. Dandy, President
Sheldon G. Berger, Vice President
Lynn E. Maulhardt, Secretary/Treasurer
Mohammed A. Hasan
Gordon Kimball
Michael W. Mobley
Daniel C. Naumann

General Manager
Mauricio E. Guardado, Jr.

Legal Counsel
David D. Boyer

Board of Directors
United Water Conservation District

Subject: First Quarter Fiscal Year 2022-2023 Financial Reports

Dear Board Members:

Enclosed for your review are the District's Fiscal Year (FY) 2022-2023 First Quarter (July 1, 2022, through September 30, 2022) Financial Reports. These reports represent three months of financial information for District operations and three months of CIP updates.

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

- General/Water Conservation Fund
- Recreation and 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 and 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 District customers 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 for the fiscal year-to-date with data to provide the Board and District customers a preliminary financial view (subject to audit adjustments at year-end). The following discussion will provide a summary of the Districts' projected revenues and approved spending plan compared to what actually occurred throughout the fiscal 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 the pages following the Capital Improvement Program Status.

CAPITAL IMPROVEMENT PROGRAM STATUS

A one-page summary of the District's current Five-Year Capital Improvement Program appears along with Benchmark Interest Rates as part of Attachment B. As of September 30, 2022, all capital improvement projects (CIP) expenditures are within the total amount appropriated by the Board.

The majority of the CIP's that have been funded are currently underway, either in the planning, design, or construction stages of the project.

- *Well Replacement Program (CIP Project #8000)*
No financial updates to report this period.
- *Freeman Diversion Expansion (CIP Project #8001)*
Physical modeling for the Hardened Ramp at the Bureau of Reclamation's Denver Test Center and the Vertical Slot at the University of Iowa, continues with the goal of completing and submitting the physical modeling reports by the court mandated deadline of October 31, 2022. Northwest Hydraulic Consultants (Hardened Ramp) and Stantec (Vertical Slot) continue to provide engineering support during the design development phase of physical model testing.
- *Santa Felicia Dam Outlet Works Rehabilitation (CIP Project #8002)*
Board of Consultants contracts and design contracts with GEI.

On August 9, staff submitted the draft Biological Assessment (BA) to the Federal Energy Regulatory Commission (FERC) for review and use for the purpose of consultation with the U.S. Fish and Wildlife (USFWS) and the National Marine Fisheries Service (NMFS). FERC forwarded a copy of the BA to NMFS on August 15.

The 60% design analyses were completed during the month of September. The Santa Felicia Dam Safety Improvement Project Board of Consultants (BOC) meeting No. 6 was held at the District headquarters on September 28 and 29. A total of 25 individuals from FERC, California Department of Water Resources, Division of Safety of Dams (DSOD), BOC, GEI Consultants (GEI), and District staff attended this meeting. The 60% design Outlet Works improvement results and reports were reviewed by the BOC and recommendations were provided to advance the design to the next design phase (90% design). The 60% Design Phase was completed on schedule and within the approved budget.

Staff finalized and submitted the fully executed contract in amount of \$1,502,018 for developing the 90% Design Phase of the Outlet Works improvement to GEI. The Notice to Proceed (NTP) was issued on September 21.



- *Santa Felicia Dam Probable Maximum Flood Containment (CIP Project # 8003)*

The 30% design analyses were completed during the month of September. The Santa Felicia Dam Safety Improvement Project BOC meeting No. 6 was held at the District headquarters on September 28 and 29. The 30% design Spillway improvement results and reports were reviewed by the BOC and recommendations were provided to advance the design to the next design phase (60% design). The 30% Design Phase was completed on schedule and within the approved budget.

Staff finalized and submitted the fully executed contract in amount of \$917,004 for developing the 60% Design Phase of the spillway improvement to GEI. The Notice to Proceed (NTP) was issued on September 21.

- *Santa Felicia Dam Sediment Management (CIP Project # 8005)*

No financial updates to report this period.

- *Oxnard Hueneme Pipeline Iron and Manganese Treatment Facility (CIP Project # 8007)*

As of September 30, 2022, construction of the Iron and Manganese Treatment Facility was approximately 69% complete. The following change orders to the Construction Agreement with GSE Construction Company dated August 26, 2021, were executed during this period:

- o No.12 – Additional Crossings per USA Markings (July 26, 2022) for \$62,998.78
- o No.13 – Power Feed Duct Bank Credit (July 26,2022) for (\$34,476.16)
- o No.14 – Additional Pipe Sleeves (July 28, 2022) for \$8,626.59
- o No.15 – Sample Line Relocation (July 28, 2022) for \$12,590.72
- o No.16 – Temporary Six-Inch Water Supply High-Line (July 28, 2022) for \$79,391.89
- o No.17 – Chlorine Solution Pipeline Upsize (August 16, 2022) for \$129,372.97
- o No.18 – Demolition of Abandoned Water Pipeline (September 16, 2022) for \$22,376.24
- o No.19 – Repair of Residual Chlorine Analyzer Sample Pipeline (September 16, 2022) for \$5,457.19
- o No.20 – Relocation of 20” OF Pipeline (September 16, 2022) for \$4,784.25

- *Freeman Conveyance System Upgrade – Freeman to Ferro Recharge Basin (CIP Project # 8018)*

Staff have been working with Kennedy Jenks on the application for DWR’s IRWM Round 2 grant program for the Vineyard Road undercrossing which will connect the Noble and Ferro basins. The \$1,000,000 grant will require a fifty percent match and the project associated with the grant must be complete by 2027.

- *Extraction Barrier and Brackish Water Treatment (CIP Project # 8019)*

Staff held meetings with the U.S. Navy, SWRCB Division of Drinking Water, Los Angeles RWQCB and Calleguas Municipal Water District. On June 8, 2022, the Board of Directors approved Resolution 2022-28 for authorizing and designating the District’s General Manager to enter into a grant funding agreement with the State Water Resources Control Board (SWRCB) for the Phase 1B “Demonstration Phase” Project under the Proposition 1 Round 3 Groundwater Grant Program (GWGP). On July 15, a full proposal was submitted with a requested grant amount of \$8,449,062 and a total estimated project cost of \$18.6 million. Staff executed a grant agreement



with the Department of Water Resources (DWR) through the Fox Canyon Groundwater Management Agency (FCGMA) for the Sustainable Groundwater Management (SGM) Grant Program. On June 8, 2022, the Board of Directors approved Resolution 2022-27 for the adoption of the CEQA Notice of Exemption (NOE) prepared for the Information Collection for the Proposed Extraction Barrier and Brackish Water Project (Phase 1A exploration phase).

Staff prepared two Technical Memorandum (TM) entitled: “Extraction Barrier and Brackish Water Treatment Project: Baseline Water Quality Sampling Results” and “Phase 1 Extraction Barrier and Brackish Water Treatment Project Feasibility Study: Groundwater Modeling”. Staff issued two RFQ/Ps for CEQA/Regulatory Permitting consultant services and design services for the Phase 1B demonstration phase project. Proposals were received in September 2022.

- *Rice Ave. Overpass PTP (CIP Project # 8021)*
No financial updates to report this period.
- *PTP Metering Improvement Project (CIP Project # 8022)*
Received signed easement deeds for PTP Turnout Nos. 135, 139 and 146 with the assistance of Hamner, Jewell & Associates. Staff installed a new meters at PTP Turnout Nos. 101, 120, 135 and 139.
- *Pothole Trailhead (CIP Project # 8023)*
No financial updates to report this period.
- *State Water Interconnection (CIP Project # 8025)*
No financial updates to report this period.
- *Replace El-Rio Trailer (CIP Project # 8028)*
No financial updates to report this period.
- *Lake Piru Campground Electrical System Upgrade (CIP Project # 8034)*
This project is currently on hold until the feasibility of the recreation improvement plan can be evaluated.
- *Asset Management System/CMMS System (CIP Project # 8041)*
No financial updates to report this period.
- *PTP Recycled Water Connection – Laguna Road Pipeline (CIP Project # 8043)*
The preliminary design progress continued during this reporting period. Staff reviewed the Technical Memorandum prepared by Kennedy Jenks (KJ) and discussed the hydraulic modeling results and options to modify or pivot the project to address hydraulic and operational constraints. Staff reviewed the initial draft of the Preliminary Design Report (PDR), draft Geotechnical Report, and drawings and submitted their comments to KJ to be incorporated in the final PDR.

On August 16, staff and KJ attended the fourth coordination meeting with Pleasant Valley County Water District (PVCWD) and their consultant MKN and discussed hydraulic model results and possibility of adding Booster Pump Station to overcome hydraulic constraints. On September 22, Staff attended Prop 1 SGMA Grant kick-off meeting.



