

**AGENDA****FINANCE AND AUDIT COMMITTEE MEETING****Monday, April 3, 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. EXECUTIVE (CLOSED) SESSION 9:05 A.M.****3a. Conference with Legal Counsel-Anticipated Litigation**

Pursuant to Government Code Section 54956.9(d)(2), one (1) case.

**SECOND OPEN SESSION 9:20 A.M.****4. Oral Report Regarding Executive (Closed) Session**  
Presented by legal counsel David D. Boyer.**5. Approval of Minutes  
Motion**

The Committee will review the Minutes from the February 27, 2023, 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.

**6. April 12, 2023, Board Meeting Agenda Item(s)**

The Committee will review and discuss the following agenda items to be considered for approval at the April 12, 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:

**6a. Approving the appointment of Lance, Soll & Lunghard, LLP  
Board Motion**

The Committee will consider recommending for full Board approval the appointment of Lance, Soll & Lunghard, LLP (LSL) and authorizing the General Manager to execute a three-year auditing services contract with LSL in an amount not-to-exceed \$139,896. This transition will provide the District with a financial audit firm for the next three years, with an option to extend it an additional two years.



**7. Monthly Investment Report (February 2023)**

**Information Item**

The Committee will receive, review and discuss the Districts' investment portfolio and cash position as of February 28, 2023.

**8. Monthly Pipeline Delivery Report (February 2023)**

**Information Item**

The Committee will receive, review and discuss the Districts' pipelines' water activities as of February 28, 2023.

**9. Board Requested Cost Tracking Items**

**Information Item**

The Committee will receive and review the costs through February 28, 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.

**10. 2023-24 Preliminary Budget Review**

**Information Item**

The Committee will receive a presentation from the Districts' chief financial officer of the preliminary 2023-24 budget.

**11. 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.

**12. 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  
Ed Reese

Anthony Emmert  
Brian H. Zahn  
Daryl Smith  
Ambry Tibay  
Jackie Lozano

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

Approved:   
Mauricio E. Guardado Jr., General Manager

Approved:   
Brian Zahn, Chief Financial Officer



Finance and Audit Committee Meeting AGENDA

April 3, 2023

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**Posted: (date)** March 30, 2023

**(time)** 5:45 p.m.

**(attest)** Jackie Lozano

**At:** [www.unitedwater.org](http://www.unitedwater.org)

**Posted: (date)** March 30, 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, February 27, 2023, 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  
Catherine P. Keeling, director

**STAFF PRESENT:**

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

**PUBLIC PRESENT:**

None.

**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 Berger; Second, Director Keeling. Voice vote, three ayes (Berger, Keeling, Maulhardt); none opposed. Motion carries, 3/0.

**3. Approval of Minutes**

The Committee received and reviewed the draft Committee meeting Minutes of December 5, 2022. Motion to approve the Committee meeting Minutes, Director Berger; Second, Chair Maulhardt. Voice vote, two ayes (Berger, Maulhardt); none opposed; one abstained (Keeling) as she was not present at the December 5, 2022, meeting. Motion carries, 2/0/1.

**4. March 8, 2023, Board Meeting Agenda Items**

The Committee reviewed and discussed the following agenda items to be considered for approval at the March 8, 2023, Board meeting:



**4a. FY 2023 Second Quarter Financial Report and Request for Budget Modifications**

**Board Motion**

The District's Chief Financial Officer Brian H. Zahn summarized the Board motion to the Committee for their consideration. After discussion among the Committee and staff, the Committee members agreed to recommend the motion to the full Board of Directors for their approval.

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

**4b. 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**

Mr. Zahn continued to present this next Board motion to the Committee for their consideration. After discussion among the Committee and staff, the Committee members agreed to recommend the motion to the full Board of Directors for their approval.

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

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

**Board Motion**

Assistant General Manager Anthony Emmert presented the Board motion to the Committee for their consideration. He also provided background information regarding coordinated deliveries of water and mentioned there was no financial requirement on United's part at this time. Chair Maulhardt added for clarification, this request is a continuation of an earlier agreement established in 2018 and the new agreement continues to build upon this long-standing relationship with Santa Clarita Valley Water Agency. After further discussion among the Committee and staff, the Committee members agreed to recommend the motion to the full Board of Directors for their approval.

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

**5. District Staff and Board Member Reimbursement Report Reimbursement Report (October 1, 2022–December 31, 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 second quarter of fiscal year 2022-2023. There were no comments or questions from the Committee. No public comments or questions were offered.



**6. Monthly Investment Report (January 2023)**

**Information Item**

The Committee members received and reviewed the monthly investment report as presented in the Finance and Audit Committee agenda packet. There were no comments or questions from the Committee. No public comments or questions were offered.

**7. Pipeline Delivery Report (January 2023)**

**Information Item**

The Committee members received and reviewed the pipeline delivery report as presented in the Finance and Audit Committee agenda packet. There were no comments or questions from the Committee. No public comments or questions were offered.

**8. Board Requested Cost Tracking Items**

**Information Item**

The Committee members received and reviewed the costs-to-date that the District had incurred:

- a) as part of the licensing efforts and the probable maximum flood studies for the Santa Felicia Dam;
- b) in relation to general environmental mandates, and CESA;
- c) in relation to litigation with the City of Ventura, Wishtoyo Foundation, Fifth Amendment takings, and District legal costs over the past several fiscal years;
- d) in relation to the professional fees over the past several fiscal years; and
- e) a summary of Board motion item(s) with fiscal impact.

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

**9. Monthly Administrative Services Update**

**Information Item**

The financial reports for the second quarter of fiscal year 2022-23 were presented by Mr. Zahn as well as the Finance Department monthly update. Chief Human Resources Officer Josh Perez presented updates on Administration, Human Resources, Risk Management, and Information Technology (presentations attached).

There was discussion among the Committee members and staff regarding pipeline deliveries and the varying potential impacts affecting the decline in revenue, such as weather, crops, or sale of land. Mr. Zahn would take that into consideration when forecasting the fiscal year 2023-24 budget. Chair Maulhardt suggested Finance staff look at the method Fox Canyon GMA passed for their allocation.

Director Maulhardt inquired if the District had a policy in place which banned the use of Tik Tok or other apps that could pose a threat to District security. He'd like to prohibit the use of Tik Tok and those apps that pose a threat built into the District's policy so District employees know upfront those applications are not allowed because the District spent a lot of time and energy on security. Mr. Perez mentioned that Tik Tok is not an app the District currently uses but would be supportive of the Committee's request.





The Committee provided staff the following directions on what to bring to the Board. Reporting on fiscal items where the District is at on spending and revenue, potential fiscal changes that can be made, and a report on legal expenses Beneficial for Mr. Perez to present his slides, highlight what is important, and for Mr. Zahn to bring forward his slides because they won't take long and also to highlight only what is important for the Board to hear. The Committee also would like Mr. Emmert to spend time discussing relationship building with Santa Clarita Valley Water Agency when presenting his motion to the Board.

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

**10. Future Agenda Items**

Chair Maulhardt asked the Committee members if there were any agenda items they wished to bring forward to future meetings. None were offered but Director Berger inquired if there would be a budget workshop. Mr. Zahn answered staff will be bringing it back this year.

There were no further comments or questions from the Committee.

**ADJOURNMENT 10:00 a.m.**

Chair Maulhardt adjourned the meeting at 10:00 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 February 27, 2023.

ATTEST: \_\_\_\_\_  
Chair Lynn E. Maulhardt



# Second Quarter Fiscal Year 2022-2023 Financial Review

FEBRUARY 27, 2023



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## Highlights



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

### REVENUE

- Total operating revenue is \$2.0M or 14% unfavorable to budget
  - Pipeline revenues are unfavorable to budget by \$1.3M or 17%
  - Groundwater revenues are favorable to budget by \$132K
  - Taxes are favorable to budget by \$191K or 7%
  - Other Operating revenue was unfavorable to budget by \$104K or 23% due to Recreation being under budget
  - Non-Operating revenue was unfavorable to budget by \$927K or 24% primarily due to Federal Grants coming in under budget

### EXPENDITURE

- Total expenditures are \$8.9M or 39% favorable to budget
- Personnel expenses are below budget \$491K or 8.0% due to salaries and benefits coming in favorable
- Professional and legal fees are below budget \$3.4M or 71% due to underspending across all departments
- Operations expenses are below budget \$2.7M or 47% with Depreciation \$1.0M, Maintenance \$524, and Capital \$337K favorable to budget


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## Overview

PIPELINE VOLUME AND RECREATION REVENUE DRIVES REVENUE DOWNSIDE



in \$000's	Q2 FY22-23 Actual	Q2 FY22-23 Budget	Q2 FY21-22 Actual
Taxes	2,940	2,748	3,438
Water Delivery/Fixed Cost	6,393	7,696	6,011
Groundwater	132	-	(61)
Other Operating Revenue	354	457	582
Non-Operating Revenue	2,959	3,886	1,138
<b>Total Revenue</b>	<b>\$ 12,777</b>	<b>\$ 14,788</b>	<b>\$ 11,108</b>
Personnel Expense	5,937	6,429	4,078
Professional Fees	1,366	4,715	1,368
Operating Expense*	2,989	5,638	2,709
Allocated Overhead	2,318	3,372	2,118
Debt Service	83	1,269	294
Other	1,020	1,196	1,193
<b>Total Expenditure</b>	<b>\$ 13,714</b>	<b>\$ 22,619</b>	<b>\$ 11,760</b>

### REVENUE

- Revenue is less than budget \$2.0M
  - Pipeline unfavorable \$1.3M
  - Taxes favorable \$191K
  - Other Rev unfavorable \$104K
  - Non-Op Rev unfavorable \$927K


### EXPENDITURE

- Total expenditures are \$8.9M better than budget
  - Professional and Legal Fees are \$3.3M below budget
  - Operating Expense (w/depreciation) was \$2.7M favorable to budget

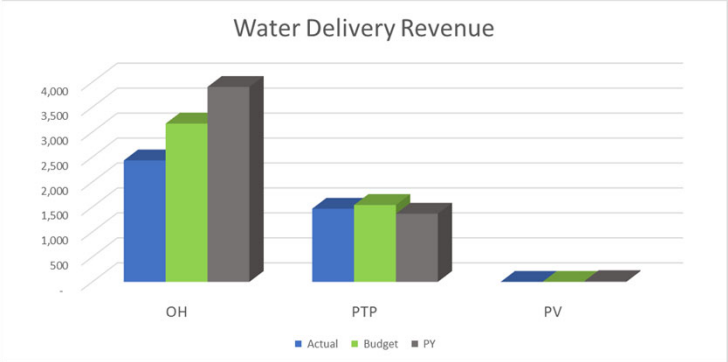
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## Pipeline Revenue

