

AGENDA

FINANCE AND AUDIT COMMITTEE MEETING

Monday, February 27, 2023, 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 December 5, 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 regular meeting scheduled for January 9, 2023, was canceled as a quorum of the Committee members was not met. The February meeting scheduled for January 30, 2023, was also canceled as staff had nothing new to report. A cancellation notice was emailed to the Directors as well as to the Committee's interested parties list.

4. March 8, 2023, Board Meeting Agenda Item(s)

The Committee will review and discuss the following agenda items to be considered for approval at the March 8, 2023, 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:

4a. FY 2022-23 Second Quarter Financial Report and Request of Budget Modifications

The Committee will receive and review the FY 2022-23 Second Quarter Financial Report for the period of July 1, 2022, through December 31, 2022, and consider recommendation to the full Board of Directors for approval of the motion for modifications to the FY 2022-23 budget.

4b. January 2023 Storm Damage Cleanup, Contracts with McNabb Construction Inc. and Summer Construction Inc. for Debris Removal at the Lake Piru Recreation Area

The Committee will consider recommending the motion to the full Board of Directors to approve the District's use of the \$6,184,000 Replacement, Capital Improvement and Environmental Project reserve to fund the clean-up efforts at the Lake Piru Recreation Area. The supplemental appropriation for the first two contracts would be \$1,254,400 and once the District is reimbursed by FEMA, the funds will be returned to the reserve.



4c. Agreement with Santa Clarita Valley Water Agency for Coordinated Delivery of State Water Project Water Supplies

The Committee will consider recommending approval to the full Board authorizing the General Manager to enter into an agreement with Santa Clarita Valley Water Agency for coordinated deliveries of State Water Project water supplies.

5. District Staff and Board Member Reimbursement Report (October 1, 2022–December 31, 2022)

Information Item

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

6. Monthly Investment Report (January 2023)

Information Item

The Committee will receive, review and discuss the Districts' investment portfolio and cash position as of January 31, 2023.

7. Monthly Pipeline Delivery Report (January 2023)

Information Item

The Committee will receive, review and discuss the Districts' pipelines' water activities as of January 31, 2023.

8. Board Requested Cost Tracking Items

Information Item

The Committee will receive and review the costs through January 31, 2023, 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.

9. 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 including the Second Quarter Financial reporting.

10. Future Agenda Items

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



ADJOURNMENT

Directors:

Chair Lynn E. Maulhardt
Sheldon G. Berger
Catherine P. Keeling


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: _____

 For MEG
Mauricio E. Guardado Jr., General Manager

Approved: _____


Brian Zahn, Chief Financial Officer

Posted: (date) February 23, 2023

(time) 5:55 p.m.

(attest) Jackie Lozano

At: www.unitedwater.org

Posted: (date) February 23, 2023

(time) 6:00 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, December 5, 2022, at 9:00 a.m.
UWCD Headquarters, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

COMMITTEE MEMBERS PRESENT:

Lynn E. Maulhardt, chair
Sheldon G. Berger, director
Mohammed A. Hasan, director

STAFF PRESENT:

Mauricio E. Guardado, Jr., general manager
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

PUBLIC PRESENT:

Roger Martinez, cpa, (Vasquez & Company LLP)

OPEN SESSION 9:00 a.m.

Chair Lynn Maulhardt called the meeting to order at 9:00 a.m.

Committee Members Roll Call

The Clerk called roll. All Committee members were in attendance.

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

3. Approval of Minutes

The Committee received and reviewed the draft Committee meeting Minutes of October 3, 2022.
Motion to approve the Committee meeting Minutes, Director Hasan; Second, Chair Maulhardt.
Voice vote, two ayes (Hasan, Maulhardt); none opposed; one abstained (Berger) as he was not present at the October 3, 2022, meeting. Motion carries, 2/0/1.



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

Information Item

The District's Controller Daryl Smith introduced this item and welcomed Certified Public Accountant Roger Martinez of Vasquez & Co. to the podium to present the ACFR (presentation attached). During the presentation, Chair Maulhardt asked Mr. Martinez to define "material exceptions" which was referenced on slide 13. Mr. Martinez explained their firm performs procedures to provide assurance that the financials are free from material errors or fraud. By looking at total assets and revenue, the auditor would come up with a percentage of auditing errors which also includes the quality. For example, if the auditor discovers there is fraud in upper management, that is considered very material. Mr. Martinez mentioned looking at fraud is a qualitative error that in itself is examined. Although it is not a forensic process, the auditor would apply their audit procedures if it were suggested there was fraud. Chair Maulhardt felt it was important for the public to know the meaning.

Mr. Martinez continued with the presentation through to slide 16. Director Berger inquired about the income, specifically, the non-operating revenues and expenses, the *Other Income* line included in this section being \$2.3 million. At some point in time, Director Berger said he would like to know where the classification or occurrence came from. He then asked if staff would provide a further breakdown of how those numbers have changed, where the extra income is coming from (i.e., what made up the difference), and because it wasn't easy to read, would staff take a closer look at the data? Mr. Smith responded that he currently couldn't recall this amount, but staff would be able to look into what makes up this amount to explain the year-over-year changes as presented in the slide.

General Manager Mauricio Guardado mentioned that during the annual review at the beginning of the year or during the budget workshop, staff can break down what those costs would be. Chair Maulhardt's suggestion was to give a deeper dive, maybe at the end of the year. Director Berger said he would like an overall bullet point recap of the line items that are significant on gain or loss – not every line item, but on the significant items that changed. He didn't expect those answers tomorrow from staff, but as staff looks at those numbers, the Committee would like answers. Director Hasan agreed with Director Berger and suggested staff possibly provide something the Directors can read. Overall, Chair Maulhardt was pleased with the audit.

Further, Mr. Martinez brought to the Committee's attention that there was one open item on page 25 of the draft ACFR that was blank. An updated copy would be provided before the Board of Directors meeting on December 14, 2022. In closing, Mr. Martinez thanked District staff for all the hours they put into this project.

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

As the Committee decided it did not need to discuss District personnel issues with the auditing firm, it was agreed that items 5 and 6 were no longer needed. Chair Maulhardt moved the Committee to agenda item 7.



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

The Committee reviewed and discussed the following agenda item to be considered for approval at the December 14, 2022, Board meeting:

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

The District's Chief Human Resources Officer Josh Perez presented the Board motion to the Committee for their consideration. Board approval of Resolution 2022-38 would officially adopt the use of an Unmanned Aircraft System (UAS) Policy for District employees and authorized third parties. The Committee members recommended approval of this motion to the full Board.

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

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

The Committee received a presentation from Mr. Smith and reviewed the fiscal year 2022-2023 first quarter financial reports (presentation attached).

There was little discussion between Committee members and staff regarding operating revenue and personnel expenses. No further comments or questions were offered by the Committee. No public comments or questions were offered.

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

The Committee received and reviewed the expense reimbursement report for all reimbursements of business expenses to staff and board members for the first quarter of fiscal year 2022-2023. There were no comments or questions from the Committee. No public comments or questions were offered.

**10. Monthly Investment Report (October 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.

**11. Pipeline Delivery Report (October 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.



12. 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.

13. Monthly Administrative Services Update

Information Item

Financial updates for the previous month were presented by Mr. Smith. Mr. Perez presented updates on Administration, Human Resources, Risk Management, and Information Technology (presentation attached). There was some discussion among the Committee and staff regarding job vacancies.

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

14. Future Agenda Items

Chair Maulhardt asked the Committee members if there were any agenda items they wished to bring forward to future meetings.

- Director Hasan requested staff prepare a report on how legal costs can be decreased and/or controlled.
- Director Hasan recently attended an ACWA conference and stated he would like to be informed of more opportunities to attend important meetings and ensure they are budgeted for and reserved for interested Directors.
- Director Berger suggested hosting future Finance and Audit Committee meetings on Board days in lieu of regular Finance and Audit Committee meetings.

At the conclusion of Future Agenda Items, Mr. Guardado along with the Committee members thanked the Administrative Services staff for doing an incredible job, and also expressed their appreciation of all the hard work and energy staff put into this meeting and their presentations.

To clarify what was being presented to the Board of Directors, Director Maulhardt asked that the ACFR be moved from Consent Calendar to Departmental Updates in order to give the Finance staff an opportunity to present that it was a clean audit and to celebrate this achievement in open public. No need to go through every line item, per Chair Maulhardt, but would leave it up to staff to decide how they would like to present to the Board.

There were no further comments or questions from the Committee.



ADJOURNMENT 10:06 a.m.

Chair Maulhardt adjourned the meeting at 10:06 a.m.

I certify that the above is a true and correct copy of the minutes of the UWCD Finance and Audit Committee Meeting of December 5, 2022.

ATTEST: _____
Chair Lynn E. Maulhardt



/ INTRODUCTION

To the Finance and Audit Committee
United Water Conservation District

We are pleased to present this report related to our audit of the financial statements of the United Water Conservation District (the District) as of and for the year ended June 30, 2022. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process, as well as other matters that we believe may be of interest to you. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

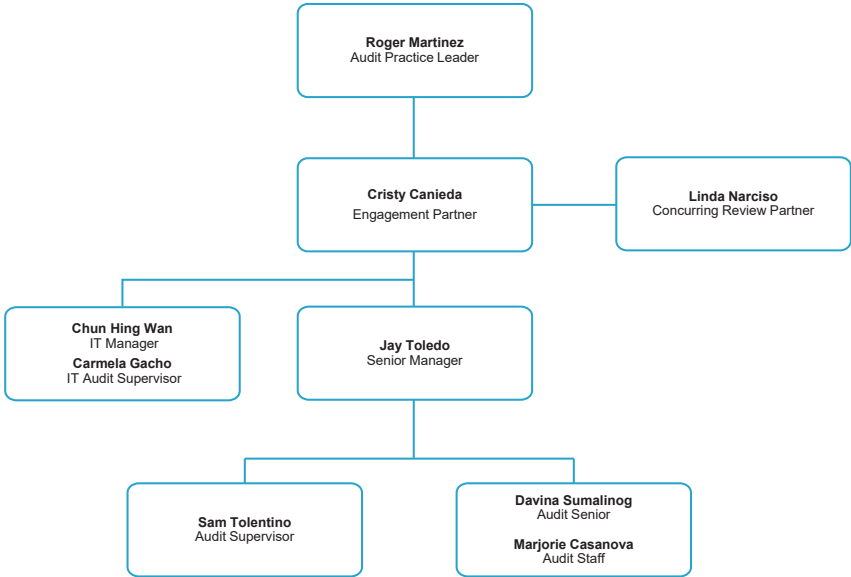
This report is intended solely for the information and use of the Finance and Audit Committee, Board of Directors and management, and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to the District.

/ **AGENDA**

- ☐ The Engagement Team
- ☐ Independence
- ☐ Scope of Engagement
- ☐ Summary of Audit Results
 - Independent Auditor’s Report
 - Audit Areas of Emphasis
- ☐ Performance Improvement Observations
- ☐ Financial Statements
- ☐ Recently Issued Accounting Standards
- ☐ AU-C 260 Communications





/ **THE ENGAGEMENT TEAM**



/ INDEPENDENCE

There are no relationships between any of our representatives and the District that in our professional judgment may reasonably be thought to bear on independence.

Vasquez & Company LLP meets the independence requirements of the *Government Accepted Auditing Standards* as it relates to the District.

4



/ SCOPE OF ENGAGEMENT

Financial statement audit

- in accordance with Generally Accepted Government Auditing Standards and the State Controller’s Minimum Audit Requirements for California Special Districts.
- as of and for the year ended June 30, 2022

Single audit

- To be completed and submitted to the Federal Audit Clearinghouse on or before March 30, 2023

5

SUMMARY OF AUDIT RESULTS



/ FINANCIAL STATEMENT AUDIT

• Independent Auditor’s Report

Unmodified “Clean” Opinion on the financial statements.

- Audit performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State Controller’s Minimum Audit Requirements for California Special Districts

The financial statements present fairly, in all material respects, the District’s:

- Net Position
- Revenues, Expenses and changes in Net Position
- Cash flows



/ **SIGNIFICANT AUDIT AREAS**

AN OVERVIEW

☐ Information Technology Controls

☐ Management Override of Controls – fraud risks

☐ Cash and Investments

☐ Receivables and Charges for Services, Property Taxes

☐ Capital Assets

☐ Net Pension Liability, Net OPEB Liability and the related accounts

☐ Contingencies and Claims



/ **SIGNIFICANT AUDIT AREAS**

Information Technology Controls

☐ Updated our understanding of the General IT Controls of the District. The areas reviewed include the following:

- IT Organization and Management
- IT Policies and Procedures
- Change Management
- Information Security/ User Access Management
- Computer Operations (e.g. capacity planning, network management, helpdesk)
- Incident Management
- Data Integrity (DRP, backup, restoration, retention)

Management Override of Controls (Fraud Risk)

☐ Obtained an understanding of the District's financial reporting process.

☐ Examined selected journal entries and other adjustments.

☐ Conducted procedures to evaluate fraud risks.



/ **SIGNIFICANT
AUDIT AREAS,**
Continued

Cash and
Investments

- ❑ Tested controls over cash receipts and disbursements.
- ❑ Confirmed material cash and investment balances as of June 30, 2022.
- ❑ Tested bank reconciliation statements and transfers for proper cut-off.
- ❑ Reviewed valuation of investments.

No material exceptions were noted.

Receivables
and
Charges for
Services,
Property
Taxes

- ❑ Reviewed the revenues recognized during the fiscal year against the District's revenue recognition policy.
- ❑ Performed tests of controls over cash receipts process.
- ❑ Examined supporting documents for subsequent collections.

No material exceptions were noted.



/ **SIGNIFICANT
AUDIT AREAS,**
Continued

Capital Assets

- ❑ Examined significant additions during the year.
- ❑ Tested the reasonableness of depreciation.

No material exceptions were noted.

Net Pension
Liability, Net
OPEB Liability,
and Deferred
Inflows/Outflows
of Resources
Related to
Pension and
OPEB

- ❑ Obtained and reviewed the valuation reports.
- ❑ Reviewed the actuarial assumptions used in the valuation reports.
- ❑ Recalculated the net pension liability using the CalPERS 68 tool.

No material exceptions were noted.

Contingencies and
Claims

- ❑ Reviewed legal responses for any commitments made subsequent to year end and evaluated if adjustment is necessary.
- ❑ All outstanding legal commitments are properly accrued and disclosed.

No material exceptions were noted.



/ PERFORMANCE IMPROVEMENT OBSERVATIONS



1. Enhance the development, approval, and implementation of IT policies and procedures to address noted observations and to ensure that overall company objectives are met. *(Repeat Finding)*
2. Obtain and review annual Tyler Incode SOC report.
3. Create/assign specific user accounts for AD Administrator accounts.
4. Remove unused system accounts in Tyler Incode and AD.
5. Establish Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP), including performance of regular testing.
6. Perform regular user access reviews.

FINANCIAL STATEMENTS

/ STATEMENTS OF NET POSITION

	June 30		Increase (decrease)	
	2022	2021	\$	%
ASSETS				
Current assets				
Cash	\$ 2,174,016	\$ 2,046,318	127,698	6%
Investments	43,215,465	45,880,905	(2,665,440)	-6%
Receivables				
Accounts receivable, net	10,219,803	9,170,957	1,048,846	11%
Property taxes	535,072	97,703	437,369	448%
Interest	49,516	23,041	26,475	115%
Prepayments	258,845	246,693	12,152	5%
Total current assets	56,452,717	57,465,617	(1,012,900)	-2%
Noncurrent assets				
Restricted investments	-	-	-	
Net OPEB asset	369,583	189,136	180,447	95%
Capital assets not being depreciated	53,578,645	39,699,185	13,879,460	35%
Capital assets being depreciated, net	61,437,137	60,997,221	439,916	1%
Total noncurrent assets	115,385,365	100,885,542	14,499,823	14%
Total assets	171,838,082	158,351,159	13,486,923	9%
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	2,671,895	2,926,737	(254,842)	-9%
Deferred outflows of resources related to OPEB	27,490	29,651	(2,161)	-7%
Total deferred outflows of resources	2,699,385	2,956,388	(257,003)	-9%
	174,537,467	161,307,547	13,229,920	8%



14



/ STATEMENTS OF NET POSITION

	June 30		Increase (decrease)	
	2022	2021	\$	%
LIABILITIES				
Current liabilities				
Accounts payable	4,932,531	2,456,890	2,475,641	101%
Deposits	39,766	44,247	(4,481)	-10%
Accrued interest payable	283,524	294,923	(11,399)	-4%
Accrued wages and benefits	292,129	250,452	41,677	17%
Unearned revenue	21,972	19,737	2,235	11%
Compensated absences	1,054,701	820,814	233,887	28%
Accrued legal liability	730,743	730,743	-	0%
Long-term debt - due within one year	1,105,197	1,196,353	(91,156)	-8%
Total current liabilities	8,460,563	5,814,159	2,646,404	46%
Noncurrent liabilities				
Net pension liability	6,491,456	11,546,367	(5,054,911)	-44%
Compensated absences	647,363	604,314	43,049	7%
Accrued legal liability	-	730,743	(730,743)	-100%
Long-term debt - due in more than one year	30,735,130	31,846,928	(1,111,798)	-3%
Total noncurrent liabilities	37,873,949	44,728,352	(6,854,403)	-15%
Total liabilities	46,334,512	50,542,511	(4,207,999)	-8%
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	6,164,159	743,354	5,420,805	729%
Deferred inflows of resources related to OPEB	142,378	6,362	136,016	2138%
Total deferred inflows of resources	6,306,537	749,716	5,556,821	741%
	52,641,049	51,292,227	1,348,822	3%
NET POSITION				
Net investment in capital assets	95,791,311	87,849,478	7,941,833	9%
Restricted for:				
Capital projects	11,510,659	19,000,000	(7,489,341)	-39%
State Water Import	4,651,640	2,170,847	2,480,793	114%
Unrestricted	9,942,808	994,995	8,947,813	899%
Total net position	\$ 121,896,418	\$ 110,015,320	\$ 11,881,098	11%



15



/ STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Years Ended June 30		Increase (decrease)	
	2022	2021	\$	%
Operating Revenues				
Charges for services	\$ 29,633,974	\$ 28,392,365	1,241,609	4%
Total operating revenues	29,633,974	28,392,365	1,241,609	4%
Operating Expenses (income)				
Salaries and benefits	11,518,294	10,793,756	724,538	7%
Services and supplies	12,374,484	13,232,147	(857,663)	-6%
Depreciation	2,661,133	2,424,699	236,434	10%
Other (income) expenses	(168,564)	266,935	(435,499)	-163%
Total operating expenses	26,385,347	26,717,537	(332,190)	-1%
Operating income	3,248,627	1,674,828	1,573,799	94%
Non-operating revenues (expenses)				
Property taxes	6,552,274	4,265,948	2,286,326	54%
Grants and contributions	1,319,241	311,624	1,007,617	323%
Investment (loss) earnings	(298,789)	65,108	(363,897)	-559%
Other income	2,311,534	1,768,405	543,129	31%
Gain on sale of capital assets	-	12,151	(12,151)	-100%
Interest expense	(1,251,789)	(1,120,315)	(131,474)	12%
Non-operating revenues	8,632,471	5,302,921	3,329,550	63%
Change in net position	11,881,098	6,977,749	4,903,349	70%
Net position				
Net position, at beginning of year	110,015,320	103,037,571	6,977,749	7%
Net position, at end of year	\$ 121,896,418	\$ 110,015,320	11,881,098	11%

RECENTLY ISSUED ACCOUNTING STANDARDS

/ RECENTLY ISSUED ACCOUNTING STANDARDS

GASB Current Year Standards

GASB No. 87

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87 “Leases”. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 89

In June 2018, the Governmental Accounting Standards Board issued Statement No. 89 “Accounting for Interest Cost Incurred before the End of a Construction Period”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

GASB No. 92

In January 2020, the Governmental Accounting Standards Board issued Statement No. 92, “Omnibus 2020.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 93

In March 2020, the Governmental Accounting Standards Board issued Statement No. 93, “Replacement of Interbank Offered Rates.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.