- *SCADA Hardware Update (CIP Project # 8046)* No financial updates to report for this period.
- *Lake Piru Recreation Area Pavement Maintenance Program (CIP Project # 8047)*
Engineering has initiated the design work of this project. The anticipated construction for this project is expected to occur in November 2022.
- *Condor Improvement Project (CIP Project # 8048)*
A construction agreement with MDJ Management LLC (MDJ) was executed on July 13, 2022, for a fee of \$249,592.06. Construction began on July 15, 2022.
- *Lake Piru Entry Kiosk Renovation (CIP Project # 8049)* This project was completed in May of 2022.
- *Security Gate Upgrade (CIP Project # 8050)*
New badge reader with mobile app compatibility and keypad has been installed at the Saticoy main gate. Extensive coordination between staff and external agencies, private companies, and on-site tenants for authorized access resulted in a successful transition. The remaining gates at Saticoy along with El Rio and Santa Felicia Dam are scheduled to be worked on and integrated into the new security system in late November (after the Thanksgiving holiday) while the Upper and Lower Access gates are waiting for the arrival of additional parts needed for the project.
- *Server Replacement (CIP Project # 8051)*
The project was completed during the third quarter of the fiscal year 2021-2022.
- *SCADA Continuous Threat Detection System (CIP Project # 8052)*
This project is currently in process. During this fiscal period, the scope of the project was evaluated, and a finalized proposal was provided by Royal CED to United Water for authorization. Staff acquired authorization to proceed and provided purchase order and signed agreements to Royal CED in November 2022. Staff are working to schedule the anticipated completion dates with the third parties performing the work. The project will have a phased approach that will include preliminary assessments of systems and network assets which provide architectural and design requirements. Deployment of new monitoring equipment and threat training is expected to extend into the next fiscal year.
- *Main Supply Pipeline Sodium Hypochlorite Injection (CIP Project # 8053)*
No financial updates to report this period.
- *Dry Storage Fencing (CIP Project # 8054)*
This project was initiated in September 2022 and work began on October 24, 2022. Anticipated completion on November 7, 2022.
- *Lake Piru Campground and Recreation Area Renovations (CIP Project # 8055)*
This project is currently in process. Stantec Consulting Service inc. was contracted in the amount of \$135,000 to complete three conceptual alternative designs at a 5% design and to expand the preferred alternative of the three designs to a 20% conceptual design. That work has been completed and the staff is currently reviewing the draft product. Request for payment has been submitted by Stantec and is currently awaiting engineering's approval.
- *OHP Low-Flow Upgrades (CIP Project # 8056)* No financial updates to report for this period.



CASH POSITION AND INVESTMENTS OF THE DISTRICT

As of September 30, 2022, the District had a total of \$45.3M 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:

	<u>Sept 2022</u>	<u>Sept 2021</u>
Bank of the Sierra	3,707,294	2,049,439
US Bank - 2020 COP Bond Balance	10,137,144	19,006,655
Petty Cash	4,400	3,400
County Treasury	1,712	1,644
LAIF Investments	31,475,302	26,164,382
	<u>45,325,852</u>	<u>47,225,521</u>

The only current restriction is the \$10.1M for CIP projects in the 2020 COP Bonds. Any restrictions on the remaining \$ 35.2M are listed in this report.

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

Respectfully submitted,

DocuSigned by:
Brian H Zahn
6685DB362A674A3...

Mr. Brian H. Zahn
Chief Financial Officer

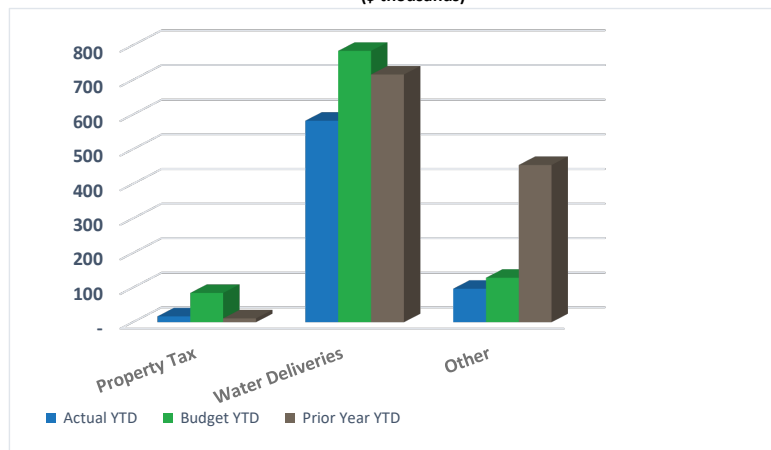
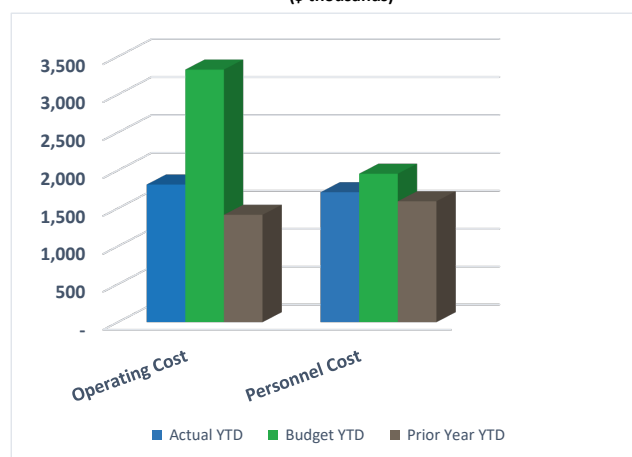
FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

General/Water Conservation Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	582	784	(201)	-26%	716	(133)	-19%
Groundwater	(4)	0	(4)	0%	2	(7)	-297%
Supplemental Water	0	0	0	0%	0	0	0%
Property Taxes	17	85	(68)	-80%	11	6	52%
Earnings on Investments	299	27	272	1001%	10	289	2896%
Other	457	357	100	28%	475	(18)	-4%
Transfers in	0	0	0	0%	0	0	0%
Total Revenues	1,351	1,253	98	8%	1,214	137	11%
Expenses							
Personnel Costs	1,713	1,957	(244)	-12%	1,594	119	7%
Operating Expenditures	1,814	3,329	(1,515)	-46%	1,415	399	28%
Capital Outlay	33	77	(44)	-57%	197	(164)	-83%
Transfers out	4,708	8,900	(4,191)	-47%	2,470	2,239	91%
Total Expenses	8,268	14,263	(5,994)	-42%	5,676	2,592	46%
Net Surplus / (Shortfall)	(6,917)	(13,010)	6,093	-47%	(4,462)	(2,455)	55%

 Revenues
(\$ thousands)

 Expenses
(\$ thousands)

Revenue Status vs. Budget

- Revenue received through First Quarter is \$1.4M, \$98K (8%) above Plan. Earnings on Investments \$272K above Plan due to GAAP market value adjustment to LAIF reversal in addition to increase in rate of return. Grant Revenue higher \$93K due to Brackish Water Treatment Grant.
- Savings are offset by Pipeline deliveries \$201K lower than Plan (1,022 AF less delivered for three pipelines combined) and lower Property Taxes \$68K received from County of Ventura. Some Property taxes are budgeted over 12 months but most property taxes are paid in December and April.

Revenue Status vs. Prior Year

- First Quarter Revenue \$137K (11%) higher than Prior Year.
- Earnings on Investments \$289K higher due to GAAP market value adjustment to LAIF reversal. Contributing to the increase is higher grant revenue \$94K.
- Offsetting the increase are lower Pipeline deliveries \$133K (943 AF less delivered than Prior Year) and lower revenue \$21K received at the Lake.

FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

General/Water Conservation Fund - Continued

Appropriation/Expenditure Status vs. Budget

- Total Expenditures were \$6M (42%) under Plan primarily due to CIP Transfers Out \$4M lower than budget. This is a timing issue as the budgeted amount is front-loaded. Contributing to the variance are Operating Expenditures \$1.5M under budget. Professional Fees \$894K savings from under-utilized Admin and Finance consulting budget, FERC – Fish Passage and CESA Fisheries timing difference of invoices. Overhead costs \$396K under due to timing difference. Maintenance \$124K under due to emergency funds not being needed in First Quarter. Savings in Office Expense \$26K, Travel \$52K, Miscellaneous \$46K expected to be fully utilized by the end of the fiscal year. Principal payments \$152K due to 2020 COP Payments budgeted as expense but paid to liability. Interest expense \$195K due to 2020 COP Payments budgeted in Fund 710 which is the fund used for long term liabilities. Salaries and Benefits \$244K under budget due to vacant Park Ranger Cadet, Field Technician, Park Ranger Assistants, and Part-Time Engineer positions.
- Savings slightly offset by overrun in Insurance Premiums \$374K.

Appropriation/Expenditure Status vs. Prior Year

- Expenditures are \$2.6M (46%) higher than Prior Year, primarily due CIP transfers \$2.2M for the Brackish Water Treatment and Lake Piru Renovation Projects. Operating expenditures were up \$400K due to higher Environmental Professional Fees \$110K, Overhead Costs \$124K, and Insurance Expense \$98K. Also contributing to the variance are higher Salaries and Benefits \$119K due to Board Approved 2% COLA increase, annual merit increases, and new Reservations Coordinator position at the Lake.
- Offsetting these increases were lower Capital Outlay expenditures \$164K due to the purchase of the SLR excavator in Prior Year.

Fund Balance

The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$8M.

The District's reserve policy requires a \$4 - \$5 million minimum undesignated balance which is expected to be met. If the expected expenditures are realized, the fund is expected to finish the year within the District anticipated reserves.

