

AGENDA
FINANCE AND AUDIT COMMITTEE MEETING
Tuesday, September 5, 2023, at 9:00 a.m.
UWCD Headquarters, First Floor, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

CALL TO ORDER – OPEN SESSION 9:00 a.m.

Committee Members Roll Call

1. Public Comment

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

**2. Approval of Agenda
Motion**

**3. Approval of Minutes
Motion**

The Committee will review the Minutes from the June 5, 2023, and July 3, 2023, Finance and Audit Committee meetings and approve as submitted or direct staff to revise as necessary to accurately reflect the discussion and action(s) taken during the meetings.

4. September 13, 2023, Board Meeting Agenda Item(s)

The Committee will review and discuss the following agenda items to be considered for approval at the September 13, 2023, Board meeting. The Committee will formulate a recommendation to the entire Board based on the discussions with staff. The Committee will discuss the following items:

**4a. State Water Project Water Transfer Agreement with Palmdale Water District
Board Motion**

The Committee will consider recommending for approval an Agreement with Palmdale Water District for the transfer of 2,000 acre-feet of Table A State Water Project water and authorizing the General Manager to execute the Agreement and associated documents to the full Board.

**4b. State Water Project Water Transfer Agreement with Santa Clarita Valley Water District
Board Motion**

The Committee will consider recommending for approval an Agreement with Santa Clarita Valley Water District for the transfer of 2,000 acre-feet of Table A State Water Project water and authorizing the General Manager to execute the Agreement and associated documents to the full Board.



5. FY 2022-23 Third Quarter Financial Report

Information Item

The Committee will receive and review the FY 2022-23 Third Quarter Financial Report for the period of January 1 through March 31, 2023, as well as a presentation from the Chief Financial Officer.

6. District Staff and Board Member Reimbursement Report (April 1 through June 30, 2023)

Information Item

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

7. Monthly Investment Report (June-July 2023)

Information Item

The Committee will receive, review and discuss the District's investment portfolio and cash position as of July 31, 2023.

8. Monthly Pipeline Delivery Report (June-July 2023)

Information Item

The Committee will receive, review, and discuss the District's pipeline water activities as of July 31, 2023.

9. Board Requested Cost Tracking Items

Information Item

The Committee will receive and review the costs that the District has incurred through June 30, 2023:

- 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; and
- d) in relation to professional fees over the past several fiscal years.

10. 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.

11. Future Agenda Items

The Committee will suggest topics or issues for discussion at future meetings.

ADJOURNMENT

Directors:

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

Staff:

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

Anthony Emmert
Brian H. Zahn
Sara Guzman
Jackie Lozano



Finance and Audit Committee Meeting AGENDA

September 5, 2023

Page 3

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 H. Zahn, Chief Financial Officer

Posted: (date) August 31, 2023

(time) 5:40 p.m.

(attest) Jackie Lozano

At: www.unitedwater.org

Posted: (date) August 31, 2023

(time) 5:45 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, June 5, 2023, at 9:00 a.m.
UWCD Headquarters, First Floor, 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
Brian Zahn, chief financial officer

PUBLIC PRESENT:

Burt Handy

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

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

Motion

The Committee received and reviewed the draft Finance and Audit Committee meeting Minutes of May 1, 2023. Motion to approve the Committee meeting Minutes, Director Keeling; Second, Director Berger. Voice vote, three ayes (Berger, Keeling, Maulhardt); none opposed. Motion carries, 3/0.



4. June 14, 2023, Board Meeting Agenda Items

The Committee reviewed and discussed the following agenda items to be considered for approval at the June 14, 2023, Board meeting:

4a. Resolution 2023-09 Adopting the Proposed District Budget Plan, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2023-24, and Appropriation Carryovers for Fiscal Year 2022-23

Board Motion

Chief Financial Officer Brian Zahn presented this motion to the Committee for their consideration. He also provided an update on the new process for approving amended sections of the District's Financial Policies. After discussion, all Committee members were in favor of recommending approval of this motion to the full Board. No questions or further comments were offered by the Committee. No public comments or questions were offered.