/ RECENTLY ISSUED ACCOUNTING STANDARDS, CONTINUED

GASB No. 97

In June 2020, the Governmental Accounting Standards Board issued Statement No. 97, “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan – an amendment of GASB Statements No. 14, 84, and a suppression of GASB Statement No. 32.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

The implementation of the above statements had no significant impact on the financial statements of the District.

GASB Pending Accounting Standards (continued)

GASB No. 91

In May 2019, the Governmental Accounting Standards Board issued Statement No. 91, “Conduit Debt Obligations.” The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB No. 94

In May 2020, the Governmental Accounting Standards Board issued Statement No. 94, “Public-Private and Public-Public Partnerships and Availability Payment Arrangements.” The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.



/ RECENTLY ISSUED ACCOUNTING STANDARDS, CONTINUED

- GASB Pending Accounting Standards (continued)**
GASB No. 96
In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, "Subscription-Based Information Technology Arrangements." The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.
- GASB No. 99**
In May 2022, the Governmental Accounting Standards Board issued Statement No. 99, "Omnibus" providing clarification guidance on several of its recent statements, including GASB Statement No. 87 Leases and GASB Statement No. 96 Subscription-Based Information Technology Arrangements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.
- GASB No. 100**
In May 2022, the Governmental Accounting Standards Board issued Statement No. 100, "Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62." The requirements of this Statement are effective for reporting periods beginning after June 15, 2023
- GASB No. 101**
In May 2022, the Governmental Accounting Standards Board issued Statement No. 101, "Compensated Absences." The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

AUDITOR’S REQUIRED
COMMUNICATION TO THOSE
CHARGED WITH GOVERNANCE
(AU-C 260)

/ REQUIRED COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE

Management's Responsibility	Management has primary responsibility for the accounting principles used, including their consistency, application, clarity and completeness.
Consultations with Other Accountants	We are not aware of any consultations by management with other accountants about accounting or auditing matters.
Difficulties with Management	We did not encounter any difficulties with management while performing our audit procedures that require the attention of the Board.
Disagreements with Management	We encountered no disagreements with management on financial accounting and reporting matters as they relates to the current year financial statements.



/ REQUIRED COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE, continued

Significant Accounting Policies	The District's significant accounting policies are appropriate, and management has applied its policies consistently with prior periods in all material respects.	
Management's judgments and accounting estimates	Significant items subject to estimates include:	The determination of estimated net pension liability and net OPEB liability and the related deferred inflows and deferred outflows of resources related to pension and OPEB,
		The collectability of receivable, and
		The determination of useful lives for depreciable assets.



/ REQUIRED COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE, continued

Controversial Issues	No significant or unusual transactions or accounting policies in controversial or emerging areas for which there is lack of authoritative guidance or consensus were identified.
Audit Adjustments	All adjustments that we proposed related to GASB 68 and GASB 75 were recorded by the District and are reflected in the financial statements.
Passed Audit Differences	There were no uncorrected misstatements (passed audit differences) .
Conditions of Retention	No significant issues were discussed, or subject to correspondence, with management prior to retention.



/ REQUIRED COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE, continued

Material Weakness and Significant Deficiency	There were no material weakness and/or significant deficiency identified.
Irregularities, Fraud or Illegal Acts	No irregularities, fraud or illegal acts or that would cause a material misstatement of the financial statements, came to our attention as a result of our audit procedures.
Management Representations	The District will provide us with a signed copy of the management representation letter prior to issuance of our audit report.





/ Contact Information

Vasquez + Company LLP has over 50 years of experience in performing audit, accounting, and consulting services for all types of private companies, nonprofit organizations, governmental entities, and publicly traded companies. Vasquez is a member of the RSM US Alliance.

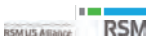
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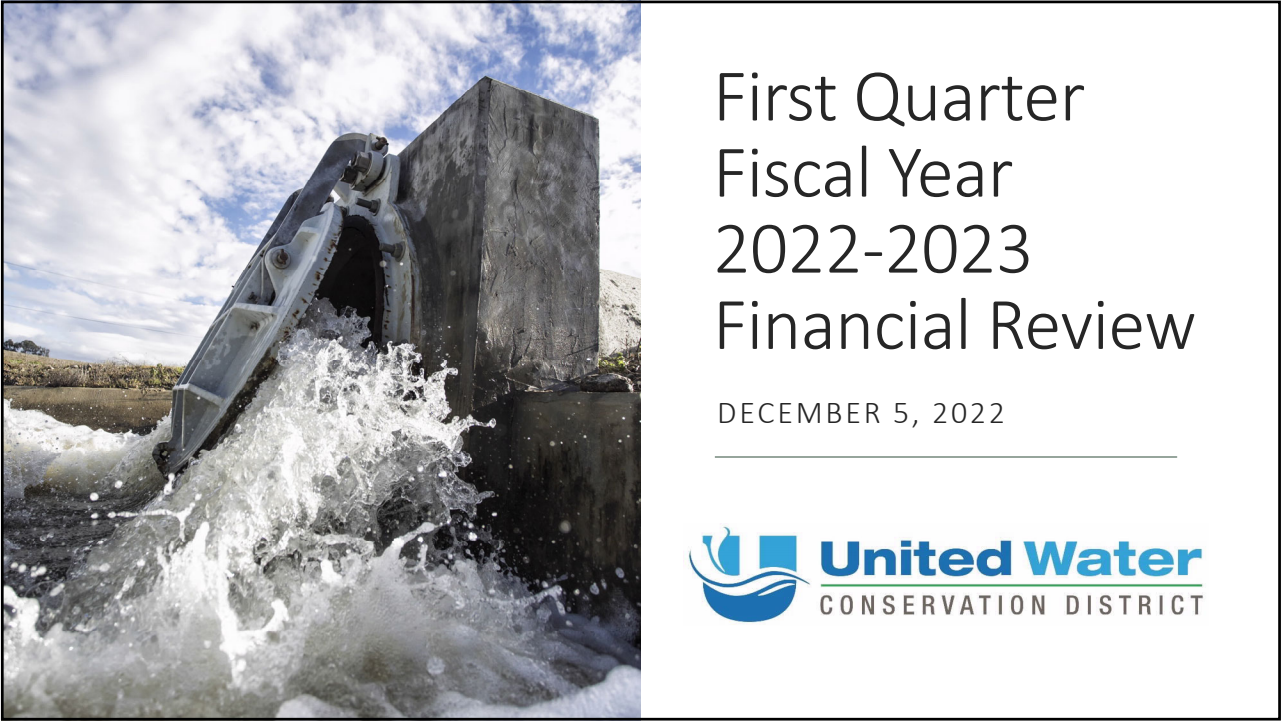


**Thank you for your time
and attention**



28






1

Highlights

REVENUE UNFAVORABLE TO BUDGET WHILE AND OPERATING EXPENSES ARE FAVORABLE TO BUDGET



REVENUE

- Total operating revenue is \$1.4M or 19% unfavorable to budget
 - Pipeline revenues are unfavorable to budget by \$761K or 19%
 - Taxes are unfavorable to budget by \$118K or 77%
 - Grants are unfavorable to budget by \$952K or 33%
 - Other revenue are favorable to budget \$362K due to an unrealized gain/loss adjustment
 - Groundwater revenues for the year will begin in Q2

EXPENDITURE


- Total expenditures are \$5.1 or 43% favorable to budget
 - Personnel expenses are below budget \$538K or 14.0%
 - Professional and legal fees are below budget \$1.9M or 78.0% due to underspending across all departments. This is more of a timing difference than a savings.
 - Operating Expenses are below budget \$1.5M or 52.0%
 - Allocated Overhead is below budget \$641K or 38.0%

2

2

Overview

WATER VOLUME AND TIMING OF GRANTS DRIVES REVENUE DOWNSIDE



in \$000's	FY22-23 Actual	FY22-23 Budget	FY21-22 Actual
Taxes	36	154	11
Water Delivery/Fixed Cost	3,189	3,951	3,124
Groundwater	(6)	-	2
Other Operating Revenue	267	229	20
Non-Operating Revenue	2,484	3,074	1,017
Total Revenue	\$ 5,970	\$ 7,407	\$ 4,174
Personnel Expense	3,178	3,716	2,258
Professional Fees	513	2,357	313
Operating Expense*	1,356	2,819	1,775
Allocated Overhead	1,045	1,686	867
Debt Service	61	634	124
Other	553	598	462
Total Expenditure	\$ 6,706	\$ 11,811	\$ 5,800
Net Surplus / (Shortfall)	\$ (736)		

*Includes Depreciation

REVENUE

- Revenue is less than budget \$1.4M
 - Pipeline unfavorable \$761K
 - Taxes unfavorable \$118K
 - Grants unfavorable \$952K
 - Other favorable \$362K


EXPENDITURE

- Total expenditures are \$4.5M better than budget
 - Professional Fees and Legal Fees are \$1.9M below budget
 - With depreciation included, total Operating Expense was \$1.5M favorable to budget
 - Allocated Overhead was \$641K favorable to budget

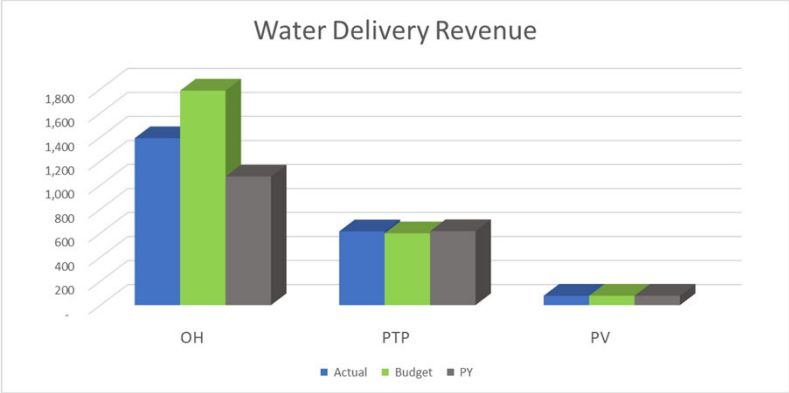
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Pipeline Revenue

EXCLUDING IN-LIEU OF PUMPING CHARGES



Water Delivery Revenue

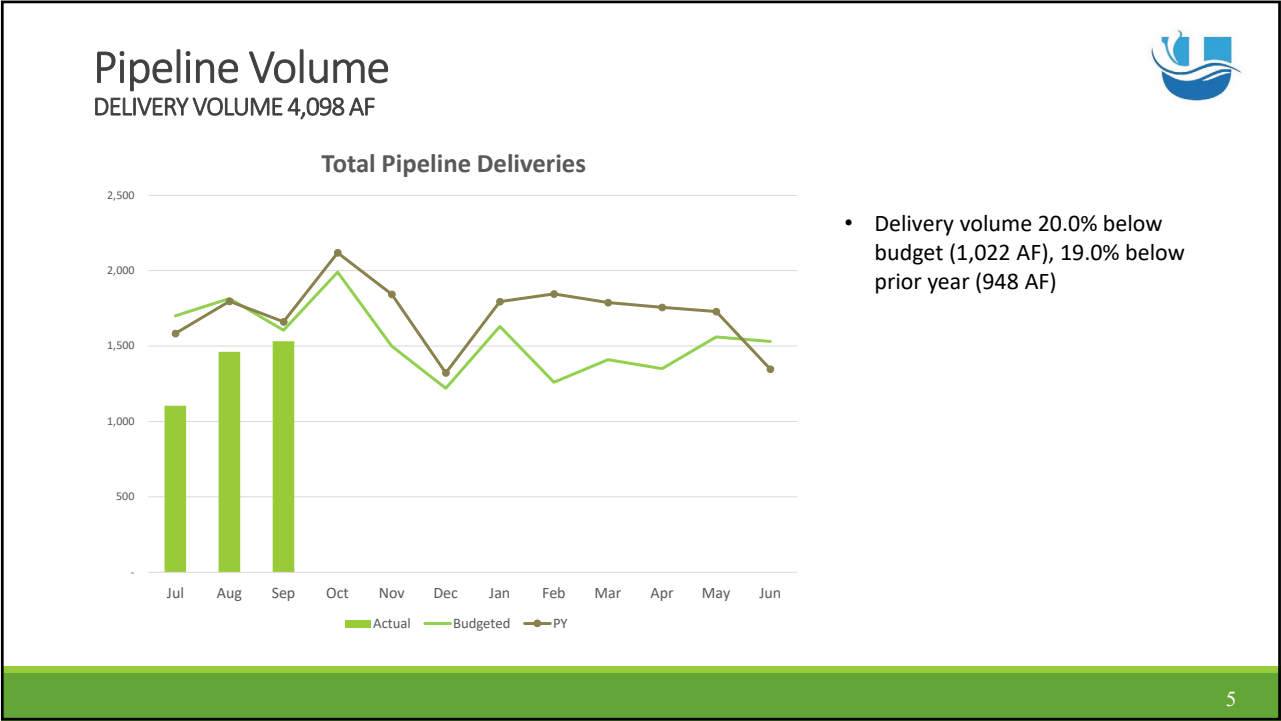


Category	Actual	Budget	PY
OH	1,390	1,786	1,071
PTP	614	598	616
PV	78	78	78

- Pipeline revenue down 15% from budget
- OH down 22% vs. budget
- PTP up 3% vs. budget
- PV volume forecasted to increase in December 2022

Pipeline	Actual	Budget	PY	vs Budget	vs PY	% var Budget	% var PY
OH	1,390	1,786	1,071	(396)	319	-22%	30%
PTP	614	598	616	16	(2)	3%	0%
PV	78	78	78	-	-	0%	0%
	\$ 2,082	\$ 2,462	\$ 1,765	\$ (380)	\$ 317	-15%	18%

4



5

Personnel Expenses

\$000's	Q1 2022-23 Actual	Q1 2022-23 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Regular Salary	1,500	1,837	956	-336	-18%	545	57%
Over-time Salary	38	53	20	-15	-29%	17	85%
Part-time	85	112	54	-27	-24%	31	57%
Salaries	\$ 1,623	\$ 2,002	\$ 1,030	-379	-19%	\$ 593	58%
Retirement- Classic	162	1,182	962	-1,020	-86%	-799	-83%
Retirement - PEPR	1,035	63	35	972	1546%	1,000	2878%
Soc Sec/457b Expense	92	111	66	-20	-18%	26	39%
Medicare Expense	24	29	15	-5	-18%	9	59%
SUI Expense	1	4	1	-3	-77%	0	58%
Medical Ins Exp	168	245	105	-77	-31%	63	60%
LTD	5	6	1	-1	-14%	4	695%
Life Insurance	4	7	3	-2	-36%	2	59%
Worker's Comp Expense	40	54	42	-13	-25%	-2	-5%
401(a)	17	17	-	-	-	-	-
OPEB	7	8	-	0	0%	7	100%
Employee Benefits	\$ 1,555	\$ 1,725	\$ 1,228	-170	-10%	\$ 327	27%
Personnel Expenses	\$ 3,178	\$ 3,727	\$ 2,258	-549	-15%	\$ 920	41%

- Salaries are favorable to budget
- Employee Benefits are positive to budget primarily due to:
 - Lower actuals in Medical Insurance Expense
 - Lower workers' Comp Insurance
 - Lower salaries are driving the majority of the savings

6

6

Operating Expenses

PROFESSIONAL AND LEGAL FEES DRIVE BUDGET UNDERRUN



	Q1 2022-23 Actual	Q1 2022-23 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
\$000's							
Profess Fees - Engineering	48	127	35	(79)	-62%	13	37%
Prof. Fees - Environmental	91	584	80	(494)	-84%	11	14%
Prof. Fees - IT consulting	2	60	1	(58)	-96%	1	136%
Prof. Fees - GW Consulting	4	32	22	(28)	-87%	(18)	-81%
Prof. Fees - Other	98	415	54	(317)	-76%	44	81%
Professional Fees	\$ 243	\$ 1,219	\$ 192	\$ (975)	-80%	\$ 51	27%
Legal Fees	\$ 269	\$ 1,139	\$ 121	\$ (870)	-76%	\$ 148	123%
Utilities	212	495	216	(283)	-57%	(5)	-2%
Maintenance	252	553	393	(301)	-54%	(141)	-36%
Field Supplies	65	161	106	(96)	-60%	(41)	-39%
Insurance	695	89	549	605	677%	145	26%
Office Expenses	20	20	26	(0)	0%	(5)	-21%
Miscellaneous	266	398	52	(132)	-33%	214	410%
Travel, Trainings and Meetings	16	85	8	(69)	-81%	8	101%
Gasoline, Diesel, Fuel	51	51	31	(0)	0%	19	62%
Fox Canyon GMA	(375)	157	(176)	(532)	-338%	(199)	113%
Safety, supplies, clothing	43	34	13	9	27%	30	100%
Telephone	15	21	2	(6)	-28%	13	838%
General Operating Expenses	\$ 1,259	\$ 2,065	\$ 1,220	\$ (806)	-39%	\$ 40	3%
State Water Import Costs	\$ 428	\$ 373	\$ 272	\$ 55	15%	\$ 155	100%
Total Operating Expenses	\$ 2,200	\$ 4,795	\$ 1,806	\$ (2,595)	-54%	\$ 394	22%