EXCLUDING IN-LIEU OF PUMPING CHARGES



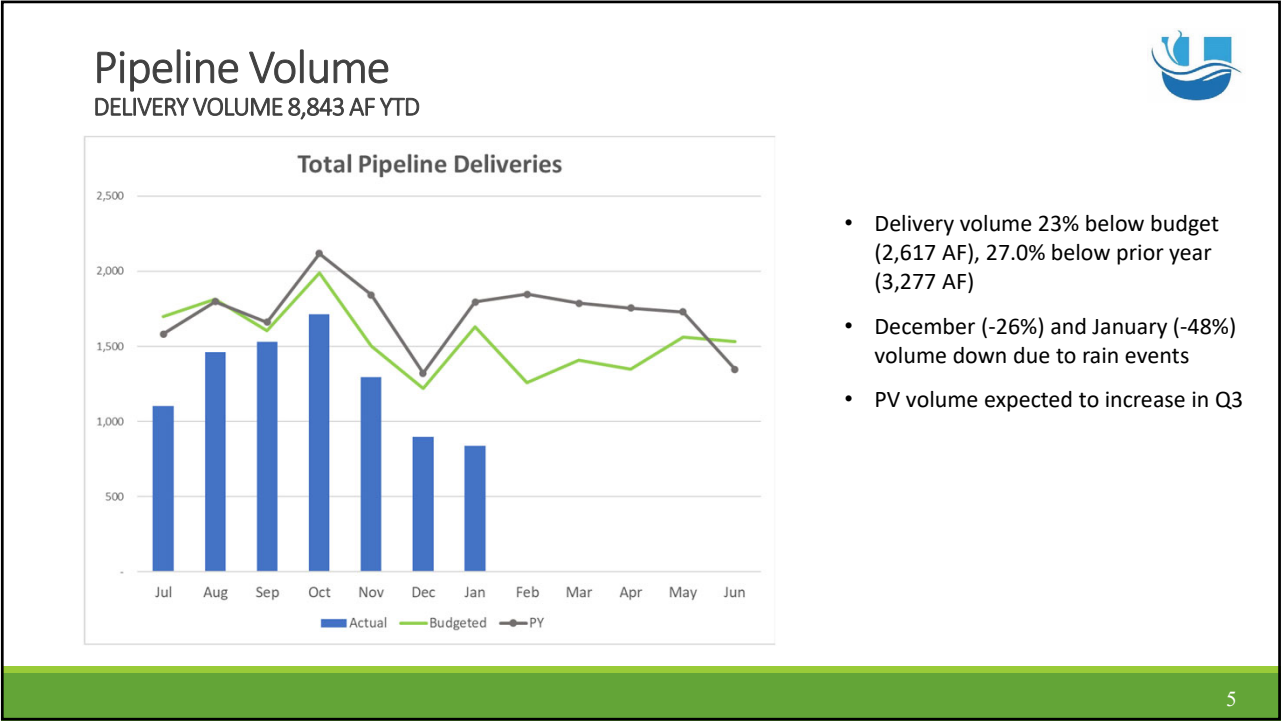
### Water Delivery Revenue



Pipeline	Actual	Budget	PY	vs Budget	vs PY	% var Budget	% var PY
OH	2,432	3,170	3,904	(738)	(1,472)	-23%	-38%
PTP	1,466	1,540	1,365	(74)	101	-5%	7%
PV	-	-	15	-	(15)	0%	0%
	<b>\$ 3,898</b>	<b>\$ 4,710</b>	<b>\$ 5,284</b>	<b>\$ (812)</b>	<b>\$ (1,387)</b>	<b>-17%</b>	<b>-26%</b>

- Pipeline revenue down 17% from budget
- OH down 23% vs. budget
- PTP up 5% vs. budget
- PV volume forecasted to increase in Q3 2022-23

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### Personnel Expenses

\$000's	Q2 2022-23 Actual	Q2 2022-23 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Regular Salary	3,451	3,674	2,202	-223	-6%	1,249	57%
Over-time Salary	81	106	55	-25	-23%	26	47%
Part-time	153	225	104	-72	-32%	49	47%
<b>Salaries</b>	<b>\$ 3,684</b>	<b>\$ 4,004</b>	<b>\$ 2,361</b>	<b>-320</b>	<b>-8%</b>	<b>\$ 1,323</b>	<b>56%</b>
Retirement- Classic	349	1,361	1,114	-1,013	-74%	-765	-69%
Retirement - PEPPRA	1,096	126	71	971	772%	1,025	1444%
Soc Sec/457b Expense	191	223	143	-32	-14%	48	34%
Medicare Expense	53	58	34	-5	-8%	19	56%
SUI Expense	1	9	1	-7	-85%	0	30%
Medical Ins Exp	381	489	249	-108	-22%	132	53%
LTD	10	11	1	-1	-6%	9	943%
Life Insurance	10	13	7	-3	-23%	3	43%
Worker's Comp Expense	93	108	97	-15	-14%	-4	-5%
401(a)	38	12	-	38	#DIV/0!	38	#DIV/0!
OPEB	31	15		16	105%	31	100%
<b>Employee Benefits</b>	<b>\$ 2,253</b>	<b>\$ 2,424</b>	<b>\$ 1,717</b>	<b>-171</b>	<b>-7%</b>	<b>\$ 536</b>	<b>31%</b>
<b>Personnel Expenses</b>	<b>\$ 5,937</b>	<b>\$ 6,429</b>	<b>\$ 4,078</b>	<b>-491</b>	<b>-8%</b>	<b>\$ 1,859</b>	<b>46%</b>


- Salaries are favorable to budget 8%
- Employee Benefits are favorable to budget 7% primarily due to:
  - Lower actuals in Medical Insurance Expense
  - Lower workers' Comp Insurance
  - Lower salaries are driving the majority of the savings

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### Operating Expenses

PROFESSIONAL AND LEGAL FEES DRIVE BUDGET FAVORABILITY




\$000's	Q2 2022-23 Actual	Q2 2022-23 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Profess Fees - Engineering	134	254	41	(120)	-47%	93	226%
Prof. Fees - Environmental	244	1,168	168	(924)	-79%	76	45%
Prof. Fees - IT consulting	10	120	1	(110)	-92%	9	900%
Prof. Fees - GW Consulting	8	64	26	(56)	-88%	(18)	-71%
Prof. Fees - Other	252	830	154	(579)	-70%	98	64%
<b>Professional Fees</b>	<b>\$ 647</b>	<b>\$ 2,437</b>	<b>\$ 390</b>	<b>\$ (1,790)</b>	<b>-73%</b>	<b>\$ 257</b>	<b>66%</b>
<b>Legal Fees</b>	<b>\$ 719</b>	<b>\$ 2,277</b>	<b>\$ 121</b>	<b>\$ (1,559)</b>	<b>-68%</b>	<b>\$ 598</b>	<b>495%</b>
Utilities	797	990	604	(193)	-20%	193	32%
Maintenance	583	1,108	735	(525)	-47%	(152)	-21%
Field Supplies	23	31	151	(8)	-26%	(128)	-84%
Insurance	696	179	555	517	289%	141	25%
Office Expenses	84	169	50	(86)	-51%	34	67%
Miscellaneous	516	516	1,174	-	0%	(658)	-56%
Travel, Trainings and Meetings	35	140	26	(105)	-75%	9	36%
Gasoline, Diesel, Fuel	94	102	94	(8)	-8%	(0)	0%
Fox Canyon GMA	(81)	314	(176)	(396)	-126%	95	-54%
Safety, supplies, clothing	73	68	31	5	8%	42	100%
Telephone	33	42	3	(9)	-21%	30	998%
<b>General Operating Expenses</b>	<b>\$ 2,853</b>	<b>\$ 3,659</b>	<b>\$ 3,247</b>	<b>\$ (806)</b>	<b>-22%</b>	<b>\$ (394)</b>	<b>-12%</b>
<b>State Water Import Costs</b>	<b>\$ 572</b>	<b>\$ 745</b>	<b>\$ 489</b>	<b>\$ (173)</b>	<b>-23%</b>	<b>\$ 83</b>	<b>100%</b>
<b>Total Operating Expenses</b>	<b>\$ 4,791</b>	<b>\$ 9,118</b>	<b>\$ 4,247</b>	<b>\$ (4,327)</b>	<b>-47%</b>	<b>\$ 544</b>	<b>13%</b>

- Professional Fees are favorable to budget by \$1.8M
- Legal fees are favorable to budget by \$1.6M
- Operating expenses \$806K favorable primarily driven by Maintenance \$525K, Utilities \$193K and Fox Canyon GMA \$396K off-set by and over-run in Insurance \$517K

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### Supplemental Water Purchase Fund

STATUS UPDATE



	<u>Revenue (\$000'S)</u>
Beginning Balance - July 1, 2021	\$2,740
<b>REVENUES</b>	
Surcharge Revenue	\$1
Water Delivery	\$94
LAIF Interest	\$1
<b>EXPENDITURES</b>	
Water Purchase	\$0
Ending Balance December 31, 2022	\$2,835