4b. Resolution 2023-10 Request for County Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Year 2023-24 Sufficient to Satisfy the State Water Project Charges

Board Motion

Mr. Zahn presented this motion to the Committee for their consideration. There was a brief discussion between the Directors and staff regarding the rates, estimated revenue, and the State Water Project purchase. After discussion, all Committee members were in favor of recommending approval of this motion to the full Board. No further questions or comments were offered by the Committee. No public comments or questions were offered.

5. District Staff and Board Member Reimbursement Report (January 1 through March 31, 2023)

Information Item

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

6. Monthly Investment Report (April 2023)

Information Item

The Committee received, reviewed, and discussed the Districts' investment portfolio and cash position as of April 30, 2023. Director Berger had an inquiry regarding Bond proceeds. Mr. Zahn mentioned there was still a small amount in the District's US Bank account. There were also questions regarding the Districts' business rating and Mr. Zahn explained the impacts if a rating were to change. Director Berger expressed the importance of keeping an eye on the rating to know when the District would be ready to buy and be prepared to take action. No further questions or comments were offered by the Committee. No public comments or questions were offered.

7. Monthly Pipeline Delivery Report (April 2023)

Information Item

The Committee received and reviewed the Districts' pipelines' water activities as of April 30, 2023. 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 received and reviewed the costs through April 30, 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.

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

9. Monthly Administrative Services Department Update

Information Item

The Finance Department monthly update was presented by Mr. Zahn. Chief Human Resources Officer Josh Perez presented updates on Administration, Human Resources, Risk Management, and Information Technology (presentation attached).

During the Lake Piru Recreation Area revenue slide, Chief Park Ranger Clayton Strahan added that the Memorial Day holiday revenue was the highest they had seen since he had been working there (over 17 years). He expects to beat the 2021-22 gross revenue numbers at the lake this year overall. Also discussed with the Committee that he had seen a shift in visitors than the ones they had seen before (i.e., more families, etc.). He attributed some of the change in deterring bad behavior due to ranger staff being outfitted with uniforms and badges. Visitors are taking ranger staff more seriously. All the changes that the Board has instituted over the years fundamentally changed what the recreation area is today. Chair Maulhardt added the Board recognized that we need to manage issues that arise and in this technological era the public can get a sense of who Lake Piru is and Mr. Strahan agreed.

Chair Maulhardt went on to state social media may be an gateway on how to partner with some of our local colleges such as Channel Islands or California Lutheran by looking at ways to intern and leverage one or two of their students to learn their latest techniques on this platform. He felt there was a huge opportunity between the colleges that would place the District out in the marketplace to become an outreach organization. Director Keeling added it may be helpful to take some of that responsibility away from Mr. Strahan and pass it along to a student with a social media degree. Chair Maulhardt agreed. Director Keeling mentioned she would reach out to someone she knew and would report back. On that same subject, Chair Maulhardt suggested there would be a benefit for those college students to shadow our highly educated District employees and it should be part of the District's public outreach campaign. Director Berger added the District should find someone who can take responsibility off of its executive assistant by tapping into a college or university's resources. This would be beneficial and should be pursued and investigated. Mr. Perez offered to assist with this request and will report back his findings to the Committee.



Mr. Zahn continued with his presentation. During the April 2023 Pipeline summary, the Committee and staff discussed pipeline and surface deliveries. Mr. Strahan summarized for the Committee the motion going to the Board requesting their approval of facility improvements at Lake Piru. Chair Maulhardt's experience was that it may be challenging to get through the County of Ventura's (County) approval process. He suggested to Mr. Strahan to be strategic in finding a contact in the County to keep this moving, so it doesn't turn into a two-year process. Mr. Strahan mentioned he does have a reliable County contact who has been very helpful and is confident that the process would not take two years to complete. He is forwarding the plan to the County in stages to engage them early in the process. Chair Maulhardt stated Mr. Strahan had the full support of the Board to keep this project moving forward. He also added there is a huge need to have a recreation area. It had been a long strategic process and he would not like to have any financial issues arise. He continued to advise Mr. Strahan to utilize the support of the Board when needed.

