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August 2, 2023

Board of Directors
United Water Conservation District

Subject: Third Quarter Fiscal Year 2022-2023 Financial Reports

Dear Board Members:

Enclosed for your review are the District's Fiscal Year (FY) 2022-2023 Third Quarter (January 1 through March 31, 2023) Financial Reports. These reports represent three months of financial information for District operations and three months of CIP updates.

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

- General/Water Conservation Fund
- Recreation and Ranger Activities Sub-fund
- Freeman Fund
- Oxnard/Hueneme Pipeline (OHP) Fund
- Pleasant Valley Pipeline (PVP) Fund
- Pumping Trough Pipeline (PTP) Fund
- State Water Import Fund
- Overhead Fund

Staff provides the Board's Finance and Audit Committee with monthly cash position and pipeline delivery activities reports throughout the fiscal year. Quarterly financial reports are submitted to the Board to provide information on the financial status of the District and to assure the Directors and District customers that staff is operating within the parameters of the annual adopted budget, including any supplemental appropriations. At the end of each fiscal year, an outside certified public accounting firm performs an independent financial audit to test staff's financial reporting accuracy and internal controls. It is staff's responsibility to ensure that the Board has received adequate financial information throughout the year so that there are no surprises, and so that fiscally prudent decisions can be made when the Board is asked to consider approval of budgeted and unbudgeted expenditure requests.

This report compares the revenues and budget appropriations for the fiscal year-to-date with data to provide the Board and District customers a preliminary financial view (subject to audit adjustments at year-end). The following discussion will provide a summary of the Districts' projected revenues and approved spending plan compared to what actually occurred throughout the fiscal year. It also provides an update on approved and funded capital improvement projects.



OPERATING FUNDS

Narrative and graphical analyses are provided by fund (and the Recreation sub-fund) on the pages following the Capital Improvement Program Status.

CAPITAL IMPROVEMENT PROGRAM STATUS

A one-page summary of the District's current Five-Year Capital Improvement Program appears along with Benchmark Interest Rates as part of Attachment B. As of March 31, 2023, all capital improvement projects (CIP) expenditures are within the total amount appropriated by the Board.

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

- *Well Replacement Program (CIP Project #8000)*
The replacement of Well No. 5 went out to bid in February. The contract for the well drilling construction of the new well, Well No. 20, will be awarded next quarter.
- *Freeman Diversion Expansion (CIP Project #8001)*
Design and physical modeling on two fish passage alternatives, the Hardened Ramp and Vertical Slot, continued to progress. Design Development Reports were delivered to NMFS and CDFW. USBR and the University of Iowa continued their reporting on the operation and stress testing of the physical models. On March 31, 2023, a tornado damaged the 1:24 and 1:12 physical models at the University of Iowa laboratory.
- *Santa Felicia Dam Outlet Works Rehabilitation (CIP Project #8002)*
 - Meetings:
 - Staff conducted bi-weekly progress meetings with GEI Consultants (GEI) to review and discuss the current 90 percent design status.
 - Staff conducted the bi-weekly permitting progress meetings with Catalyst Environmental Solutions (Catalyst) to discuss environmental permitting and license amendment application progress.
 - On February 9, Staff attended the second and third interagency coordination workshop meeting with California Department of Water Resources (DWR) and the Los Angeles Department of Water and Power (LADWP) at the District's Headquarters to discuss DWR and LADWP's capabilities and constraints for diverting and storing outflows to Santa Felicia Dam to reduce risk prior to and during the construction. The workshop allows the agencies to discuss constraints related to diversion, storage, and releases of outflows to Santa Felicia Dam.
 - Design:
 - The 90-percent design efforts continued during this reporting period. Staff reviewed draft Technical Memorandums (TMs) received from GEI and provided comments to be included in the final reports.
 - Staff began planning and preparation of the construction phase of the Outlet Works Improvement Project that is planned to start in July 2024.
 - Environmental Permitting:
 - On January 30, Staff submitted an annual progress report to the State Water Resources Control Board per the 401 Water Quality Certification for the Project.



- On February 21, Staff received the Federal Energy Regulatory Commission (FERC) and the National Marine Fisheries Service (NMFS) comments on the draft Biological Assessment (BA). Staff began preparation of responses in coordination with the District consultants GEI and Catalyst.
- Construction Management:
 - On March 13, 2023, the District issued a Request for Qualifications/Proposals (RFQ/P) for construction management and inspections services related to the Santa Felicia Dam Outlet Works Improvement Project. The District issued the RFQ/P using the online procurement platform BidNet Direct. Fifty-three (53) prospective consultants and subconsultants downloaded the RFQ/P. Questions were received by multiple consultants and responses were issued via addendum. A non-mandatory pre-proposal site visit was held at Santa Felicia Dam on March 23, 2023.
- Loan and Grants:
 - Staff met with the EPA Water Infrastructure Finance Innovation and Act (WIFIA) loan administrative staff on a biweekly basis. The EPA WIFIA loan administrative staff is currently developing a master agreement and a WIFIA loan agreement. The documents are expected to be ready for the District's review in April.
- *Santa Felicia Dam Probable Maximum Flood Containment (CIP Project # 8003)*
 - Meetings:
 - Staff conducted bi-weekly progress meetings with GEI to review and discuss the current 60 percent design status.
 - On January 27, Staff met with FERC to discuss the Inflow Design Flood (IDF) for the Santa Felicia Dam. Staff responded to FERC concerns related to the IDF and discussed the possibility of performing Level 2 Risk Analysis for the SFD Spillway Improvement Project. FERC suggested that the District to consider conducting L2RA to improve risk awareness and preparedness associated with the discharge from the proposed modified spillway.
 - Design:
 - The 60% design efforts continued during this reporting period.
 - Environmental Permitting:
 - The above updates reported for the Outlet Works Improvement Project are also applicable to the Spillway Improvement Project.
 - Loans and Grants:
 - Staff received a Notice of Award for the 2022 High Hazard Potential Dams (HHPD) grant from Department of Water Resources, Division of Flood Management in amount of \$113,750 in funding to support the 60% design structural analysis of the SFD Spillway Improvement Project. The District prepared and submitted Letter of Acceptance to DWR. This grant is currently pending FEMA's approval.
- *Santa Felicia Dam Sediment Management (CIP Project # 8005)*

No updates to report this period.
- *Oxnard Hueneme Pipeline Iron and Manganese Treatment Facility (CIP Project # 8007)*
 - Meetings:
 - Weekly coordination meetings were held between staff and the District's construction manager (HDR, Inc.).