- Professional Fees are favorable to budget by \$975K, primarily driven by Environmental \$495K and Other \$317K
- Legal fees are favorable to budget by \$870K
- Operating expenses \$806K favorable primarily driven by Maintenance \$301K, Utilities \$283K and Fox Canyon GMA \$532K off-set by and over-run in Insurance \$605K

7

7

Top 10 Vendors



Vendor	FY 22-23 Q1	FY 21-22 Q1
SPECIAL DISTRICT RISK	\$ 806,497	\$ 550,253
ATKINSON, ANDELSON, LOYA, RUUD AND ROMO	\$ 583,344	\$ 571,877
SO. CALIFORNIA EDISON	\$ 531,750	\$ 710,587
TRAVIS AGRICULTURAL	\$ 96,489	\$ 87,034
CDW GOVERNMENT	\$ 57,351	\$ 64,328
ENVIRONMENTAL ADVOCATES	\$ 40,000	\$ 40,000
GANNETT FLEMING	\$ 35,762	\$ 12,198
DEMARIA ELECTRIC MTR SVCS	\$ 28,689	\$ -
BANK OF AMERICA	\$ 50,568	\$ 26,847
HF&H CONSULTANTS LLC	\$ 17,970	\$ 14,949
Top 10 Total	\$ 2,248,420	\$ 2,078,072

8

8

Supplemental Water Purchase Fund	
STATUS UPDATE	
Beginning Balance - July 1, 2021	Revenue (\$000'S) \$2,740
REVENUES	
Surcharge Revenue	\$0
Water Delivery	\$48
LAIF Interest	\$6
EXPENDITURES	
2021 Carryover Water Purchase	\$0
Ending Balance September 30, 2022	\$2,794



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

December 5, 2022

1



FINANCIAL UPDATE

CONTROLLER
DARYL SMITH

2

CASH COLLECTIONS
OCTOBER

Pipeline: \$ 1.2M

Groundwater: \$ 98K



Property Tax: \$ 86K


Rent: \$ 14K

Lake Piru: \$ 47K

Grant: \$272K

Total: \$ 1.7M





3

LAKE PIRU
CASH COLLECTIONS – OCTOBER

Day Use: \$ 6K

Concessions: \$ 3K

Boating & Watercraft: \$ 2K



Boat Storage: \$ 2K

Camping: \$ 23K

Miscellaneous: \$ 11K

Prior Year Total: \$ 43K

Total: \$ 47K



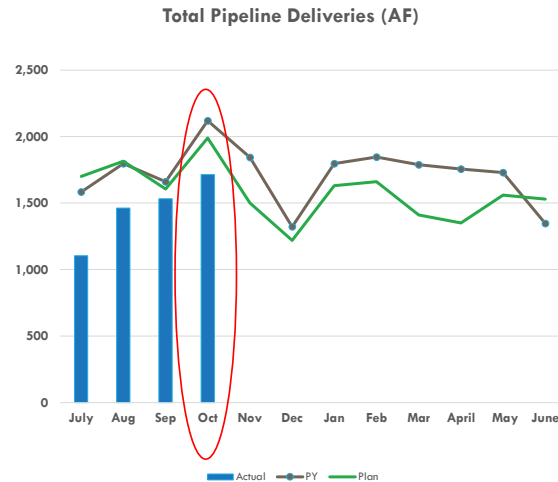


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OCTOBER 2022 PIPELINE

	\$ Billed	Actual AF	Plan AF	Variance
OH	\$830K	927	1,220	(293)
PT	\$426K	786	770	16
PV	\$26K	0	0	0

- Year-to-date October deliveries 18% below Plan and -1% below PY



5


5

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	

6

6



FINANCE DEPARTMENT

- Continued work on 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 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 presented to the Boards in October.

7



ADMINISTRATIVE SERVICES UPDATE

CHIEF HUMAN RESOURCES OFFICER
JOSH PEREZ







- Held interviews for the Environmental Services Manager
- Began onboarding process for new Lake Piru Ranger Cadet
- Continued enrollment for Health Equity FSA
- Provided health contribution spreadsheet numbers to Finance
- Processed exit documents for several part-time staff that submitted resignations as well as for one full time staff member
- Distributed total compensation sheets for all full-time employees for annual period 10/1/21 – 9/30/22
- Continued work on the salary survey
- Processed multiple annual evaluations for all staff (Step 5)
- Commenced process for employee service awards
- Completed conversion of 457 plan, routed all employee elections to Lincoln Financial Group
- Reposted Environmental Services Manager position
- Posted of Environmental Scientist Regulatory Affairs position


9

CURRENT EMPLOYEE RECRUITMENTS

Environmental Services Manager
Interviews completed and position reposted




Park Ranger Cadet
Position posted and set to close in early December







10

- Finalized District’s UAS Authorization and Operations Policy for Committee and Board Consideration.
- Managed Security Project Gate Upgrade Efforts with Security Systems Integrator in collaboration with IT and O&M staff.
- Researched and evaluated request from the Mountains Recreation and Conservation Authority (MRCA) to utilize SFD for emergency response access to Hathaway Ranch.
- Completed CSDA Ethics and Sexual Harassment Prevention trainings in compliance with state law.
- 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).



11

11



- Technology Systems staff have been assisting the Instrumentation's staff with IT Network and IT Security components associated with the Genetec Security System upgrades.
- Technology Systems staff is now providing Tech and A/V services during the events held in United's multipurpose Board Room. This included two large hybrid webinars with AWAVC Breakfast and Learn, and Ventura County Farm Bureau Workshop.
- Technology Systems staff and the Risk and Safety Manager assisted the Operations team with tech support during the replacement of modern gas monitor system as part of United's Safety Program enhancements.
- Began efforts with a 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.

12

12

Future Agenda Items







13

ADJOURNMENT

Thank you!

United Water Conservation District

"Conserving water since 1927"



14



Staff Report

To: UWCD Finance and Audit Committee Members

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

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

Date: February 15, 2023 (February 27, 2023, meeting)

Agenda Item: 4a. **FY 2022-23 Second Quarter Financial Report and Request of Budget Modifications**
Board Motion

Staff Recommendation:

The Committee will receive and review the FY 2022-23 Second Quarter Financial Report for the period of July 1, 2022, through December 31, 2022, and consider recommendation to the full Board of Directors for approval of the motion for modifications to the FY 2022-23 budget.

Discussion:

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

This report represents the first six months of financial information for District operations for FY 2022-23 (50 percent of the total fiscal year). Included in this report are budget to actual comparisons to date for District revenues, expenditures and water deliveries, as well as discussion of any significant variances. This report is based on unaudited financial data and therefore is subject to revision as staff makes any necessary adjustments that may occur during the year.

While some funds appear to have some savings potential, adjustment recommendations may not be made at this time because the potential savings may be the result of delays in timing and therefore may not materialize. The following budget modifications are being recommended as of the second quarter review and subsequent scope adjustments to CIP projects within the funds:

Freeman Fund

Staff recommends budget transfers in the amount of \$328,388.92. The budget transfer request is the result of contract amendments that have been recommended by the Engineering and Operations committee at their February 2, 2023, meeting and subsequently approved by the Board of Directors at their February 8, 2023, meeting. The budget transfers proposed are a result of Board motion items 5.2, 5.3, 5.4, and an existing Board approved contract with Ascent Environmental, Inc. The proposed budget transfers include an intra-fund transfer from the Freeman Diversion Fund, the Operating fund

4a. FY 2022-23 Second Quarter Financial Report and Request of Budget Modifications
Board Motion

(420) and an inter-fund transfer within the Freeman Diversion CIP Fund (421). Funds are available for transfer within both funds but are not allocated to the accounts that District staff desire to use for the issuance of Purchase Orders (PO's). The total amount of the combined PO's is \$438,087.47, it is comprised of transfers in the amount of \$129,743.20 that is currently budgeted within the 421 fund, \$198,645.72 that is currently budgeted in the 420 fund and the balance of \$109,698.55 that is already budgeted in the proper account.

District staff is also requesting an additional inter-fund transfer within the Freeman Diversion CIP Fund for a contract amendment that has not yet been approved. The contract amendment will be proposed at the March 8, 2023, Board meeting and will also be recommended by the Engineering and Operations committee pending its March 2, 2023, meeting. If this motion is recommended to the Board and receives approval, this would be an additional \$100,000 budget transfer. The description below will keep both transactions separate to assist in the recommendation to the Board.

Previously approved contract amendments:

Freeman Diversion Fund:

420-600-52220	(\$198,646)	Freeman Diversion Fund (Operating Fund transfer out)
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Freeman Diversion CIP Fund:

421-400-81815	(\$129,743)	Freeman Diversion CIP Fund – Design (CIP Fund Transfer out)
421-400-81825	\$129,743	Freeman Diversion CIP Fund – CEQA (CIP Fund Transfer in)
421-400-81825	\$198,646	Freeman Diversion CIP Fund – CEQA (CIP Fund Transfer in)

Not yet approved contract amendments:

Freeman Diversion CIP Fund:

421-400-81305	(\$59,122)	Freeman Diversion CIP Fund – Legal (CIP Fund Transfer out)
421-400-81820	(\$7,588)	Freeman Diversion CIP Fund – Survey (CIP Fund Transfer out)
421-400-81200	(\$33,290)	Freeman Diversion CIP Fund – Salary (CIP Fund Transfer out)
421-400-81815	\$100,000	Freeman Diversion CIP Fund – Design (CIP Fund Transfer in)

Attachments:

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



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

General Manager
Mauricio E. Guardado, Jr.

Legal Counsel
David D. Boyer

February 27, 2023

Board of Directors
United Water Conservation District

Subject: Second Quarter Fiscal Year 2022-2023 Financial Reports

Dear Board Members:

Enclosed for your review are the District's Fiscal Year (FY) 2022-2023 Second Quarter (October 1, 2022, through December 31, 2022) Financial Reports. These reports represent six 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 updates to report this period.
- *Freeman Diversion Expansion (CIP Project #8001)*
USBR and the University of Iowa completed physical modeling on the Hardened Ramp and Vertical Slot respectively and produced reports detailing the modeling. Both modeling labs performed stress and operational testing on the physical models as well. Stantec and NHC continued to support the modeling labs and worked towards the completion of the 100% Hydraulic Design reports.
- *Santa Felicia Dam Outlet Works Rehabilitation (CIP Project #8002)*
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 the Federal Energy Regulatory Commission (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 BOC Final Report along with updated BOC comments tracking form were e-filed to FERC. A hard copy was also submitted to DSOD.

Staff prepared and submitted to DSOD permit closeout documents for the 2020 drilling program and survey monument installation activities performed at the Santa Felicia Dam in 2020. The permit closeout documents include a signed affidavit form and an itemized construction cost breakdown.

Staff attended a meeting with the engineering and environmental consultants to discuss the proposed construction schedule and possible impact of reservoir level during construction, availability of water for startup testing, and environmental constraints.



Staff e-filed the District response letter to NMFS pre-consultation comments regarding the 30% fish screen design. Staff also received FERC's comments on the draft Biological Assessment (BA). However, comments from NMFS were not included. FERC has requested Staff to e-file the revised BA after receiving both FERC and NMFS comments on the draft BA. Staff informed FERC that the District is planning to request a time extension to submit the revised BA to FERC.

Staff finalized and submitted the fully executed contract for developing the 90% design of the Outlet Works improvements to GEI Consultants. As of December 31, 2022, the project is 24% complete and within the approved budget.

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

The above updates reported for the Outlet Works Rehabilitation project are also applicable to this project.

Staff prepared an Application for Dam Repair or Alteration to initiate DSOD review of the Spillway Improvement Project design packet. An electronic payment in the amount of \$75,382 will be submitted to DSOD via ACH transaction. This fee is equal to 20% of the total application fee. The remaining application fee will be submitted to DSOD along with the future submittals.

Based on the proposed construction schedule and the required level of reservoir elevation during construction of the new Outlet Work and the spillway improvements, Engineering and Water Resources staff updated the hydrological risk assessments and prepared a reservoir elevation probability analysis to be discussed with DWR at the interagency meeting. On November 15, Staff attended the interagency meeting with DWR and the Los Angeles Department Water and Power (LADWP) at the DWR Southern California Operations and Maintenance Center at Castaic (Castaic Office). During the meeting, the SFDSIP, project construction schedule and hydrological risk assessments were discussed.

Staff finalized and submitted the fully executed contract for developing the 60% design of the Spillway improvements to GEI Consultants. As of December 31, 2022, the project is 3% complete and within the approved budget.

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

No updates to report this period.

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

Held weekly coordination meetings between staff and the District's construction manager (HDR, Inc.) and weekly construction progress meetings hosted by HDR and attended by GSE Construction, Taft Electric, Kennedy Jenks Consultants (KJ) and staff.

GSE Construction has submitted approximately 331 out of a total of 380 submittal packages anticipated for the project. HDR and design engineer (KJ) have provided responses on approximately 308 submittal packages including a requirement to comply with the Buy American Act (BAA). The construction company has also submitted approximately 121 Requests for Information (RFIs) to date. HDR, KJ and the District have been providing responses.



Twenty (20) Change Orders (COs) have been fully executed to date amounting to a net total of \$1,118,384.12. This represents 11.9% of the original contract amount (\$9,342,900.00). Four (4) of these COs amounting to \$662,910.19 or 7.1% of the original contract amount are directly related to compliance with the BAA which is a federal grant requirement (the project was not originally bid with this requirement in place). Therefore, only \$455,473.93 or 4.9% of COs have resulted in additions or modifications to the original scope of work.

Staff reviewed and provided comments on the final draft Operations, Maintenance and Monitoring Plan (OMMP) which is required by the State Water Resources Control Board (SWRCB) Division of Drinking Water (DDW) prior to start-up and operation of the facility. The OMMP was finalized and submitted to DDW on November 10, 2022.

Coordinated Upper Aquifer System (UAS) well manifold pipeline shutdown on October 26, 2022, to make the Filtered Water (FW) and RAW bypass connections. Issued notice to OH Pipeline users to curtail water use during the shutdown period.

GSE Construction continued construction of the following:

- 24" Raw Water Pipeline (RAW)
- 24" Filtered Water (FW) Connection
- 20" Backwash Supply Pipeline (BWS)
- 20" Surface Wash Water Pipeline (SWW)
- 18" connections to RAW
- Backwash Supply Vault installed
- 8" Air Supply Pipeline
- 8" Return Wash Water (RWW)
- 8" Filter Drain Piping (FD)
- 4" Solids Line (SL)
- 4" Utility Water (UW)
- 3" Chlorine Solution Lines, Double Contained
- 2.5" Utility Water (UW)
- Filter face piping
- Plumbing, fire suppression system, electrical and heating ventilation and air conditioning in the Laboratory/Electrical/Aeration building.
- Building roofing and interior framing
- Various underground sample lines
- Various underground electrical conduits
- Filter face piping
- Laboratory/Electrical/Blower Building
- Framing for drywall
- HVAC
- Interior electrical
- Special inspections (fire dept., mechanical/electrical/plumbing)



The tentative date for construction completion and implementation is January 26, 2023, per the construction contract. A total of seven (7) inclement weather days have been counted. However, recent contractor provided schedules indicate a construction completion date in May to June 2023.

- *Freeman Conveyance System Upgrade–Freeman to Ferro Recharge Basin (CIP Project # 8018)*
No updates to report this period.
- *Extraction Barrier and Brackish Water Treatment (CIP Project # 8019)*
Held various meetings: September 27 and October 11 – Bi-weekly progress meeting held with the U.S. Navy; October 25, 2022 – Monthly progress meeting held with the U.S. Navy.

One grant has been secured and another application has been submitted. The following are updates related to the grants:

- Phase 1 Extraction Barrier Project: Prop 1 Round 3 Ground Water Grant Program (GWGP) - State Water Resources Control Board (SWRCB) - preliminary award announcements anticipated in Fall 2022.
- Monitoring Wells - Sustainable Groundwater Management (SGM) Grant Program:
September 9 – the Fox Canyon Groundwater Management Agency authorized Executive Officer to enter into an agreement with the Department of Water Resources; September 22 – Kick-off meeting held with Kennedy Jenks Consultants who is performing grant administration on behalf of the FCGMA; October 24 – Submitted Environmental Information Form; November 3 – Submitted invoices for eligible costs during the reporting period (12/17/2021 to 9/30/2022).

Various activities related to CEQA/NEPA have occurred as follows: September 15 – Five (5) proposals were received in response to the Request for Qualifications/Proposals (RFQ/P) for CEQA and Regulatory Permitting services for Phase 1B (implementation phase) which were reviewed by staff. Three (3) firms were selected for interviews. November 17, 2022 – staff held a CEQA/Permits consultant selection meeting. Staff selected Environmental Science Associates (ESA) and the District entered into negotiations with ESA to provide CEQA/NEPA and permitting services.

Various activities related to Design have occurred as follows: September 22 – One (1) complete proposal was received in response to the RFQ/P for Design Services for Phase 1B (implementation phase) which was reviewed by staff. The proposing firm is Kennedy/Jenks Consultants. October 27 – staff held a design services proposal review workshop. K/J was selected and the District entered into negotiations with K/J to provide design services.

October 14 – staff completed site layout maps for proposed monitoring wells at NBVC Point Mugu.