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United Water

CONSERVATION DISTRICT

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

ADMINISTRATIVE SERVICES DEPARTMENT  
MONTHLY UPDATE

February 27, 2023

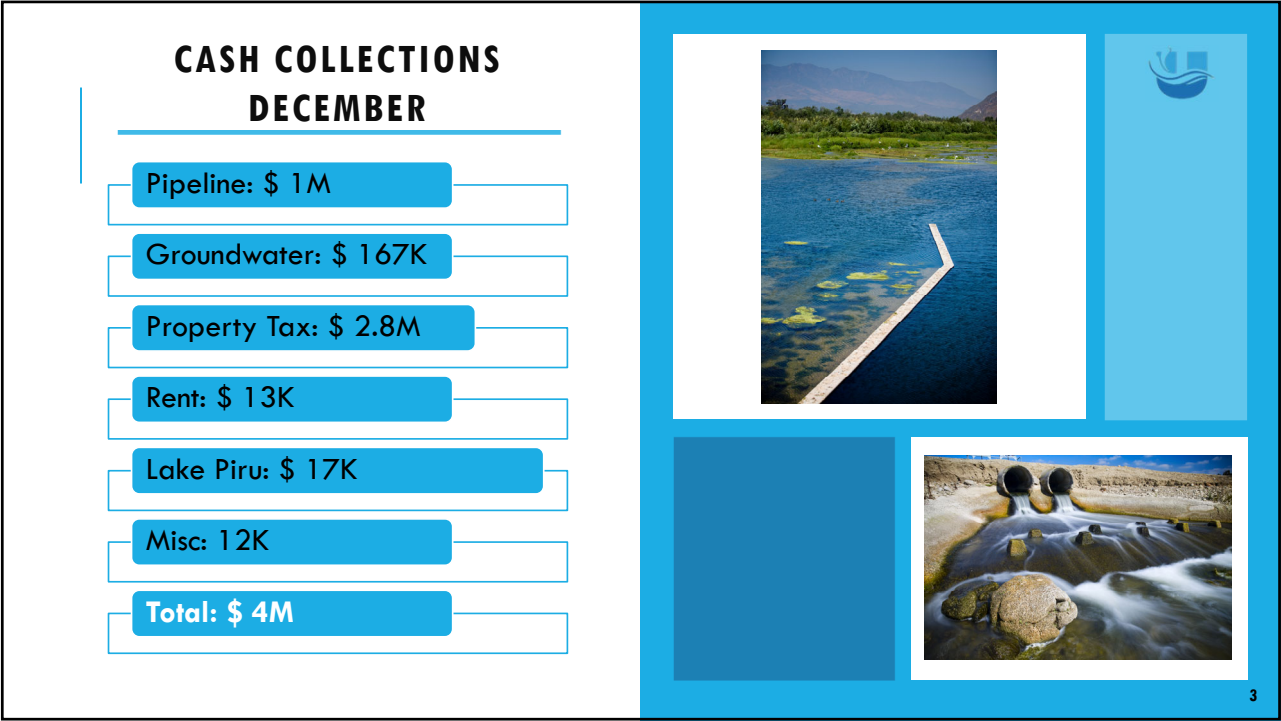
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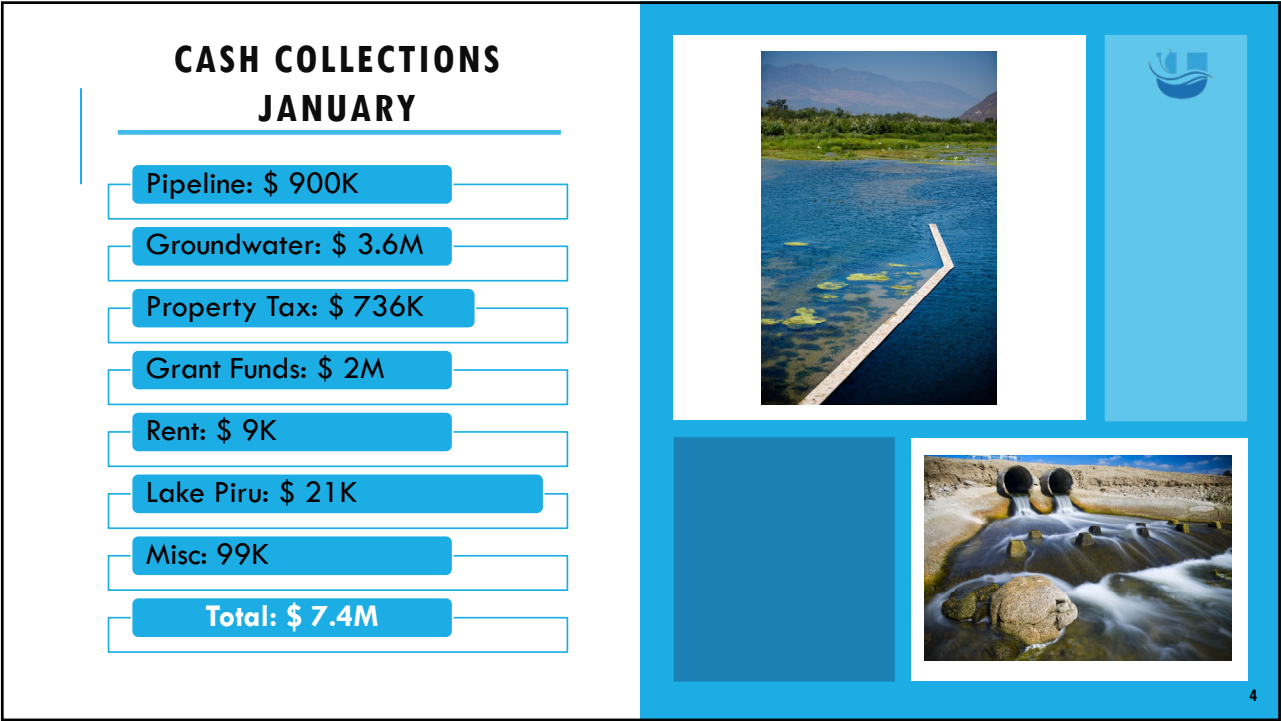
FINANCIAL UPDATE

CHIEF FINANCIAL OFFICER  
BRIAN ZAHN

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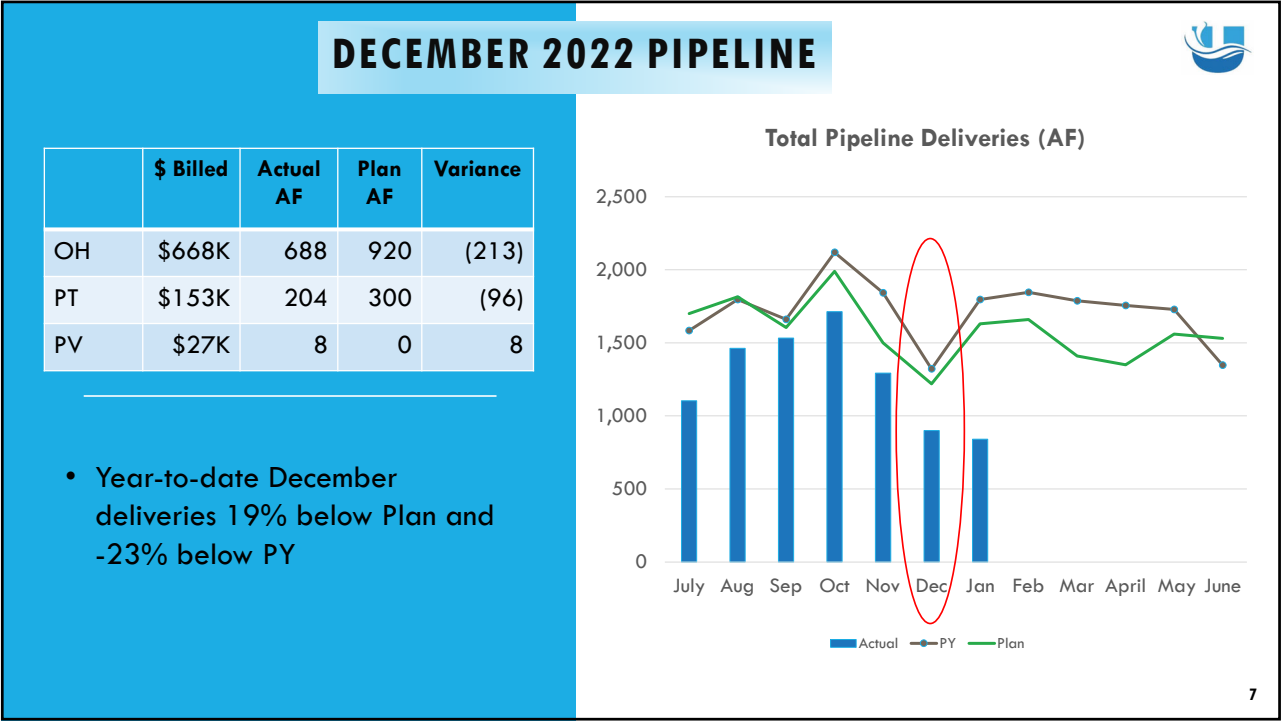


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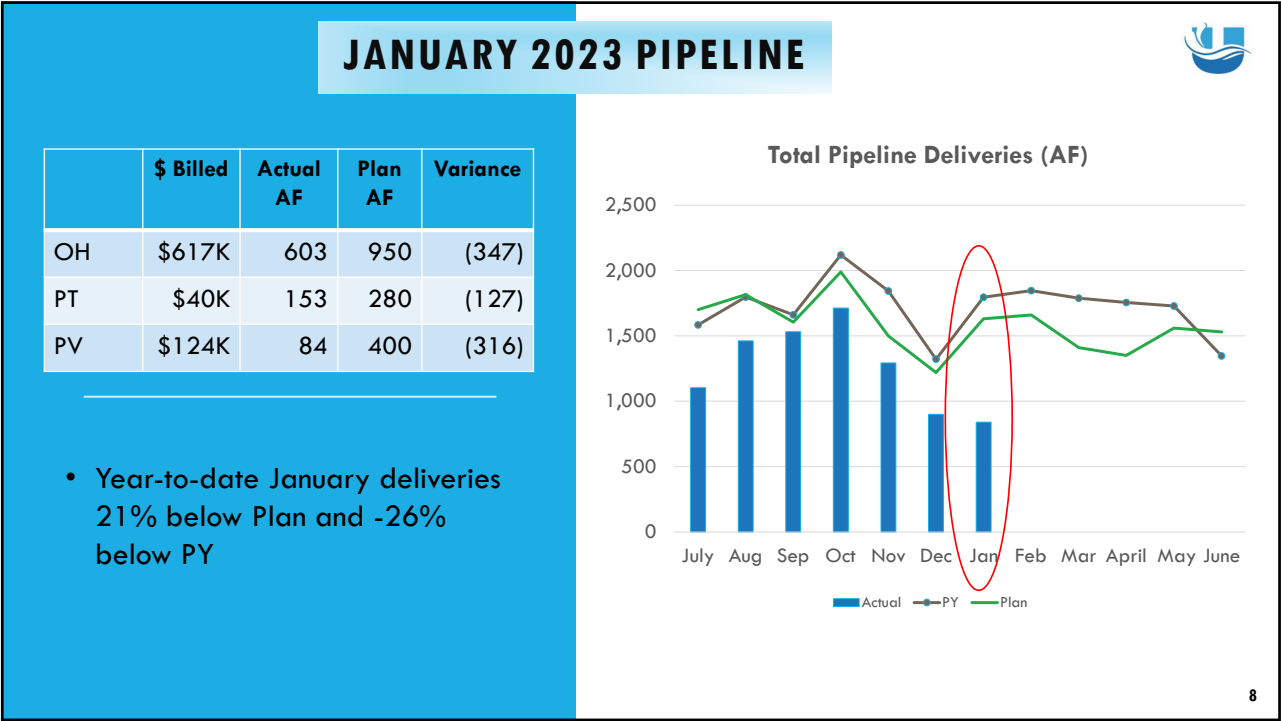









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BOARD MOTION ITEMS with FISCAL IMPACT




Motion Number	Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
##	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.

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FINANCE DEPARTMENT

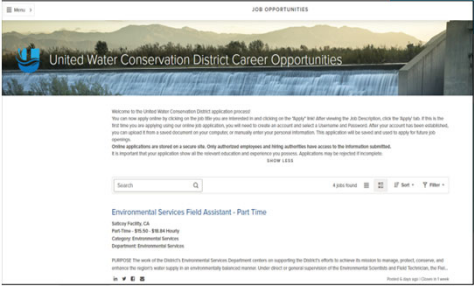



- Met with Department Managers to review their FY 2023-24 Budget templates and Preliminary requests. Staff is working to combine requests into a FY 2023-24 draft budget. Preliminary Budget meeting with the General Manager and Assistant General Manager is scheduled on March 6, 2023.
- Working with Human 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.

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- Finalizing the 2023 SDRMA Annual Renewal Questionnaire.
- Posted the OSHA Form 300A and Regulatory Compliance Poster at all District facilities.
- Developed and completed personnel and budget requests 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)
- Hired two Park Ranger staff members and began efforts to interview and select Seasonal Park Ranger Assistant staff members to join the Lake Piru Recreation Area team.

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CURRENT EMPLOYEE RECRUITMENTS

Environmental Services Manager


Selection made – start date 3-6-2023

Environmental Scientist – Regulatory Affairs

Selection pending

Engineering and Water Resources


Postings forthcoming pending consultation with GM





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- 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 Area 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 evaluations.










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- Upgraded SFD Maintenance Facilities network which included installation of upgraded network switches and rewiring SFD Shop network infrastructure to improve efficiency.
- Worked collaborative to support security gate network-based communications to the gate and intercom systems for greater efficiency.
- 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. District IT staff exercised backup and recovery procedures to expedite system availability.
- UWCD HQ Multi-Purpose Board Room - Recent guests included the Farm Bureau of Ventura, the California Avocado Society, and the American Water Association of Ventura County.
- Initiated a travel kit conference and presentation system to enable online capabilities on the go.



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# Questions?