- Weekly construction progress meetings were hosted by HDR and attended by GSE Construction, Taft Electric, Kennedy Jenks Consultants (KJ), and staff.
- GSE Construction has submitted approximately 363 out of a total of 395 submittal packages anticipated for the project. HDR and design engineer (KJ) have provided responses on approximately 358 submittal packages including a requirement to comply with the Buy American Act (BAA).
- GSE Construction has submitted approximately 127 Requests for Information (RFIs) to date. HDR, KJ and the District have been providing responses.
- Thirty-one (31) Change Orders (COs) have been partially or fully executed to date amounting to a net total of \$1,155,205.72. This represents approximately 12.4% of the original contract amount (\$9,342,900.00). Four (4) of these COs amounting to \$662,910.19 or 7.1% of the original contract amount are directly related to compliance with the BAA which is a federal grant requirement (the project was not originally bid with this requirement in place) and \$492,295.50 or 5.3% of the original contract amount is related to all other COs that have resulted in additions or modifications to the original scope of work.
- Two (2) COs have been prepared and are under negotiation and execution with GSE Construction. Six (6) COs have been requested by GSE Construction and are currently under review. The total of all pending CO requests is \$85,468.86.
- District O&M Staff completed the construction of the 20" OF and 8" OF rip-rap aprons on February 22, 2023.
- GSE Construction continued construction of the following:
 - 24" Raw Water Pipeline (RAW)
 - 20" Spent Wash Water (SWW)
 - 24" Filtered Water (FW) Connection
 - 20" Backwash Supply Pipeline (BWS)
 - 18" connections to RAW
 - 14" RAW Bypass Pipeline
 - 12" RAW Flushing Pipelines
 - Backwash Supply Metering Vault
 - 8" Air Supply Pipeline
 - 8" Filter Drain (FD) Pipe
 - 8" Return Wash Water (RWW)
 - 8" Overflow (OF)
 - 4" Utility Water (UW)
 - 3" Chlorine Solution Lines, Double Contained
 - 2.5" Utility Water (UW)
 - 1" Ammonia Solution Lines
 - Various underground sample lines
 - Various underground electrical conduits
 - Various work around Filter Drain Pump Station
 - Filter face piping
 - Filter face piping encasement and concrete slab construction
 - Filter vessel platforms
 - Filter vessel internals



- Laboratory/Electrical/Blower Building
 - Framing for drywall
 - HVAC
 - Interior electrical
 - Special inspections (fire dept., mechanical/electrical/plumbing)
 - Staff prepared a recommendation to the full Board of Directors that it authorize a supplemental appropriation of \$1.5 million for the project.
 - The tentative date for construction completion and implementation is June 21, 2023, (per CO No. 31 which was fully executed on March 21, 2023). A total of thirteen (13) inclement weather days have been counted. GSE's latest monthly schedule update on March 14, 2023, indicated that construction will be completed by July 18, 2023.
- *Freeman Conveyance System Upgrade – Freeman to Ferro Recharge Basin (CIP Project # 8018)*

NHC continued design on the Three Barrel Culvert. For the SGM grant, staff provided a quarterly update.
 - *Extraction Barrier and Brackish Water Treatment (CIP Project # 8019)*
 - Meetings:
 - Held weekly internal meetings between Engineering, Environmental, and Water Resources staff to discuss progress on agreements with the Navy, grants, CEQA/NEPA/permitting documentation preparation, preliminary design report preparation, coastal water quality sampling, and groundwater flow modeling.
 - January 12, 2023: Site tour at Naval Base Ventura County (NBVC) Point Mugu with Navy representatives from the local installation and regional offices, District staff and the District's consultants (ESA, KJ). Performed site reconnaissance and discussed proposed Phase 1 infrastructure including:
 - Extraction well sites (five sites in total) and associated pipelines
 - Discharge options into Mugu Lagoon (eight options in total)
 - Proposed treatment plant location (Phase 2 work)
 - Discharge option via pipeline connection to the Calleguas Salinity Management Pipeline (SMP)
 - January 18, 2023: Held a progress meeting with KJ and discussed the discharge alternatives evaluation matrix that is in progress.
 - January 23, 2023: Held a coordination meeting with ESA and discussed activities associated with planned Permitting Charrette with the Navy on February 28 and March 1, 2023.
 - January 24, 2023: Held a budgetary workshop among District staff to discuss current and future fiscal year expenditures and grant pursuits.
 - January 26, 2023: Held a joint meeting with ESA, KJ, and District staff to review discharge alternatives evaluation matrix and discuss Permitting Charrette with the Navy.
 - February 28 and March 1, 2023: Held a monthly progress meeting with the Navy to discuss the planned Permitting Charrette with the Navy.
 - February 6 and March 6, 2023: Progress meetings with ESA consultants to discuss permitting matrix and CEQA/NEPA/permitting strategy.
 - February 15 and March 1, 2023: Progress meetings with KJ consultants to discuss discharge alternatives evaluation and preliminary well design criteria.



- February 23, 2023: Progress meeting with the U.S. Navy to discuss to discuss planned Permitting Charrette on February 28 and March 1, 2023.
- February 28 and March 1, 2023: Permitting Charrette with the U.S. Navy and the District's consultants. Introduced various administrative, planning, environmental, design, permitting, real estate and legal staff and developed organization charts for both agencies. Developed joint goals and objectives. Reviewed the Navy's partnership development process. Provided a presentation of the project progress. Discussed the environmental permitting strategy options and decision-making process, confirmed the required partnership agreements.
- March 1, 2023: Joint progress meeting with ESA and KJ consultants to coordinate and discuss environmental documentation.
- Agreements:
 - Phase 1A License Agreement: This license agreement will enable ingress/egress at NBVC Point Mugu for the District's staff and consultants to conduct preliminary investigations related to design, CEQA and permitting documentation. Final version received from U.S. Navy and was fully executed and February 21, 2023.
 - New Monitoring Wells: An amendment is needed to an existing license agreement that covers access, maintenance, operation, and data collection for existing monitoring wells (22, A1, A-2, CM-1, CM-2, CM-1A, CM-6 and Q2).
- Design:
 - KJ consultants prepared the draft discharge alternatives evaluation matrix including screening criteria, selection of discharge sites and discharge facility types. This included input from ESA consultants on environmental and regulatory considerations.
- CEQA/NEPA/Permits:
 - ESA consultants reviewed water quality data related to the Mugu Lagoon and reviewed general NPDES permit requirements. Additional groundwater sampling data has been requested which is scheduled for March 2023.
 - Discussed key decision points/outcomes for the Permitting Charrette with ESA consultants. Coordinated with environmental attorney on the Project's environmental compliance and permitting strategy.
- Geotech/Hydrogeology:
 - Prepared draft RFQ/P for the "Planning, Design, Construction Oversight, and Related Support Services for up to Twenty (20) Phase 1 Groundwater Monitoring Wells as Part of Extraction Barrier and Brackish Water Treatment Project at Naval Base Ventura County-Point Mugu."
- Grants:
 - Phase 1 Extraction Barrier Project, Prop 1 Round 3 Ground Water Grant Program (GWGP), State Water Resources Control Board (SWRCB): Received notification from Division of Financial Assistance (DFA) that the Phase 1 project was approved for \$8,449,062 in grant funds.
 - Monitoring Wells: Sustainable Groundwater Management (SGM) Grant Program, Progress Report, and Invoice No. 2 prepared.
- CEQA/NEPA: Professional Services Agreement with ESA fully executed on December 20, 2022.
- Design: Professional Services Agreement with KJ consultants fully executed on December 19, 2022.



- *Rice Ave. Overpass PTP (CIP Project # 8021)*
No updates to report this period.