- *Rice Ave. Overpass PTP (CIP Project # 8021)*
No updates to report this period.
- *PTP Metering Improvement Project (CIP Project # 8022)*
The total number of meters installed is 40 of 61 representing 65.5% completion. An additional four (4) Meter installations are planned by the end of 2022. Easement acquisition includes 23 out of 41 deeds obtained or 56.1% completion. On August 25, UWCD received a signed easement deed for site #134. On September 29, UWCD installed the meter for site #134. On September 15 and October 13, staff met with Hamner, Jewell and Associates (HJA) to discuss the progress of the easement acquisition which HJA is performing for the District.
- *Pothole Trailhead (CIP Project # 8023)*
No updates to report this period.
- *State Water Interconnection (CIP Project # 8025)*
No updates to report this period.
- *Replace El-Rio Trailer (CIP Project # 8028)*
No 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.
- *Emergency Power Supply for UWCD Drinking Water Treatment and Supply Facilities related to CIP Projects # 8033, 8037, 8039)*
No updates to report this period.
- *Asset Management System/CMMS System (CIP Project # 8041)*
No updates to report this period.
- *PTP Recycled Water Connection – Laguna Road Pipeline (CIP Project # 8043)*
Staff completed their review of the draft Preliminary Design Report (PDR) and the preliminary drawings. Comments were submitted to the engineering consultant (Kennedy Jenks) to be incorporated in the final preliminary drawings.
Staff updated and submitted the Environmental Information Form and Deliverable Schedule as part of the first progress reporting for Prop 1 SGM grant. Staff prepared and submitted SGM grant quarterly progress report and eligible invoices.
Staff reviewed the final draft of the PDR and preliminary drawings and provided additional comments to be incorporated in the final PDR.
- *SCADA Hardware Update (CIP Project # 8046)*
No updates to report this period.



- *Lake Piru Recreation Area Pavement Maintenance Program (CIP Project # 8047)*
This project began in December 2022 and is currently slated for completion in February.

- *Condor Improvement Project (CIP Project # 8048)*
The Picnic Site Improvements performed by MDJ Management, LLC were completed on November 4, 2022.

The Picnic Site Landscaping Improvements performed by Pacific Vista Landscaping; Inc were completed on December 27, 2022.

A purchase order in the amount of \$8,650 was issued to Pacific Vista Landscaping, Inc., on November 17, 2022, for additional grading work related to the Picnic Site Landscaping Improvement. The work was completed by December 27, 2022.

- *Lake Piru Entry Kiosk Renovation (CIP Project # 8049)*
This project was completed in May of 2022.
- *Security Gate Upgrade (CIP Project # 8050)*
The security gate upgrades to El Rio and Saticoy have been completed. This migrating authorized users over to the new system. The Piru Security gates are awaiting key equipment—which has a longer than expected lead time—in order for the project to be completed.
- *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)*
AIMM Services has begun the network assessment portion of the project. Information collected from this phase will be supplied to the Software Architecture and Design teams at Rockwell Allen Bradley and Claroty to refine the deployment and training of the continuous monitoring system. Most recent updates included that Rockwell accepted the assessment and is working on a deliverable report.
- *Main Supply Pipeline Sodium Hypochlorite Injection (CIP Project # 8053)*
Ongoing, Engineering had Trussel Tech visit the site in order for them to provide a proposal on a feasibility study/design of a Sodium Hypochlorite Injection facility at the Moss Screen.
- *Dry Storage Fencing (CIP Project # 8054)*
Completed in December 2022.
- *Lake Piru Campground and Recreation Area Renovations (CIP Project # 8055)*
Ongoing. Engineering staff is currently evaluating the potential for restroom remodels under this project and the facilities improvement plan itself is slated to go to the board for approval in February. It is anticipated that work will be completed in quarter four of this fiscal year.
- *OHP Low-Flow Upgrades (CIP Project # 8056)*
No updates to report this period.



CASH POSITION AND INVESTMENTS OF THE DISTRICT

As of December 31, 2022, the District had a total of \$44.0M 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>Dec 2022</u>	<u>Dec 2021</u>
Bank of the Sierra	3,470,308	6,065,779
Citizens Business Bank	2,778,457	0
US Bank - 2020 COP Bond Balance	10,203,188	19,006,973
Petty Cash	4,400	3,400
County Treasury	1,712	1,644
LAIF Investments	27,587,193	22,881,671
	<u>44,045,258</u>	<u>47,959,467</u>

The only current restriction is the \$10.2M for CIP projects in the 2020 COP Bonds. Any restrictions on the remaining \$ 33.8M are listed in this report.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Brian H. Zahn'.

Brian H. Zahn
Chief Financial Officer

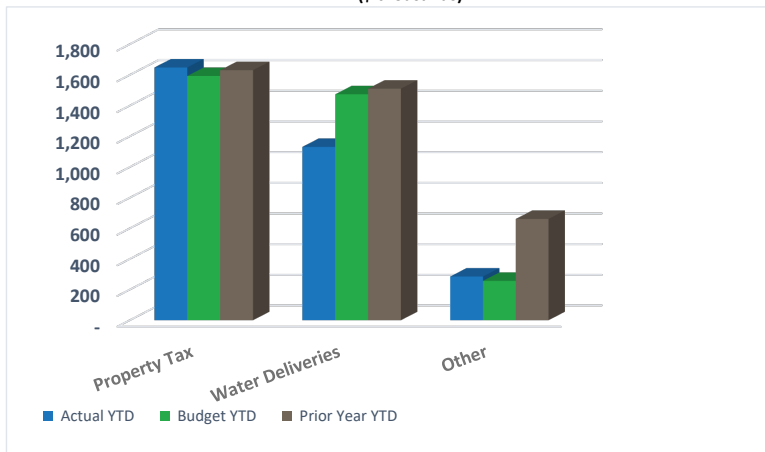
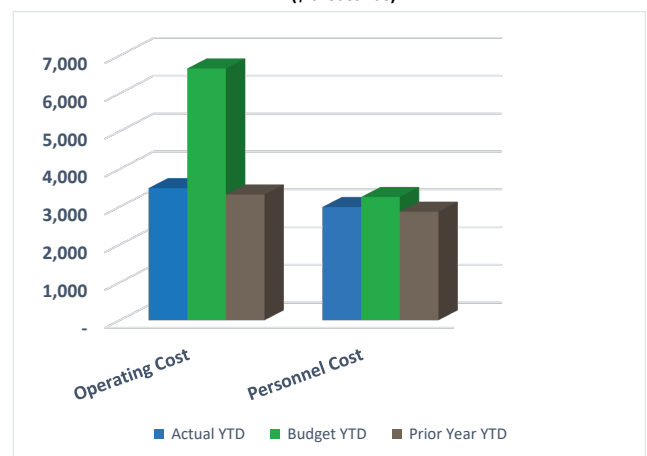
FY 2022-23 Second Quarter Financial Review

July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

General/Water Conservation Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	1,131	1,474	(343)	-23%	1,510	(379)	-25%
Groundwater	68	0	68	0%	(51)	119	-233%
Supplemental Water	0	0	0	0%	0	0	0%
Property Taxes	1,648	1,593	55	3%	1,631	18	1%
Earnings on Investments	456	54	401	738%	19	437	2267%
Other	732	714	17	2%	700	32	5%
Transfers in	0	0	0	0%	0	0	0%
Total Revenues	4,035	3,836	199	5%	3,809	226	6%
Expenses							
Personnel Costs	2,994	3,259	(265)	-8%	2,869	125	4%
Operating Expenditures	3,494	6,658	(3,164)	-48%	3,324	170	5%
Capital Outlay	73	154	(81)	-52%	298	(224)	-75%
Transfers out	4,708	8,900	(4,191)	-47%	2,470	2,239	91%
Total Expenses	11,271	18,971	(7,700)	-41%	8,961	2,310	26%
Net Surplus / (Shortfall)	(7,236)	(15,135)	7,899	-52%	(5,151)	(2,084)	40%

 Revenues
(\$ thousands)

 Expenses
(\$ thousands)

Revenue Status vs. Budget

- Revenue received through Second Quarter is \$4M, \$199K (5%) above Plan. Earnings on Investments \$401K above Plan due to GAAP market value adjustment to LAIF in addition to increase in rate of return. Grant Revenue higher \$93K due to Brackish Water Treatment Grant. Property Taxes received from County of Ventura \$55K higher than budget. Some Property taxes are budgeted over 12 months and most property taxes are paid at the beginning of December and April.
- The increase in Non-Operating Revenues are offset by Pipeline deliveries \$343K lower than Plan (1,835 AF less delivered for three pipelines combined) and Groundwater customer miscellaneous adjustments \$68K. Lake Piru revenue lower \$76K budget due to decrease in reservation fees due to rainy weather.

Revenue Status vs. Prior Year

- Second Quarter Revenue \$226K (6%) higher than Prior Year.
- Earnings on Investments \$437K higher due to GAAP market value adjustment to LAIF. Contributing to the increase is higher grant revenue \$93K.
- Offsetting the increase are lower Pipeline deliveries \$379K (2,330 AF less delivered than Prior Year) and lower revenue \$62K received at the Lake.

FY 2022-23 Second Quarter Financial Review

July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

General/Water Conservation Fund - Continued

Appropriation/Expenditure Status vs. Budget

- Total Expenditures were \$7.7M (41%) 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 \$3.2M under budget. Professional Fees \$1.6M savings from under-utilized Admin and Finance consulting budget, FERC – Fish Passage and CESA Fisheries timing difference of invoices. Overhead costs \$651K under due to timing difference. Maintenance \$192K under due to emergency funds not being needed in Second Quarter. Savings in Office Expense \$49K, Travel \$92K, Miscellaneous \$114K expected to be fully utilized by the end of the fiscal year. Principal payments \$304K due to 2020 COP Payments budgeted as expense but paid to liability. Interest expense \$391K due to 2020 COP Payments budgeted in Fund 710 which is the fund used for long term liabilities. Salaries and Benefits \$265K under budget due to vacant Park Ranger Cadet, Field Technician, and Park Ranger Assistants.
- Savings slightly offset by overrun in Insurance Premiums \$320K.

Appropriation/Expenditure Status vs. Prior Year

- Expenditures are \$2.3M (26%) higher than Prior Year, primarily due CIP transfers \$2.2M for the Brackish Water Treatment and Lake Piru Renovation Projects. Operating expenditures were up \$170K due to higher Overhead Costs \$158K, Insurance Expense \$95K, and Maintenance \$71K. Also contributing to the variance are higher Salaries and Benefits \$125K 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 \$224K due to the purchase of the SLR excavator in Prior Year and a savings in contractual services of \$180K..

Fund Balance

The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$7.7M.

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.

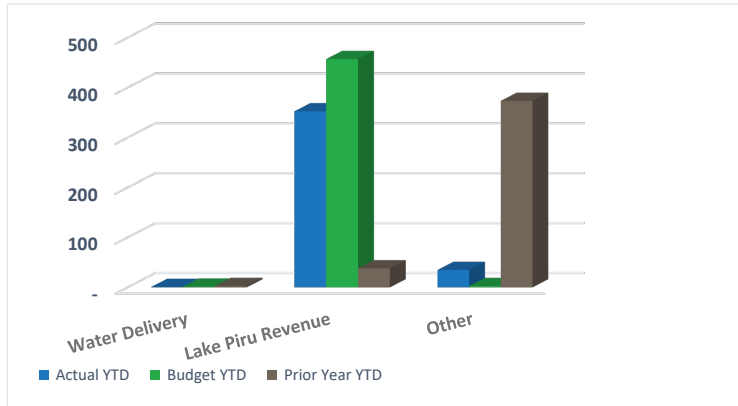
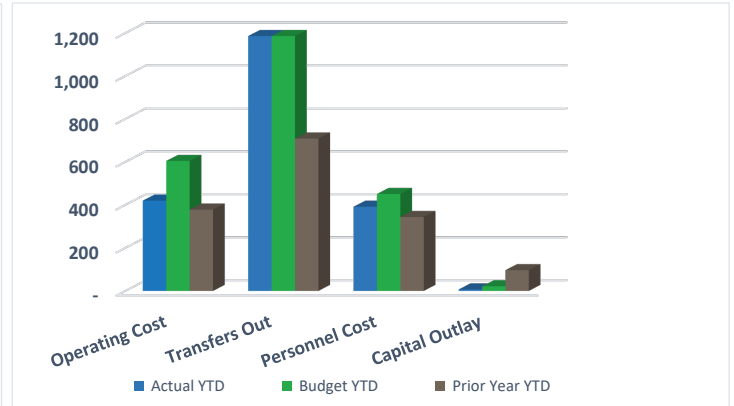
FY 2022-23 Second Quarter Financial Review

July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

Recreation Sub-Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	1	2	(1)	-43%	3	(2)	-69%
Earnings on Investments	0	0	0	0%	0	0	0%
Lake Piru Revenue	353	457	(105)		38	315	0%
Other	35	3	32	1194%	374	(339)	-91%
Total Revenues	389	462	(73)	-16%	415	(26)	-6%
Expenses							
Personnel Costs	392	451	(59)	-13%	344	48	14%
Operating Expenditures	420	604	(184)	-31%	378	42	11%
Capital Outlay	7	22	(15)	-68%	97	(90)	-93%
Transfers out	1,186	1,186	0	0%	709	478	67%
Total Expenses	2,005	2,263	(258)	-11%	1,527	477	31%
Net Surplus / (Shortfall)	(1,616)	(1,802)	185	-10%	(1,113)	(504)	45%

 Revenues
(\$ thousands)

 Expenses
(\$ thousands)

Revenue Status vs. Budget

- Operational Revenue received through Second Quarter below Budget by \$73K (16%) due to lower Day Use, Camping, Boating fees and reservations. This may be attributable to the rainy weather in December.

Revenue Status vs. Prior Year

- Second Quarter Operational Revenue \$26K lower due to lower Filming Fees and reservations in the Current Year.

Appropriation/Expenditure Status vs. Budget

- Total expenditures \$258K (11%) under Budget primarily due to Operating Expenditures \$184K. Professional Fees \$38K under due to under-utilized Marketing and Advertising fees. Maintenance \$50K due to emergency funds not being needed in Q2 but expected to be fully utilized by end of the fiscal year. Permits \$34K due to timing differences.
- Contributing to the variance is Salaries and Benefits \$59K due to vacant Park Ranger Cadet and Park Ranger Assistants positions.
- Savings is partially offset by increase in Insurance Premiums \$23K.

Appropriation/Expenditure Status vs. Prior Year

- Expenditures are \$477K (31%) higher than Prior Year primarily due to CIP Transfers Out \$477K over PY for the Lake Piru Campground and Recreation Area Renovations. Contributing to the variance is higher Salaries and Benefits \$48K due to the Board Approved 2% COLA increase and annual merits increases.
- Increase slightly offset by a decrease in Capital Outlay \$90K due to the Side by Side vehicle purchased in Prior Year. Professional fees and Maintenance expenses lower \$31K due to timing difference.



FY 2022-23 Second Quarter Financial Review

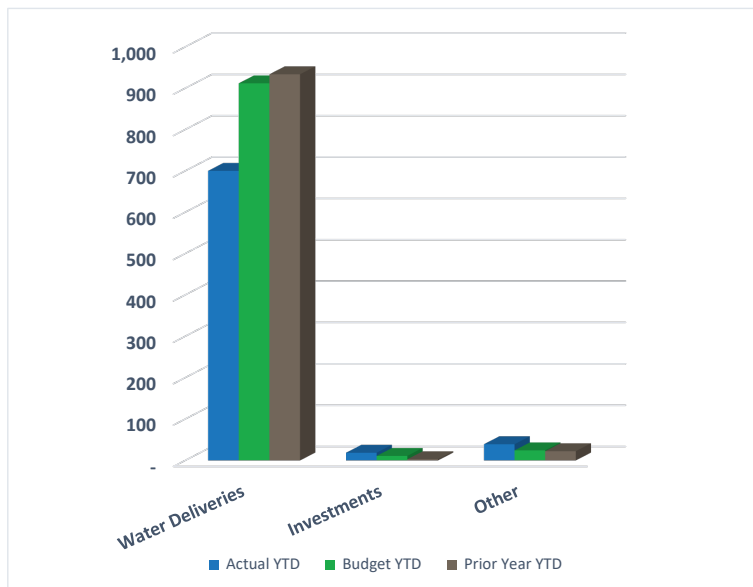
July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

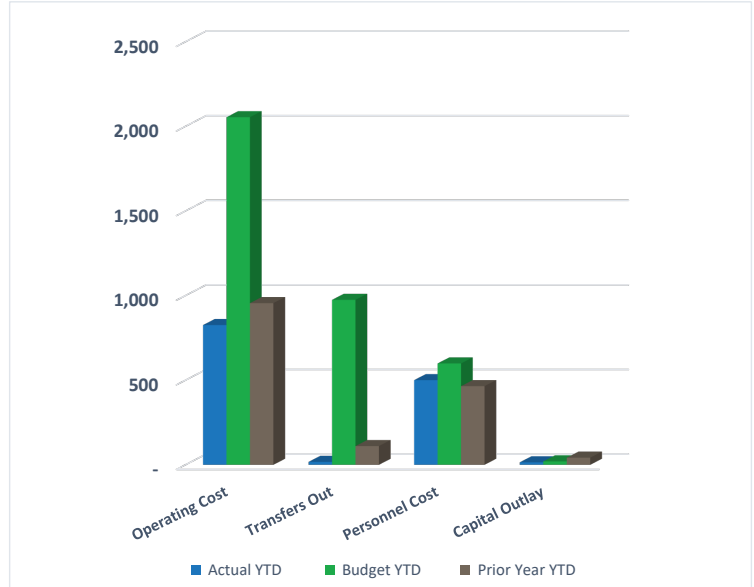
Freeman Diversion Fund (Zone B)

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Groundwater	64	0	64		(10)	74	-746%
Water Delivery	700	912	(212)	-23%	934	(234)	-25%
Earnings on Investments	19	11	8	69%	3	16	537%
Other	53	24	29	117%	68	(15)	-22%
Transfers in	0	0	0	0%	0	0	0%
Total Revenues	836	947	(111)	-12%	994	(159)	-16%
Expenses							
Personnel Costs	500	599	(99)	-16%	465	36	8%
Operating Expenditures	826	2,054	(1,228)	-60%	955	(130)	-14%
Capital Outlay	15	20	(6)	0%	42	(28)	
Transfers out	17	975	(957)	-98%	111	(93)	-84%
Total Expenses	1,358	3,648	(2,290)	-63%	1,573	(215)	-14%
Net Surplus / (Shortfall)	(522)	(2,701)	2,179	-81%	(578)	56	-10%

Revenues
(\$ thousands)



Expenses
(\$ thousands)



Revenue Status vs. Budget

- Revenue received through Q2 \$836K, down \$111K (12%) primarily due to lower Pipeline deliveries \$212K which was 1,827 AF under Plan for OH Pipeline

Revenue Status vs. Prior Year

- Current Year lower by \$159K. The decrease is primarily due to \$31K National WildLife Grant revenue received in Prior Year and lower Pipeline deliveries \$234K which was 2,413 AF less than Prior Year. Variance is slightly offset by the favorable investment earnings of \$15K.