Continuing, the Committee had questions regarding the WIFIA loan. Mr. Zahn mentioned he would map out who should be present at the meeting and if the questions were in-depth then he'd like a loan bond representative present. Director Berger felt the Committee didn't need to micromanage the WIFIA loan but just to receive a better understanding of how Mr. Zahn is going to manage it. He was comfortable with Mr. Zahn being present and answering the questions. Mr. Zahn replied that he would not have an answer on the rates at that time, but when the loan documents are executed, the rates will be locked in. Director Keeling was unfamiliar with the need for the loan and asked Mr. Zahn what it was for. Director Berger suggested Mr. Zahn provide background on the process and work for the loan since this was the first time Director Keeling had heard of it. Mr. Zahn also provided background on how funding and grants affect the loan and the variables which may impact them.

After staff provided their monthly updates, the Committee requested that the Risk Management slide be presented to the Board. They felt it was important to understand if the Board was engaged in their processes. Mr. Strahan added, there was a significant cost of \$6K plus for the playground maintenance, as an example of ensuring equipment complies with safety standards.

10. Future Agenda Items

Mr. Zahn mentioned that the District's WIFIA loan for the Santa Felicia Dam Safety Improvement Project would be brought to the Committee next month.

ADJOURNMENT 10:01 a.m.

Director Maulhardt adjourned the meeting at 10:01 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 June 5, 2023.

ATTEST: _____
Chair Lynn E. Maulhardt



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

General Manager
Mauricio E. Guardado, Jr.

Legal Counsel
David D. Boyer

ATTENDANCE LIST

MEETING DATE: Monday, June 5, 2023

MEETING: UWCD Finance and Audit Committee Meeting

The signing or registering of your name on this sign-up form is not required but is voluntary. All persons may attend the meetings of the Board of Directors of United Water Conservation District without signing or registering their names on this form.

Name (Please Print)

Representing

Bruce Dandy



1



2

UWCD Cash Collections - April

Pipeline: \$ 1.3M
Groundwater: \$ 26K
Rent: \$ 30K
Lake Piru: \$ 116K
Misc.: \$ 2M
TOTAL: \$ 3.5M



Lake Piru Cash Collections - April

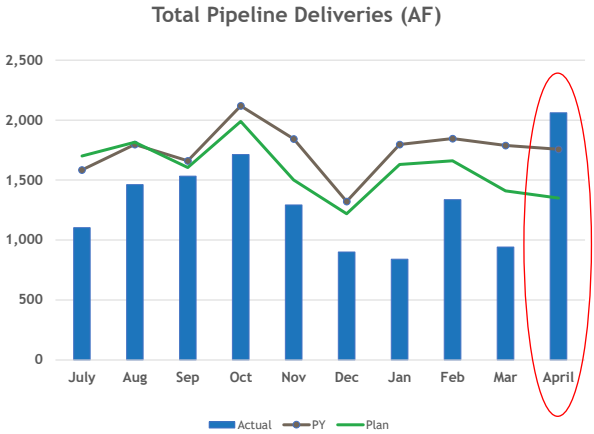
Day Use: \$ 22K
Concessions: \$ 6K
Boating & Watercraft: \$ 1K
Boat Storage: \$ 1K
Camping: \$ 81K
Miscellaneous: \$ 5K
Prior Year Total: \$ 98K
TOTAL: \$ 116K



April 2023 Pipeline

	\$ Billed	Actual AF	Plan AF	Variance
OH	\$890 K	985	870	115
PT	\$255 K	477	480	(3)
PV	\$127 K	599	0	599