- *PTP Metering Improvement Project (CIP Project # 8022)*
 - Total number of meters installed: 41 of 60 or 68.3% complete.
 - An additional four (4) meter installations are planned by early 2023.
 - Easement acquisition completion: 24 of 40 obtained or 60% complete.
 - An additional four (4) utility easement deeds have been signed by the property owner (Turnout Nos. 102, 103, 105, 123) pending execution by the General Manager and recording by the County of Ventura.
 - Amendment No. 1 with Hamner, Jewell & Associates in the amount of \$12,850 was fully executed on February 9, 2023, to complete all easement acquisition services. This increases the overall contract amount to \$297,085 which has been in effect since May 23, 2019.
 - On December 2, 2022, staff met with Hamner, Jewell & Associates (HJA) to discuss the progress of easement acquisition services.
 - On December 6, 2022, staff met internally to discuss the progress of the easement acquisition which HJA is performing for the District and the planned installation for turnouts that have received easements.
 - On December 6 and 21, 2022, staff held calls with the property owner at PTP Turnout No. 122 who has not used a significant amount of water since 2010. The property owner indicated their desire to terminate the service, but a follow up action will be taken after a formal request for service termination is received by the property owner.
 - The landowner at Turnout #122 has not agreed to provide an easement to the District and has requested to discontinue the water delivery service through this turnout to his property.
 - Turnout #154, who previously declined in a letter to sign the easement deed, has agreed to an on-site meeting with the District and Reiter Brothers staff.
 - Turnout No. 106 was installed and operation on February 2, 2023.
 - Turnout No. 122 was removed, capped, and abandoned in place per the property owner's request.
 - Battery and solar panel thefts are on the rise at some locations. District staff are taking measures to secure this equipment.
 - Turnout No. 154, who previously declined in a letter to sign the easement deed, has agreed to an on-site meeting with the District and Reiter Brothers staff.

- *State Water Interconnection (CIP Project # 8025)*
No updates to report this period.

- *Replace El-Rio Trailer (CIP Project # 8028)*
 - Project continues through the permit phase.
 - Construction projected for Q1 2023-24

- *Lake Piru Campground Electrical System Upgrade (CIP Project # 8034)*
 - Edison evaluation of the SCE site of service is complete.
 - Edison design was initiated and approved in April/May in the amount of \$2,000.00.
 - Phase 2 of the process will begin next fiscal year.



- *Emergency Power Supply for UWCD Drinking Water Treatment and Supply Facilities related to CIP Projects # 8033, 8037, 8039)*
No updates to report this period.
- *Asset Management System/CMMS System (CIP Project # 8041)*
No updates to report this period.
- *PTP Recycled Water Connection – Laguna Road Pipeline (CIP Project # 8043)*
 - Meetings:
 - On February 10, 2023, staff attended a coordination meeting with Pleasant Valley County Water District (PVCWD) to discuss the draft Agreement outlines and design concerns after completion of the preliminary design phase.
 - Staff prepared draft agreement outlines with PVCWD and submitted it to PVCWD for review.
 - Design:
 - The preliminary design phase was completed for this project. On January 20, 2023, staff received the final Preliminary Design Report (PDR) from KJ.
 - Staff received and reviewed a copy of PVCWD Preliminary Design Report.
 - Grants:
 - Staff prepared and submitted two (2) quarterly progress reports for the Sustainable Groundwater Management Act (SGMA) grant for the period of October 1 through December 31, 2022, and January 1 through March 31, 2023.
- *SCADA Hardware Update (CIP Project # 8046)*
No updates to report this period.
- *Lake Piru Recreation Area Pavement Maintenance Program (CIP Project # 8047)*
 - This project was completed in May of 2023.
 - Areas of work included:
 - Lower Olive Grove Campground
 - Middle Olive Grove Campground
 - Entry to marina (in front of Ranger Station)
- *Condor Improvement Project (CIP Project # 8048)*
No updates to report this period.
- *Security Gate Upgrade (CIP Project # 8050)*
The project installation is completed and integrated with the existing security system. IT is in the process of finalizing the intercom on the networking side.
- *SCADA Continuous Threat Detection System (CIP Project # 8052)*
Server Equipment has arrived, Vendor preconfigured the server for a remote deployment. Server equipment has been racked and mounted. A Rockwell technician is scheduled in June for a 2-day visit to finalize the installation of the continuous threat detection system. The system will go through a few months of training and adjustments before Rockwell closes out the project.



- *Main Supply Pipeline Sodium Hypochlorite Injection (CIP Project # 8053)*
 There are no updates to report this quarter.

- *Lake Piru Campground and Recreation Area Renovations (CIP Project # 8055)*
 - Assessment completed of the Lake Piru Water Treatment Facility in the amount of approximately \$100,000.
 - Phase 1 of the draft Lake Piru Facilities Improvement Plan Preferred Alternative was completed during this fiscal year to include the following:
 - Ten percent (10%) design of preferred alternative two
 - Assessment of water and wastewater utilities
 - Evaluation of costs and revenues
 - Assessment and development of new facilities
 - Completed a cost benefit analysis

- *OHP Low-Flow Upgrades (CIP Project # 8056)*
 No updates to report this period.

CASH POSITION AND INVESTMENTS OF THE DISTRICT

As of March 31, 2023, the District had a total of \$49.5M in cash and investments. As noted in the cash position report, some of the District’s resources are readily available for use while other funds have restrictions that limit how they can be used. The District must adhere to any legal, bond or contractual restrictions placed on funds. However, some restrictions are based on Board designations and can be redirected for other uses if the Board so determines.

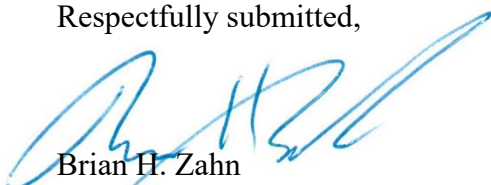
The District’s cash, cash equivalents and securities held in the various accounts as compared to the prior year are as follows:

	Mar-23	Mar-22
Bank of Sierra	\$ 1,671,279	\$ 2,581,592
Citizens Business Bank	\$ 2,409,545	\$ -
County Treasury	\$ 1,712	\$ 1,644
LAIF Investment	\$ 35,241,746	\$ 28,895,890
Petty Cash	\$ 4,400	\$ 3,400
US Bank - 2020 COP Bond Balance	\$ 10,121,506	\$ 19,006,645
Total	\$ 49,450,188	\$ 50,489,171

The only current restriction is the \$10.1M for CIP projects in the 2020 COP Bonds. Any restrictions on the remaining \$ 39.4M are listed in the Investment report.

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

Respectfully submitted,



Brian H. Zahn
 Chief Financial Officer

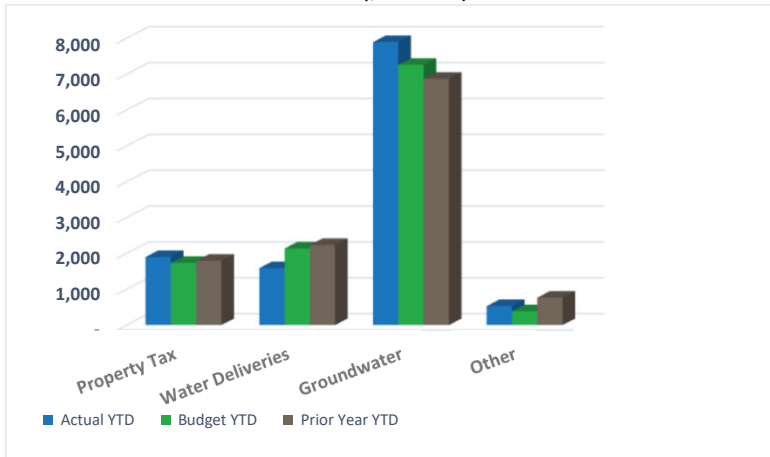
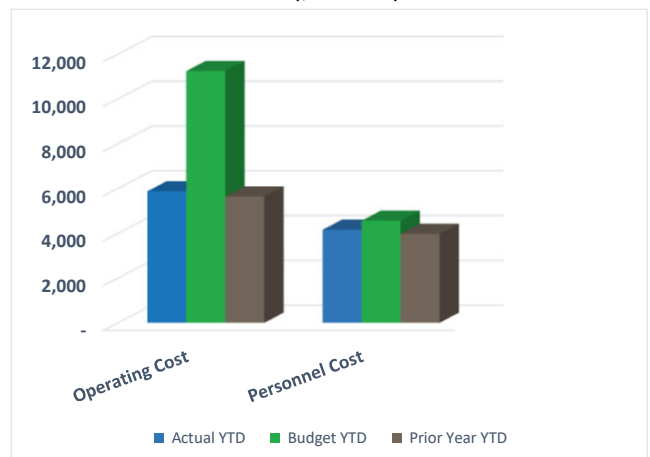
FY 2022-23 Third Quarter Financial Review