FY 2022-23 Second Quarter Financial Review

July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

Freeman Diversion Fund (Zone B) - continued

Appropriation/Expenditure Status vs. Budget

- Total expenditures through Second Quarter are \$1.3M, which is \$2.3M (63%) below Plan. Savings is primarily due to CIP Transfers Out for Freeman \$957K less than budgeted. This is a timing issue as the budgeted amount is front-loaded. Operating Expenditures of \$1.2M primarily due to under-utilized Environmental Services Legal Fees \$856K. Contributing to the variance are Overhead costs \$186K under budget due to timing difference. Salaries and Benefits \$99K due to vacant Principal Environmental Scientist for majority of Q1 and Field Technician positions. Maintenance \$70K due to emergency funds not being needed in Q2. Permits \$65K due to timing differences. Principal payments \$89K due to 2020 COP payments budgeted as expense but paid directly to liability.
- Savings is partially offset by increase in Insurance Premiums \$95K and Interest Expenses \$40K due to payments higher than originally allocated amount.

Appropriation/Expenditure Status vs. Prior Year

- Total Expenditures are \$215K lower than Prior Year. The variance is largely due to lower Operating Expenditures \$130K and CIP transfers out \$93K. Contributing to the variance is lower Capital Outlay \$28K due to the SLR Excavator purchased in Prior Year.
- Slightly offsetting the decrease are higher Salaries and Benefits \$36K higher than PY due to Board approved 2% COLA increase and annual merit increases. Insurance expense \$23K higher than Prior Year. Interest expense \$46K 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 Second Quarter Financial Review

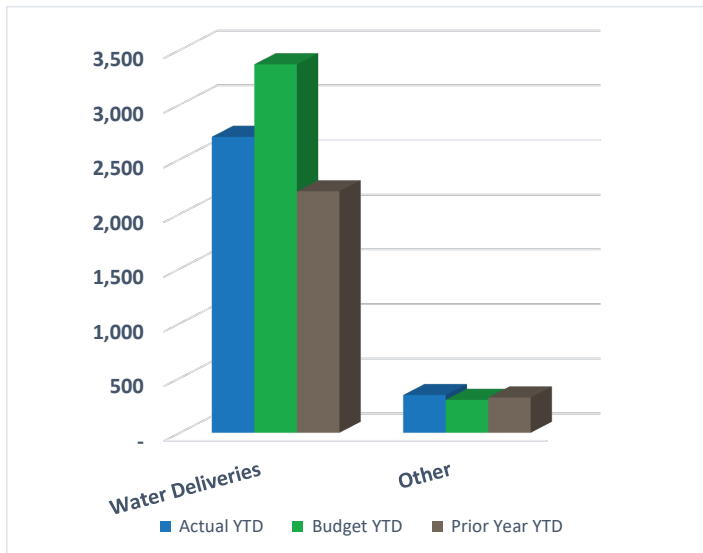
July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

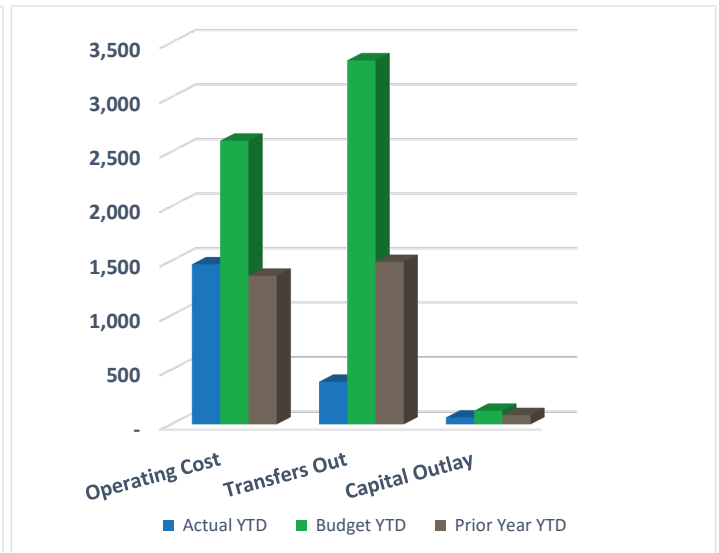
Oxnard Hueneme Pipeline Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	2,705	3,369	(664)	-20%	2,207	498	23%
Earnings on Investments	77	10	67	705%	5	71	1348%
Grants	1,789	3,515	(1,726)	-49%	469	1,320	281%
Other	268	291	(23)	-8%	317	(49)	-15%
Total Revenues	4,838	7,184	(2,346)	-33%	2,998	1,841	61%
Expenses							
Personnel Costs	495	534	(39)	-7%	501	(6)	-1%
Operating Expenditures	975	2,069	(1,094)	-53%	863	111	13%
Capital Outlay	63	125	(62)	-49%	85	(22)	-25%
Transfers out	391	3,339	(2,948)	-88%	1,491	(1,101)	-74%
Total Expenses	1,924	6,067	(4,143)	-68%	2,941	(1,017)	-35%
Net Surplus / (Shortfall)	2,915	1,117	1,797	161%	57	2,857	5000%

Revenues
(\$ thousands)



Expenses
(\$ thousands)



Revenue Status vs. Budget and vs. Prior Year

- Total revenue for Q2 of \$4.8M is under budget by \$2.3M (33%) 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.
- Water Delivery Revenue \$663K (20%) lower than Budget; 1,827AF (26.5%) less delivered than Plan. Deliveries revenue up from Prior Year by \$498K even though 2,413AF less were delivered. The 23% increase in revenue is due to increased fixed and variable rates in FY 22-23.
- Fox Canyon revenues down by \$37K in Q2 due to lower water deliveries.
- Marginally offsetting the decrease are earnings on investments which were \$67K above budget and up \$71K from Prior Year due to GAAP market value adjustment to LAIF in addition to increase in rate of return.

FY 2022-23 Second Quarter Financial Review
July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

Oxnard Hueneme Pipeline Fund - continued

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

- Total expenses of \$1.9M is under budget by \$4.1M (-68%) and lower than prior year by \$1M (-35%), primarily due to transfers out which are \$3M less than budgeted. This is a timing issue as the budgeted amount is front-loaded. The current year is also \$1.1M under the prior year amount.
- Capital Outlay under budget by \$62K (49%) and under Prior Year by \$22K. Staff anticipates budget to be fully utilized by the end of the year.
- Fox Canyon fees \$296K under budget due to an extraction fee accrual from FY 21-22 carried over to the current fiscal year combined with a delay in their billing.
- Electrical costs down \$186K from Q2 budget due to delay in billing but expected to be over budget at end of year due to higher electrical rates. Costs are also up \$64K from Prior Year.
- Personnel Costs down \$39K from budget primarily due to two internal promotions expected later in year and less work being done on OH Pipeline. Professional fees are also down \$42K as Environmental and IT consulting services were under-utilized. Additionally, maintenance expense was under budget by \$106K but is expected to be fully utilized by end of year.
- Principal payments \$177K under Plan due to 2020 COP payments budgeted as expense but paid directly to liability.
- Interest Expense under budget by \$131K due to payments lower than originally allocated amount, down \$97K compared to Prior Year due to changes in 2020 COP allocation.
- Slightly offsetting savings is an increase in Insurance Premiums which are over plan by \$58K and up over

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.

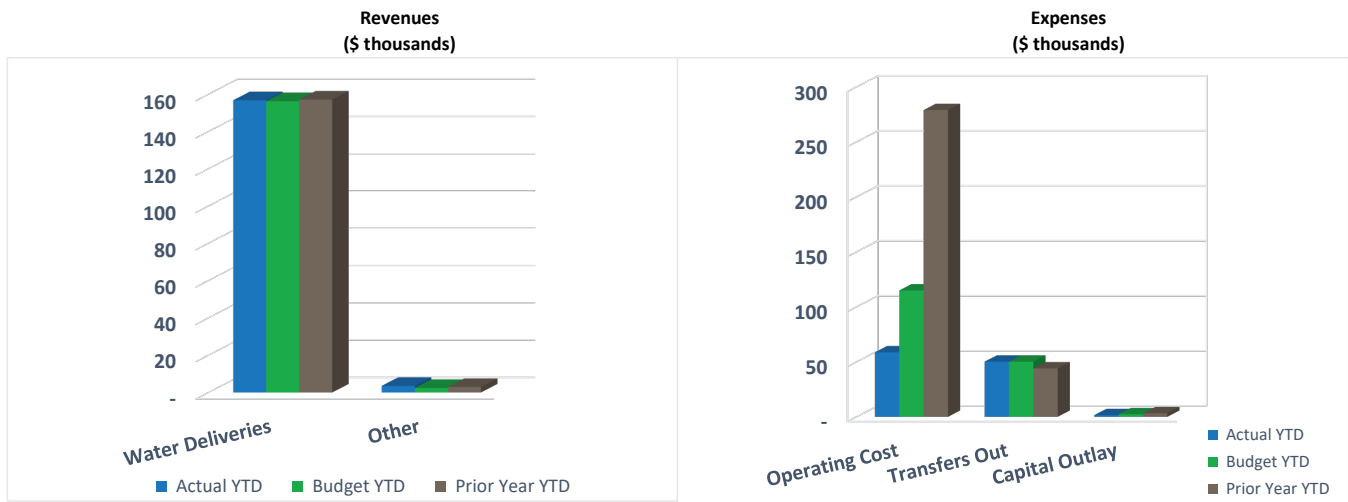
FY 2022-23 Second Quarter Financial Review

July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

Pleasant Valley Pipeline Fund

in \$ thousands	CY Actuals	CY Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	157	156	1	0%	157	(0)	0%
Earnings on Investments	14	2	12	801%	0	13	5838%
Other	4	2	1	49%	3	1	21%
Total Revenues	174	160	14	9%	160	14	8%
Expenses							
Personnel Costs	27	46	(20)	-42%	37	(11)	-28%
Operating Expenditures	32	68	(37)	-53%	242	(210)	-87%
Capital Outlay	2	2	(1)	0%	3	(2)	
Transfers out	50	50	0	0%	44	6	14%
Total Expenses	110	167	(57)	-34%	326	(216)	-66%
Net Surplus / (Shortfall)	63	(7)	71	-976%	(166)	229	-138%



Revenue Status vs. Budget and vs. Prior Year

- Revenue received through Q2 is on target, up \$12K from budget primarily due to investment earnings.
- Revenue is up \$14K from prior fiscal year due to Earnings on Investments.

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

- Operating expenditures under budget by \$57K through second Quarter. Variance due to maintenance costs \$23K 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 \$20K lower than Budget due to less staff spending time working on Pleasant Valley Pipeline.
- Compared to prior year, Operating Expenditures are down \$210K 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.

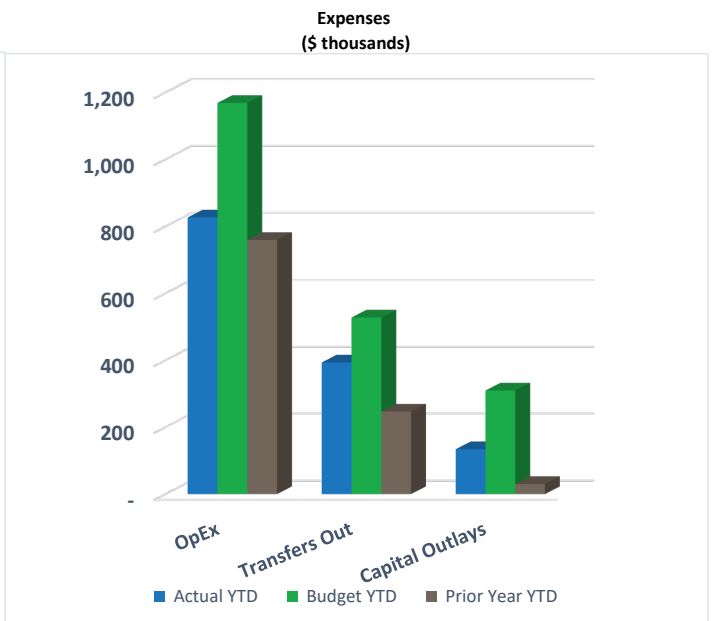
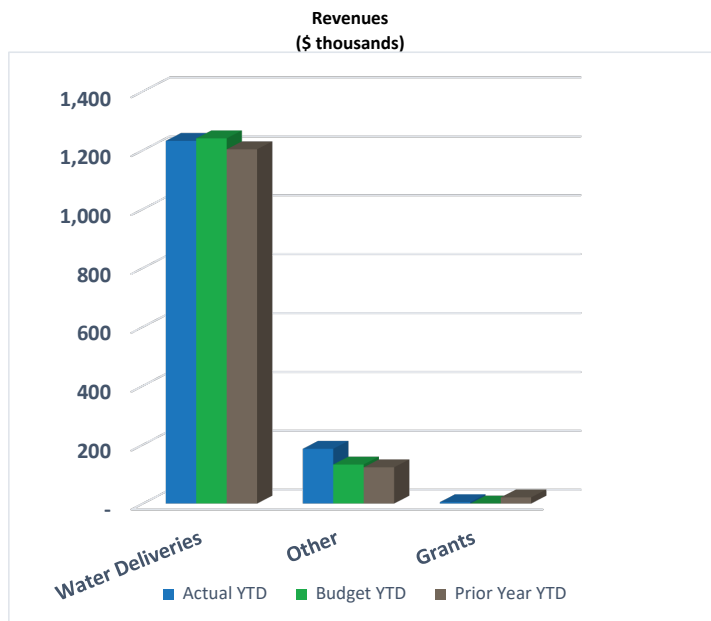
FY 2022-23 Second Quarter Financial Review

July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

Pumping Trough Pipeline Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	1,232	1,240	(9)	-1%	1,203	29	2%
Earnings on Investments	37	5	32	712%	2	34	1628%
Grants	5	0	5		21	(16)	0%
Other	149	128	21	17%	121	29	24%
Total Revenues	1,422	1,373	49	4%	1,347	75	6%
Expenses							
Personnel Costs	209	226	(18)	-8%	205	3	2%
Operating Expenditures	618	942	(324)	-34%	554	64	12%
Capital Outlay	134	309	(175)	-57%	30	104	
Transfers out	393	528	(134)	-25%	246	147	60%
Total Expenses	1,354	2,006	(652)	-32%	1,036	318	31%
Net Surplus / (Shortfall)	68	(633)	701	-111%	311	(243)	-78%


Revenue Status vs. Budget

- Revenue received through Q2 \$1.4M, up \$49K (4%) over budget. The increase is due to higher LAIF to Market value adjustment \$32K and Misc Revenue received \$25K.
- Offsetting the increase is lower pipeline deliveries \$9K (8 AF lower water delivered than Plan).

Revenue Status vs. Prior Year

- Revenue received \$75K higher than Prior Year. This is due to higher Pipeline deliveries \$29K (98AF higher water delivered), Earnings on Investments LAIF to Market value \$34K, and Misc Revenue \$29K.
- Offsetting the increase is Grants received down \$16K for PTP in Prior Year.



FY 2022-23 Second Quarter Financial Review

July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

Pumping Trough Pipeline Fund - continued

Appropriation/Expenditure Status vs. Budget

- Total expenditures through Q2 are \$1.4M, \$652K (32%) below Budget primarily due to lower Operating Expenditures \$324K. Fox Canyon expenses are down \$100K due to delay in billing. Maintenance is \$95K under budget due to emergency funds not being needed in the Second Quarter as well as less than projected maintenance on PTP turnouts. Overhead costs \$87K due to timing difference. Principal payments \$68K 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 \$175K lower than anticipated due to fewer than planned PTP isolation valves and VFD replacements.
- Slightly offsetting the savings is increase in Insurance Premiums of \$40K, Permits and Licenses \$17K, and Utilities \$26K.

Appropriation/Expenditure Status vs. Prior Year

- Compared to last fiscal year, expenditures are higher by \$318K (31%) primarily due to higher CIP Transfers Out \$147K for PTP Recycled Water Connection. Capital Outlay \$104K also higher in Current Year due to more PTP isolation valves being replaced. Operating Expenditures \$64K due to higher Utilities in Current Year.

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 Second Quarter Financial Review

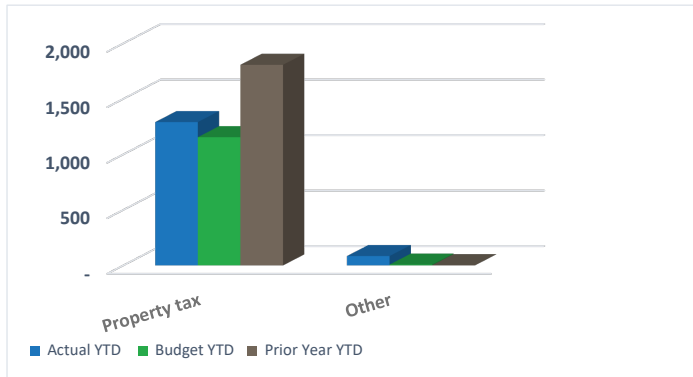
July 1, 2022 through December 31, 2022

50% of Fiscal Year Completed

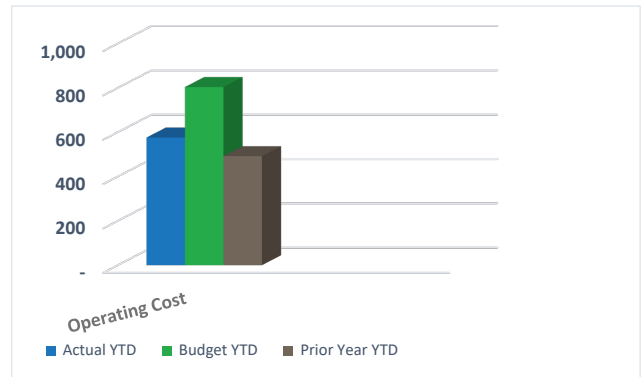
State Water Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Earnings on Investments	84	7	77	1025%	2	82	3723%
Property Taxes	1,291	1,155	136	12%	1,807	(516)	-29%
Total Revenues	1,376	1,163	213	18%	1,809	(434)	-24%
Expenses							
Personnel Costs	0	0	0	0%	0	0	0%
Operating Expenditures	576	804	(228)	-28%	492	84	17%
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	576	804	(228)	-28%	492	84	17%
Net Surplus / (Shortfall)	800	359	441	123%	1,317	(518)	-39%

Revenues
(\$ thousands)



Expenses
(\$ thousands)



Revenue Status vs. Budget and vs. Prior Year

- Revenue received through Q2 is over Plan by \$213K (18%).
- Property tax revenue favorable by \$136K largely due to higher than budgeted current secured taxes. Earnings on investments also over Plan by \$77K due to GAAP market value adjustment to LAIF in addition to increase in rate of return.
- Compared to Prior Year, revenue is down 24% (\$434K) primarily due to lower Property Taxes received from Ventura County.