**United Water Conservation District**  
“Conserving water since 1927”

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### **Staff Report**

**To:** UWCD Finance and Audit Committee Members

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

**From:** Brian H. Zahn, Chief Financial Officer

**Date:** March 28, 2023 (April 3, 2023, meeting)

**Agenda Item:** 6a. **Approving the Appointment of Lance, Soll & Lunghard, LLP  
Board Motion**

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#### **Recommendation:**

The Committee will consider recommending the appointment of Lance, Soll & Lunghard, LLP (LSL) and authorizing the General Manager to execute a three-year auditing services contract with LSL in an amount not-to-exceed \$139,896 to the full Board of Directors. This transition will provide the District with a financial audit firm for the next three years, with an option to extend it an additional two years.

#### **Background:**

The District is required to have an independent annual review of its financial records. The District's auditor rotation policy requires that a competitive bid process be undertaken to select auditors every five years, at a minimum. The policy is intended to preserve auditor independence and provide the District a fresh perspective. United ended its current contract with Vasquez after three years at Vasquez's request because their audit engagement was not profitable for them.

On January 13, 2023, staff issued a Request for Proposals (RFP) for Auditing Services. The RFP was posted on the CSDA along with the CSMFO website, and it was for a three-year contract, with an option to extend two additional years for a total of five. The RFP is attached in Appendix "B."

The District received a total of five (5) proposals by the RFP closing date of February 13, 2023. The proposals ranged in price from \$32,465 to \$62,000 for the first year's financial statement audit. The firms that responded are listed below along with their costs:

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6a. **Approving the appointment of Lance, Soll & Lunghard, LLP**  
**Board Motion**

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Name	Years					Total	
	1	2	3	4	5	3 Year	5 Year
Badawi and Associates	\$ 36,985	\$ 38,115	\$ 39,295	\$ 39,295	\$ 39,295	\$ 114,395	\$ 192,985
Harshwall and Company LLP	\$ 35,000	\$ 36,750	\$ 38,588	\$ 40,517	\$ 42,541	\$ 110,338	\$ 193,396
Lance, Soll and Lunghard LLP	\$ 45,260	\$ 46,619	\$ 48,017	\$ 49,458	\$ 50,942	\$ 139,896	\$ 240,296
Moss Levy and Hartzheim LLP	\$ 32,465	\$ 32,465	\$ 32,465	\$ 32,465	\$ 32,465	\$ 97,395	\$ 162,325
Vasquez Company	\$ 62,000	\$ 65,138	\$ 68,364	\$ 71,738	\$ 75,324	\$ 195,502	\$ 342,564

The Districts' chief financial officer (CFO) developed a matrix of evaluation criteria, and each proposal was independently evaluated by the CFO, controller, and accounting supervisor to rank each proposal. Pricing was also incorporated into the evaluation. The scale used to evaluate each criteria was 1 - being best, 5 - being worst, and 0 - being not applicable. So, the lowest score was the preferred candidate. The actual Matrix, including scoring, is included in Appendix "A."

After completing the independent evaluations, the top two firms were invited to be interviewed. The top two firms were LSL with a score of 77.5 and Moss, Levy and Harthem LLP with a score of 87.

During the interviews, the firms were evaluated based on the criteria specified in the RFP. The interview questions were designed to assess each firm's experience and expertise, as well as management and work style, and their approach in providing audit services. District staff identified the following strengths of LSL's proposal that led to our recommendation:

- **Technology:** The firm strikes the right balance between people and technology using Data Analytics and AI to support their team in audit engagements. Additionally, they use the most up-to-date portal and document management tools to support client file transfers. The firm also uses technology so that they can provide onsite as well as remote audit capabilities to support the client's needs.
- **Experience with Water Districts and Public Utilities:** The team that would work on the District audit specializes in the audits of government agencies, water districts and public utilities and has over 100 municipal clients. Their experience ranges from large organizations, such as the Yorba Linda Water District to smaller agencies such as San Bernadino Municipal Water Department.
- **Government Finance Officers Association (GFOA) Reviewer on Staff:** The partner on the engagement is a reviewer for the GFOA Certificate of Excellence in Financial Reporting, which will allow the District to ensure it meets all the requirements to continue to receive the Certificate in future years.

**6a. Approving the appointment of Lance, Soll & Lunghard, LLP**  
**Board Motion**

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- **Education**: The firm is a strong believer in continuing education for its employees and provides continuing education for its clients via webinars, e-mail bulletins and GFOA seminars.
- **Supplemental Services**: The review team felt very confident in LSL's abilities to support the District in non-audit financial services such as a review of financial/accounting processes and assisting in the implementation of new accounting software.

While pricing for services was not a significant determining factor in determining the most qualified firm, LSL's pricing of \$45,260 for the financial statement audit was on the high-end. Their first-year price is \$12,795 higher than the lowest proposal, but \$16,740 less than the highest proposal. Their pricing includes one single audit. If an additional program is needed, the cost would increase \$2,000 per program, which is \$4,250 lower than our current auditors.

Staff conducted reference checks by contacting various LSL clients. The feedback received was consistent with the qualities perceived during the interview. LSL was described as great communicators, and very responsive. Clients mentioned that their use of technology and their ability to seamlessly work remotely to conduct audits. They were outstanding at scheduling and managing audit variables to keep the schedule on track. Their partner was able to present the complex financial information to the board of directors in a way that it was easily understood.

Based on the LSL's extensive audit experience and favorable feedback from their clients, staff recommends award of a three-year auditing services contract to Lance, Soll & Lunghard, LLP.

**Fiscal Impact:**

The proposed fees for the first year represent a \$5,345 increase in fees the District will pay for audit services compared to prior year. If approved, the proposed budget for FY 2023-24 will include allocations to cover these costs.

**Attachments:**

Appendix A - Evaluation Criteria Matrix  
Appendix B – RFP Professional Audit Services

## United Water Audit Proposal Evaluation Matrix

**Step 1: Grade the various criteria outlined in the proposal.**  
**Assign points based on the range recommended.**

Proposal Criteria		Points	Vasquez CPA Firm A			LSL CPA Firm B			Badawi CPA Firm C			Moss Levy CPA Firm D			Harshwal CPA Firm E			Comments
Use scale of 0-5 with 0=N/A, 1=Best, and 5=Worst			DS	AT	BZ	DS	AT	BZ	DS	AT	BZ	DS	AT	BZ	DS	AT	BZ	
1	Location (are they local to the District)	0-5	2	0	3	2	0	5	5	0	5	3.5	0	3	4	0	5	
2	The proposal addresses all items requested by us whether verbally or in the RFP	0-5	1	1	1	1	1	1	1	1	2	1	1	1	3	3	1	
3	The firms has experience with Water Districts.	0-5	1	1	1	1	1	1	2	1	2	2	1	1	4	0	4	
4	The proposal outlines an audit approach that is tailored based on obtaining an understanding of the Dostrect activities and special needs.	0-5	1	1	1	2	2	1	2	2	1	2	2	1	2	3	2	
5	The firm can audit remotely.	0-5	1	1	1	1	1	1	4	1	1	4	1	1	3	1	1	
6	The proposal outlines the firm's processes for ensuring an efficient and effective audit process.	0-5	3	1	1	1	1	1	2	1	1	2	2	1	2	1	1	
7	The proposal showcases the firm's commitment to providing quality audit services by voluntarily adhering to higher standards of audit quality. This is evidenced by sharing their current unqualified peer review report resulting from the American Institute of CPAs external peer review process.	0-5	1	1	3	1	1	1	1	2	1	1	1	1	1	1	1	
8	The firms audit schedule meets the requirement of the District.	0-5	4	1	2	2.5	1	1	3	5	1	2.5	1	1	2.5	1	1	
9	The proposal outlines qualifications, industry experience, licenses and strengths for all partners.	0-5	2	1	1	2	1	1	2	5	1	2	1	1	3	1	1	
10	The proposal specifies the strengths of assigned team members as well as their years of prior experience in the particular industry and type of engagement.	0-5	1	1	1	1	1	1	1	5	1	1	1	2	1	1	1	
11	The proposal identifies how the firm will comply with applicable industry reporting regulations, if applicable	0-5	1	1	1	1	1	1	1	2	1	1	1	1	1	2	1	
12	The proposal provides the firm's background, client base, licensing information and years in business.	0-5	1	1	1	1	1	1	1	1	1	1	1	1	1	5	1	
13	If the firm does not have relevant experience in your particular industry, the proposal specifies that the firm has identified a firm with the applicable expertise/specialty to affiliate with to assist with this engagement and provides the affiliate firm's qualifications, background and experience.	0-5	0	1	0	0	1	0	0	1	0	0	1	0	0	5	2	
14	The proposal conveys a positive and confident feeling derived from the firm's business beliefs, communication practices and unique qualifications of which lays the foundation for a trusted relationship.	0-5	2	1	3	2	1	1	2	1	2	2	1	3	2	5	3	
15	The proposal provides a listing of additional value added services the firm provides beyond the audit engagement. (e.g. proactively monitor and communicate topics relevant to your financial and business operations all year long that may impact your future success)	0-5	1	3	1	2	3	1	1	3	1	1	3	1	1	3	1	
16	It is evident that the firm understands the District and our challenges.	0-5	2	2	2	4	2	2	4	2	2	4	3	3	4	3	3	
17	The proposal clearly provides a framework for the scope, timing, steps and resources to complete the engagement.	0-5	2	1	2	1	1	1	1	1	1	1	2	2	3	1	1	
18	The proposal specifies the price for the engagement and how it will be billed.	0-5	1	1	1	1	1	1	1	1	1	1	1	1	3	1	2	

Proposal Criteria		Points	CPA Firm A			CPA Firm B			CPA Firm C			CPA Firm D			CPA Firm E			Comments
19	The proposal specifies fees to be paid to specialists for the engagement (if any).	0-5	0	1	1	1	1	1	0	1	1	0	1	1	0	1	1	
20	The proposed fee is reasonable based on the experience, unique value and knowledge the firm brings to the engagement.	0-5	5	3	5	3	1	1	2	1	1	2	1	1	1	1	1	
Total Points			32	24	32	30.5	23	24	36	37	27	34	26	27	41.5	39	34	
21	Cost - rank costs 1-5 with 1+ lowest price and 5= highest price	0-5	5			4			3			1			2			
21	Cost - \$\$\$		\$ 62,000			\$ 42,260			\$ 36,985			\$ 32,465			\$ 35,000			
Total Points			88			77.5			100			87			114.5			
22	Hour to conduct audit		496			220			400			435			220			
23	Additional Single Audit Cost		\$ 6,250			\$ 2,000			?			\$ 2,500			?			
24	Inflations rate		5%			3%			3%			?			5%			

**United Water Conservation District**  
**Request for Proposals**  
**For**  
**Professional Audit Services**



**United Water Conservation District**  
**1701 N. Lombard Street, Suite 200,**  
**Oxnard, California 93030**  
**(805) 525-4431**

RFP Posting Date  
January 13, 2023

RFP Due Date  
February 13, 2023  
At 5:00 p.m.

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REQUEST FOR PROPOSALS  
PROFESSIONAL AUDITING SERVICES  
January 13, 2023

**I. INTRODUCTION:**

**A. Purpose**

The United Water Conservation District (the District) is requesting proposals from qualified Certified Public Accounting firms (herein “auditor”) to perform an audit and issue opinions on the District’s financial statements for three (3) years beginning with the calendar year ending June 30, 2023, with the option of extending the contract for two (2) additional one-year periods, at the District’s sole discretion. The agreement may be terminated if the District determines the audit services to be unsatisfactory.