July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed

General/Water Conservation Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	1,587	2,136	(548)	-26%	2,236	(648)	-29%
Groundwater	7,892	7,256	636	9%	6,871	1,022	15%
Supplemental Water	0	0	0	0%	0	0	0%
Property Taxes	1,899	1,734	165	10%	1,794	105	6%
Earnings on Investments	456	82	374	459%	34	422	1249%
Other	1,066	1,072	(6)	-1%	966	100	10%
Transfers in	5	0	5	0%	0	5	0%
Total Revenues	12,906	12,279	627	5%	11,900	1,006	8%
Expenses							
Personnel Costs	4,159	4,561	(402)	-9%	3,974	185	5%
Operating Expenditures	5,874	11,241	(5,366)	-48%	5,635	239	4%
Capital Outlay	150	232	(81)	-35%	386	(236)	-61%
Transfers out	8,980	8,900	80	1%	2,470	6,510	264%
Total Expenses	19,164	24,933	(5,770)	-23%	12,466	6,698	54%
Net Surplus / (Shortfall)	(6,258)	(12,654)	6,397	-51%	(566)	(5,692)	1006%

Revenues
 (\$ thousands)

Expenses
 (\$ thousands)

Revenue Status vs. Budget

- Revenue received through Third Quarter is \$12.9M, \$627K (5%) above Plan. Earnings on Investments \$374K above Plan due to GAAP market value adjustment to LAIF in addition to increase in rate of return. Grant Revenue higher \$93K due to Brackish Water Treatment Grant. Property Taxes received from County of Ventura \$165K higher than budget. Some Property taxes are budgeted over 12 months and most property taxes are paid at the beginning of December and April.
- The increase in Non-Operating Revenues are offset by Pipeline deliveries \$548K lower than Plan (3,409 AF less delivered for three pipelines combined) and Groundwater customer miscellaneous adjustments \$68K. Lake Piru revenue lower \$99K budget due to decrease in reservation fees due to rainy weather.

Revenue Status vs. Prior Year

- Third Quarter Revenue \$1M (8%) higher than Prior Year.
- Earnings on Investments \$422K higher due to GAAP market value adjustment to LAIF. Contributing to the increase is higher grant revenue \$93K.
- Offsetting the increase are lower Pipeline deliveries \$648K (4,633 AF less delivered than Prior Year)

FY 2022-23 Third Quarter Financial Review

July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed

General/Water Conservation Fund - Continued

Appropriation/Expenditure Status vs. Budget

- Total Expenditures were \$5.8M (23%) under Plan primarily due to Operating Expenditures \$5.4M under budget. Professional Fees \$3M savings from under-utilized Admin and Finance consulting budget, FERC – Fish Passage and CESA Fisheries timing difference of invoices. Overhead costs \$970K under due to timing difference. Maintenance \$280K under due to emergency funds not being needed in Third Quarter. Travel \$139K under due to under-utilized out of town or out of state trainings, conferences, and seminars. Savings in Office Expense \$78K and Miscellaneous \$103K expected to be fully utilized by the end of the fiscal year. Principal payments \$455K due to 2020 COP Payments budgeted as expense but paid to liability. Interest expense \$586K due to 2020 COP Payments budgeted in Fund 710 which is the fund used for long term liabilities. Contributing to the variance is Salaries and Benefits \$402K under budget due to vacant Park Ranger Cadet, Field Technician, and Park Ranger Assistants.
- Savings slightly offset by overrun in Insurance Premiums \$267K and Permits and Licenses \$22K.

Appropriation/Expenditure Status vs. Prior Year

- Expenditures are \$6.7M (54%) higher than Prior Year, primarily due CIP transfers \$6.5M for the Brackish Water Treatment and Lake Piru Renovation Projects. Salaries and Benefits were up \$185K Board Approved 2% COLA increase, annual merit increases, and new Reservations Coordinator position at the Lake. Professional Fee were also up \$254K.
- Offsetting these increases were lower Capital Outlay expenditures \$236K due to the purchase of the SLR excavator in Prior Year.

Fund Balance

- The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$18M.
- The District's reserve policy requires a \$4 - \$5 million minimum undesignated balance which is expected to be met. If the expected expenditures are realized, the fund is expected to finish the year within the District anticipated reserves.

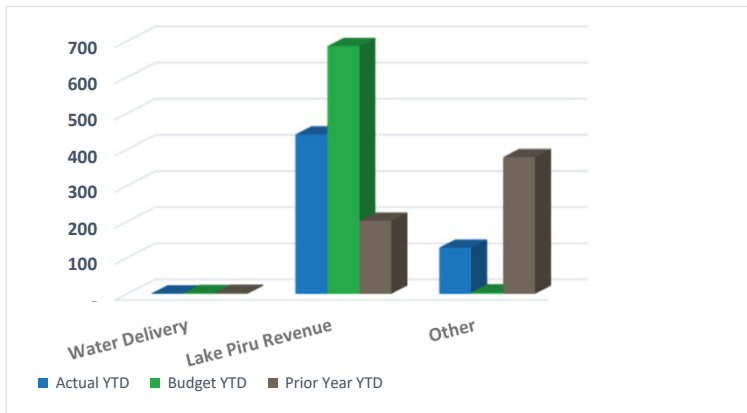
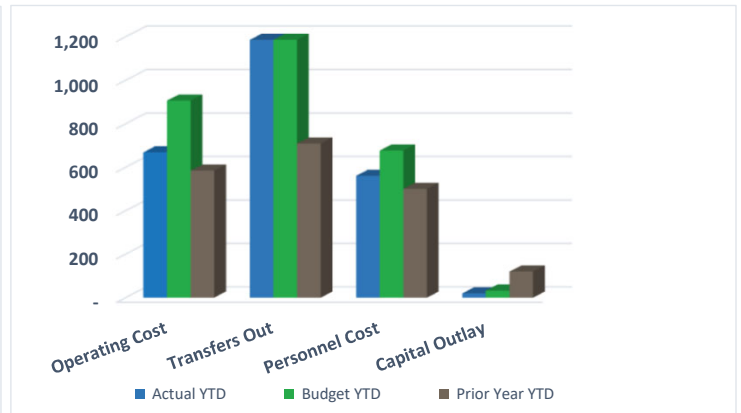
FY 2022-23 Third Quarter Financial Review

July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed

Recreation Sub-Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	1	2	(1)	-61%	3	(2)	-72%
Earnings on Investments	0	0	0	0%	0	0	0%
Lake Piru Revenue	441	686	(245)		202	239	0%
Other	128	4	124	3055%	379	(251)	-66%
Total Revenues	570	692	(122)	-18%	584	(14)	-2%
Expenses							
Personnel Costs	561	676	(116)	-17%	500	61	12%
Operating Expenditures	668	907	(238)	-26%	584	84	14%
Capital Outlay	20	32	(13)	-39%	120	(100)	-84%
Transfers out	1,186	1,186	0	0%	709	478	67%
Total Expenses	2,435	2,802	(367)	-13%	1,912	522	27%
Net Surplus / (Shortfall)	(1,865)	(2,109)	244	-12%	(1,328)	(536)	40%

Revenues
 (\$ thousands)

Expenses
 (\$ thousands)

Revenue Status vs. Budget

- Operational Revenue received through Third Quarter below Budget by \$122K (18%) due to lower Day Use, Camping, Boating fees and reservations. This may be attributable to the rainy weather from December to March.