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

- Total expenditures of \$576K under budget by \$228K (28%) for Q2. This is primarily due to lower than budgeted variable costs.
- Compared to Prior Year, expenditures up by \$84K (17%) largely due to higher fixed costs in FY 22-23.

Fund Balance

- The projected ending undesignated working capital balance for FY 22-23 is approximately \$6.5M. The District's reserve policy requires a minimum fund balance of \$5M, which is expected to be met.
- 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 Second Quarter Financial Review

July 1, 2022 through December 31, 2022

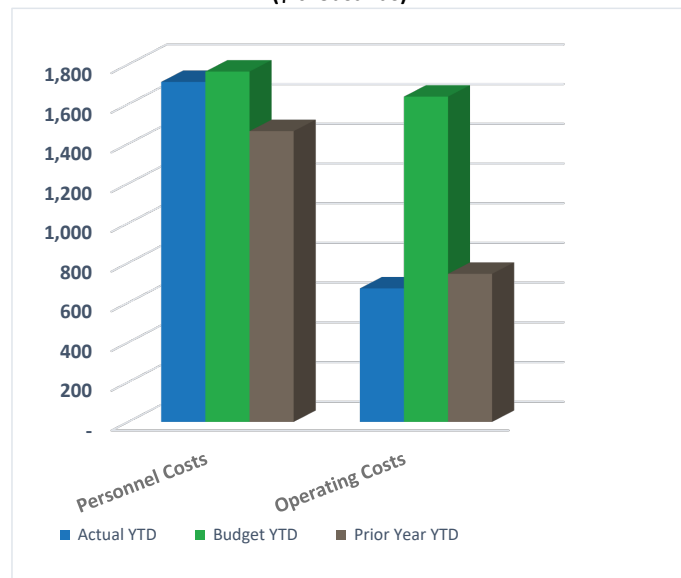
50% of Fiscal Year Completed

Overhead Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Expenses							
Personnel Costs	1,712	1,764	(52)	-3%	1,464	248	17%
Operating Expenditures	672	1,638	(966)	-59%	745	(73)	-10%
Capital Outlay	0	20	(20)	0%	0	0	0%
Total Expenses	2,384	3,422	(1,038)	-30%	2,209	175	8%

Expenses

(\$ thousands)



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

- Expenditures under budget by \$1M (30%).
- The largest savings were in Professional Fees \$842K 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 \$52K due to vacant Receptionist and Administrative Assistant III positions for majority of Q1 and Retirement Benefit Replacement budget of \$30K expected to be realized before the end of the fiscal year. Maintenance \$38K under budget due to emergency funds not being needed in Q2. Office Expense \$40K and Travel \$30K are expected to be fully utilized by the end of the year. Capital Outlay budget \$20K to be spent for the HQ generator connection equipment.
- Compared to prior year, expenditures are higher by \$175K (8%). The variance is from higher Personnel costs \$248K due to Board Approved 2% Cost of Living increase and annual merit increases and higher Materials and Supplies Expense \$31K. Offsetting the increase is higher Professional Fees in Prior Year \$105K.



Staff Report

To: UWCD Finance and Audit Committee Members

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

From: Brian H. Zahn, Chief Financial Officer

Date: February 22, 2023 (February 27, 2023 meeting)

Agenda Item: **January 2023 Storm Damage Cleanup, Contracts with McNabb Construction Inc. and Summer Construction Inc. for Debris Removal at the Lake Piru Recreation Area**
Board Motion

Staff Recommendation:

The Committee will consider recommending the motion to the full Board of Directors to approve the District's use of the \$6,184,000 Replacement, Capital Improvement and Environmental Project reserve to fund the clean-up efforts at the Lake Piru Recreation Area. The supplemental appropriation for the first two contracts would be \$1,254,400 and once the District is reimbursed by FEMA, the funds will be returned to the reserve.

Background:

On January 24, 2023, the District declared a state of emergency for conditions resulting from the January 8, 2023 storm event. This authorized the General Manager to begin the execution of contracts to begin the clean-up effort at the Lake Piru area.

The first two contracts are with McNabb Construction Inc., (not to exceed \$622,760) for the clean-up of floating storm debris on Lake Piru and Summer Construction Inc., (not to exceed \$631,640) for the clean-up of the Lake Piru Recreation Area. Additional contracts will follow.

The District has filed with FEMA for 100% reimbursement of these funds.

Fiscal Impact:

There is no fiscal impact associated as the funds being paid under these contracts will be reimbursed by FEMA. There will only be a fiscal impact only due to the timing if the FEMA reimbursement is delayed. This will be accounted for using 050-200-52290 (professional services-other).



Staff Report

To: UWCD Finance and Audit Committee Members

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

From: Anthony A. Emmert, Assistant General Manager

Date: February 21, 2023 (February 27, 2023 meeting)

Agenda Item: 4c. **Agreement with Santa Clarita Valley Water Agency for Coordinated Delivery of State Water Project Water Supplies**
Board Motion

Staff Recommendation:

The Committee will consider recommending approval to the full Board authorizing the General Manager to enter into an agreement with Santa Clarita Valley Water Agency for coordinated deliveries of State Water Project water supplies.

Background:

Water released from the California Department of Water Resources (DWR) Castaic Reservoir via Castaic Creek benefits the groundwater basins of the Santa Clara River Watershed, including the Upper Santa Clara River basin, the Piru basin, the Fillmore basin, the Santa Paula basin, the Mound basin, and the basins of the Oxnard Plain. The Santa Clarita Valley Water Agency (SCV Water) and United Water Conservation District (District) have responsibility for the management of the watershed's groundwater basins. SCV Water has access to State Water Project (SWP) water through an agreement with DWR. The District has access to SWP water through the Ventura County Watershed Protection District's agreement with DWR. The SWP water available includes regular Table A contracted amounts, Article 21 supplemental water, and transfer/exchange water with other SWP contractors.

In October 2018, the two agencies entered into a Memorandum of Understanding (MoU) agreement to facilitate coordination and cooperation. In April 2019, the agencies entered into a successful short-term agreement for a pilot program of coordinated deliveries. The two agencies have coordinated routinely and extensively on planning and modeling in support of their respective groundwater sustainability agencies, with the goal of maximizing the water resources of the watersheds.

Discussion:

Due to this successful coordination, the two agencies now desire to enter into a longer-term agreement for coordinated deliveries of SWP supplemental water for the benefit of the various groundwater basins of the Santa Clara River Watershed. The proposed agreement is consistent

4c. Agreement with Santa Clarita Valley Water Agency for the Coordinated Delivery of State Water Project Water Supplies
Board Motion

with the October 2018 MoU agreement. It would also provide financial equity, as it includes a mechanism to determine groundwater recharge benefits received and the proportional distribution of the DWR charges associated with each coordinated water delivery. The agencies' goal is to deliver up to 15,000 acre-feet per year, depending upon groundwater conditions, hydrologic conditions and SWP water availability. Typical deliveries via Castaic Creek would result in an approximate 25% benefit to the Upper Santa Clara River basin and an approximate 75% benefit to the downstream basins. Appendix A of the Agreement provides specific measuring/monitoring procedures to calculate losses and confirm groundwater recharge benefits. Each party would be responsible for paying its respective DWR charges.

The coordination of water deliveries contemplated by the Agreement is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Sections 15301, because it will involve no change in the type of use or expansion of use of either the District's or SCV Water's existing infrastructure facilities. Rather, the coordinated water deliveries will involve the exercising of the District's and SCV Water's existing contractual rights to water provided by the SWP.

Fiscal Impact:

Adoption of this agreement will not result in any direct expenditure. The District's Fiscal Year 2022-2023 budget includes funding for SWP water purchases in its State Water Import Fund (Fund 110), including Table A, Article 21, or transfers/exchanges.

Attachment:

A - Agreement for the Coordinated Deliveries of State Water Project Water Supplies Between United Water Conservation District and Santa Clarita Valley Water Agency

**AGREEMENT
FOR THE COORDINATED DELIVERIES OF
STATE WATER PROJECT WATER SUPPLIES BETWEEN
UNITED WATER CONSERVATION DISTRICT
AND
SANTA CLARITA VALLEY WATER AGENCY**

This water delivery coordination agreement ("Agreement") is made and entered into on _____, by and between United Water Conservation District ("UWCD") and Santa Clarita Valley Water Agency ("SCVWA"). UWCD and SCVWA may be referred to individually as a "party" and collectively as "the parties."

RECITALS

- A.** Ventura County Watershed Protection District ("Ventura County") has contracted with the State of California's Department of Water Resources ("DWR") for a State Water Project ("SWP") water supply and holds a Table A amount of 20,000 acre-feet per year. UWCD is allocated 5,000 acre-feet of Ventura County's Table A amount, and Ventura County has assigned administration of the Ventura County contract to the Casitas Municipal Water District; and
- B.** SCVWA has contracted with DWR for a SWP water supply and holds a Table A amount of 95,200 acre-feet per year; and
- C.** SCVWA and UWCD overlie adjoining groundwater basins located along the Santa Clara River; and
- D.** SCVWA and UWCD desire to coordinate and enhance the water supply reliability of their service areas and recognize that artificially recharging groundwater aquifers with supplemental water is an established method of enhancing regional water supply reliability; and
- E.** SCVWA and UWCD desire to coordinate delivery of some of their respective SWP water supplies from DWR for delivery into Castaic Creek; where each party will pay its portion of the benefit received from such water.
- F.** SCVWA desires to use Article 21 or potentially Table A or other SWP water to recharge the Upper Santa Clara River Groundwater Basin (Upper Basin); and
- G.** UWCD desires to use Article 21 or potentially Table A or other SWP water to recharge the Piru, Fillmore and other downstream Groundwater Basins (collectively Downstream Basins); and
- H.** SCVWA and UWCD desire to facilitate future water exchanges and transfers that would benefit both the Upper Basin and Downstream Basins, with such exchanges and transfers negotiated through separate agreements; and

- I. UWCD and Newhall County Water District, a predecessor agency to SCVWA, along with DWR, the County of Los Angeles and Newhall Land and Farming Company have entered into agreements regarding the release of native flood waters from Castaic Reservoir into Castaic Creek ("Native Water Agreement"). This Agreement is separate and distinct from the Native Water Agreement; and
- J. UWCD and SCVWA have determined that the delivery of SWP water provided for in this Agreement will involve no change in the type of use or expansion of use of either UWCD or SCVWA's existing facilities and is thus exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15301 of the State CEQA Guidelines.

Now, therefore, incorporating the foregoing recitals herein, the parties agree to the coordinated delivery of their SWP water with the following terms and conditions:

1. **Definitions of Release Water:**

- a. **State Water Project (SWP) Release Water:** SWP water supplies that the Parties desire to release to Castaic Creek for beneficial uses within their service areas and scheduled as described in this agreement.
- b. **Additional Coordinated Water Supplies:** Water other than SWP Release Water for which the parties desire to coordinate releases to Castaic Creek. Such supplies may be acquired jointly or solely by the parties with such deliveries scheduled as described in this agreement.

2. **Term:** The term of this Agreement shall commence on _____, ("Effective Date") and shall terminate ten (10) years from the Effective Date unless renewed by mutual consent of the parties.

3. **Water Deliveries to Castaic Creek**

- a. **Desired amount of SWP Release Water and Additional Coordinated Water Supplies:** SCVWA and UWCD desire to annually release on the order of 15,000 AF of SWP Release Water and/or Additional Coordinated Water Supplies. The actual amount will be agreed upon by both parties depending on hydrologic conditions and what type and quantity of release water is available. Neither SCVWA nor UWCD is committing in this Agreement to a certain amount of water to be released absent a subsequent written agreement on an amount, which may be done by letter signed by both parties General Manager.
- b. **Point of delivery:** The point of delivery of SCVWA's and UWCD's water under this agreement shall be made into the recreation lagoon at Reach 30 (Castaic Lake).

4. **Scheduling of SWP Release Water and Additional Coordinated Water Supplies:** SCVWA and UWCD will endeavor to schedule the release of water in a manner to achieve an objective of 25% of the release benefitting SCVWA and 75% of the release benefitting UWCD. To achieve this objective, the timing of the release will be adjusted, and the proposed flow rate will be adjusted as necessary throughout the release to meet the intended distribution of

groundwater recharge. Each party will be responsible for the purchase of the actual amount of water that benefits their respective basins, and their proportion of water lost to evapotranspiration (ET) and to the lagoon. The distribution of flow and groundwater recharge will be determined in accordance with the attached monitoring plan (Appendix A). Parties may revise the above-mentioned percentage objective upon written consent of the parties.

Releases to Castaic Creek performed per this Agreement shall not take place at the same time that native storm water is being released to Castaic Creek by DWR, unless agreed to in writing by the parties of the Native Water Agreement.

The parties agree to coordinate with Newhall Land & Farming, prior to a release to ensure that Newhall Land & Farming's river crossings are not adversely impacted.

- a. Quantification of Water Released to Castaic Creek:** SWP Releases and Additional Coordinated Water Supplies under this Agreement shall be delivered to Reach 30 (Castaic Lagoon) and will initially fill the Castaic Recreation Lagoon if it is not full, recharge the Upper Santa Clara River Groundwater Basin (underlying Castaic Creek and the Santa Clara River) and flow as surface water past the Los Angeles County/Ventura County Line into the Piru Groundwater Basin. Additionally, a portion of Castaic Releases being conveyed through Castaic Creek will evaporate or be used by riparian vegetation. The forgoing losses shall be assigned to the parties based on the proportion of the water received by each. Because it is not practical to repeatedly measure evaporation and riparian uptake with great accuracy, it will be assumed that evaporation will be two acre-feet per day (the parties may undertake studies to refine the assumed evaporation amount).

Further, a portion of the release that percolates as recharge in the Upper Santa Clara River Groundwater Basin will later flow as underflow into the Piru Groundwater Basin. For the purposes of this Agreement, this is assumed to be 5% of the amount recharged into the Upper Santa Clara River Groundwater Basin (the parties may undertake studies to refine the inter-basin groundwater conveyance amount.) A sample calculation quantifying the distribution of benefits and losses between the parties is shown below:

Example:

- Total released at Reach 30: 10,000 AF
- Assume a 50-day release of 200 AF/day (100 cfs)
- Total measured surface flow released to the Piru Basin: 7,000 AF (see Appendix A for methodology)
- Total volume to fill Lagoon: 500 AF (50/50 split)
- Total release for evaporation/transpiration calculation: Total days released to creek = 9,500 AF at 100 cfs = 48 Days. Total ET volume = 48 days X 2 AF/day = 96 AF
- Additional 5% of underflow from upstream basins = $(10,000 - (7,000 - 500 - 96)) \times 0.05 = 120.2$ AF

Total flow to UWCD:

(7,000 AF measured into Piru Basin)

Evaporation Calculation = $(7,000 / 9,500) \times (96 \text{ AF}) = 70.7 \text{ AF}$

Lagoon Volume = $500 \text{ AF} / 2 = 250 \text{ AF}$

Underflow Benefit = 120.2 AF

Total = $7,000 + 70.7 + 250 \text{ AF} + 120.2 = 7,440.9 \text{ AF}$

Total flow to SCVWA:

Lagoon Volume = $500 \text{ AF} / 2 = 250 \text{ AF}$

Evaporation Calculation = $96 - 70.7 = 25.3 \text{ AF}$

Calculated Percolation = $10,000 - 7,000 - 500 - 96 = 2,404 \text{ AF}$

Basin Underflow Loss = 120.2 AF

Total = $2,404 + 25.3 + 250 - 120.2 = 2,559.1 \text{ AF}$

In this example UWCD would be responsible for the purchase of 7,440.9 AF of SWP water and SCVWA would be responsible for the purchase of 2,559.1 AF of SWP water.

- b. Every fifth year of the agreement the parties will undertake a with and without analysis based on numeric modeling to determine if further refinement to the quantification is necessary to the underflow leaving the upper basin. Any refinements would need to be mutually agreed upon.
5. **Cost:** To the extent that the parties coordinate and deliver water under this Agreement, the parties shall each pay all costs associated with its water deliveries. The Parties shall coordinate any necessary corrections to DWR water delivery schedules so that the actual distribution of water quantities under this agreement are reflected in the payments. If DWR is unable or unwilling to make such adjustments, the party receiving a greater than billed quantity shall pay the other party for the SWP Variable Operation, Maintenance and Replacement costs for the additional water it received and the proportionate share of other acquisition if any. Additional cost will be incurred for the monitoring program described in the monitoring plan. Costs incurred in the monitoring of the flows will be distributed between the parties on an equal 50/50 basis.
6. Water acquired separately by the parties which they are unable to, or otherwise do not desire to coordinate releases to Castaic Creek are not subject to this agreement ("Non-Coordinated Water Supplies"). Parties may, in their sole discretion, determine rates and quantities for their own independent releases to Castaic Creek. If any party releases Non-Coordinated Water Supplies into Castaic Creek, then such party is responsible for the costs associated with payment for all such water released, regardless of the distribution of flows benefitting downstream basins. The parties agree that any releases of Non-Coordinated Water Supplies shall not interfere with SWP Releases or Additional Coordinated Water Supplies releases.