- Year-to-date March deliveries are 17% below Plan and 25% below PY




Board Motion Items with Fiscal Impact

Motion No.	Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
3.1	Engineering and Operations	Santa Felicia Dam Safety Improvement Project-Outlet Works Improvement Project Construction Management and Inspection Services Award of Contract and Funds Transfer	Y	8002-850	\$1,498,623	-
3.3	Engineering and Operations	Contract Award to Jacobs Engineering Group Inc. for EBB Water Treatment Project Phase 1	Y	051-400-81060-8019-835	\$412,316	-
4.	Recreation	Lake Piru Draft Conceptual Facilities Improvement Plan	Y	051-400-8055 *(carry over from FY22-23)	\$557,868* \$427,838	
TOTAL					\$2,896,645	



Finance Department Updates

- Interim Financial audit to commence June 19th
- 2023-24 Budget ready for June 14th Board Meeting
- Sr. Accountant interviews done and selection process underway
- WIFIA loan documents will be available for the July meetings



7

7



Administrative Update

Josh Perez
Chief Human Resources Officer

8

8

Human Resources

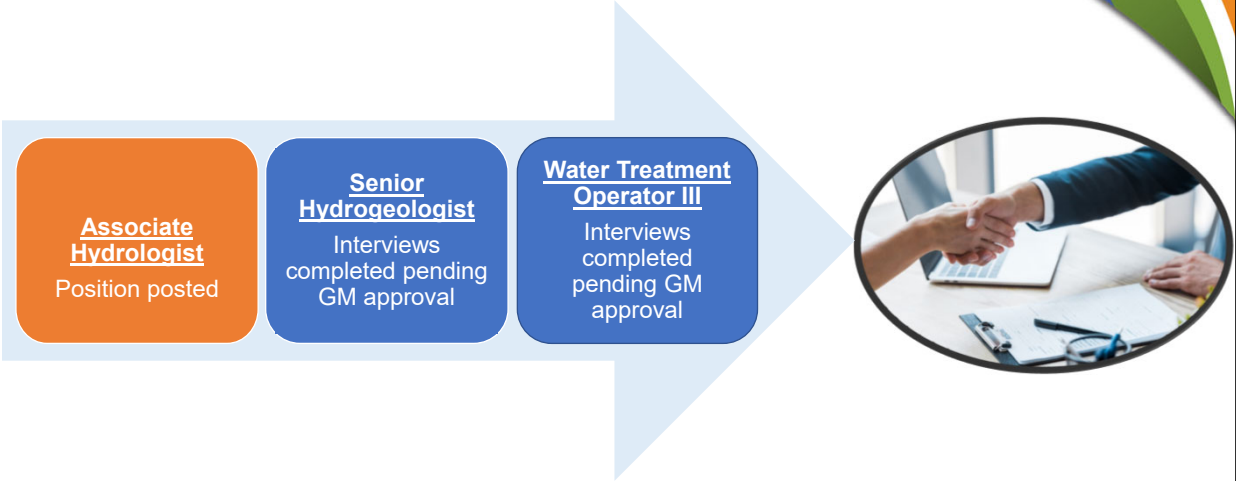
- Labor Agreement progress
- Successfully onboarded new employees
- Developed recruitments
- Finalized annual administrative leave and merit pay
- Continued to assemble groundwater hearing exhibits for the 2023 groundwater/workshop hearings



Brown Bag Session May 18, 2023 (online and in-person)

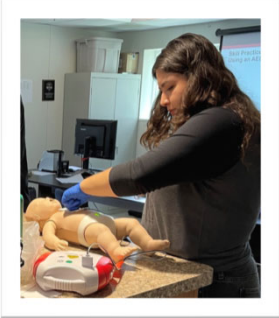


Current Employee Recruitments




Risk Management

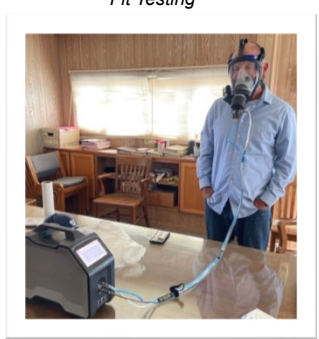
- Certified Lake Piru Recreation staff on Adult & Pediatric CPR/First Aid/AED.
- Conducted annual respirator fit testing for current O&M staff and hearing test for newly hired staff.
- Participated with Engineering Department on joint outreach efforts with Santa Paula Police Department’s new Emergency Manager on SFD Emergency Action Plan.
- Supported Water Resources with deployment of stream safety signs deployment.
- Assessed Piru Dam Siren testing, equipment, and training with new Ranger staff.
- Coordinated Playground Safety Inspection at Lake Piru and supported the implementation of recommendations.