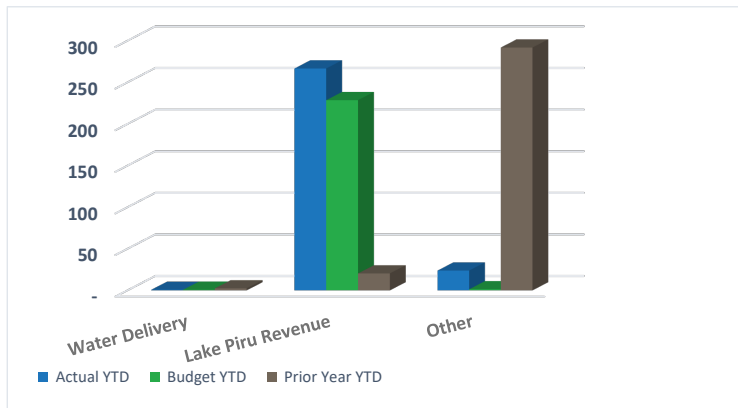
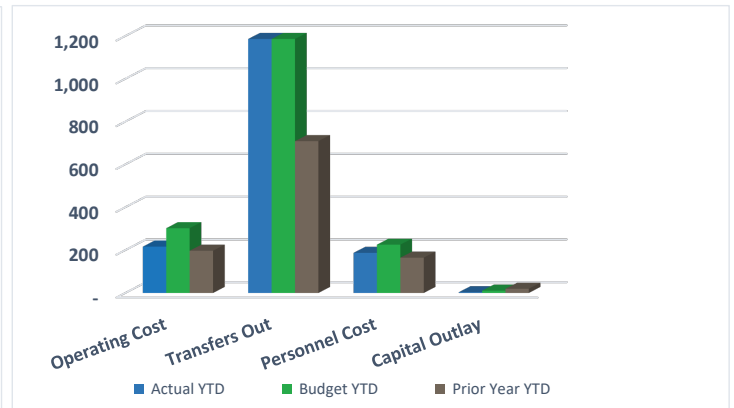
FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

Recreation Sub-Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	1	1	(0)	-2%	2	(2)	-70%
Earnings on Investments	0	0	0	0%	0	0	0%
Lake Piru Revenue	267	229	38		20	246	0%
Other	24	1	22	1666%	292	(268)	-92%
Total Revenues	291	231	61	26%	315	(23)	-7%
Expenses							
Personnel Costs	187	225	(38)	-17%	165	22	14%
Operating Expenditures	216	302	(86)	-28%	197	19	10%
Capital Outlay	3	11	(7)	-69%	20	(16)	-83%
Transfers out	1,186	1,186	0	0%	709	478	67%
Total Expenses	1,593	1,725	(132)	-8%	1,090	503	46%
Net Surplus / (Shortfall)	(1,301)	(1,494)	192	-13%	(775)	(526)	68%

 Revenues
(\$ thousands)

 Expenses
(\$ thousands)

Revenue Status vs. Budget

- Operational Revenue received through First Quarter above Budget by \$61K (26%) due to higher Day Use, Camping, Boating fees and reservations.

Revenue Status vs. Prior Year

- First Quarter Operational Revenue \$23K lower due to lower Filming Fees and reservations in the Current Year.

Appropriation/Expenditure Status vs. Budget

- Total expenditures are \$132K (8%) under Budget primarily due to Operating Expenditures of \$87K. Professional Fees \$19K under due to under-utilized Marketing and Advertising fees. Maintenance \$27K due to emergency funds not being needed in Q1 but expected to be fully utilized by end of the fiscal year. Permits \$19K due to timing differences.
- Contributing to the variance is Salaries and Benefits \$39K due to vacant Park Ranger Cadet and Park Ranger Assistants positions.
- Savings are partially offset by increase in Insurance Premiums \$25K.

Appropriation/Expenditure Status vs. Prior Year

- Expenditures are \$503K (46%) higher than Prior Year primarily due to CIP Transfers Out \$478K over PY for the Lake Piru Campground and Recreation Area Renovations. Contributing to the variance is higher Salaries and Benefits at \$22K due to the Board Approved 2% COLA increase and annual merit increases.
- Increase slightly offset by a decrease in Capital Outlay \$16K due to the Side by Side vehicle purchased in Prior Year. Professional fees and Maintenance expenses each lower \$10K, but expected to be caught up by the end of the fiscal year.



FY 2022-23 First Quarter Financial Review

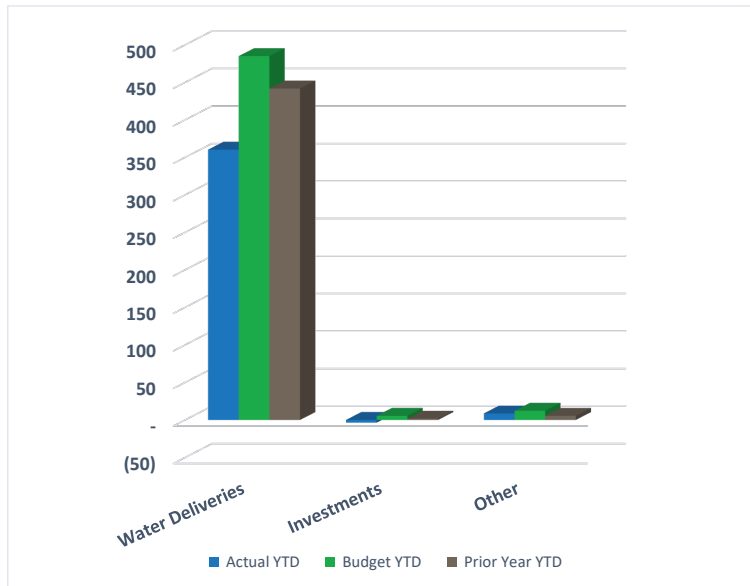
July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

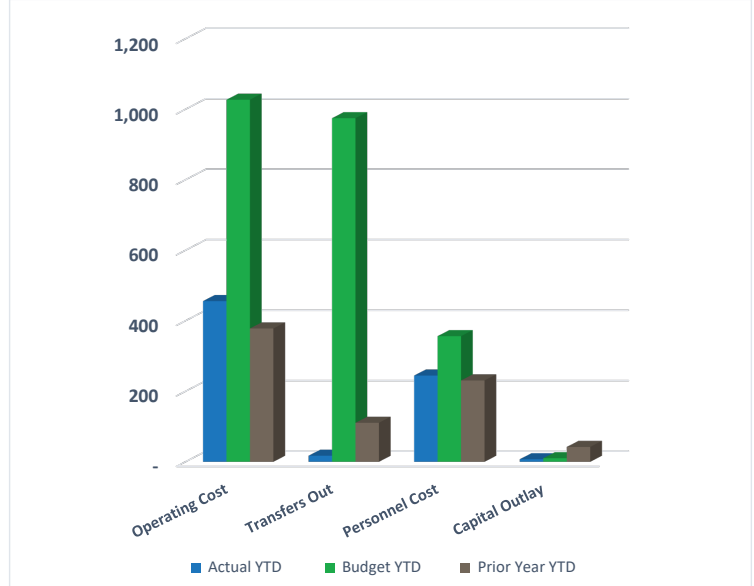
Freeman Diversion Fund (Zone B)

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Groundwater	(2)	0	(2)	#DIV/0!	0	(2)	#DIV/0!
Water Delivery	360	485	(125)	-26%	442	(82)	-18%
Earnings on Investments	(4)	6	(9)	-165%	2	(5)	-323%
Other	9	12	(4)	-29%	51	(42)	-83%
Transfers in	0	0	0	0%	0	0	0%
Total Revenues	364	503	(139)	-28%	494	(131)	-26%
Expenses							
Personnel Costs	245	356	(112)	-31%	231	14	6%
Operating Expenditures	456	1,027	(571)	-56%	378	78	21%
Capital Outlay	7	10	(3)	0%	42	(35)	-84%
Transfers out	17	975	(957)	-98%	111	(93)	-84%
Total Expenses	725	2,368	(1,643)	-69%	762	(37)	-5%
Net Surplus / (Shortfall)	(361)	(1,866)	1,504	-81%	(268)	(94)	35%

Revenues
(\$ thousands)



Expenses
(\$ thousands)



Revenue Status vs. Budget

- Revenue received in Q1 \$364K, down \$139K (28%) primarily due to lower Pipeline deliveries \$125K which was 1,089 AF under Plan for OH Pipeline

Revenue Status vs. Prior Year

- Current Year lower by \$131K. The decrease is primarily due to \$45K National Wild Life Grant revenue received in Prior Year and lower Pipeline deliveries of \$82K, which was 940 AF less than Prior Year.



FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

Freeman Diversion Fund (Zone B) - continued

Appropriation/Expenditure Status vs. Budget

- Total expenditures through first quarter are \$725K, which is \$1.6M (69%) below Plan. Savings are primarily due to CIP Transfers Out for Freeman at \$957K less than budgeted. This is a timing issue as the budgeted amount is front-loaded and expected to be used by year-end. Operating Expenditures are favorable by \$571K primarily due to under-utilized Environmental Services Legal Fees of \$427K. Contributing to the favorability are Overhead costs of \$113K under budget due to timing issues. Salaries and Benefits are also favorable \$112K due to vacant Principal Environmental Scientist for a majority of Q1 and Field Technician positions. Maintenance costs are favorable \$40K due to emergency funds not being needed in Q1. Permits are favorable \$33K due to timing differences. Principal payments are \$44K favorable due to 2020 COP payments budgeted as expense but paid directly to liability.
- Savings are partially offset by an increase in Insurance Premiums of \$109K and Interest Expenses of \$40K due to payments higher than originally allocated amount.

Appropriation/Expenditure Status vs. Prior Year

- Total Expenditures are \$37K lower than Prior Year. The variance is largely due to lower CIP transfers out \$93K in Q1. Contributing to the variance is lower Capital Outlay \$35K due to the SLR Excavator purchased in Prior Year.
- Slightly offsetting the decrease are higher Operating Expenditures of \$78K. Salaries and Benefits are \$14K higher than PY due to Board approved 2% COLA increase and annual merit increases. Insurance expense \$24K higher than Prior Year. Interest expense is \$36K higher due to 2020 COP Bond allocated to Freeman in Current year.