Revenue Status vs. Prior Year

- Third Quarter Operational Revenue \$14K lower due to lower Filming Fees and reservations in the Current Year.

Appropriation/Expenditure Status vs. Budget

- Total expenditures \$367K (13%) under Budget primarily due to Operating Expenditures \$238K. Professional Fees \$39K under due to under-utilized Marketing and Advertising fees. Office Expense \$27K, Small Tools \$13K, Maintenance \$78K due to emergency funds not being needed in Q3 but expected to be fully utilized by end of the fiscal year.
- Contributing to the variance is Salaries and Benefits \$116K due to vacant Park Ranger Cadet and Park Ranger Assistants positions.
- Savings is partially offset by increase in Insurance Premiums \$20K.

Appropriation/Expenditure Status vs. Prior Year

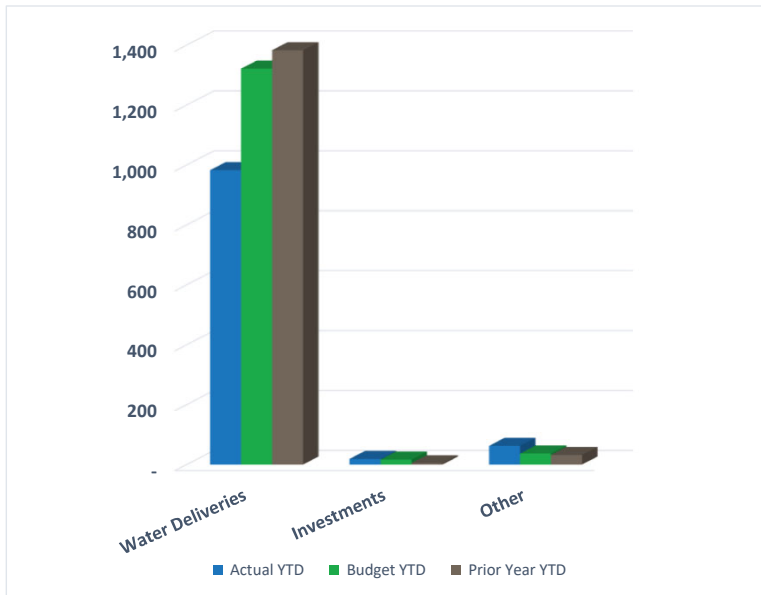
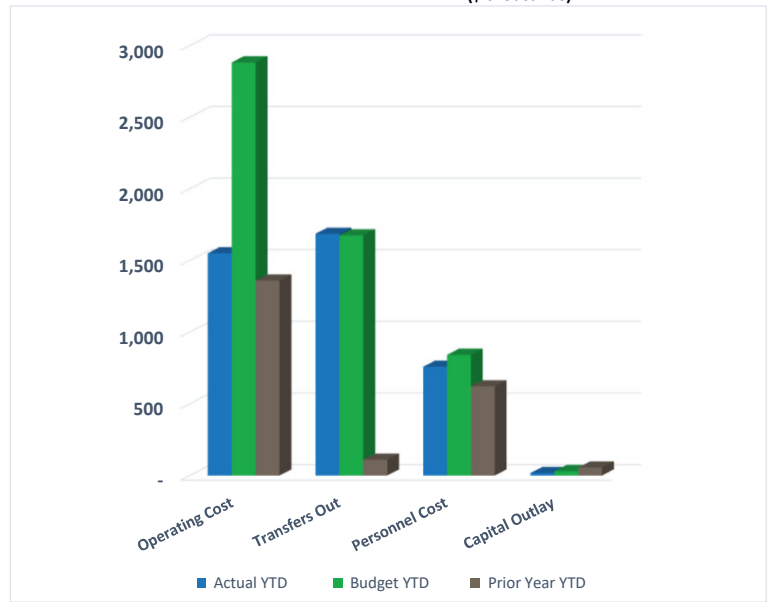
- Expenditures are \$522K (27%) higher than Prior Year primarily due to CIP Transfers Out \$478K over PY for the Lake Piru Campground and Recreation Area Renovations. Contributing to the variance is higher Salaries and Benefits \$61K due to the Board Approved 2% COLA increase and annual merits increases.
- Increase slightly offset by a decrease in Capital Outlay \$100K due to the Side by Side vehicle purchased in Prior Year. Professional fees lower \$35K due to timing difference.

FY 2022-23 Third Quarter Financial Review

July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed
Freeman Diversion Fund (Zone B)

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Groundwater	2,530	2,283	247		1,970	561	28%
Water Delivery	983	1,321	(339)	-26%	1,383	(400)	-29%
Earnings on Investments	19	17	2	13%	4	14	318%
Other	76	37	39	108%	77	(1)	-2%
Transfers in	86	0	86	0%	0	86	0%
Total Revenues	3,693	3,658	36	1%	3,434	259	8%
Expenses							
Personnel Costs	758	842	(83)	-10%	622	137	22%
Operating Expenditures	1,550	2,883	(1,333)	-46%	1,359	191	14%
Capital Outlay	17	30	(13)	0%	56	(39)	
Transfers out	1,686	1,675	11	1%	111	1,575	1424%
Total Expenses	4,011	5,429	(1,418)	-26%	2,148	1,864	87%
Net Surplus / (Shortfall)	(318)	(1,771)	1,453	-82%	1,287	(1,605)	-125%

Revenues
 (\$ thousands)

Expenses
 (\$ thousands)

Revenue Status vs. Budget

- Revenue received through Q3 \$3.7M, down \$36K (1%) primarily due to lower Pipeline deliveries \$339K which was 2,647 AF under Plan for OH Pipeline

Revenue Status vs. Prior Year

- Current Year higher by \$259K. The increase is primarily due to higher Groundwater revenue \$561K higher than Prior Year but slightly offset by lower Pipeline deliveries \$400K which was 3,707 AF less than Prior Year.

FY 2022-23 Third Quarter Financial Review

July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed

Freeman Diversion Fund (Zone B) - continued

Appropriation/Expenditure Status vs. Budget

- Total expenditures through Third Quarter are \$4M, which is \$1.4M (26%) below Plan. Savings is primarily due to Operating Expenditures of \$1.3M primarily due to under-utilized Environmental Services Legal Fees \$847K. Contributing to the variance are Overhead costs \$277K under budget due to timing difference. Salaries and Benefits \$83K due to vacant Principal Environmental Scientist for majority of Q1 and Field Technician positions. Maintenance \$90K due to emergency funds not being needed in Q3. Permits \$95K due to timing differences. Principal payments \$133K due to 2020 COP payments budgeted as expense but paid directly to liability.
- Savings is partially offset by increase in Insurance Premiums \$82K and Interest Expenses \$111K due to payments higher than originally allocated amount.

Appropriation/Expenditure Status vs. Prior Year

- Total Expenditures are \$1.9M higher than Prior Year. The variance is largely due to higher CIP Transfers Out \$1.6M due to Freeman Diversion. Contributing to the variance is higher Operating Expenditures \$191K primarily due to higher professional fees and insurance expense. Interest expense \$31K higher due to 2020 COP Bond allocated to Freeman in Current year. Also Salaries and Benefits \$137K higher than PY due to Board approved 2% COLA increase and annual merit increases.
- Slightly offsetting the decrease is Capital Outlay \$39K due to the SLR Excavator purchased in Prior Year.