First Aid, CPR Training

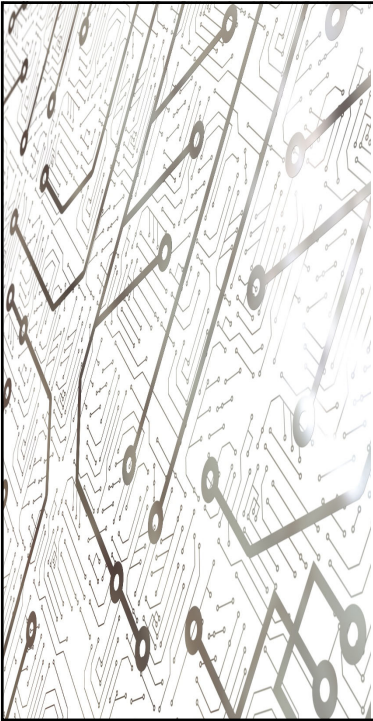


Fit Testing






11



Technology Systems

- Technology Systems and Operational staff held kickoff meeting with vendors supporting the install of the "Continuous threat detection monitoring" for SCADA. Equipment was shipped and has been installed.
- Provided to Lake Piru Recreation support for semi-regular interruptions to Wi-Fi service related to Radio Power Supply, an AT&T Server Outage, and SoCal Edison Planned Maintenance activities.
- Performed a review of the mobile devices deployed throughout the district.
- Worked with printer and copier services vendor to review Districts printing capabilities and recommended enhancements.
- Control Systems personnel worked with staff to deploy a modernized way for operators to acknowledge alarms.
- Presented at an HR-sponsored "Brown Bag" session on how to create strong passwords, the use of password managers, and how multi-factor authentication benefits staff and the District.



12



MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
Monday, July 3, 2023, at 9:00 a.m.
UWCD Headquarters, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

COMMITTEE MEMBERS PRESENT:

Sheldon G. Berger, director
Bruce E. Dandy, director (substitute for Lynn E. Maulhardt, chair)
Mohammed A. Hasan, director (substitute for Catherine P. Keeling, director)

STAFF PRESENT:

Mauricio Guardado, Jr., general manager
Anthony Emmert, assistant general manager
Sara Guzman, senior accountant
Jackie Lozano, administrative assistant
Josh Perez, chief human resources officer
Ed Reese, information technology systems administrator
Daryl Smith, controller
Brian Zahn, chief financial officer

PUBLIC PRESENT:

None.

OPEN SESSION 9:00 a.m.

Director Sheldon Berger called the meeting to order at 9:00 a.m.

Committee Members Roll Call

The Clerk called roll. One Committee member (Berger) and two substitute members (Dandy, Hasan) were in attendance.

1. Public Comment

Director Berger asked if there were any public comments. None were offered.

2. Approval of the Agenda

Motion

Motion to approve the Committee meeting agenda, Director Hasan; Second, Director Dandy. Voice vote, three ayes (Berger, Dandy, Hasan); none opposed. Motion carries, 3/0.

3. Approval of Minutes

Motion

The Committee received and reviewed the draft Committee meeting Minutes of June 5, 2023. Director Berger stated approval of the minutes would be deferred to the next Finance and Audit Committee meeting due to the absence of Directors Keeling and Maulhardt.