Fund Balance

- The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$2.2M.
- The District's reserve policy requires an undesignated balance of \$1.5M which is expected to be met.

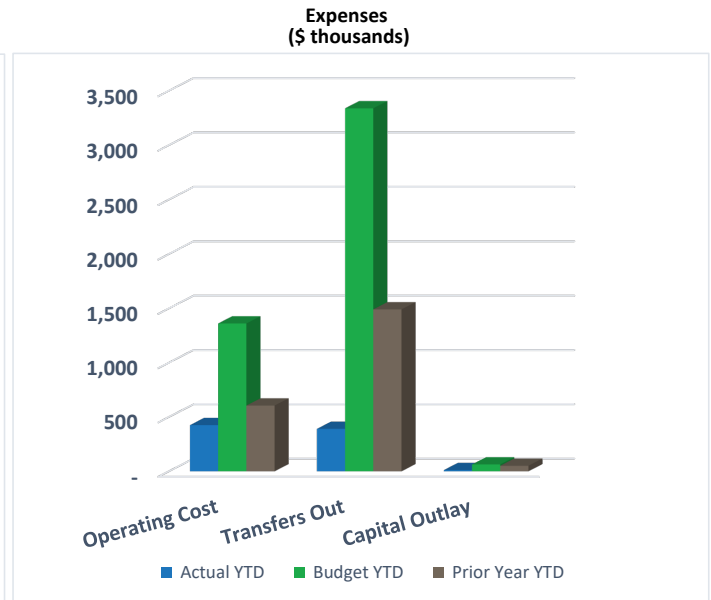
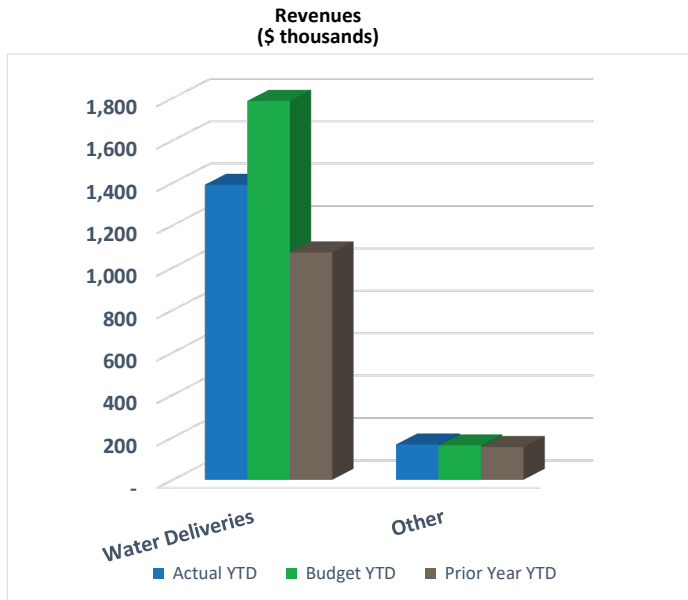
FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

Oxnard Hueneme Pipeline Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	1,390	1,786	(396)	-22%	1,071	319	30%
Earnings on Investments	45	5	40	849%	3	42	1555%
Grants	1,845	2,890	(1,045)	-36%	460	1,385	301%
Other	121	157	(36)	-23%	151	(30)	-20%
Total Revenues	3,401	4,837	(1,436)	-30%	1,685	1,717	102%
Expenses							
Personnel Costs	292	328	(36)	-11%	290	2	1%
Operating Expenditures	133	1,034	(901)	-87%	315	(182)	-58%
Capital Outlay	11	63	(52)	-82%	51	(40)	-78%
Transfers out	391	3,339	(2,948)	-88%	1,491	(1,101)	-74%
Total Expenses	827	4,764	(3,937)	-83%	2,148	(1,320)	-61%
Net Surplus / (Shortfall)	2,574	74	2,501	3401%	(463)	3,037	-656%



Revenue Status vs. Budget and vs. Prior Year

- Total revenue for Q1 of \$3.4M is under budget by \$1.4M (30%) primarily due to lower grants received from Iron and Manganese Grant and CAL OES state grant for OH emergency generators Grant revenues will not be earned until construction has been completed. Grant revenues are up\$1.3M (301%) over prior year.
- Water Delivery Revenue is \$396K (22%) lower than Budget; 2,641AF (29.2%) less delivered than Plan. Deliveries revenue is up from prior year by \$319K even though 940 AF less were delivered. The 30% increase in revenue over prior year is due to increased fixed and variable rates in FY 22-23.
- Fox Canyon revenues down by \$44K in Q1 and \$38K lower than Prior Year due to lower water deliveries.

FY 2022-23 First Quarter Financial Review
July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

Oxnard Hueneme Pipeline Fund - continued

Appropriation/Expenditure Status vs. Budget and vs. Prior Year

- Total expenses of \$827K is under budget by \$4M (83%) and lower than prior year by \$1.3M (61%), primarily due to transfers out which are \$3M less than budgeted and \$1.1M less than prior year. This is a timing issue as the budgeted amount is front-loaded.
- Capital Outlay under budget by \$52K (82%) and under prior year by \$39K (78%). Staff anticipates budget to be fully utilized by the end of the year.
- Fox Canyon \$409K under budget due to an extraction fee accrual from FY 21-22 carried over to the current fiscal year that reversed 9/30/2022 and a delay in their billing.
- Electrical costs down \$212K from Q1 budget and down \$23K from prior year. This is a timing issue as billing is delayed.
- Personnel Costs are down \$36K from budget primarily due to two internal promotions expected later in year. Professional fees are also down \$21K as Environmental and IT consulting services were under-utilized. Additionally, maintenance expense was under budget by \$52K but is expected to be fully utilized by end of year.
- Principal payments are \$89K under Plan and down \$133K from FY 21-22 due to 2020 COP payments budgeted as expense but paid directly to liability.
- Interest Expense is \$66K under Plan due to payments lower than originally allocated amount and down \$98K compared to Prior Year due to changes in 2020 COP allocation.

Fund Balance

- The projected ending undesignated working capital balance for FY 22-23 is approximately \$1.3M.
- The District's reserve policy requires an undesignated balance of \$1.1M for this fund, which is expected to be met.

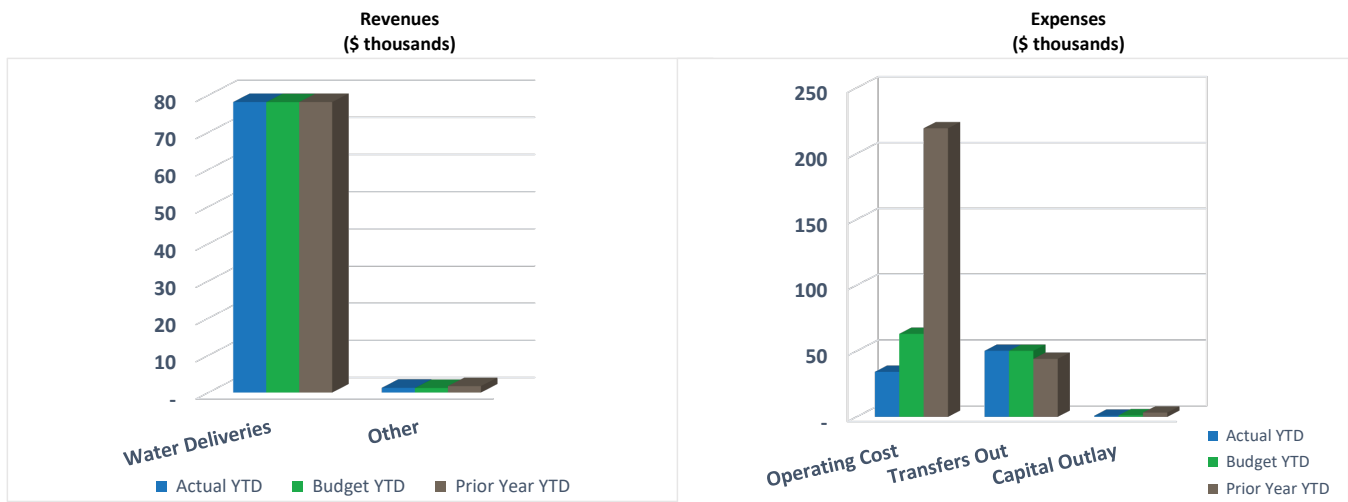
FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

Pleasant Valley Pipeline Fund

in \$ thousands	CY Actuals	CY Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	78	78	0	0%	78	0	0%
Earnings on Investments	6	1	5	724%	0	6	2616%
Other	1	1	0	5%	2	(0)	-27%
Total Revenues	86	80	6	7%	80	5	7%
Expenses							
Personnel Costs	17	29	(12)	-43%	22	(5)	-23%
Operating Expenditures	18	34	(17)	-48%	198	(180)	-91%
Capital Outlay	1	1	(0)	0%	3	(2)	
Transfers out	50	50	0	0%	44	6	14%
Total Expenses	85	114	(29)	-26%	267	(181)	-68%
Net Surplus / (Shortfall)	0	(34)	35	-101%	(186)	187	-100%



Revenue Status vs. Budget and vs. Prior Year

- Revenue received in Q1 is on target.
- Revenue is up \$5K from prior fiscal year due to Earnings on Investments.