Fund Balance

- The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$605K. The District's reserve policy requires an undesignated balance of \$1.5M.

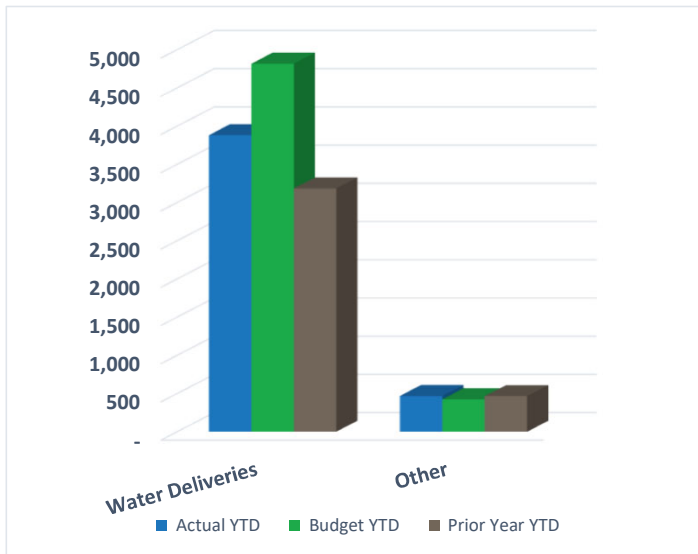
FY 2022-23 Third Quarter Financial Review
July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed

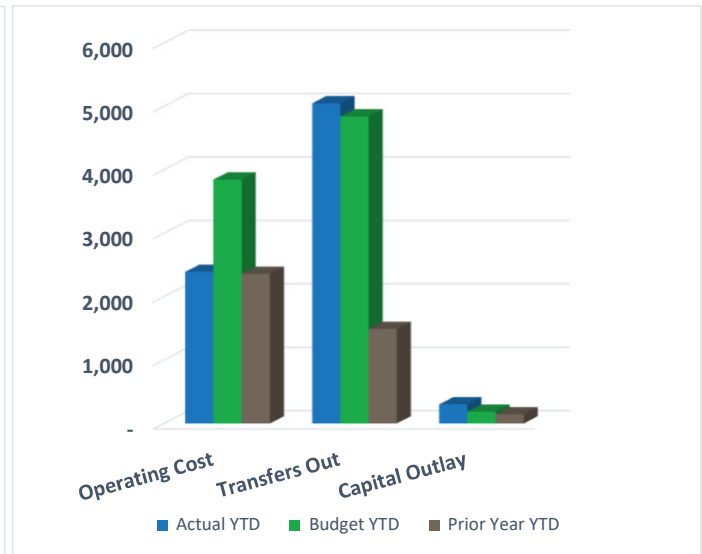
Oxnard Hueneme Pipeline Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	3,882	4,817	(935)	-19%	3,184	698	22%
Earnings on Investments	77	14	62	437%	9	68	769%
Grants	6,026	6,405	(379)	-6%	1,219	4,807	394%
Other	391	410	(19)	-5%	457	(66)	-14%
Total Revenues	10,376	11,647	(1,271)	-11%	4,869	5,507	113%
Expenses							
Personnel Costs	683	740	(57)	-8%	719	(37)	-5%
Operating Expenditures	1,707	3,105	(1,398)	-45%	1,639	68	4%
Capital Outlay	302	186	116	62%	145	157	109%
Transfers out	5,046	4,839	207	4%	1,491	3,555	238%
Total Expenses	7,738	8,870	(1,132)	-13%	3,994	3,744	94%
Net Surplus / (Shortfall)	2,638	2,777	(139)	-5%	875	1,763	202%

Revenues
(\$ thousands)



Expenses
(\$ thousands)



Revenue Status vs. Budget and vs. Prior Year

- Total revenue for Q3 of \$10.4M is under budget by \$1.3M (11%).
- Shortfall is primarily due to Water Delivery Revenue \$935K (19%) lower than Budget; 2,647AF (27.3%) less delivered than Plan. Deliveries revenue up from Prior Year by \$698K even though 3,707AF less were delivered. The 22% increase in revenue is due to increased fixed and variable rates in FY 22-23.
- Grants received under plan by \$379K (6%) due to Iron and Manganese Grant and CAL OES state grant for OH emergency generators. Grant revenues will not be fully earned until construction has been completed.
- Fox Canyon revenues down by \$40K in Q3 due to lower water deliveries.
- Marginally offsetting the decrease are earnings on investments which were \$62K above budget and up\$68K from Prior Year due to GAAP market value adjustment to LAIF in addition to increase in rate of return.

FY 2022-23 Third Quarter Financial Review
July 1, 2022 through March 31, 2023
75% of Fiscal Year Completed

Oxnard Hueneme Pipeline Fund - continued

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

- Total expenses of \$8.9M are under budget by \$1.1M (13%) and higher than prior year by \$3.7M (94%).
- Operating expenditures are \$1.4M (45%) lower than budget but up \$68K (4%) from prior year.
- Fox Canyon fees \$292K under budget due to an extraction fee accrual from FY 21-22 carried over to the current fiscal year combined with a delay in their billing.
- Electrical costs down \$253K from Q3 budget due to delay in billing and available surface water resulting in decreased pumping. Costs are also down \$81K from Prior Year.
- Personnel Costs down \$57K from budget primarily due to two internal promotions expected later in year and less work being done on OH Pipeline. Professional fees are also down \$64K as Environmental, Infrastructure and IT consulting services were under-utilized. Additionally, maintenance expenses were under budget by \$157K but are expected to be fully utilized by end of year.
- Principal payments \$266K under Plan due to 2020 COP payments budgeted as expense but paid directly to liability.
- Interest Expense under budget by \$134K due to payments lower than originally allocated amount, down \$167K compared to Prior Year due to changes in 2020 COP allocation.
- Offsetting savings was an increase in Capital Outlay which are over plan by \$116K (62%) and over Prior Year by \$157K primarily due to El Rio engine overhaul over projected cost. Additionally, Insurance Premiums are over plan by \$47K and up over Prior Year by \$20K.
- Transfers out are \$207K more than budgeted (4%). The current year is also \$3.5M over the prior year amount.