7. Miscellaneous Provisions

- a. **Approvals:** The parties will cooperate and exercise best efforts to assist one another in obtaining any approvals which are necessary to effect deliveries of SWP water under this agreement. UWCD shall submit requests to Casitas Municipal Water District for the Ventura County contract to schedule deliveries in accordance with this agreement.
- b. **Other Costs:** This Agreement identifies the total costs of the water delivered under the terms of this Agreement. Neither party is responsible to the other for any costs other than those identified herein.
- c. **CEQA:** The parties agree that the coordination of water deliveries contemplated by the Agreement is exempt from CEQA pursuant to State CEQA Guidelines Sections 15301 because it will involve no change in the type of use or expansion of use of either UWCD's or SCVWA's existing infrastructure facilities. Rather, the coordinated water deliveries will involve the exercising of UWCD and SCVWA's existing contracted right to water provided by the SWP. The actions under this Agreement consist merely of the continued operation of UWCD's and SCVWA's existing facilities, and the parties agree that, based on their review, none of the exceptions to the use of CEQA exemptions set forth in CEQA Guidelines section 15300.2 apply to the actions approved in this Agreement.
- d. **Liability:** Neither party hereunder shall be liable to the other party, nor subject to any claim, demand, causes of action, costs, expenses, loss, or damage or injury of any kind or any nature whatsoever in connection with the control, handling, use, disposal, or distribution of water supplied to the other party after such water has been delivered to the other party or its designee.
- e. **Notices, Confirmation and Communication:** Notices, confirmation and communication shall be in the form of emails, followed by written notice delivered personally or by U.S. mail or facsimile, and effective on the date of the first received to the following:

United Water Conservation District
Attn: Mauricio Guardado, General Manager
1701 N. Lombard Street, Suite 200
Oxnard, CA 93030 | Telephone: (805) 525-4431
Facsimile: 805-525-2661
Email: mauriciog@unitedwater.org

Santa Clarita Valley Water Agency
Attn: Matthew Stone, General Manager
27234 Bouquet Canyon Road
Santa Clarita, CA 91350 | Telephone: (661) 297-1600
Facsimile: 661-297-1610
Email: mstone@scvwa.org

In witness whereof, the parties hereto have caused this Agreement to be executed the day and year first above written.

United Water Conservation District

Santa Clarita Valley Water Agency

Mauricio E. Guardado, Jr.
General Manager

Matthew G. Stone
General Manager

Attachment:

Appendix A – Monitoring Plan for the Coordinated Deliveries of SWP between UWCD and SCVWA

Appendix A – Monitoring Plan for the Coordinated Deliveries of State Water Project Water Supplies Between United Water Conservation District and Santa Clarita Valley Water Agency

This monitoring plan provides the methodology to determine the allocation of State Water Project water released from Castaic Lake in accordance with the agreement between Santa Clara Valley Water Agency (SCVWA) and United Water Conservation District (United). It is assumed that released water that flows past the USGS Station 11109000 ("Santa Clara River near Piru") will reflect the purchased water that benefits the groundwater basins that United overlies, and the water that percolates upstream of this USGS Station benefits the basins that SCVWA overlies. The gaging station is located on the Santa Clara River approximately 2.6 miles west of the Santa Clarita Valley East basin-Piru basin boundary. It is 2.7 miles west of the Ventura-Los Angeles County line. The gage is located within SCVWA's boundaries and 0.25 miles east of United's district boundaries. Released water that does not pass the gage is either percolated in the upstream groundwater basin, used to fill the Castaic Lake lagoon, or lost as evapotranspiration. This document describes the methodologies used to determine the benefit each agency receives from a release event.

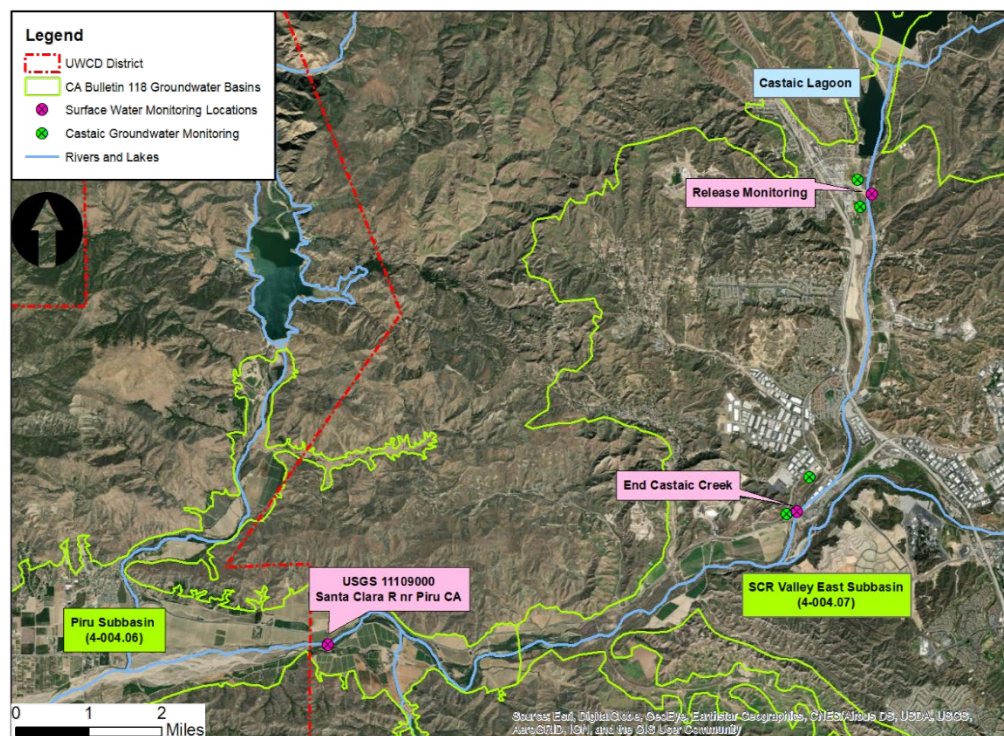


Figure 1. Streamflow monitoring points

It may be necessary to adjust release rates during a release event to meet the mutually agreed upon distribution of benefit between groundwater basins. The flow monitoring proposed in this document is intended to provide the information necessary to achieve this goal.

When possible, releases will be designed with a gradual ramp-up and ramp-down of flows within Castaic Creek. If the lagoon is not full when the release commences, lagoon stage will be monitored to determine how much water was required to fill the lagoon. Release monitoring will determine when the lagoon has filled, and flows start discharging to Castaic Creek. The total volume of water released from Castaic Lake before the lagoon starts to spill will be recorded, as the volume to fill the lagoon is an element in the agreement. If needed and if possible, a pressure transducer will be installed in the lagoon to limit the need for frequent field observations at this location.

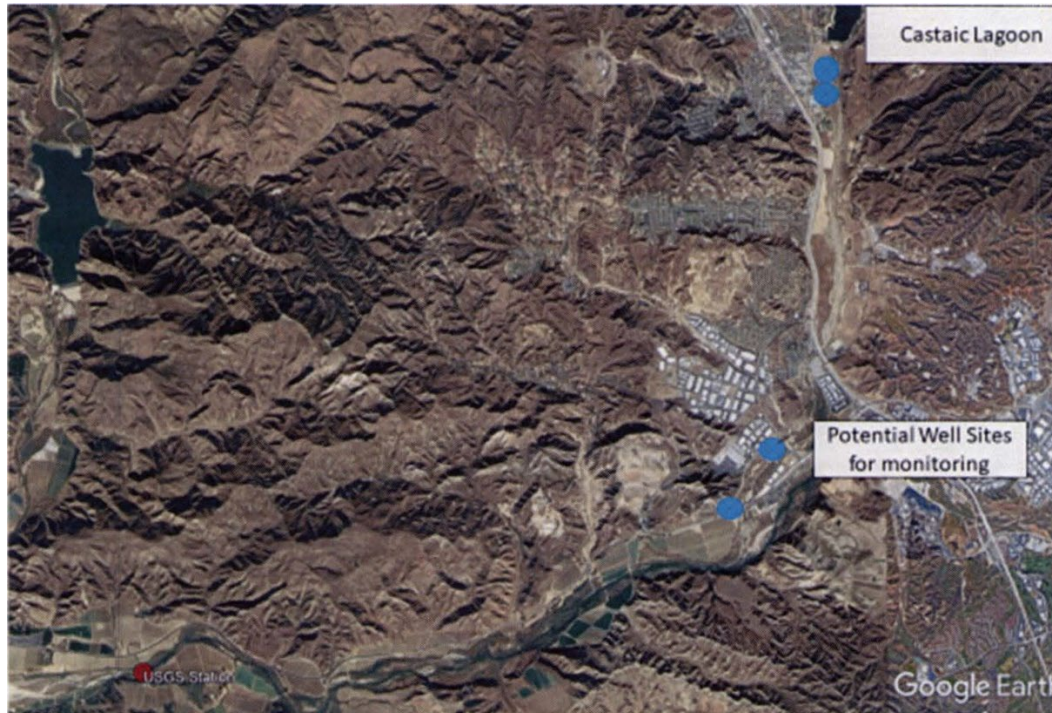


Figure 2. Potential well sites for monitoring

Flows in Castaic Creek will be monitored to address two objectives. The first objective is to determine the amount of water each party receives as recharge or flow to their respective basins. The second objective is to gain additional information on the surface water-groundwater relationships in the project area to help inform future operations and agreements.

In order to determine how much each party benefits from the release, stream discharge measurement will be conducted at two locations. Figure 1 shows the discharge measurements locations during the releases to Castaic Creek. The point labeled "release monitoring point" just downstream of Lake Hughes Road will be the point to verify the amount of water being released from Reach 30 to Castaic Creek. A measurement at this point will be conducted within the first two days of the release when the lagoon has filled, and flow is discharging to Castaic Creek. If the measured flow matches the reported release flow from DWR, then no additional flow measurements will be needed at this location, unless there is a substantial change in the rate of the release or if reported flows for the release appear to be incorrect based on other downstream measurements.

The second monitoring point will be at the existing USGS gage 11109000 (Santa Clara River near Piru CA). This station is at the Las Brisas Bridge downstream of the Ventura County Line. During low flows, the USGS measures flows for rating adjustment on a monthly basis. Due to sandy channel conditions, the rating for this gage requires frequent corrections, even during low flow conditions. In order to obtain the level of accuracy needed to determine the distribution of flows in the agreement, flows will be measured at this gage on an as needed basis. It is expected that at least two measurements per week will be performed on both the ascending and descending limb of the release. Base flows in the Santa Clara River are assumed to be stable and will be estimated from recorded flows in the weeks preceding and following the release. Additional measurements may be needed if the release coincides with a storm that increases flows in the Santa Clara River. Once flows are stable, measurements can occur on a less-frequent basis if the increase in flows is tracking well with the USGS gaging station. If allowed, flows measured by the Agencies will be submitted to the USGS for rating its gage.

The second component of the monitoring program is designed to gain information on the surface water-groundwater interaction in the reach of Castaic Creek below Castaic Lagoon and above the confluence with the Santa Clara River, as groundwater elevations along this reach may influence percolation rates. This program will include the monitoring of groundwater elevations in the aquifer underlying Castaic Creek and measuring percolation in the stream reach above. Pressure transducers will be installed, or manual water levels measurements will be collected at key wells within the basin on a frequent basis throughout the release of water. The key wells proposed for monitoring are shown in Figure 2. The recommended number of wells for monitoring is at least four.

In addition to the flow measurements at Castaic Lagoon and Las Brisas Bridge described above, an additional location for stream flow measurement will be near the Highway 126 Bridge over Castaic Creek. This section of creek is located about 0.5 miles upstream of a perennial reach of the Santa Clara River. The flows monitored at this point are expected to correspond with the increase in flows at the USGS gage on the Santa Clara River, less base flow in the river. If the flows monitored at this point are accurately reflected in the flow monitoring at the USGS gage, this monitoring point may be discontinued until the end of the release. In the downstream groundwater basins, base flows usually increase after a release of water from a source upstream. These base flows are often generated by subsurface discharge from the up-gradient groundwater basin. If an increase in discharge is observed after the release, then these flows will be monitored as potential delayed discharge of released water to the downgradient basins. This information will inform future agreements on the subsurface discharge to each basin, and the length of time monitoring will continue following the end of the release.

The data gathered by the actions proposed in this monitoring plan will be summarized in a brief report that will present the data obtained from the monitoring actions and the calculations for the distribution of flows. Additional digital data may be archived for both Agencies, such as the continuous flow measurements from the USGS station and the pressure transducers and manual water level measurements in the study area. This report shall be generated no less than one month after the release has ended and influence of the release is no longer observed in base flows of the Santa Clara River downstream of Castaic Creek.



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: February 22, 2023 (February 27, 2023 meeting)

Agenda Item: 5. **District Staff and Board Member Reimbursement Report
(October 1, 2022–December 31, 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 Second Quarter of Fiscal Year 2022-2023.

Attachment:

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

UNITED WATER CONSERVATION DISTRICT
CHECK REPORT
QUARTER ENDED 12/31/2022

<u>Vendor Name</u>	<u>Payable Description</u>	<u>Payable Amount</u>	<u>Payment Amount</u>	<u>Payment Date</u>	<u>Check Number</u>
JOSH PEREZ	MILEAGE REIMBURSEMENT 08/2022	\$ 200.00	\$ 200.00	10/07/2022	1902
MIKE KAMINSKI	BREAKROOM SUPPLIES/EL RIO	\$ 186.70	\$ 186.70	10/14/2022	1930
STEVEN KADOWAKI	ADOBE ACROBAT PRO	\$ 239.88	\$ 239.88	10/14/2022	1937
KRIS SOFLEY	STAFF BBQ SUPPLIES/POST OFFICE	\$ 480.12	\$ 480.12	11/18/2022	2030
STEVEN KADOWAKI	SMART & FINAL REIMBURSEMENT 11/18/22	\$ 36.64	\$ 286.64	12/02/2022	2057
	ANNUAL SAFETY BOOT- REIMBURSEMENT	\$ 250.00			
JACKIE LOZANO	2022 BOARD SECRETARY/CLERK CONFERENCE AND MILEAGE	\$ 251.89	\$ 251.89	12/09/2022	2077
MOHAMMED HASAN	MILEAGE & TRAVEL REIMBURSEMENT 11/2022	\$ 505.00	\$ 505.00	12/16/2022	2112
EVA IBARRA	O&M WATER/ SUMMIT SNACKS & DRINKS	\$ 265.26	\$ 265.26	10/21/2022	209776
LYNN MAULHARDT	MILEAGE REIMBURSEMENT 09/2022	\$ 79.50	\$ 204.88	11/04/2022	209839
	MILEAGE REIMBURSEMENT 10/2022	\$ 125.38			
EVA IBARRA	2022 BOARD SECRETARY/CLERK CONFERENCE	\$ 621.72	\$ 621.72	12/09/2022	209957
		<u>3,242.09</u>	<u>3,242.09</u>		



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: February 23, 2023 (February 27, 2023 meeting)

Agenda Item: 6. **Monthly Investment Report (January 31, 2023)**
Information Item

Staff Recommendation:

The Committee will review and discuss the most current investment report for January 31, 2023, 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:

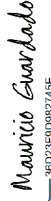

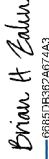
Monthly Investment Report

United Water Conservation District
Monthly Investment Report
January 31, 2023

Investment Recap	G/L Balance	Weighted Avg Days to Maturity	Diversification Percentage of Total
Bank of the Sierra	2,644,615	1	5.50%
Citizens Business Bank	4,950,016	1	10.30%
US Bank - 2020 COP Bond Balance	10,234,445	1	21.29%
Petty Cash	4,400	1	0.01%
County Treasury	1,712	1	0.00%
LAIF Investments	30,241,746	1	62.89%
Total Cash, Cash Equivalents and Securities	48,076,934		100.00%
Investment Portfolio w/o Trustee Held Funds	48,076,934		
Trustee Held Funds	-		
Total Funds	48,076,934		

Local Agency Investment Fund (LAIF)	Beginning Balance	Deposits (Disbursements)	Ending Balance
	27,587,193	2,654,554	30,241,747
	Interest Earned YTD	Interest Received YTD	Qtrly Yield
	266,445	323,826	2.07%

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

DocuSigned by:  Mauricio Guardado 36D23E0D82745E	2/20/2023
Mauricio E. Guardado, Jr., General Manager	Date Certified
DocuSigned by:  Anthony Emmert 705BCEC0D046E	2/19/2023
Anthony Emmert, Assistant General Manager	Date Certified
DocuSigned by:  Brian H. Zahn 6B651B5D5A674A3	2/17/2023
Brian H. Zahn, Chief Financial Officer	Date Certified

United Water Conservation District				
Cash Position				
January 31, 2023				
Fund	Total	Composition	Restrictions/Designations	
General/Water Conservation Fund:			Revenue collected for district operations	
General/Water Conservation	17,277,993	3,284,460	Includes General, Rec & Ranger, Water Conservation	
		4,962,000	Reserved for legal expenditures	
		6,184,000	Designated for replacement, capital improvements, and environmental projects	
		2,847,534	Supplemental Water Purchase Fund	
General CIP Funds	6,769,001		Appropriated for capital projects	
2020 COP Bond Funds	6,363,181	6,363,181	Reserved for CIP Projects	
Special Revenue Funds:			Revenue collected for a special purpose	
State Water Project Funds	7,085,870	7,085,870	Procurement of water/rights from state water project	
Enterprise Funds:			Restricted to fund usage	
Freeman Fund	698,268	698,268	Operations, Debt Service and Capital Projects	
		-	Designated for replacement and capital improvements	
		-	Reserved for legal expenditures	
Freeman CIP Fund	1,360,915	1,360,915	Appropriated for capital projects	
OH Pipeline Fund	4,724,820	4,724,820	Delivery of water to OH customers	
OH CIP Fund	250,594	250,594	Appropriated for capital projects	
OH Pipeline Well Replacement Fund	586,315	586,315	Well replacement fund	
PV Pipeline Fund	564,243	564,243	Delivery of water to PV customers	
PV CIP Fund	235,239	235,239	Appropriated for capital projects	
PT Pipeline Fund	1,097,152	1,097,152	Delivery of water to PTP customers	
PT CIP Fund	1,063,342	1,063,342	Appropriated for capital projects	
Total District Cash & Investments	48,076,934	48,076,934		



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: February 21, 2023 (February 27, 2023 meeting)

Agenda Item: 7. **Monthly Pipeline Delivery Reports (January 31, 2023)**
Information Item

Staff Recommendation:

The Committee will review and discuss the most current pipeline delivery report for January 31, 2023, that is enclosed.

Fiscal Impact:

As shown.