There is no expressed or implied obligation for the District to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sec. 6250 et. seq.) unless exempt. Additionally, the District reserves the right to reject any proposals submitted.

The District will review all submittals and recommend based on the established evaluation criteria. After evaluating the proposals, the highest-ranked firm or consultant may be interviewed. All firms or consultants submitting a bid will be notified about their selection process status in writing.

Proposals submitted will be evaluated on behalf of the District by the Evaluation Team, which will consist of District Staff. During the evaluation process, the District reserves the right, where it may serve the District’s best interest, to request additional information and clarifications from proposers or to allow corrections of errors or omissions. Interviews may be scheduled by the District for the week of March 06, 2023, at the District’s discretion of any one or more firms. It is anticipated that the recommendation of the auditing firm selected will be presented to the Board of Directors at its April regularly scheduled meeting in 2023. Following notification of the selected firm, it is expected that a contract will be executed between both parties by April 30, 2023, effective May 1, 2023.

**II. DISTRICT PROFILE**

**A. Background Information**

United Water Conservation District (UWCD) is a legislatively established Water Conservation Districts in the State of California. The District’s principal act is the Water Conservation District Law of 1931 (Water Code Section 74000 et seq.). An essential responsibility of the District is to protect and augment groundwater supplies necessary for the public health, welfare and safety of the people of the State of California. The responsibility directly arises from Article X, Section 2 of the California Constitution, which among other things provides that the general welfare requires the water resources of the State to be put to beneficial use to the fullest capable extent possible, that waste or unreasonable use of water be prevented, and that conservation of waters is to be exercised recognizing reasonable and beneficial use in the interest of the people of the State for the public welfare. UWCD is not a Municipal Water District, Wholesaler/Retail Water purveyor, or a general government service provider.

The fundamental mission of the District has not changed since the District was reformed under the Water Conservation Article Law of 1931, although the funding model for its water conservation efforts was legislatively amended in 1979 in recognition of its critical responsibilities.

The District covers approximately 214,000 acres in central Ventura County, California. The District administers a "basin management" program for the sub-basins that make up the Santa Clara River Valley Basin, utilizing the Santa Clara River and its tributaries for replenishment of groundwater. The District's facilities include the Santa Felicia Dam, Lake Piru and Lake Piru Recreation Area, Saticoy, El Rio and Piru groundwater recharge facilities, the Freeman Diversion, the Saticoy Well Field, the Pleasant Valley, Oxnard-Hueneme and Pumping Trough delivery systems (pipelines) that include wells, treatment facilities, reservoirs and booster pumping stations. Funds are used for each of these activities to account for revenue and expenditures.

The District's mission is to *manage, protect, conserve and enhance* the water resources of the District and produce a reliable and sustainable supply of groundwater for the reasonable and beneficial use of all users. This mission statement is the foundation of the District's Strategic Plan Framework which provides the overall policy direction for District staff to manage and prioritize its programs and activities.

Because of its status as a water conservation district and funding authorities, financial reporting is unique as the District attempts to comply and distinguish its water conservation authority mandate, as provided for in the California Water Code, and the District's governmental status that requires it to comply with Generally Accepted Accounting Principles.

The Board adopts the District's annual operating and capital improvement budget by no later than June 30th for the upcoming fiscal year (July 1 through June 30). The budget is prepared by staff on a fund, department, account and project basis in order to proportionally allocate costs to the District's primary cost centers (funds) and submitted to the Board in a fund-account presentation with a detailed discussion of the proposed budget, which is reviewed and deliberated on from approximately May 1 until the meeting of the Board of Directors in June at which time the spending plan is adopted.

#### **B. Prior Auditor**

Vasquez & Company., LLP has been the District auditor for three (3) years.

### **III. NATURE OF SERVICES REQUIRED — SCOPE OF WORK**

#### **A. Scope of Work to be Performed**

The District desires the auditor to express an opinion on the fair presentation of its general-purpose financial statements in conformity with generally accepted governmental accounting principles (GAAP). The scope of work relative to this request for proposals shall include the following tasks:

1. A pre-audit conference (teleconference is acceptable) is required to provide a clear understanding of any conditions to be met by District staff and the auditor's responsibilities so that the audit can be conducted on a timely basis and concluded following predetermined schedules.
2. Auditor shall perform an audit of all funds and financial statements of the District. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller of the United States.

3. Auditor shall prepare the combined financial statements, footnotes, and required supplementary information. The District's personnel must review any results prepared by the auditor which alter the District's books.
4. Auditor shall assist District personnel in applying GAAP and provide the support necessary to maintain sound financial management procedures. Auditor shall give financial advice and counsel on proper accounting practices and significant matters occurring throughout the year that would affect the annual reports.
5. Auditor shall express an opinion on the fair presentation of its financial statements in conformity with GAAP. The auditor shall also be responsible for performing specific limited procedures involving preparing supplementary information required by the Governmental Accounting Standards Board (GASB) and mandated by generally accepted auditing standards (GAAS). Review other supplementary information and statistical sections to ensure they are consistent with financial statement information.
6. Auditor shall evaluate the adequacy of the internal control system and, where weaknesses are noted, make appropriate recommendations for improvements.
7. Auditor shall prepare a report for the Board of Directors and management, which identifies control deficiencies, significant deficiencies, material weaknesses, and recommendations for improvements in accounting and administrative controls.
8. The auditor shall be required to make an immediate written report of all irregularities and illegal acts they become aware of to the Board of Directors and General Manager.
9. The Partner of the audit shall attend the board meeting to present the audit to the Board and answer any questions the board may have. The agency may request a representative to participate in discussions with the Chief Financial Officer and the General Manager if clarification of audit findings is necessary.
10. Management Letter - The audit examination shall evaluate the District's accounting system, internal control structure, data processing methods, and financial records. This evaluation shall be comprehensive enough in scope to provide for an appropriate report thereon to the District. The auditor shall prepare a separate management letter on the internal control structure based upon the auditor's understanding of the control structure and assessment of control risk. This report shall be submitted to District and outline the auditor observations and recommendations for enhancement, including any reportable conditions found during the audit.
11. Audit procedures shall include a review of the Investment Policy to provide assurances of strong internal controls by reviewing compliance with established policies and procedures. The result of this review Shall be included in the annual audit report to the Board of Directors. The auditing firm shall submit a draft of the financial statements to the management no later than November 6, 2023.
12. The District has been subject to the single audit requirements for multiple projects. The audit firm will perform a single audit on the expenditures of federal grants following the U.S. Office of Management and Budget (OMB) Grant Guidance/Super Circular. The auditor shall interpret the relevant audit reports of Internal Control over Financial Reporting based on the audit of the District's basic financial statements following Government Auditing Standards and the relevant information on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards. The single audit report will include an appropriate schedule of expenditures of federal awards, footnotes, findings, and questioned costs, including reportable conditions,

materials, and weaknesses, and follow- up on prior audit findings where required.

**B. Additional Work**

If it should become necessary for the District to request the auditor to render any additional services to either supplement the services requested in this RFP or perform other work due to the specific recommendations included in any report on this engagement. Extra requested work shall be performed as described in an addendum to the contract between the District and the firm. Any additional work agreed to between the District, rates outlined in the schedule of fees and expenses included in the Proposal Data Sheet, and the contents of the Technical Proposal shall remain.

**C. Working Paper Retention**

All working papers and reports must be retained at the auditor's expense for a minimum of seven (7) years unless the firm is notified in writing by the District of the need to extend the retention period. The auditor will be required to make working papers available to the District. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

**IV. TIMING AND SUBMISSION INSTRUCTIONS**

- A.** We have made every effort to include sufficient information within this Request for Proposal (RFP) for firms to prepare as responsive, comprehensive, and competitive a proposal as possible.

The timing of the proposal process is as follows:

1. Distribution of RFP: January 13, 2023.
2. Proposal Submission

Proposal shall be submitted bearing the caption: Proposal for Professional Auditing Services and addressed to:

Brian H. Zahn United Water Conservation District  
[brianz@unitedwater.org](mailto:brianz@unitedwater.org)  
1701 North Lombard Street Suite 200  
Oxnard, CA 93030

Proposers may submit one (1) printed copy via mail or in-person to Brian H. Zahn, Chief Financial Officer.

**Printed copies must be delivered via mail or delivery to the above office on or before 5:00 p.m. P.T. on Monday, February 13, 2023. (Proposals received after the deadline will not be considered).**

3. Questions Regarding this RFP

Inquiries regarding this RFP are due by email on or before 5:00 p.m. P.T. on January 27, 2023. All inquiries must include a contact person, address, and email address. All known respondents will receive responses to questions by February 03, 2023. Questions can be addressed to:

Brian H. Zahn United Water Conservation District  
[brianz@unitedwater.org](mailto:brianz@unitedwater.org)  
1701 North Lombard Street Suite 200  
Oxnard, CA 93030

*To ensure that your firm receives responses to inquiries, please send an email to Brian H. Zahn CFO and include questions and contact information. An electronic RFP submittal instead of following submittal protocol will disqualify your RFP submittal.*

4. Amendments to Proposals

Revisions to proposals are allowed. Submit electronic corrections to Brian H. Zahn, ([brianz@unitedwater.org](mailto:brianz@unitedwater.org)) before the Closing date and time. The modification must indicate the change in the proposal price if any.

5. Addenda to this RFP

Suppose the District deems it necessary to clarify or make any changes to this RFP. In that case, these changes shall be made in the form of a written addendum authorized and issued by Brian H. Zahn or the authorized designee. Proposers shall acknowledge receipt of any supplements in the Transmittal Letter.

6. Proposal Review: Our review committee will evaluate each proposal submitted. The review process is anticipated to be completed by March 31, 2023.
7. Interviews, as needed: Any finalists selected for an oral presentation will be notified. Interviews will take place at United District Offices or virtually the week of February 27, 2023.
8. Notification to all bidders: We anticipate sending written notice to all proposers regarding the outcome of the review process by April 30, 2023. We will provide an electronic copy of the finalist proposal(s) upon written request.
9. Notification to finalists: The review committee will forward its recommendation to the District's Board of Directors for approval at the April regularly scheduled meeting of 2023. All finalists will be notified of the final decision by April 30, 2023.
10. Contract Term: The Audit Services contract will become effective on the execution of the agreement for three (3) calendar years ending June 30, 2023, 2024, and 2025 with the option to extend the contract for two (2) additional one-year periods, at the District's sole discretion.

We will try to administer the proposal process following the terms and dates discussed in this RFP. However, we reserve the right to modify the proposal process and dates as deemed necessary and not to award a contract. The District assumes no obligation for any costs incurred by any proposer in preparing the response to this request, attending an interview or any other activity before award of the contract to the selected proposer.