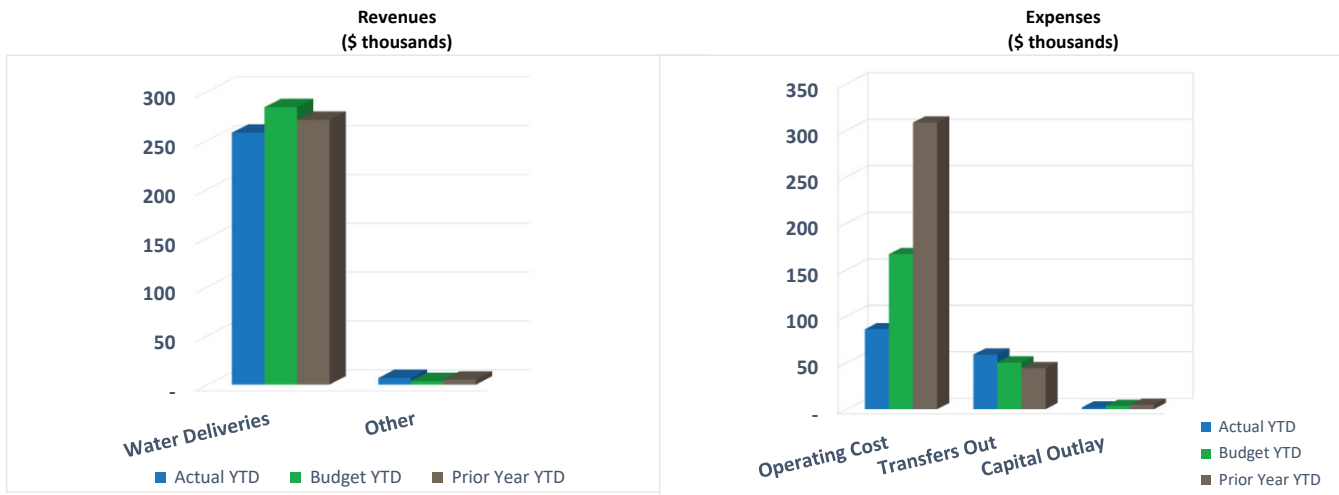
Fund Balance

- The projected ending undesignated working capital balance for FY 22-23 is approximately \$1.6M.
- The District's reserve policy requires an undesignated balance of \$1.1M for this fund, which is expected to be met.

FY 2022-23 Third Quarter Financial Review
 July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed
Pleasant Valley Pipeline Fund

in \$ thousands	CY Actuals	CY Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	258	284	(26)	-9%	271	(13)	-5%
Earnings on Investments	14	2	11	501%	1	13	1655%
Other	7	4	3	96%	5	2	38%
Total Revenues	278	290	(11)	-4%	277	2	1%
Expenses							
Personnel Costs	39	64	(25)	-39%	50	(11)	-21%
Operating Expenditures	47	103	(56)	-54%	259	(212)	-82%
Capital Outlay	2	3	(2)	0%	5	(3)	-63%
Transfers out	59	50	9	17%	44	15	33%
Total Expenses	146	220	(74)	-34%	357	(211)	-59%
Net Surplus / (Shortfall)	132	69	63	90%	(80)	212	-264%


Revenue Status vs. Budget and vs. Prior Year

- Revenue received through Q3 under budget by \$11K (4%).
- Water Delivery revenue less than Budget by \$26K. Minimal surface water (424AF) was delivered through Q3, revenue collected is predominately from fixed costs.
- Revenue has a modest increase of \$2k from prior fiscal year.

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

- Operating expenditures are under Budget by \$74K (34%) this fiscal year due to maintenance budget not being fully utilized in Q3, however, it is expected to be fully used by the end of the fiscal year. Another variance is Salaries and Benefits \$25K lower than Budget due to less staff spending time working on Pleasant Valley Pipeline.
- Transfers Out are over budget by \$9K (17%) due to Operating Fund 460 funded the completed/closed CIP Projects in 461.
- Compared to prior year, Operating Expenditures are down \$211K primarily due to \$195K spent on PV reservoir maintenance work.

Fund Balance

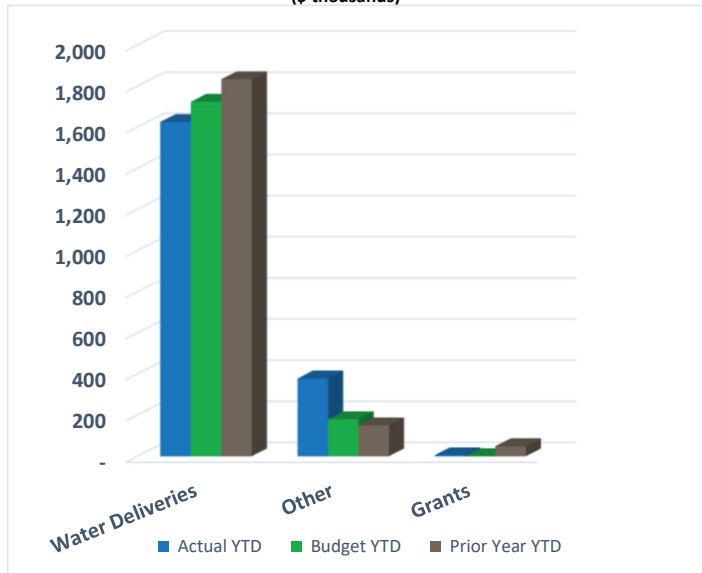
- The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$593K.
- The District's reserve policy requires a \$258K minimum undesignated balance which is projected to be met.

FY 2022-23 Third Quarter Financial Review
 July 1, 2022 through March 31, 2023
75% of Fiscal Year Completed

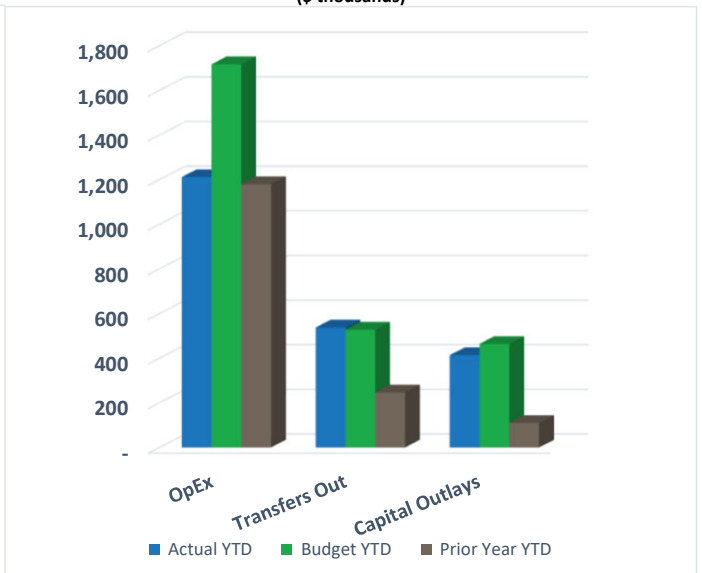
Pumping Trough Pipeline Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Water Delivery	1,625	1,723	(98)	-6%	1,833	(208)	-11%
Earnings on Investments	37	7	30	441%	4	33	911%
Grants	5	0	5		49	(44)	0%
Other	341	173	168	97%	147	195	132%
Total Revenues	2,007	1,903	104	5%	2,032	(25)	-1%
Expenses							
Personnel Costs	271	304	(33)	-11%	269	2	1%
Operating Expenditures	941	1,413	(473)	-33%	910	30	3%
Capital Outlay	413	464	(51)	-11%	110	303	
Transfers out	537	528	10	2%	246	291	118%
Total Expenses	2,162	2,709	(546)	-20%	1,536	626	41%
Net Surplus / (Shortfall)	(155)	(805)	650	-81%	496	(651)	-131%

Revenues
(\$ thousands)



Expenses
(\$ thousands)



Revenue Status vs. Budget

- Revenue received through Q3 \$2M, up \$104K (5%) over budget. The increase is due to higher LAIF to Market value adjustment \$30K and CIP Transfers In from Closed/Completed projects \$180,457.
- Offsetting the increase is lower pipeline deliveries \$98K (286AF lower water delivered than Plan).

Revenue Status vs. Prior Year

- Revenue received \$25K lower than Prior Year. This is due to lower Pipeline deliveries \$208K (688AF lower water delivered), Grants received down \$44K for PTP in Prior Year.
- Offsetting the increase are Earnings on Investments LAIF to Market value \$33K, and Misc Revenue \$14K.