4. July 12, 2023, Board Meeting Agenda Items

The Committee reviewed and discussed the following agenda items to be considered for approval at the July 12, 2023, Board of Directors meeting:

4a. Resolution 2023-13 Approving the Planning and Design portion of the Water Infrastructure Finance and Innovation Act (WIFIA) Loan in the amount of \$13,594,645 to support the Santa Felicia Dam Safety Improvement Project

Board Motion

The District's Chief Financial Officer Brian Zahn provided an overview and presentation of this motion to the Committee for their consideration (presentation attached). He pointed out how this was not your typical loan. The District had to submit an application and be invited to apply. There are two phases of the loan, construction and planning and design. Additionally, the administrative costs have increased due to the EPA's unexpected use of outside legal advisors. During the presentation, there was discussion among staff and the Committee regarding but not limited to repayment of the loan, possible use of unused funds for other projects, and the rate of the loan whether it be fixed or adjustable. After discussion, the Committee felt confident in the plan going forward and agreed to recommend this motion to the full Board for their approval. When discussing what to bring forward to the Board, the Committee requested to see the presentation in its entirety. They felt the information was very useful. There were no further comments or questions from the Committee. No public comments were offered.

5. Monthly Investment Report (May 2023)

Information Item

The Committee members received and reviewed the monthly investment report as presented in the Finance and Audit Committee agenda packet. Director Hasan asked for an explanation of the methodology behind the categories depicted on the investment report. Mr. Zahn explained the reasoning behind each line item and highlighted how important the reserves are to the District. He also pointed out that the Local Agency Investment Fund (referred to as LAIF) was the only investment program of the District. There were no further comments or questions from the Committee. No public comments or questions were offered.

6. Monthly Pipeline Delivery Report (May 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.

7. 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.

8. Monthly Administrative Services Update

Information Item

The Finance Department monthly update was presented by Mr. Zahn. Chief Human Resources Officer Josh Perez presented updates on Administration, Human Resources, Risk Management, and Information Technology (presentation attached). When presenting financial highlights on the Lake Piru Recreation Area, Director Berger mentioned it was incredible how the lake collections have increased, even with closure from the impact of the storms. Overall, he was very pleased.

Discussed were Quest Diagnostic's lease negotiation, the current employee vacancies, the employment qualifications and duties regarding recharge operators, and the internal inquiries from the new auditor which the Finance staff is looking forward working with.

When discussing what to bring forward to the Board, the Committee would like to see the Lake Piru Recreation Area's final numbers after taking into account the July 4 holiday weekend. The General Manager Mauricio Guardado reminded the Committee on the streamlined process of a summary rather than all slides when proposing items for the Board.

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

9. Future Agenda Items

Director Berger asked the Committee members if there were any agenda items they wished to bring forward to future meetings. No requests were offered by the Committee.

ADJOURNMENT 9:35 a.m.

Director Berger adjourned the meeting at 9:35 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 July 3, 2023.


ATTEST: _____
Chair Lynn E. Maulhardt



1

WIFIA Loan Program

- Water Infrastructure Finance and Innovation Act (WIFIA)
- Water Resources Reform and Development Act (WRRDA) established the WIFIA program
- Projects are selected for low-interest WIFIA loans in a competitive process based on the national significance of the proposed water or wastewater infrastructure to be constructed
- EPA selected the Santa Felicia Dam Safety Improvement Project for the WIFIA loan program



2

2

WIFIA Loan Details

- First loan is for the Planning and Design work. Once the formal construction date is set, we will return for the construction funds.
- Funding based on funds available to the EPA, but will only cover 49% of project costs
- \$125,000 loan application fee paid in February 2023 to cover loan closing costs. Current estimate is that an additional \$50K will be needed in closing costs
- Funds will be drawn as needed during the project
- Payments under the Installment Purchase Agreement will be on parity with the 2020 Certificate of Participation financing



3

3

WIFIA Loan Details (continued)

WIFIA Loan benefits

- Long term
- 5 Year deferment available
- Low interest – current EPA estimate 3.97%
- No payments until project complete
- Only borrow what we need
- Pay-back at any time (principal or interest)
- No interest on unused funds



4

4

WIFIA Loan Details (continued)