**B. Project Schedule for the Fiscal Year 2023 Audit (Year ending June 30)**

1. The auditor shall be prepared to perform Interim Field work the week of May 8<sup>th</sup>.
2. The auditor shall provide the District with a detailed Audit Plan, and a list of all schedules to be prepared by the District no later than July 1 of each respective year following the year under audit.
3. The District expects to have all records, prepared by client lists, and schedules ready for the audit fieldwork before September 8<sup>th</sup> of each respective year following the year under audit and would expect field work to commence no later than the beginning to the middle of September of each year for the prior the year under audit.
4. The auditor shall complete their work concerning the financial statements in time to furnish the District with their letter of opinion no later than November 13, of each respective year following the year under audit.
5. Should the District exercise the option for the selected auditor to perform subsequent work, the time mentioned above schedule shall be applicable. The auditor's failure to strictly adhere to the schedule may result in the assessment of damages against the auditor for the delay. Notwithstanding the preceding, the auditor shall not be responsible for delays due to causes beyond the auditor's reasonable control.
6. A draft of the management letter shall also be provided by November 6 of each respective year for the prior year under audit. District Staff shall have the opportunity to discuss and comment upon any findings and recommendations before issuance.

**C. Assistance Provided to the Auditor**

Finance Department staff will be available during interim and audit fieldwork to assist the firm by providing access and direction to information and documentation and explaining all inquiries. Staff will provide clerical assistance to prepare confirmations and other routine correspondence.

The District will provide the auditors with a good workspace, phone, wireless internet, and copy machine access.

**D. Payment**

Progress payments will be made on work completed during the engagement. Interim billings shall cover not less than a calendar month.

**V. GENERAL TERMS AND CONDITIONS**

- A.** This RFP does not commit the District to enter into a contract. The District expressly reserves the right to reject all proposals at its sole discretion and option without indicating any reason(s) for such rejection. If all bids are rejected, the District may or may not request additional proposals. The District may withdraw this RFP at any time without advance notice.
- B.** The District reserves the right to postpone the RFP process for its own convenience, should negotiations with the selected company be terminated, negotiate with another company, or cancel any section of this RFP. The District also reserves the right to apportion the award among more than one company.



- C. Any agreement resulting from this RFP will be executed after successfully negotiating contract terms and conditions, and all applicable procedural requirements have been met.
- D. The District reserves the right to remedy technical errors in the RFP process or waive proposal informalities and irregularities. Proposals should be verified before submission. The District is not responsible for errors or omissions on the part of the respondent in the preparation of a proposal. The District will not return any proposals.
- E. The District may investigate the qualifications of any Proposer under consideration, require confirmation of information furnished by the proposer, and require additional evidence or qualifications to perform the Services described in this RFP.
- F. The District reserves the right to expand or diminish the scope of services subject to negotiation with the successful proposer.
- G. The District is not required to select the proposal that may indicate the lowest price or costs.
- H. The District will not be liable for any costs incurred by responding firms related to the preparation and submittal of proposals, making of initial presentation to the District, negotiating a contract for services, or any other expense incurred by the proposer before the date of an executed contract. In addition, no Proposer shall include any such expenses as part of the price proposed to conduct the scope of services for this project.
- I. Proposer may withdraw a proposal before the expiration time in this RFP by delivering to Brian H. Zahn or the authorized designee an emailed or written request for withdrawal signed by, or on behalf of, the proposer.

## **VI. PROPOSAL ELEMENTS**

Proposals submitted under this request must contain the following information:

### **A. Format of Technical Proposal**

- 1. Cover Page
  - a) The RFP subject
  - b) The proposing firm's name
  - c) Contact person's name, local address, telephone number, and email address. If the firm has more than one office, state which office will be responsible for providing services to the District, and;
  - d) The date of submission
- 2. Table of Contents
  - a) Identification of material submitted by section and page number
  - b) Cross references to section and page number of RFP would be helpful
- 3. Transmittal Letter

- a) A general introduction stating the proposer's understanding of services;
- b) A commitment to perform the service within the timeperiod;
- c) A statement why the firm believes itself to be best qualified to perform the engagement;
- d) A statement of how long you have been in business and how many financial audits were performed by your firm for public agencies during the past five (5) years;
- e) A statement that the proposal is a final and irrevocable offer for sixty (60) calendar days from the submitted date;
- f) A statement that the Auditor has no conflict of interest of the work performed;
- g) A statement that the audit firm is independent and licensed to practice in the State of California;
- h) Name(s) of person(s) authorized to represent the proposer, title, address, telephone number, email address, and;
- i) Signature.

#### 4. Detailed proposal Following the Order outlined in Section A

### **B. Contents of Technical Proposal**

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, and capacity of the firms seeking to undertake an independent audit of the District in conformity with the requirements of this RFP. The Technical Proposal should demonstrate the firm's qualifications and the staff assigned to this engagement. It should also specify an audit approach that will meet the RFP requirements.

The Technical Proposal should address all the points in the order outlined in the RFP (exclude any cost information, which should only be included in the cost proposal section). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the RFP.

While additional data may be presented, the areas detailed below must be included.

#### 1. License to Practice in California

An affirmative statement that the firm and all assigned key professional staff are licensed to practice in California.

#### 2. Independence

The firm should provide affirmative statement that it is independent of the District as defined by GAAS and the U.S. General Accounting Office's Government Auditing Standards.

The firm should also list and describe the firm's professional relationships involving the District for the past five (5) years, with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the District written notice of any professional relationships entered into during this agreement period.

### 3. Insurance Requirements

The chosen firm/consultant will be required to maintain insurance coverage throughout the Professional Services Agreement (PSA). It shall provide United with evidence of said coverage as outlined in the PSA. According to a review by the District's legal counsel, the requirement is subject to change and modification. Please review contract language and insurance requirements before submitting a proposal and note any proposed exceptions to the PSA tenets in your proposal.

### 4. Firm Qualification and Experience

To qualify, the firm must have extensive experience in audits of local governments as well as experience with the preparation of basic financial statements in compliance with GAAP, Minimum Audit Requirements and Reporting Guidelines for Special Districts as required by the State Controller's Office, and GASB requirements.

The proposal should briefly introduce your firm, indicating whether your firm is local, regional, national, or international. State the size of the firm, including the size of the firm's governmental audit staff. Include the location of the office to perform RFP services and the number of full-time and part-time employees specific to this RFP. Indicate the name of the person authorized to answer questions and bind the firm, the person's title, address, email, and telephone number.

The proposer should not be a joint venture or consortium.

If your firm participates in a peer review or quality review program, provide the year and month and the results of the most recent review. Submit a copy of the report on the firm's most recent external quality control (peer) review, with a statement whether that quality control review included a review of specific government engagements (required by Government Audit Standards).

Please provide information on the results of any federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

### 5. Engagement Partner, Manager/Supervisor, and Staff Qualifications and Experience

Identify the senior-level staff, including the engagement partner and manager/supervisor, assigned to this engagement on an ongoing basis. Indicate whether these individuals have CPA licenses to practice in California. Please provide information on the governmental auditing experience of these individuals, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations pertinent to the performance of this audit, as well as engagements performed (including years). The District reserves the right to approve or reject any replacements in the senior-level staff participating in the District's audit.

Identify junior-level staff assigned to this engagement. How stable is this team of individuals in relationship to being assigned to this engagement annually? Please indicate their experience as outlined above for senior-level staff. How will the quality of the junior-level team be assured over the agreement? Indicate whether these individuals have CPA licenses to practice in California. Please provide information on the governmental auditing experience of these individuals, including information on relevant continuing professional education for the past three (3) years and membership in

professional organizations pertinent to the performance of this audit, as well as engagements performed (including years). The District reserves the right to approve or reject any replacements in the junior-level staff participating in the District's audit.

Include resumes of those individuals supervising the audit.

6. Prior Engagements with the District

List all engagements within the last five (5) years separately, ranked based on total staff hours, for the District by type of engagement (i.e., audit, the management or advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

7. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed to perform the services required in Section III of this RFP.

a) Proposed segmentation of the audit work:

- i. What will be accomplished during the interim, and what at year-end?
- ii. What other contact can the District expect during the year related to the audit engagement?

b) Expectations of District Staff:

- i. What documents and working papers are expected to be provided by District Staff during interim and year-end work? Please provide sample Prepared by Client (PBC) lists and schedules for each section of the audit fieldwork.

c) The proposed time frame for each segment of audit work:

- i. What is the anticipated length of fieldwork for interim and year-end work?
- ii. What is the standard turnaround time from the end of fieldwork to senior level review, to final draft, to partner review, to audit report issuance?

8. Planned number of hours on the engagement for each level of auditing staff.

a) Sample size and the extent to which statistical sampling used for the engagement.

9. Type and extent of use of software in the engagement.

10. Type and extent of analytical procedures used in the engagement.

11. The approach taken to gain and document an understanding of the District's internal control structure.

12. The approach to determining laws and regulations is subject to audit test work.

13. The approach to be taken in drawing audit samples for tests of compliance.

14. Identification of Anticipated Potential Audit Problems

15. The proposer should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems, and any special assistance required by the

District.

16. References

Please provide the name of all cities, counties, and special districts for which the firm has audited basic financial statements during the past three (3) years. These engagements should be ranked first for special districts based on total staff hours, followed by all cities and counties ranked based on total staff hours. Indicate the scope of work, date, engagement partner, total hours.

Please include reference contact information for at least three (3) of these special districts, including the principal client contact's name, telephone number, and email address. The District reserves the right to contact any or all of the listed references.

17. Proposal Data Sheet

In addition to your formal response, all firms must enclose a data sheet. Refer to the attached form.

18. Additional Information Required

What additional information would you require from the District if you were selected to provide audit services before you accepted the engagement?

19. Delegation or subcontract responsibilities

The proposer will not delegate or subcontract its responsibilities without the prior written consent of the District.

**C. Price**

In a separate sealed envelope or email attachment, provide a not-to-exceed cost estimate for the 2023 engagement and each of the following two (2) years. Indicate how additional fees are calculated if the contract is extended beyond three (3) years. The cost estimate should be itemized by task and include a list of charge-out rates related to the names of key personnel to be used by the organization during this project. Include time, materials, travel, and other expenses, which may be associated with the duties and obligations under this Request for Proposal. All costs must be identified. This process is not considered a bid, nor will cost alone decide who is selected. Please note that the District relies heavily on the not to exceed amount and is reluctant to grant further increases unless there are substantial reasons for overage. Please provide a list of fees for additional services that may be requested in relation to this audit.

All proposals shall contain provisions if extraordinary circumstances warrant intensive and detailed services beyond those in the contractual agreement. The firm shall provide in writing and in advance, reasons for the additional service, the firm's estimate of costs, and a statement that no work will be performed without advance approval by the District. Any additional work as agreed in advance by the District shall be compensated for at the same rate quoted in the schedule submitted in the proposal.

## **VII. EVALUATION PROCEDURES**

Proposals will be evaluated using three (3) sets of criteria. Firms meeting the mandatory criteria will have their proposal evaluated and scored for both technical qualifications and price. The following represents the principal selection criteria, which will be considered during the evaluation process:

### **A. Mandatory Elements:**

1. The audit firm is independent, insured and licensed to practice in California.
2. The firm has no conflict of interest with regard to any other work to be performed for the District.
3. The firm adhered to the instructions in the RFP.
4. The firm submits a copy of its last external quality control review report, and the firm has record of quality audit work.

### **B. Technical Quality:**

#### **1. Expertise and Experience**

- a) The firm's substantial past experience in performing the required audits on government agencies comparable to the District.
- b) The quality and stability of the firm's professional staff to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation is acceptable to the District.