Appropriation/Expenditure Status vs. Budget and vs. Prior Year

- Operating expenditures under budget by \$29K in First Quarter. Variance due to maintenance costs \$12K lower than Budget due to emergency funds not being needed but expected to be utilized by end of the fiscal year and Salaries and Benefits \$12K lower than Budget due to less staff spending time working on Pleasant Valley Pipeline.
- Compared to prior year, Operating Expenditures are down \$180K primarily due to \$195K spent on PV reservoir maintenance work.

Fund Balance

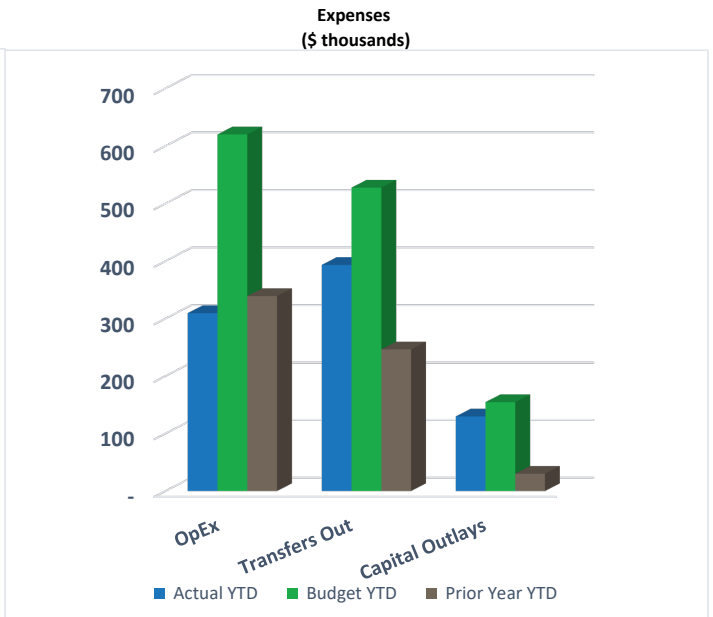
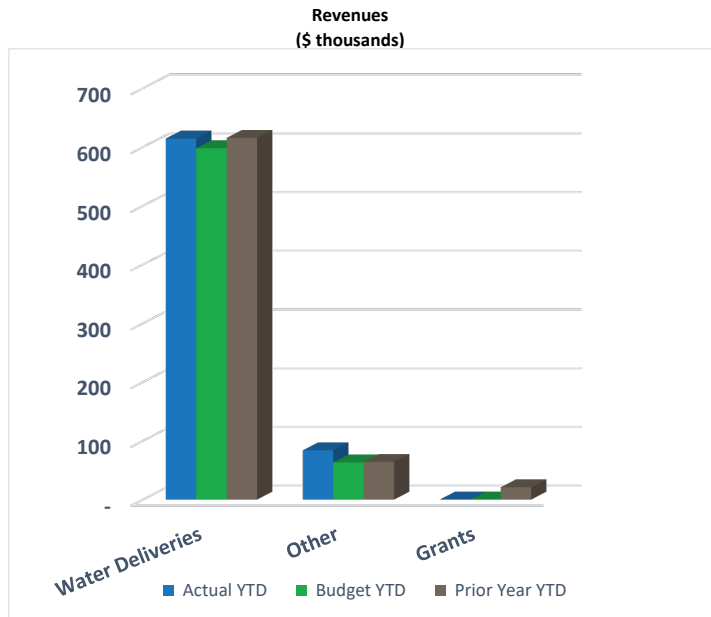
The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$641K. The District's reserve policy requires a \$258K minimum undesignated balance which is projected to be met.

FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed
Pumping Trough Pipeline Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	614	598	16	3%	616	(1)	0%
Earnings on Investments	21	2	18	818%	1	20	1790%
Grants	0	0	0		21	(21)	0%
Other	63	61	2	4%	63	0	1%
Total Revenues	698	661	37	6%	700	(2)	0%
Expenses							
Personnel Costs	135	149	(14)	-10%	122	13	11%
Operating Expenditures	175	471	(296)	-63%	217	(43)	-20%
Capital Outlay	130	155	(25)	-16%	30	100	
Transfers out	393	528	(134)	-25%	246	147	60%
Total Expenses	833	1,302	(470)	-36%	616	217	35%
Net Surplus / (Shortfall)	(134)	(641)	507	-79%	85	(219)	-259%


Revenue Status vs. Budget

- Revenue received through Q1 is \$699K, up \$37K (6%). The increase is due to higher pipeline deliveries \$17K (67AF more water delivered than Plan) and higher LAIF to Market value adjustment reversal \$18K.

Revenue Status vs. Prior Year

- \$20K PTP grant received in Prior Year is offsetting the increase in Earnings on Investments LAIF to Market value \$20K, resulting in a variance of \$2K in total revenues compared to Prior Year's Actuals.



FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

Pumping Trough Pipeline Fund - continued

Appropriation/Expenditure Status vs. Budget

- Total expenditures through Q1 are \$833K, \$470K (36%) below Budget primarily due to lower Operating Expenditures of \$296K. Fox Canyon expenses are down \$123K due to delay in billing. Maintenance is \$54K under budget due to emergency funds not being needed in the First Quarter as well as less than projected maintenance on corroding PTP turnouts. Overhead costs \$53K and Utilities \$54K under due to timing difference. Principal payments \$34K under due to 2020 COP payments budgeted as expense but paid directly to liability.
- Contributing to the variance are lower Transfers Out \$134K to PTP Capital Improvement Projects. This is a timing issue as the budgeted amount is front-loaded. Capital outlay is \$25K lower than anticipated due to fewer than planned PTP isolation valves and VFD replacements.
- Slightly offsetting the savings is increase in Insurance Premiums of \$49K.

Appropriation/Expenditure Status vs. Prior Year

- Compared to last fiscal year, expenditures are higher by \$217K (35%) primarily due to higher CIP Transfers Out \$147K for PTP Recycled Water Connection. Capital Outlay also higher in Current Year due to more PTP isolation valves being replaced. Salaries and Benefits \$13K higher than Prior Year due to Board Approved 2% COLA increase and annual merit increases.
- Offsetting the increase are lower Operating Expenditures \$43K mainly due to lower Fox Canyon expenses.

Fund Balance

- The projected ending undesignated working capital balance is approximately \$700K.
- The District's reserve policy requires an undesignated balance of \$1M for this fund.



FY 2022-23 First Quarter Financial Review

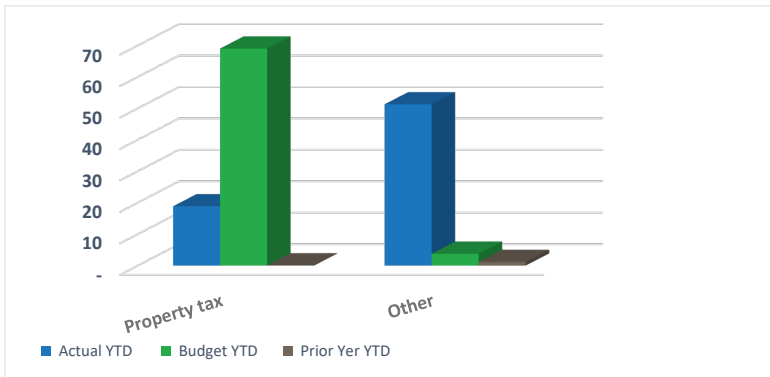
July 1, 2022 through September 30, 2022

25% of Fiscal Year Completed

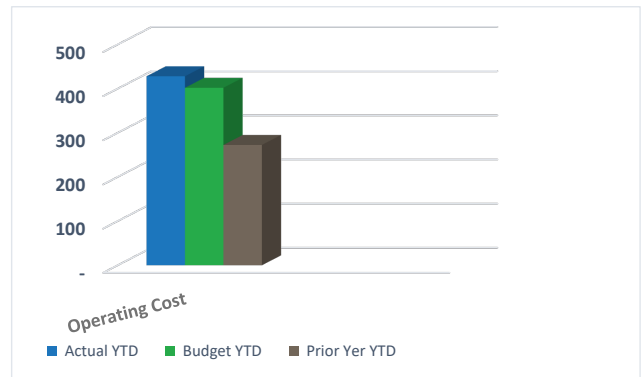
State Water Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Earnings on Investments	51	4	47	1264%	1	50	4395%
Property Taxes	19	69	(50)	-73%	0	19	30004%
Total Revenues	70	73	(3)	-4%	1	69	5738%
Expenses							
Personnel Costs	0	0	0	0%	0	0	0%
Operating Expenditures	428	402	26	6%	272	156	57%
Capital Outlay	0	0	0	0%	0	0	0%
Debt Service	0	0	0	0%	0	0	0%
Transfers out	0	0	0	0%	0	0	0%
Total Expenses	428	402	26	6%	272	156	57%
Net Surplus / (Shortfall)	(358)	(329)	(29)	9%	(271)	(87)	32%

Revenues
(\$ thousands)



Expenses
(\$ thousands)



Revenue Status vs. Budget and vs. Prior Year

- Revenue received through Q1 is under plan by \$3K (4%). This is primarily due to lower property tax revenue (\$50K) which are budgeted monthly but typically not received prior to December and April based on the due date of the taxes.
- Offsetting this was higher earnings on investments of \$47K.
- Compared to Prior Year, revenue is \$69K favorable due to higher Property Taxes received from Ventura County and higher LAIF to Market Value adjustment.