FY 2022-23 Third Quarter Financial Review

July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed

Pumping Trough Pipeline Fund - continued

Appropriation/Expenditure Status vs. Budget

- Total expenditures through Q3 are \$2.2M, \$546K (20%) below Budget primarily due to lower Operating Expenditures \$473K. Fox Canyon expenses are down \$91K due to delay in billing. Maintenance is \$111K under budget due to emergency funds not being needed in the Third Quarter as well as less than projected maintenance on PTP turnouts. Overhead costs \$130K due to timing difference. Principal payments \$101K under due to 2020 COP payments budgeted as expense but paid directly to liability.
- Contributing to the variance are Capital outlay \$51K lower than anticipated due to fewer than planned PTP isolation valves and VFD replacements.
- Slightly offsetting the savings is increase in Insurance Premiums of \$32K, Permits and Licenses \$9K.

Appropriation/Expenditure Status vs. Prior Year

- Compared to last fiscal year, expenditures are higher by \$626K (41%) primarily due to higher CIP Transfers Out \$291K for PTP Recycled Water Connection. Capital Outlay \$303K also higher in Current Year due to more PTP isolation valves being replaced.

Fund Balance

- The projected ending undesignated working capital balance is approximately \$288K.
- The District's reserve policy requires an undesignated balance of \$1M for this fund.

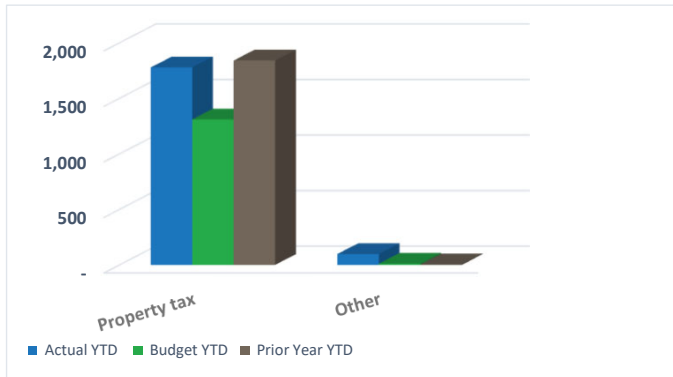


FY 2022-23 Third Quarter Financial Review
 July 1, 2022 through March 31, 2023
75% of Fiscal Year Completed

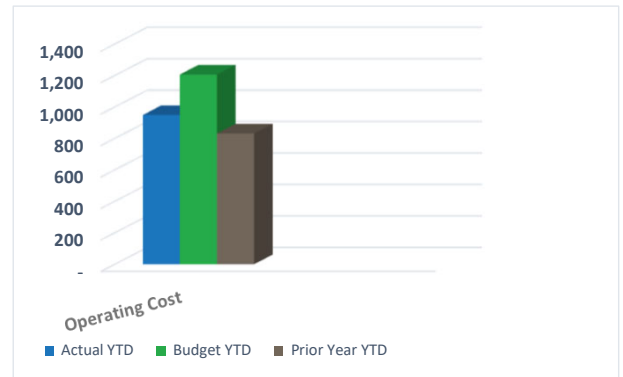
State Water Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Revenues							
Earnings on Investments	84	11	73	650%	4	80	1875%
Property Taxes	1,791	1,310	481	37%	1,840	(49)	-3%
Total Revenues	1,876	1,321	554	42%	1,845	31	2%
Expenses							
Personnel Costs	0	0	0	0%	0	0	0%
Operating Expenditures	948	1,206	(257)	-21%	831	118	14%
Capital Outlay	0	0	0	0%	0	0	0%
Debt Service	0	0	0	0%	0	0	0%
Transfers out	0	0	0	0%	0	0	0%
Total Expenses	948	1,206	(257)	-21%	831	118	14%
Net Surplus / (Shortfall)	927	115	812	704%	1,014	(87)	-9%

Revenues
(\$ thousands)



Expenses
(\$ thousands)



Revenue Status vs. Budget and vs. Prior Year

- Revenue received through Q3 is over Plan by \$554K (42%).
- Property tax revenue favorable by \$468K largely due to higher than budgeted current secured taxes. Earnings on investments also over Plan by \$73K due to GAAP market value adjustment to LAIF in addition to increase in rate of return.
- Compared to Prior Year, revenue is up 2% (\$31K) primarily due to higher earnings on investments.

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

- Total expenditures of \$948K under budget by \$257K (21%) for Q3. This is primarily due to lower than budgeted variable costs.
- Compared to Prior Year, expenditures up by \$118K (14%) largely due to higher fixed costs in FY 22-23.

Fund Balance

- The projected ending undesignated working capital balance for FY 22-23 is approximately \$4.1M. The District's reserve policy requires a minimum fund balance of \$5M, which is expected to be met.
- The entire fund balance is designated for the fixed and variable costs related to the District's State Water Project allocation of 5,000 AF per year, plus allowable Table A water.



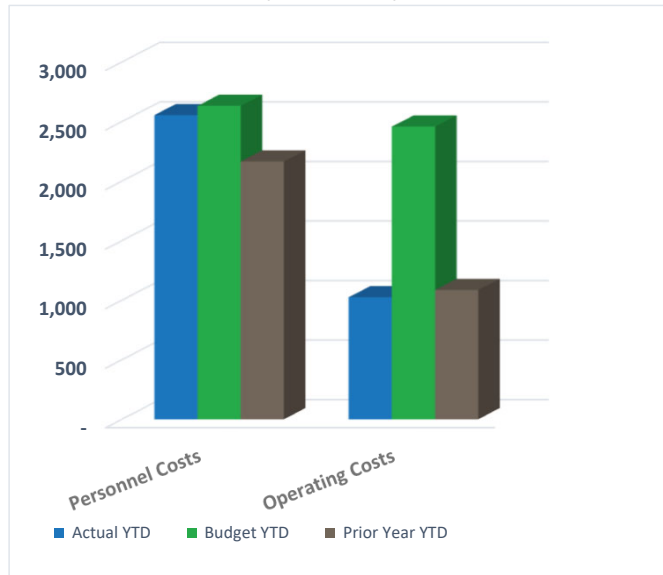
FY 2022-23 Third Quarter Financial Review
July 1, 2022 through March 31, 2023
75% of Fiscal Year Completed

Overhead Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
Expenses							
Personnel Costs	2,554	2,631	(78)	-3%	2,164	389	18%
Operating Expenditures	1,024	2,457	(1,433)	-58%	1,085	(61)	-6%
Capital Outlay	0	30	(30)	0%	0	0	0%
Total Expenses	3,578	5,118	(1,540)	-30%	3,249	329	10%

Expenses

(\$ thousands)



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

- Expenditures under budget by \$ 1.5M (30%).
- The largest savings were in Professional Fees \$1.2M primarily due to Admin and Financial Advisory consulting under-utilized. Costs for consulting is expected to catch up by the end of the fiscal year but projected to still be under budget. Contributing to the variance are Salaries and Benefits \$78K due to vacant Receptionist and Administrative III positions for majority of Q1 and Retirement Benefit Replacement budget of \$30K expected to be realized before the end of the fiscal year. Maintenance \$50K under budget due to emergency funds not being needed in Q2. Office Expense \$70K and Travel \$41K are expected to be fully utilized by the end of the year. Capital Outlay budget under by \$30K but is expected to be spent for the HQ generator connection equipment.
- Compared to prior year, expenditures are higher by \$329K (10%). The variance is from higher Personnel costs \$389K due to Board Approved 2% Cost of Living increase and annual merit increases and higher Materials and Supplies Expense \$48K. Offsetting the increase is higher Professional Fees in Prior Year \$108K.