#### **2. Audit Approach:**

- a) The firm provided proposed plans for the various segments of the engagement which are acceptable to the District.
- b) The firm presented a thorough understanding of the objectives, scope and issues for this type of engagement.
- c) Adequacy of proposed staffing plan.
- d) Adequacy of sampling techniques.
- e) Adequacy of analytical procedures.
- f) The firm is committed to the timeliness in the conduct and completion of the audit.

### **C. Price:**

Evaluation of the maximum fee to conduct the audit.

### **D. Interviews**

During the evaluation process, committee staff may, at its discretion, request any one or more firms to make interviews. Such presentations will provide firms with an opportunity to answer any questions the committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

**E. Final Decision**

It is anticipated that the Board of Directors will approve the selected firm at the April Board meeting. Following notification to the firm selected, it is expected a contract will be executed between both parties by April 30, 2023.

**VIII. INSURANCE REQUIREMENTS**

The chosen consultant will be required to maintain insurance coverage throughout the course of the Professional Services Agreement and shall provide the District with evidence of said coverage as set forth in the Professional Services Agreement. The requirement is subject to change and modification pursuant to review by the District Attorney. Please review contract language and insurance requirements prior to submitting proposal.

**Attachment A**

**UNITED WATER CONSERVATION DISTRICT  
PROFESSIONAL AUDITING SERVICES  
PROPOSAL DATA SHEET**

**I. FIRM NAME:**

**DATE:**

**CONTACT PERSON:**

**PHONE:**

**EMAIL:**

**II. QUALIFICATIONS:**

(Briefly state your firm's qualifications)

--

**III. PAST GOVERNMENTAL CLIENTS/CONTACT PERSON (List three):**

<u>Client</u>	<u>Date Most Recent Audit</u>	<u>Contact</u>	<u>Phone</u>

**IV. AUDITING PERSONNEL PROVIDED FOR THIS ENGAGEMENT:**

<u>Name</u>	<u>Title</u>	<u>Years Experience</u>	<u>Certificate/Degree</u>	<u>Last Public Audit</u>
	Partner			
	Manager			
	Sr. Acct.			
	Accountant			

\*Please remember to include resumes with your RFP response.

**V. HOURLY RATES OF AUDITING PERSONNEL:**

<u>Name</u>	<u>Title</u>	<u>Standard Hourly Rate</u>	<u>Quoted Hourly Rate</u>
	Partner	\$ per hour	\$ per hour
	Manager	\$ per hour	\$ per hour
	Sr. Acct.	\$ per hour	\$ per hour
	Accountant	\$ per hour	\$ per hour



**VI. FEES:**

<u>Service</u>	<u>Anticipated Hours</u>	<u>Fees Y/E 06/30/23</u>	<u>Fees Y/E 06/30/24</u>	<u>Fees Y/E 06/30/25</u>	<u>Fees Y/E 06/30/26</u>	<u>Fees Y/E 06/30/27</u>
<u>Audit with financial statements</u>						
<u>Management Letter</u>						
<u>Article XIII B</u>						
<u>SCO Reporting</u>						
<u>Other per RFP</u>						
<u>Total</u>						

**VII. QUALIFICATIONS REGARDING FEES:**

(Please state succinctly any qualifications you need to make regarding your proposed fee (e.g., out of pocket expenses, fee increases, extraordinary services, etc.)

**VIII. BILLING SEQUENCES:**

(Please state the firm's normal billing practice, as it will be applied to this engagement.)

It is understood that this information must be complete and submitted by 5:00 p.m., Monday, February 13, 2023 to the United Water Conservation District, Attn: Brian H. Zahn, Chief Financial Officer, 1701 North Lombard Street Suite 200, Oxnard, CA 93030

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature of Individual Submitting Proposal  
Authorized on Behalf of Firm

\_\_\_\_\_  
Date



**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:** March 30, 2023 (April 3, 2023, meeting)

**Agenda Item:** 7. **Monthly Investment Report (February 28, 2023)**  
**Information Item**

---

**Staff Recommendation:**

The Committee will review and discuss the most current investment report for February 28, 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:**

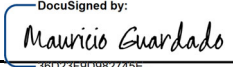
Combined Monthly Investment Report

**United Water Conservation District**  
**Monthly Investment Report**  
**February 28, 2023**

<b><u>Investment Recap</u></b>	<b><u>G/L Balance</u></b>	<b><u>Weighted Avg Days to Maturity</u></b>	<b><u>Diversification Percentage of Total</u></b>
Bank of the Sierra	2,024,392	1	3.89%
Citizens Business Bank	4,520,468	1	8.68%
US Bank - 2020 COP Bond Balance	10,268,330	1	19.72%
Petty Cash	4,400	1	0.01%
County Treasury	1,712	1	0.00%
LAIF Investments	35,241,746	1	67.68%
<b>Total Cash, Cash Equivalents and Securities</b>	<b>52,061,048</b>		<b>100.00%</b>
 <b>Investment Portfolio w/o Trustee Held Funds</b>	 <b>52,061,048</b>		
<b>Trustee Held Funds</b>	<b>-</b>		
<b>Total Funds</b>	<b>52,061,048</b>		

<b>Local Agency Investment Fund (LAIF)</b>	<b>Beginning Balance</b>	<b>Deposits (Disbursements)</b>	<b>Ending Balance</b>
	30,241,747	5,000,000	35,241,747
	<b>Interest</b>	<b>Interest</b>	
	<b>Earned YTD</b>	<b>Received YTD</b>	<b>Qtrly Yield</b>
	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.

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 38023F9D982745E...  
**Mauricio E. Guardado, Jr., General Manager**

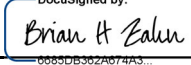
3/30/2023

**Date Certified**

DocuSigned by:  
  
 70D99ECFQD8D46E...  
**Anthony Emmert, Assistant General Manager**

3/27/2023

**Date Certified**

DocuSigned by:  
  
 6685DB362A074A3...  
**Brian H. Zahn, Chief Financial Officer**

3/27/2023

**Date Certified**

<b><i>United Water Conservation District</i></b>			
<b><i>Cash Position</i></b>			
<b>February 28, 2023</b>			
<b>Fund</b>	<b>Total</b>	<b>Composition</b>	<b>Restrictions/Designations</b>
<b>General/Water Conservation Fund:</b>			<b>Revenue collected for district operations</b>
General/Water Conservation	16,060,251	1,499,248	Includes General, Rec & Ranger, Water Conservation
		4,962,000	Reserved for legal expenditures
		6,184,000	Designated for replacement, capital improvements, and environmental projects
		3,415,003	Supplemental Water Purchase Fund
General CIP Funds	10,904,979	10,904,979	Appropriated for capital projects
2020 COP Bond Funds	6,397,065	6,397,065	Reserved for CIP Projects
<b>Special Revenue Funds:</b>			<b>Revenue collected for a special purpose</b>
State Water Project Funds	7,032,584	7,032,584	Procurement of water/rights from state water project
<b>Enterprise Funds:</b>			<b>Restricted to fund usage</b>
Freeman Fund	1,567,527	1,567,527	Operations, Debt Service and Capital Projects
		-	Designated for replacement and capital improvements
		-	Reserved for legal expenditures
Freeman CIP Fund	1,851,247	1,851,247	Appropriated for capital projects
OH Pipeline Fund	7,397,879	7,397,879	Delivery of water to OH customers
OH CIP Fund	(2,545,905)	(2,545,905)	Appropriated for capital projects
OH Pipeline Well Replacement Fund	600,706	600,706	Well replacement fund
PV Pipeline Fund	575,109	575,109	Delivery of water to PV customers
PV CIP Fund	243,578	243,578	Appropriated for capital projects
PT Pipeline Fund	971,741	971,741	Delivery of water to PTP customers
PT CIP Fund	1,004,287	1,004,287	Appropriated for capital projects
<b>Total District Cash &amp; Investments</b>	<b>52,061,048</b>	<b>52,061,048</b>	



**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:** March 22, 2023 (April 3, 2023, meeting)

**Agenda Item:** 8. **Monthly Pipeline Delivery Reports  
(February 28, 2023)  
Information Item**

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**Staff Recommendation:**

The Committee will review and discuss the most current pipeline delivery reports for February 28, 2023, that are 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.

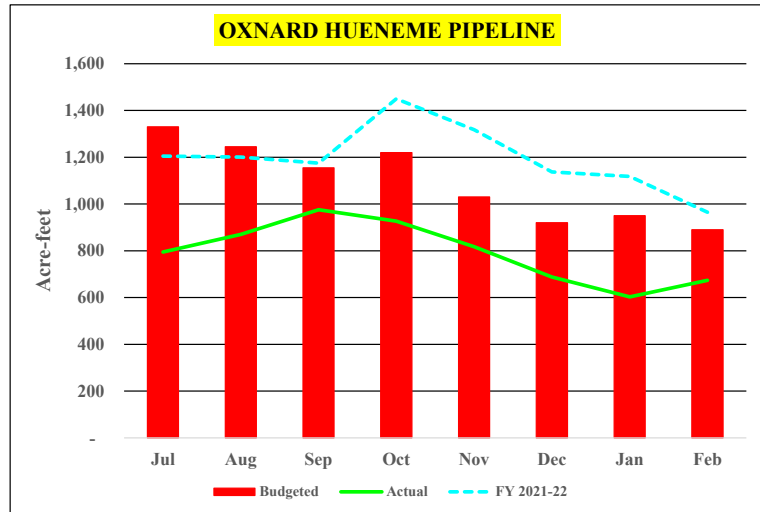
**Attachments:**

Attachment A – February Pipeline Delivery Report

**United Water Conservation District**  
**Pipeline Water Deliveries (Acre-feet)**  
**FY 2022-23 data thru February 28, 2023**

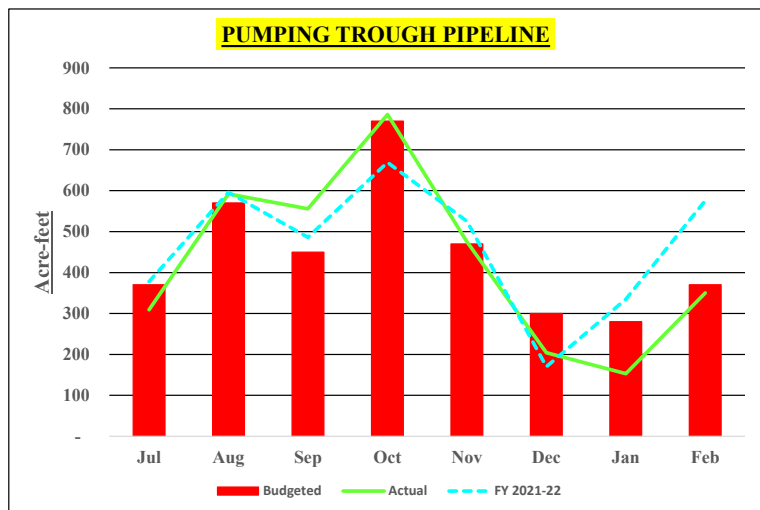
OH Pipeline 22-23			
	Projection	Actual	Difference
Jul	1,330	795	(535)
Aug	1,245	870	(375)
Sep	1,155	976	(179)
Oct	1,220	927	(293)
Nov	1,030	818	(212)
Dec	920	688	(232)
Jan	950	603	(347)
Feb	890	674	(216)
Mar	960		
Apr	870		
May	1,050		
Jun	1,050		
Totals	12,670	6,350	(2,390)
YTD	8,740	6,350	(2,390)