Appropriation/Expenditure Status vs. Budget and vs. Prior Year

- Total expenditures of \$428K are over budget by \$26K (6%). This is primarily due to higher fixed costs, offset by reduced variable costs.
- Compared to Prior Year, expenditures up by \$155K (57%). This is mainly due to higher fixed costs in FY 22-23.

Fund Balance

- The beginning working capital for FY 22-23 is \$5.7M. Assuming FY 2022-23 activity is consistent with the approved budget, the projected ending balance will exceed the District's fund reserve minimum of \$4.9M.
- The entire fund balance is designated for the fixed and variable costs related to the District's State Water Project allocation of 5,000 AF per year, plus allowable Table A water.

FY 2022-23 First Quarter Financial Review

July 1, 2022 through September 30, 2022

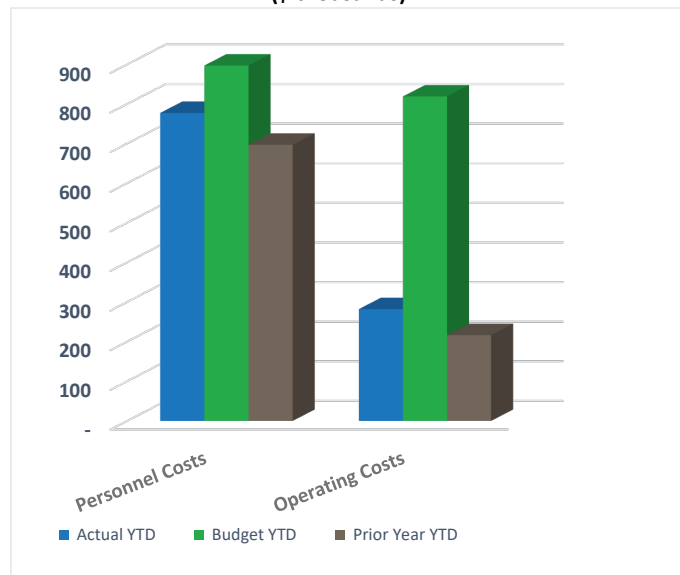
25% of Fiscal Year Completed

Overhead Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Expenses							
Personnel Costs	777	897	(120)	-13%	697	80	12%
Operating Expenditures	282	819	(537)	-66%	216	66	30%
Capital Outlay	40	10	30	0%	0	40	0%
Total Expenses	1,099	1,726	(627)	-36%	913	186	20%

Expenses

(\$ thousands)



Appropriation/Expenditure Status vs. Budget and vs. Prior Year

- Expenditures under budget by \$627K (36%).
- The largest savings were in Professional Fees at \$498K primarily due to Admin and Financial Advisory consulting under-utilized. Costs for consulting is expected to catch up by the end of the fiscal year. Contributing to the variance are Salaries and Benefits at \$120K due to vacant Receptionist and Administrative Assistant III positions for majority of Q1 and Retirement Benefit budget of \$30K expected to be realized before the end of the fiscal year. Maintenance \$19K under budget due to emergency funds not being needed in Q1. Safety Supplies \$10K and Travel \$16K are expected to be fully utilized by the end of the year.
- This was slightly offset by \$40K Capital Outlay expense for the HQ generator connection equipment.
- Compared to prior year, expenditures are higher by \$186K (20%). The variance is from higher Professional Fees of \$31K, office expense of \$34K and personnel costs of \$80K due to Board Approved 2% Cost of Living increase and annual merit increases.



Staff Report

To: UWCD Finance and Audit Committee Members

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

From: Brian H. Zahn, Chief Financial Officer

Date: November 28, 2022, (December 5, 2022, meeting)

Agenda Item: 9. **First Quarter Fiscal Year 2022-2023 District Staff and Board Member Reimbursement Report (July 1, 2022 – September 30, 2022)**
Information Item

Staff Recommendation:

The Committee will review and discuss the report detailing the reimbursement of expenses to District staff members and members of the Board in compliance with Government Code §53065.5.

Discussion:

The District's Expense Reimbursement Policy requires quarterly reporting of all expense reimbursements, in the amount of \$100 or more, made to Board Members or employees. In accordance with that policy, attached is the list of reimbursement payments for the Finance Committee's review.

Please find attached the report detailing the reimbursements made during the First Quarter of Fiscal Year 2022-2023.

Attachment:

Attachment A – List of Employees and Directors Reimbursements for First Quarter 2022-2023

UNITED WATER CONSERVATION DISTRICT
CHECK REPORT
QUARTER ENDED 09/30/2022

<u>Vendor Name</u>	<u>Payable Description</u>	<u>Payable Amount</u>	<u>Payment Amount</u>	<u>Payment Date</u>	<u>Check Number</u>
PETER WITMAN	REIMBURSEMENT FOR STAFF LUNCH - MEMORIAL DAY WKND	\$ 163.88	\$ 163.88	7/7/2022	1590
ROBYN NICHOLE GORECKI	REIMBURSEMENT FOR TRAVEL - TRAINING	\$ 229.85	\$ 229.85	7/7/2022	1591
ADRIAN QUIROZ	PE LICENSE RENEWAL REIMBURSEMENT	\$ 180.00	\$ 180.00	7/14/2022	1600
KRIS SOFLEY	REIMBURSEMENT FOR OFFICE SUPPLIES	\$ 743.33	\$ 743.33	7/14/2022	1621
MIKE KAMINSKI	SAFETY WORK BOOTS REIMBURSEMENT	\$ 207.58	\$ 207.58	7/28/2022	1661
ROBERT WILLIAM ZAMBELLI	REIMBURSEMENT FOR EQUIP FOR FERC	\$ 129.87	\$ 129.87	8/5/2022	1686
ROBYN NICHOLE GORECKI	REIMBURSEMENT FOR BOOTS	\$ 183.92	\$ 183.92	8/5/2022	1687
ROBERT RICHARDSON	CA BPESG CIVIL ENGINEER LIC RENEWAL REIMBURSEMENT	\$ 180.00	\$ 180.00	8/26/2022	1757
MIKE KAMINSKI	TUITION REIMBURSEMENT	\$ 2,500.00	\$ 2,500.00	9/2/2022	1777
ADRIAN QUIROZ	REIMBURSEMENT FERC/PART 12D INSPECTION	\$ 108.34	\$ 108.34	9/16/2022	1807
BRUCE DANDY	MILEAGE & EXPENSES REIMBURSEMENT 08/2022	\$ 507.50	\$ 507.50	9/16/2022	1810
DANIEL NAUMANN	MILEAGE & EXPENSES REIMBURSEMENT 08/2022	\$ 555.63	\$ 555.63	9/16/2022	1812
STEVEN KADOWAKI	TUITION REIMBURSEMENT COURSE POM212	\$ 1,257.00	\$ 1,257.00	9/16/2022	1825
JOSH PEREZ	STEVE TROCINO RETIREMENT GIFT CARD	\$ 250.00	\$ 250.00	9/23/2022	1848
KEVIN ORTEGA	T2 WATER TREATMENT OPERATOR CERTIFICATION	\$ 299.99	\$ 299.99	7/14/2022	209393
BRIAN COLLINS	TRANSPORTATION REIMBURSEMENT	\$ 141.24	\$ 141.24	7/28/2022	209438
DESTINY RUBIO	UCSB TUITION REIMBURSEMENT	\$ 570.00	\$ 570.00	7/28/2022	209442
RAYMOND AVILA JR	REIMBURSEMENT FOR CLASS A MEDICAL EXAM	\$ 120.00	\$ 120.00	8/19/2022	209533
BRYAN SCHAFFER	SMART & FINAL REIMBURSEMENT FOR O&M BREAKROOM SUPPLIES	\$ 226.06	\$ 226.06	9/2/2022	209579
LYNN MAULHARDT	MILEAGE REIMBURSEMENT 07/2022	\$ 62.50	\$ 119.00	9/9/2022	209608
	MILEAGE REIMBURSEMENT 08/2022	\$ 56.50			
		8,673.19	8,673.19		



Staff Report

To: UWCD Finance and Audit Committee Members

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

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

Date: November 28, 2022 (December 5, 2022 meeting)

Agenda Item: 10. Monthly Investment Report (October 31, 2022)
Information Item

Staff Recommendation:

The Committee will review and discuss the most current investment report for October 31, 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:

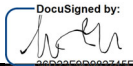
Monthly Investment Report

United Water Conservation District
Monthly Investment Report
October 31, 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	3,443,687	1	7.62%
US Bank - 2020 COP Bond Balance	10,136,784	1	22.44%
Petty Cash	4,400	1	0.01%
County Treasury	1,712	1	0.00%
LAIF Investments	31,587,193	1	69.91%
Total Cash, Cash Equivalents and Securities	45,173,776		100.00%
 Investment Portfolio w/o Trustee Held Funds	45,173,776		
Trustee Held Funds	-		
Total Funds	45,173,776		

<u>Local Agency Investment Fund (LAIF)</u>	<u>Beginning Balance</u>	<u>Deposits (Disbursements)</u>	<u>Ending Balance</u>
	31,475,302	111,891	31,587,193
	<u>Interest</u>	<u>Interest</u>	
	<u>Earned YTD</u>	<u>Received YTD</u>	<u>Qtrly Yield</u>
	-	169,272	1.35%

II 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.