Discussion:

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

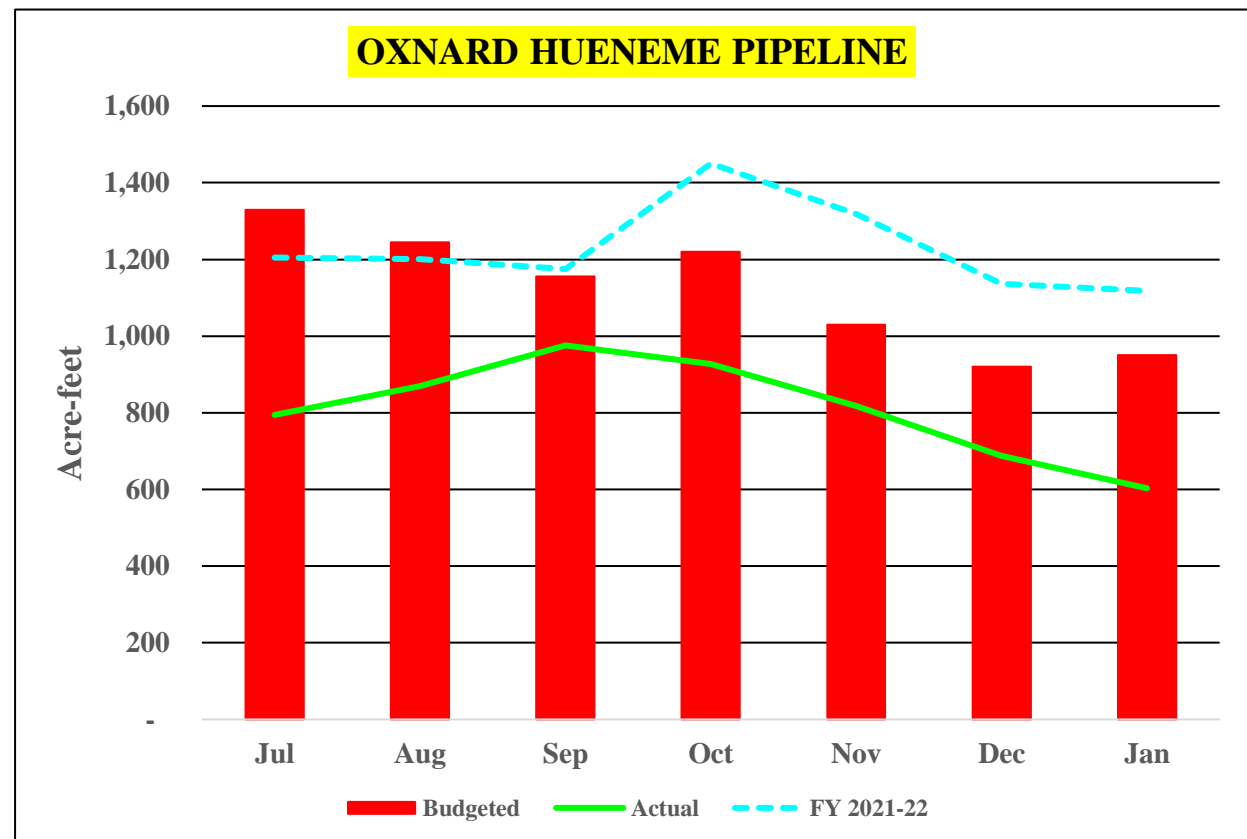
Attachments:

Attachment A – January Pipeline Delivery Report

United Water Conservation District
Pipeline Water Deliveries (Acre-feet)
FY 2022-23 data thru January 31, 2023

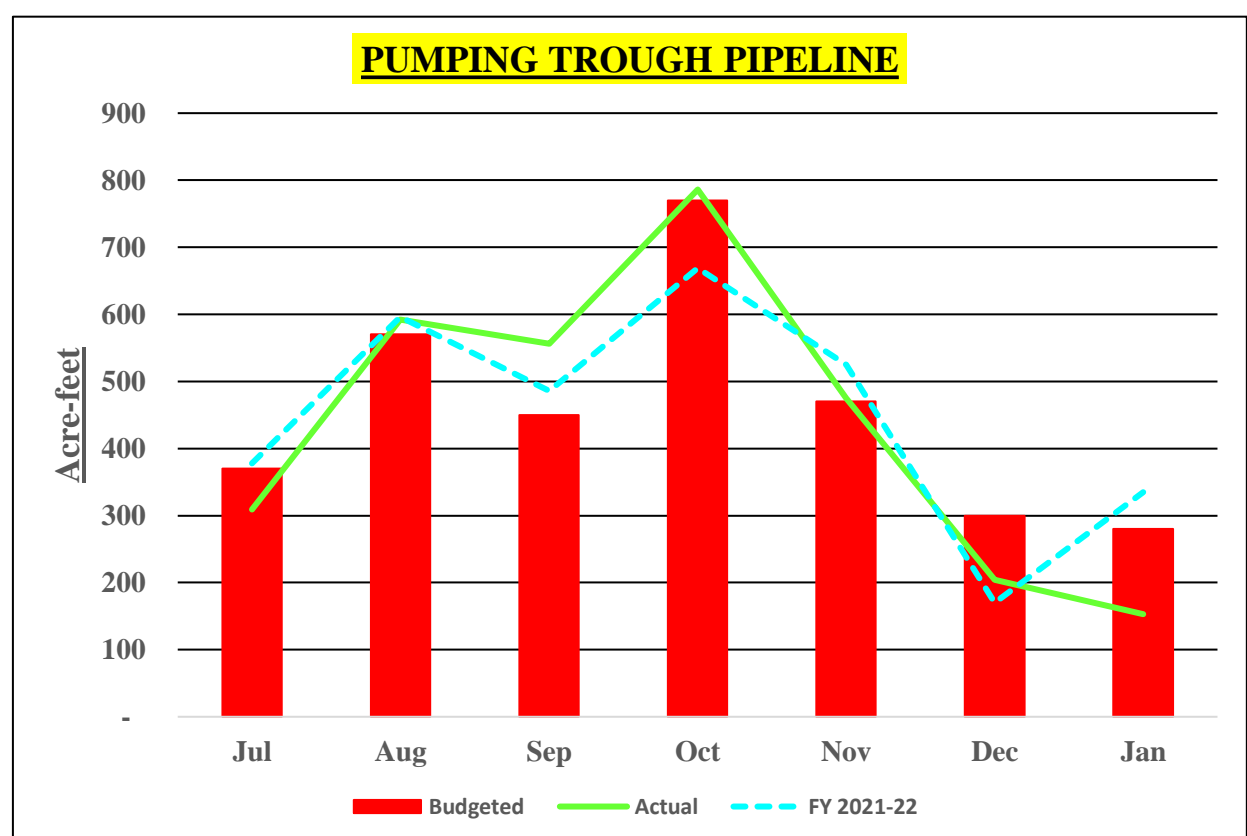
OH Pipeline 22-23			
	Projection	Actual	Difference
Jul	1,330	795	(535)
Aug	1,245	870	(375)
Sep	1,155	976	(179)
Oct	1,220	927	(293)
Nov	1,030	818	(212)
Dec	920	688	(232)
Jan	950	603	(347)
Feb	890		
Mar	960		
Apr	870		
May	1,050		
Jun	1,050		
Totals	12,670	5,676	(2,174)
YTD	7,850	5,676	(2,174)

YTD Actual to Budget: -27.7%



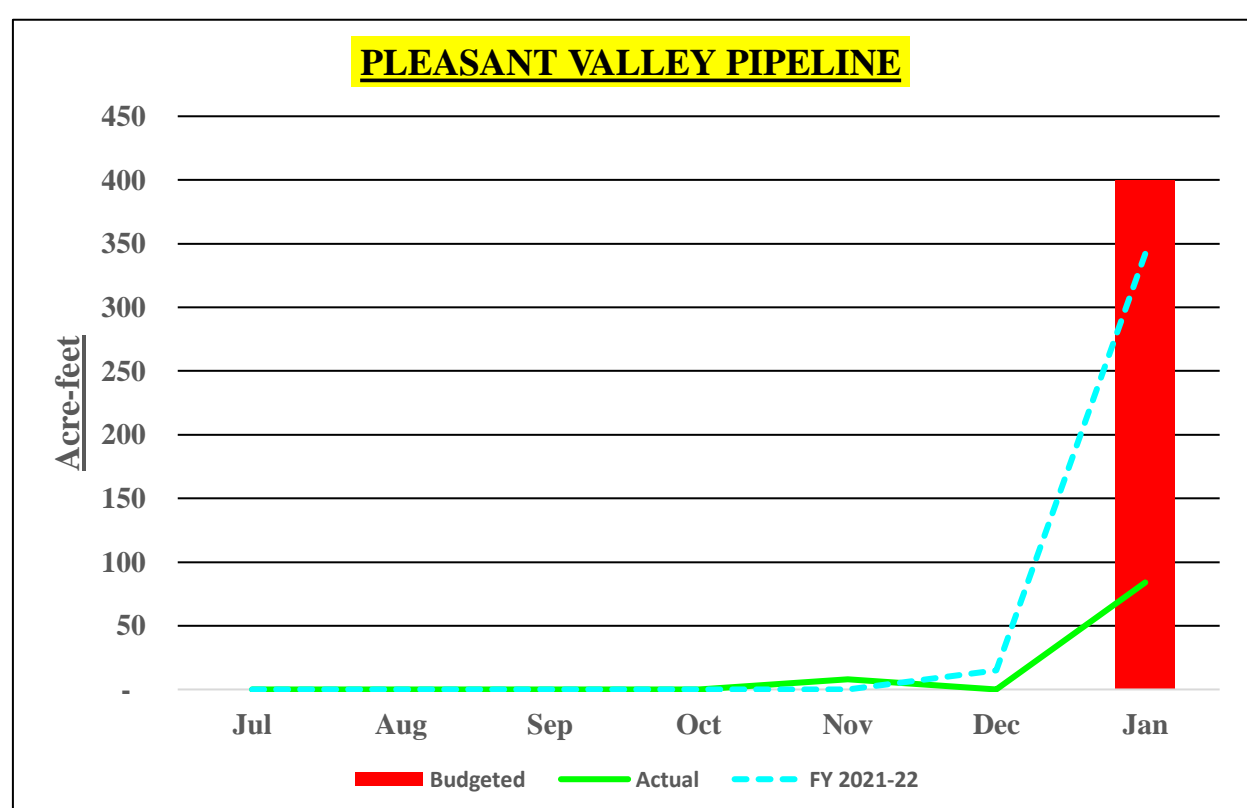
PT Pipeline 2022-23			
	Projection	Actual	Difference
Jul	370	309	(61)
Aug	570	592	22
Sep	450	556	106
Oct	770	786	16
Nov	470	475	5
Dec	300	204	(96)
Jan	280	153	(127)
Feb	370		
Mar	350		
Apr	480		
May	510		
Jun	480		
Totals	5,400	3,075	(135)
YTD	3,210	3,075	(135)

YTD Actual to Budget: -4.2%



PV Pipeline 2022-23			
	Projection	Actual	Difference
Jul	-	-	
Aug	-	-	
Sep	-	-	
Oct	-	-	
Nov	-	8	8
Dec	-	-	-
Jan	400	84	(316)
Feb	400		
Mar	100		
Apr	-		
May	-		
Jun	-		
Totals	900	92	(308)
YTD	400	92	(308)

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: February 22, 2023 (February 27, 2023 meeting)

Agenda Item: **8. 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 January 31, 2023.

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 January 31, 2023**

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	327,104	332,202	6,105	157,701	165,233	145,130	35,936	211,944	283,728	931,154	787,801	1,718,955
Report Total	9,572,298	5,569,342	5,022,183	8,200,486	3,386,298	4,141,690	35,936	708,752	13,681,136	25,245,343	23,259,137	48,504,481
Previous Report Total	9,534,273	5,533,136	5,018,727	8,166,360	3,374,213	4,125,348	25,781	669,514	13,656,988	25,043,355	23,119,015	48,162,370
<i>Current Activity</i>	<i>38,025</i>	<i>36,207</i>	<i>3,455</i>	<i>39,890</i>	<i>12,084</i>	<i>16,342</i>	<i>10,155</i>	<i>39,238</i>	<i>24,148</i>	<i>201,988</i>	<i>140,123</i>	<i>342,111</i>

* Does not include City of San Buenaventura judgment

Current Activity Narrative:

- FERC - The activity for January (\$38K) was spent on staff time (\$13K) and professional services (\$25K).
- PMF - The activity for January (\$36K) was spent on staff time (\$5K), legal fees (\$2,500), permitting (\$14K) and design professional service (\$15K).
- General/Water Cons - The activity for January (\$3K) was spent primarily on legal fees.
- Freeman - The activity for January (\$40K) was spent on staff time.
- Quagga - The activity for January (\$12K) was spent on staff time (\$8K) and professional services (\$4K) related to quagga mussel eradication and the scientific dive agreement.
- Ventura - There was staff salary costs of \$1K and legal fees of \$15K associated with the settlement of the City of Ventura Lawsuit.
- O. Mykiss CESA - January's activity (\$10K) was spent on staff time (\$3K) and legal fees (\$7K).
- Takings Claim - Legal fees of \$39K associated with the settlement of the Takings Claim for January.
- Wishtoyo - The activity for January (\$24K) was spent on legal fees (\$20K) and staff time (\$4K) related to the Wishtoyo complaint.
- Legal Fees - Includes all legal fees for the District. These fees were dominated by the Wishtoyo Lawsuit, Ventura Lawsuit, FCGMA SGMA 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
##	Finance	January 2023 Storm Damage Cleanup, Contracts with McNabb Construction Inc. and Summer Construction Inc. for Debris Removal at the Lake Piru Recreation Area	N	\$1,254,400 of Designated funds being Undesignated by the Board in the 050 (General Water Conservation Fund)	\$1,254,400*	N/A
				TOTAL	\$1,254,400*	

*The cash impact is anticipated to be reimbursed through FEMA/CalOES as a result of the application submitted for emergency response costs incurred by the District.



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 H. Zahn, Chief Financial Officer
Zachary Plummer, Technology Systems Manager
Tony Huynh, Risk and Safety Manager
Kris Sofley, Executive Assistant/Clerk of the Board

Date: February 23, 2023 (February 27, 2023 meeting)

Agenda Item: 9. **Monthly Administrative Services Department Report**
Information Item

Staff Recommendation:

The Committee will receive this staff report and presentation from the Administrative Services Department regarding its activities for the month February 2023.

Discussion:

Finance

- Finance is exploring a potential 2024-2025 General Obligation Bond initiative in the amount of \$250M-\$350M to fund Capital projects. Initial steps will be taken in March to poll district residents to determine their responsiveness to water issues, the drought, water concerns and openness to a GO Bond issuance. Polling will be done through J-Wallin at a cost of \$20K.
- Met with Department Managers to review their FY 2023-24 Budget templates and Preliminary requests. Staff is working to combine requests into a FY 2023-24 draft budget. Preliminary Budget meeting with the General Manager and Assistant General Manager is scheduled on March 6, 2023.
- Working with Human Resources reviewing FY 2023-24 Personnel requests, ensuring all Department requests are in line with the planned District's Organizational Structure.
- Received and processed large volumes of Groundwater statements.

Administrative Services

- Updates were unavailable at the time of publication.
-

9. Monthly Administrative Services Department Report

Information Item

Human Resources

- Completed all ACA Reporting and issued 1095-C documentation to staff as required by the IRS.
- Finalizing the 2023 SDRMA Annual Renewal Questionnaire submission due on 1st day of March.
- Assisted in posting of OSHA Form 300A and Regulatory Compliance Poster at all District facilities.
- Participated in Labor Negotiations with Local SEIU 721.
- Developed and completed budget requests and gathered personnel requests from Departments for FY23-24.
- Worked with SDRMA to coordinate claim for Marina damages related to recent storm event in January.
- Begin brown bag sessions starting February 16 (Topic: Budget Preparation and Overview)
- Successfully onboarded for following personnel:
 - Receptionist (Marylou Fulton)
 - Accountant II (Bobby Diaz selected and will start February 27)
 - Environmental Services Manager (Marissa Caringella selected and will start March 6)
 - Park Ranger Cadet (Macy Petula selected and scheduled to start on March 6)
- Working on recruitments for following positions:
 - Environmental Services Field Technician
 - Environmental Services Field Assistant
 - Seasonal Park Ranger Assistant
- Promotions:
 - Promoted Seasonal Park Ranger Assistant Michael Groeveneld to Park Ranger Cadet
 - Promoted Seasonal Park Ranger Assistant Matt Lundberg to Park Ranger Cadet
- Began efforts to interview for Seasonal Park Ranger Assistant staff members to join the Lake Piru Recreation Area team.

Safety and Risk Management

- Co-Led Disaster Response Coordination Efforts and submitted applications to FEMA and CalOES for disaster recovery relief grant funding.
 - Responded to COVID-19 case notification.
 - Led monthly safety meeting and collaborated with Chief Water Treatment Operator on Confined Space Refresher training.
 - Conducted respiratory fit testing for Lake Piru Recreation staff.
 - Supported Engineering Department's SFD Functional Exercise, including participating as a member of the exercise planning team and evaluating the PIO role.
 - Coordinated with IT and Vendor on Security Systems Enhancements.
 - Supported Recreation Staff with Park Ranger Cadet physical agility test evaluation.
-

9. Monthly Administrative Services Department Report

Information Item

Technology Systems

- Repaired networking interruptions preventing normal internet-based telephony and communication to the SFD Maintenance Facilities. The trip included installation of upgraded network switches and rewiring SFD Shop network infrastructure to improve efficiency.
- Supported security gate installers with implementing and supporting network-based communications to the gate and intercom systems.
- Outfitted SFD Shop with new computer to be utilized to interact with the camera and access control system. System replacing previous generation camera systems.
- Responded to and resolved a hard disk failure to a district's subsystem. Worked with vendors for warranty repair and post incident and triage support. Staff also exercised backup and recovery procedures to expedite system availability. District experienced a 24-hour interruption to shared network files, but otherwise conducted normal business operations via online and cloud-based services.
- Supported and coordinated technical support assistance for various large events and seminars presented in the UWCD HQ Multi-Purpose Board Room. Recent guest included the Farm Bureau of Ventura, the California Avocado Society, and the American Water Association of Ventura County.
- Worked with department leadership to form and submit a FY2023 budget request to the finance department for future review.
- Provisioned new accounts, computer hardware, and software configuration for new staff joining the district in several departments. Administration, Finance, Recreation, and Environmental departments have on-boarded in the month of February.
- Replaced several loaner laptops and meeting room equipment with more recent equipment that meets more current operating system speed and standards of proficiency.
- Established a mobile or travel kit conference and presentation system to be used in situations requiring virtual and hybrid online capabilities.