**YTD Actual to Budget: -27.3%**



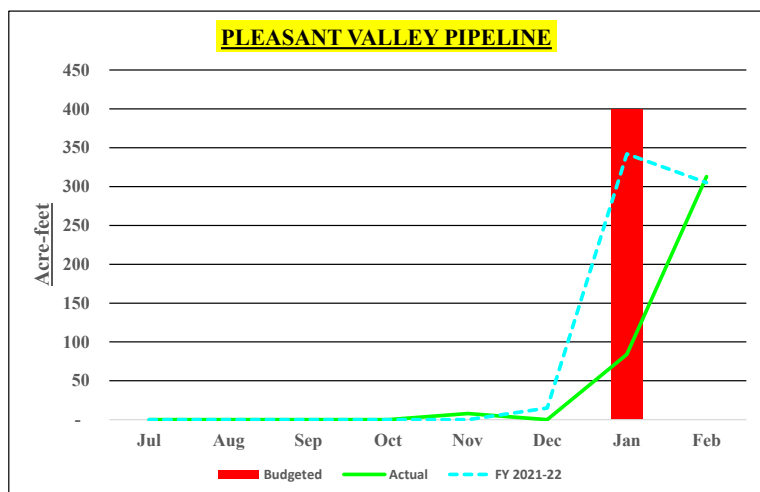
PT Pipeline 2022-23			
	Projection	Actual	Difference
Jul	370	309	(61)
Aug	570	592	22
Sep	450	556	106
Oct	770	786	16
Nov	470	475	5
Dec	300	204	(96)
Jan	280	153	(127)
Feb	370	350	(20)
Mar	350		
Apr	480		
May	510		
Jun	480		
Totals	5,400	3,426	(1,544)
YTD	3,580	3,426	(154)

**YTD Actual to Budget: -4.3%**



PV Pipeline 2022-23			
	Projection	Actual	Difference
Jul	-	-	
Aug	-	-	
Sep	-	-	
Oct	-	-	
Nov	-	8	8
Dec	-	-	
Jan	400	84	(316)
Feb	400	313	(87)
Mar	100		
Apr	-		
May	-		
Jun	-		
Totals	900	405	(395)
YTD	800	405	(395)

**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:** March 30, 2023 (April 3, 2023, meeting)

**Agenda Item:** 9. **Board Requested Cost Tracking Items**  
**Information Item**

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#### **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 February 28, 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 February 28, 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	397,652	358,466	6,105	190,121	178,864	149,633	38,094	211,944	431,218	1,230,710	922,691	2,153,401
<b>Report Total</b>	<b>9,642,846</b>	<b>5,595,606</b>	<b>5,022,183</b>	<b>8,232,905</b>	<b>3,399,929</b>	<b>4,146,192</b>	<b>38,094</b>	<b>708,752</b>	<b>13,828,626</b>	<b>25,544,899</b>	<b>23,394,028</b>	<b>48,938,927</b>
<b>Previous Report Total</b>	<b>327,104</b>	<b>332,202</b>	<b>6,105</b>	<b>157,701</b>	<b>165,233</b>	<b>145,130</b>	<b>35,936</b>	<b>211,944</b>	<b>283,728</b>	<b>931,154</b>	<b>787,801</b>	<b>1,718,955</b>
<i>Current Activity</i>	<i>70,548</i>	<i>26,264</i>	<i>2,120</i>	<i>32,419</i>	<i>13,631</i>	<i>4,503</i>	<i>2,158</i>	<i>-</i>	<i>147,490</i>	<i>24,613,744</i>	<i>22,606,228</i>	<i>47,219,972</i>

\* Does not include City of San Buenaventura judgment

**Current Activity Narrative:**

- FERC - The activity for February (\$71K) was spent on staff time (\$22K) and professional services (\$49K).
- PMF - The activity for February (\$26K) was spent on staff time (\$7K), and design professional service (\$19K).
- General/Water Cons - The activity for February (\$2K) was spent primarily on staff time.
- Freeman - The activity for February (\$32K) was spent on staff time (\$23K) and professional services (\$9K).
- Quagga - The activity for February (\$14K) was spent on staff time (\$6K) and professional services (\$8K) related to quagga mussel eradication and the scientific dive agreement.
- Ventura - There was legal costs of \$5K associated with the settlement of the City of Ventura Lawsuit.
- O. Mykiss CESA - February's activity (\$2K) was spent on staff time.
- Takings Claim - There were no Legal fees associated with the settlement of the Takings Claim for February.
- Wishtoyo - The activity for February (\$147K) was spent on legal fees (\$144K) and staff time (\$3K) 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 No.	Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
5.1	Finance	Change in Auditors – 3 Years	Y	110-52280	\$139,896	-
5.2	Engineering	O-H Well Replacement Program – El Rio Water Well No. 20 Construction Contract	Y	452-400-81060-8000	\$849,283	-
				<b>TOTAL</b>	<b>\$989,179</b>	



### **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:** March 29, 2023 (April 3, 2023, meeting)

**Agenda Item:** **11. Monthly Administrative Services Department Report**  
**Information Item**

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#### **Staff Recommendation:**

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

#### **Discussion:**

##### **Finance**

- Met with the General Manager, Assistant General Manager, and Department Managers to discuss FY 2023-24 Preliminary Budget.
- Continue to work on FY 2023-24 Budget and Rate Development process. FY 2023-24 Proposed Budget should be ready for the Finance Committee to review on May 1, 2023.
- Working with auditors to complete FY 2022-23 Single Audits for Federal Grants received. Target completion date March 31, 2023.
- Filed annual State Controller's Compensation Report on January 31, 2023.
- New Accountant II continued training on Accounts Payables and Purchase Order processes.

##### **Administrative Services**

- Assisted Engineering Department in preparing for and coordinating the joint UWCD/USNBV two-day permitting charrette for the Extraction Barrier Brackish Water (EBB Water) Treatment project.
  - Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the UWCD Finance and Audit (2/27), and Engineering and Operations (3/2), Committee meetings as well as the regular UWCD Board meeting (3/8) and an Emergency UWCD Board Meeting (3/16) regarding the Santa Felicia Dam spill event.
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## **11. Monthly Administrative Services Department Report**

### **Information Item**

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- Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the Mound Basin GSA Regular Board meeting (3/21).
- Provided administrative assistance and support for the AWA VC Water Issues Committee meeting (3/21) and the hybrid (in-person/virtual) AWA Canadian Consulate Water Innovative Roadshow (3/23) utilizing UWCD's Boardroom and technical support.
- Provided administrative assistance, coordination, and technical support in organizing tours of the Freeman Diversion for VC Supervisor Janice Parvin and staff; VC Supervisor Matt LaVere and staff; VC Supervisor Vianey Lopez and staff; Driscoll Farms, St. Augustine Academy student tour; and Ventura County Grand Jury.
- Provided administrative assistance in developing UWCD Open House/Facilities Tour including distributing invitation via emails to elected officials, municipal public works departments, water agencies, organizations/associations and stakeholders and confirming participation; distribution of facility tour waivers for each participant; securing shuttle buses to transport the group (and confirming weight of vehicles for safe SFD bridge passage), organizing lunch for tour participants and providing special transportation for a few of the tour participants that have to depart the tour after the Freeman Diversion tour.

### **Human Resources**

- Participated in Labor Negotiations with Local SEIU 721.
- Successfully onboarded the following personnel:
  - Environmental Scientist – Regulatory Affairs (Adriana Stovall selected and will start May 15)
  - Accountant II (Jeanessa Lopez selected and will start April 17)
  - Recharge O&M Worker I (Thomas Gonzalez selected and will start April 17)
- Working on recruitments for the following positions:
  - Environmental Services Field Technician - Interviews held March 2, 6, 7, 8, final selection pending.
  - Accounting Technician, application close date March 27
  - Hydrologist, application close date March 27
  - Park Ranger Cadet, application close date March 23
- Promotions:
  - Promoted Recharge O&M Worker I JD Smallwood to Recharge O&M Worker II
  - Promoted Accounting Technician Nyvee De Leon to Senior Accounting Technician
- Interviewed and onboarded four Seasonal Park Ranger Assistant staff members for the Lake Piru Recreation Area team (Raegan Mang, Gustavo Salgado, Cameron Bigelow, Michael Johnson).
- Collaborated with IT/Risk and Safety for planning of deployment of First Net Devices.
- Attended the AALRR 2023 Employment Law Conference.
- Advertised Canvass of interest for vacancy at Satcoy Housing.

### **Safety and Risk Management**

- Attended SDRMA Education Day, resulting in cost-savings of two CIP credits to Property/Liability Premium and two CIP credits to Worker's Comp Premium, resulting in a total cost-savings of \$8,904.
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## 11. Monthly Administrative Services Department Report

### Information Item

- Participated in Exploratory Call with FEMA on disaster recovery grant funding efforts and continued coordination of District's disaster recovery efforts.
- Coordinated EOC Activation for March storm event and potential spill and served as duty officer.
- Met with City of Fillmore Police Chief and Sergeant in preparation for the March storm event.
- Partnered with IT in implementation of new body-worn cameras for Park Ranger staff.
- Collaborated with IT on security gate intercom system installation and implementation.
- Provided Valley Fever training to staff at monthly safety meeting.
- Conducted exit hearing test for departing O&M staff.
- Coordinated the annual recalibration of respirator fit testing device.

### Technology Systems

- Onboarded seven new employees in cooperation with HR.
- Upgraded the Microsoft Exchange Server.
- Successfully tested and deployed our new travel conference system.
- Completed the SFD Genetec upper and lower gate deployment and troubleshooting.
- Deployed SFD Genetec monitoring station.
- Technology Systems supported Virtual Meeting Support for the following meetings in the month of March:
  - AWA
  - Water Wise Breakfast Program
  - AWA Water Issues Committee
  - AWA Canadian Consulate Water Innovative Roadshow
  - Permitting Charrette with Environmental, engineering and United States Navy
  - Offsite/(Hybrid Zoom) - Regular Mound Basin GSA Meeting
  - Used UWCD Mobile Hybrid Meeting Kit

State by Ticket Type						
	Open	In Progress	Awaiting Reply	Pending 3rd party	Waiting for approval	Total
 Employee Information Update	0	1	0	0	0	1
 IT Projects and Change Management	4	5	0	0	0	9
 IT Purchase Request	1	1	0	0	1	3
 IT Services and Support	18	14	10	0	2	44
 SCADA Proj. and Change Management	0	0	0	0	1	1
Total	23	21	10	0	4	58

## 11. Monthly Administrative Services Department Report

### Information Item

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Monthly ticket type overview - 2023														
Type	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
⚠ Employee Information Update	0	2	0	/	/	/	/	/	/	/	/	/	2	
🔄 IT Projects and Change Management	0	1	0	/	/	/	/	/	/	/	/	/	1	
📄 IT Purchase Request	0	1	0	/	/	/	/	/	/	/	/	/	1	
➕ IT Services and Support	20	27	24	/	/	/	/	/	/	/	/	/	71	
🌐 Network   Port patching	0	1	0	/	/	/	/	/	/	/	/	/	1	
⚠ New employee	0	3	0	/	/	/	/	/	/	/	/	/	3	
👤 Offboarding   Disable Account	0	2	0	/	/	/	/	/	/	/	/	/	2	
Total	20	37	24	/	/	/	/	/	/	/	/	/	81	