DocuSigned by:

 36028F0D002745E
Mauricio E. Guardado, Jr., General Manager

12/1/2022

Date Certified

DocuSigned by:

 70C09E0F0D0B09E
Anthony Emmert, Assistant General Manager

11/23/2022

Date Certified

DocuSigned by:

 C90D81B430034D1
Brian H. Zahn, Chief Financial Officer

Daryl Smith on behalf
 of Brian Zahn

11/23/2022

Date Certified

<i>United Water Conservation District</i>			
<i>Cash Position</i>			
October 31, 2022			
Fund	Total	Composition	Restrictions/Designations
General/Water Conservation Fund:			Revenue collected for district operations
General/Water Conservation	13,787,102	(141,139)	Includes General, Rec & Ranger, Water Conservation
		4,962,000	Reserved for legal expenditures
		6,184,000	Designated for replacement, capital improvements, and environmental projects
		2,782,241	Supplemental Water Purchase Fund
General CIP Funds	8,033,179	8,033,179	Appropriated for capital projects
2020 COP Bond Funds	6,265,520	6,265,520	Reserved for CIP Projects
Special Revenue Funds:			Revenue collected for a special purpose
State Water Project Funds	5,605,498	5,605,498	Procurement of water/rights from state water project
Enterprise Funds:			Restricted to fund usage
Freeman Fund	1,047,575	1,047,575	Operations, Debt Service and Capital Projects
		-	Designated for replacement and capital improvements
		-	Reserved for legal expenditures
Freeman CIP Fund	1,914,841	1,914,841	Appropriated for capital projects
OH Pipeline Fund	2,503,799	2,503,799	Delivery of water to OH customers
OH CIP Fund	2,577,807	2,577,807	Appropriated for capital projects
OH Pipeline Well Replacement Fund	553,268	553,268	Well replacement fund
PV Pipeline Fund	507,658	507,658	Delivery of water to PV customers
PV CIP Fund	235,546	235,546	Appropriated for capital projects
PT Pipeline Fund	999,208	999,208	Delivery of water to PTP customers
PT CIP Fund	1,142,775	1,142,775	Appropriated for capital projects
Total District Cash & Investments	45,173,776	45,173,776	



Staff Report

To: UWCD Finance and Audit Committee Members

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

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

Date: November 14, 2022 (December 5, 2022, meeting)

Agenda Item: 11. **Monthly Pipeline Delivery Reports (October 31, 2022)**
Information Item

Staff Recommendation:

The Committee will review and discuss the most current pipeline delivery report for October 31, 2022, that is attached.

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.

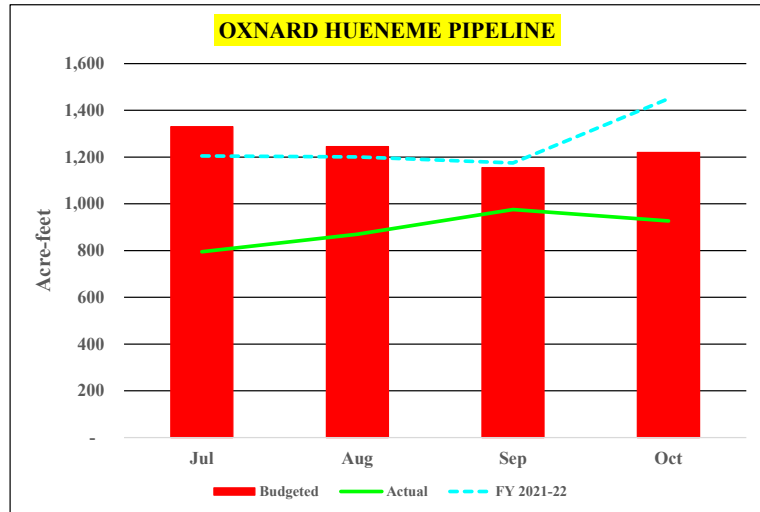
Attachments:

Attachment A – October Pipeline Delivery Report

United Water Conservation District
Pipeline Water Deliveries (Acre-feet)
FY 2022-23 data thru October 31, 2022

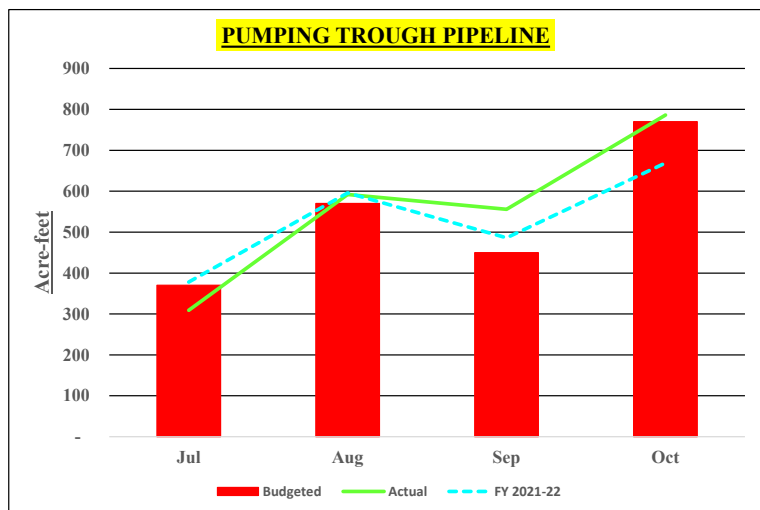
OH Pipeline 22-23			
	Projection	Actual	Difference
Jul	1,330	795	(535)
Aug	1,245	870	(375)
Sep	1,155	976	(179)
Oct	1,220	927	(293)
Nov	1,030		
Dec	920		
Jan	950		
Feb	890		
Mar	960		
Apr	870		
May	1,050		
Jun	1,050		
Totals	12,670	3,567	(1,383)
YTD	4,950	3,567	(1,383)

YTD Actual to Budget: -27.9%



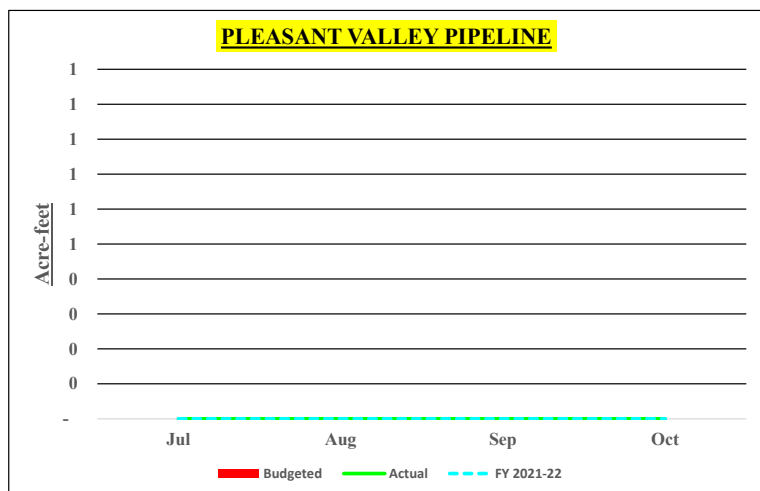
PT Pipeline 2022-23			
	Projection	Actual	Difference
Jul	370	309	(61)
Aug	570	592	22
Sep	450	556	106
Oct	770	786	16
Nov	470		
Dec	300		
Jan	280		
Feb	370		
Mar	350		
Apr	480		
May	510		
Jun	480		
Totals	5,400	2,243	83
YTD	2,160	2,243	83

YTD Actual to Budget: 3.8%



PV Pipeline 2022-23			
	Projection	Actual	Difference
Jul	-	-	
Aug	-	-	
Sep	-	-	
Oct	-	-	
Nov	-		
Dec	-		
Jan	400		
Feb	400		
Mar	100		
Apr	-		
May	-		
Jun	-		
Totals	900	-	-
YTD	-	-	-

YTD Actual to Budget: 0.0%





Staff Report

To: UWCD Finance and Audit Committee Members

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

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

Date: November 29, 2022 (December 5, 2022 meeting)

Agenda Item: 12. Board Requested Cost Tracking Items
Information Item

Staff Recommendation:

The Committee will 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) O. Mykiss CESA Listing
- 8) Fifth Amendment Takings Claim
- 9) Wishtoyo Litigation
- 10) All legal fees
- 11) All professional fees (excluding legal fees)
- 12) 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 (Attachment A) provides data through October 31, 2022.

Fiscal Impact:

As shown.

Attachments:

Attachment A – Consolidated Cost Summary

Attachment B – Summary of Board Motion Items with Fiscal Impact

**United Water Conservation District
Consolidated Cost Summary Report
Through October 31, 2022**

Fiscal Year	FERC License	PMF Study	Gen/Water Conservation Environmental	Freeman Environmental	Quagga Mussels	City of Ventura Lawsuit *	O. Mykiss CESA Listing	Takings Claim	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	818,753	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	-	259,432	2,301,320	4,841,413	2,115,988	6,957,400
2021-22	731,766	777,246	44,037	385,341	394,269	394,491	-	237,376	1,182,593	2,957,128	1,827,256	4,784,384
2022-23	126,888	191,597	1,078	71,763	97,583	83,433	12,087	73,058	111,446	327,108	370,705	697,813
Report Total	9,372,081	5,428,737	5,017,155	8,114,547	3,318,648	4,079,993	12,087	569,866	13,508,854	24,641,297	22,842,042	47,483,339
Previous Report Total	9,275,607	5,250,517	5,016,423	8,076,001	3,264,526	3,996,560	-	496,808	13,437,621	24,354,292	22,535,878	46,890,170
<i>Current Activity</i>	<i>31,370</i>	<i>33,339</i>	<i>732</i>	<i>20,744</i>	<i>40,958</i>	<i>236</i>	<i>6,232</i>	<i>53,411</i>	<i>887</i>	<i>287,005</i>	<i>306,164</i>	<i>593,170</i>

* Does not include City of San Buenaventura judgment

Current Activity Narrative:

- FERC - The activity for October (\$31K) was spent on staff time (\$21K) and professional services (\$10K).
- PMF - The activity for October (\$33K) was spent on staff time (\$10K), and design professional service (\$23K).
- Gen/Wtr Cons - The activity for October (\$732) was spent on staff time.
- Freeman - The activity for October (\$21K) was spent primarily on staff time.
- Quagga - The activity for October (\$41K) was spent primarily on staff time (\$13K) and professional fees (\$28K) related to quagga mussel eradication and the scientific dive agreement.
- Ventura - There was staff costs of \$236 associated with the settlement of the City of Ventura Lawsuit.
- O. Mykiss CESA - All activity for October (\$6K) was spent on staff time.
- Takings Claim - Legal costs of \$53K associated with the settlement of the Takings Claim for October.
- Wishtoyo - The activity for October (\$887) was spent on staff time related to the Wishtoyo complaint.
- Legal Fees - Includes all legal fees for the District. These fees were dominated by the Wishtoyo Lawsuit, Ventura Lawsuit and General Counsel.
- Other Prof Fees - Includes all contracted professional fees except legal fees. These fees were dominated by fish passage, SFD EAP, quagga related services and administrative costs.

BOARD MOTION ITEMS with FISCAL IMPACT

Motion Number	Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
5.2	Environmental	Authorize a Contract with Environmental Science Associates (ESA) to provide Consulting Services for CEQA and NEPA Documentation and Regulatory Permitting for the Phase 1 of the Extraction Barrier and Brackish Water Treatment Project	Y	051-400-81080 8019-825	\$908,256	N/A
5.3	Engineering	Contract Award to Kennedy/Jenks Consultants, Inc. for Design Services Related to the Phase 1 of the Extraction Barrier and Brackish Water Treatment Project	Y	051-400-81020 8019-815	\$841,700	N/A
5.4	Operations and Maintenance	Authorize an Amendment to the University of Iowa Contract for the Physical Modeling of the Vertical Slot for the Freeman Expansion Project (Approximately \$280K savings vs. the original contract)	Y	421-400-81020 8001-815	\$387,165	N/A
TOTAL					\$2,137,121	



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: November 29, 2022 (December 5, 2022 meeting)

Agenda Item: **13. Monthly Administrative Services Department Report**
Information Item

Staff Recommendation:

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

Discussion:

Finance

- Continued work on Fiscal Year (FY) 2021-2022 Annual Comprehensive Financial Report which will be completed by first week of December.
- Bank transfer process from Bank of the Sierra to Citizens Business Bank is in progress. Bank of the Sierra account will be kept open until staff is able to ensure all deposits and checks issued are cleared.
- Started FY 2022-2023 Budget development process. Budget kickoff meeting is scheduled for January 25, 2023.
- Finance completed all year end entries for Fillmore and Piru Basins GSA and Mound Basin GSA. Final FY 2021-2022 Financial Statements were presented to the Boards in October.

Administrative

- Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the UWCD Finance and Audit (10/31), Water Resources (11/1) and Engineering and Operations (11/3) Committee meetings as well as a Special Board Meeting at Lake Piru Recreation Area (11/7) and the regular UWCD Board meeting (11/12).
-

13. Monthly Administrative Services Department Report
Information Item

- Organized set up, food and beverages for an All Staff BBQ at Lake Piru Recreation Area on 11/7, but due to rain, and with assistance from the Park Rangers and Operations and Maintenance staff, transported the All Staff BBQ to Saticoy, where everyone enjoyed a filling lunch, including some of the Board Directors!
- Prepared UWCD Boardroom for a meeting between UWCD staff and Palmdale Water District executives. Chief Operations Officer Brian Collins provided a tour of the District's facilities to the Palmdale Water District participants.
- Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the Fillmore and Piru Basins Groundwater Sustainability Agency's Regular Board meeting November and for the Mound Basin GSA Regular Board meeting in November.
- Provided administrative assistance and support for the AWA VC Water Wise (Three GMs) event as well as its Board meeting, Water Issues and Executive Committee meetings utilizing UWCD's Boardroom and technical support.
- Provided administrative assistance and support as well as technical support to the VC Farm Bureau's VCAILG Workshop on November 18. The workshop drew a large crowd, and the Farm Bureau staff was very appreciative of UWCD's support.
- Provided administrative assistance in registering, securing hotel accommodation, and organizing meetings for the Board and General Manager at the November 28 through December 1 ACWA Fall Conference in Indian Wells, CA.

Human Resources

- Held interviews for the Environmental Services Manager position.
- Began onboarding process for new Lake Piru Ranger Cadet Michael Groeneveld.
- Continued enrollment for Health Equity Flexible Spending Account.
- Provided health contribution spreadsheet numbers to Finance.
- Processed exit documents for several part-time staff that submitted resignations. For also, one full-time staff member.
- Distributed total compensation sheets for all full-time employees.
- Continued work on the salary survey in preparation for negotiations.
- Processed multiple annual evaluations for employees.
- Commenced process for employee service awards to be awarded in January.
- Completed conversion of 457 plan, routed all employee elections to Lincoln Financial Group.
- Reposted Environmental Services Manager position.
- Posted Environmental Scientist Regulatory Affairs position.

Safety and Risk Management

- Finalized District's UAS Authorization and Operations Policy for Committee and Board Consideration in December.
 - Managed Security Project Gate Upgrade efforts with Security Systems Integrator in collaboration with IT and O&M staff which included communication and provided updated security capabilities to onsite staff and tenants.
-

13. Monthly Administrative Services Department Report Information Item













- Researched and evaluated request from the Mountains Recreation and Conservation Authority (MRCA) to utilize Santa Felicia Dam for emergency response access to Hathaway Ranch in consult with Assistant GM, Chief Engineer, and Chief Park Ranger.
- Completed CSDA Ethics and Sexual Harassment Prevention trainings in compliance with AB 1234, AB 1825, and AB 1661.
- Provided safety supervision and periodic visits to Desilt Project in support of O&M Department.
- Coordinated internal webinar participation of FERC-D2SI Security Branch Fall Webinar.
- Finalized SFD Vulnerability Security Risk Assessment with Engineering staff with additional support from IT and O&M staff.
- Coordinated enrollment of NFPA 70E (Electrical Safety for Qualified Workers) training for O&M Control Systems staff.

Technology Systems

- Assisted the Instrumentation staff with IT network and IT security components associated with the Genetec security system upgrades. Completed an installation of a new badge reader and replacement video feed viewing station at the Saticoy facility during this reporting period.
- Routinely providing technology and A/V services during the events held in United's multipurpose Board Room. This month included two large hybrid webinars with AWAVC Breakfast and Learn, and Ventura County Farm Bureau Workshop.
- Performed routine security checkups with executive and professional staff which included setting authentication requirements to require multiple factor options for remote accessible systems.
- Technology Systems staff worked towards submission completion of United's remaining documentation and evidence requested from United's financial auditors, majority addressing supplemental requests or follow up questions from the audit team.
- The Technology Systems staff and the Risk and Safety Manager assisted the Operations team with tech support during the replacement of the modern gas monitor system as part of United's Safety Program enhancements.
- Began efforts with a contract vendor to enhance the audio and visual effects in the UWCD Board Room which will eventually relocate sound equipment and is anticipated to lead to improved video capability and hybrid options offered in the meeting space.
 - Monthly ticket overview summarized below:

State by Ticket Type						
	Open	In Progress	Awaiting Reply	Pending 3rd party	Waiting for approval	Total
IT Projects and Change Management	4	5	0	0	0	9
IT Purchase Request	3	0	1	0	1	5
IT Services and Support	12	13	9	0	2	36
New employee	1	0	0	0	0	1
SCADA Proj. and Change Management	1	0	0	0	0	1
Total	21	18	10	0	3	52

13. **Monthly Administrative Services Department Report**
Information Item

Monthly ticket type overview - 2022													
Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
 Alerts and Advisories	0	1	5	2	0	0	0	0	0	0	0	/	8
 Conference Room Support	0	0	0	0	0	0	0	0	1	0	0	/	1
 E-Mail Phishing and Spam	0	0	0	0	2	0	1	0	0	0	0	/	3
 Employee Information Update	0	0	0	0	0	6	3	0	1	1	0	/	11
 IT Projects and Change Management	0	0	0	1	7	3	0	2	0	3	0	/	16
 IT Purchase Request	1	2	0	3	6	1	1	1	1	0	0	/	16
 IT Services and Support	10	4	12	41	39	37	21	32	23	22	12	/	253
 Network Port patching	0	0	1	0	0	0	0	0	0	0	0	/	1
 New employee	0	2	2	2	0	0	0	0	0	0	1	/	7
 Offboarding Disable Account	0	0	0	0	1	0	0	0	0	0	0	/	1
 SCADA Proj. and Change Management	0	0	0	0	1	0	0	0	0	0	0	/	1
 Software Services and Support	0	0	0	0	0	0	0	0	1	0	0	/	1
Total	11	9	20	49	56	47	26	35	27	26	13	/	319