- Project Costs: \$203,290,008
- Full loan amount: \$ 99,612,104
- Planning and Design Costs: \$ 27,744,174
- Planning and Design Loan: \$ 13,594,645
- Draw period: 08/01/2023 – 10/31/2030
- Total Loan Cost: \$ 24,006 000



WIFIA Loan Sample Amortization Schedule

Period Payment Date	Period Repayment Type	Disbursements in Period	Capitalized Interest	Interest Payment	Principal Repayment	% of Maximum Principal Outstanding	Semi-annual Debt Service Payment	Ending Balan
10/1/2023	No Payment	\$ 13,594,645	\$ 47,606	\$ -	\$ -	N/A	\$ -	\$ 13,642,251
4/1/2024	No Payment	\$ -	\$ 270,799	\$ -	\$ -	N/A	\$ -	\$ 13,913,050
10/1/2024	No Payment	\$ -	\$ 276,174	\$ -	\$ -	N/A	\$ -	\$ 14,189,224
4/1/2025	No Payment	\$ -	\$ 281,656	\$ -	\$ -	N/A	\$ -	\$ 14,470,880
10/1/2025	No Payment	\$ -	\$ 287,247	\$ -	\$ -	N/A	\$ -	\$ 14,758,127
4/1/2026	No Payment	\$ -	\$ 292,949	\$ -	\$ -	N/A	\$ -	\$ 15,051,076
10/1/2026	No Payment	\$ -	\$ 298,764	\$ -	\$ -	N/A	\$ -	\$ 15,349,839
4/1/2027	No Payment	\$ -	\$ 304,694	\$ -	\$ -	N/A	\$ -	\$ 15,654,534
10/1/2027	No Payment	\$ -	\$ 310,743	\$ -	\$ -	N/A	\$ -	\$ 15,965,276
4/1/2028	No Payment	\$ -	\$ 316,911	\$ -	\$ -	N/A	\$ -	\$ 16,282,187
10/1/2028	No Payment	\$ -	\$ 323,201	\$ -	\$ -	N/A	\$ -	\$ 16,605,388
4/1/2029	No Payment	\$ -	\$ 329,617	\$ -	\$ -	N/A	\$ -	\$ 16,935,005
10/1/2029	No Payment	\$ -	\$ 336,160	\$ -	\$ -	N/A	\$ -	\$ 17,271,165
4/1/2030	No Payment	\$ -	\$ 342,833	\$ -	\$ -	N/A	\$ -	\$ 17,613,998
10/1/2030	Level Payment (annual p, sem	\$ -	\$ -	\$ 349,638	\$ 298,440	N/A	\$ 648,078	\$ 17,315,557
10/1/2031	Level Payment (annual p, sem	\$ -	\$ -	\$ 343,714	\$ 310,289	N/A	\$ 654,002	\$ 17,005,269
10/1/2032	Level Payment (annual p, sem	\$ -	\$ -	\$ 337,555	\$ 322,607	N/A	\$ 660,162	\$ 16,682,662
10/1/2033	Level Payment (annual p, sem	\$ -	\$ -	\$ 331,151	\$ 335,414	N/A	\$ 666,565	\$ 16,347,247
10/1/2034	Level Payment (annual p, sem	\$ -	\$ -	\$ 324,493	\$ 348,730	N/A	\$ 673,223	\$ 15,998,517
10/1/2035	Level Payment (annual p, sem	\$ -	\$ -	\$ 317,571	\$ 362,575	N/A	\$ 680,146	\$ 15,635,942
10/1/2036	Level Payment (annual p, sem	\$ -	\$ -	\$ 310,373	\$ 376,969	N/A	\$ 687,343	\$ 15,258,973
10/1/2037	Level Payment (annual p, sem	\$ -	\$ -	\$ 302,891	\$ 391,935	N/A	\$ 694,826	\$ 14,867,038







1



2



Financial Update

Brian H. Zahn
Chief Financial Officer

3

UWCD Cash Collections - May

Pipeline: \$ 865K

Groundwater: \$ 51K

Rent: \$ 19K

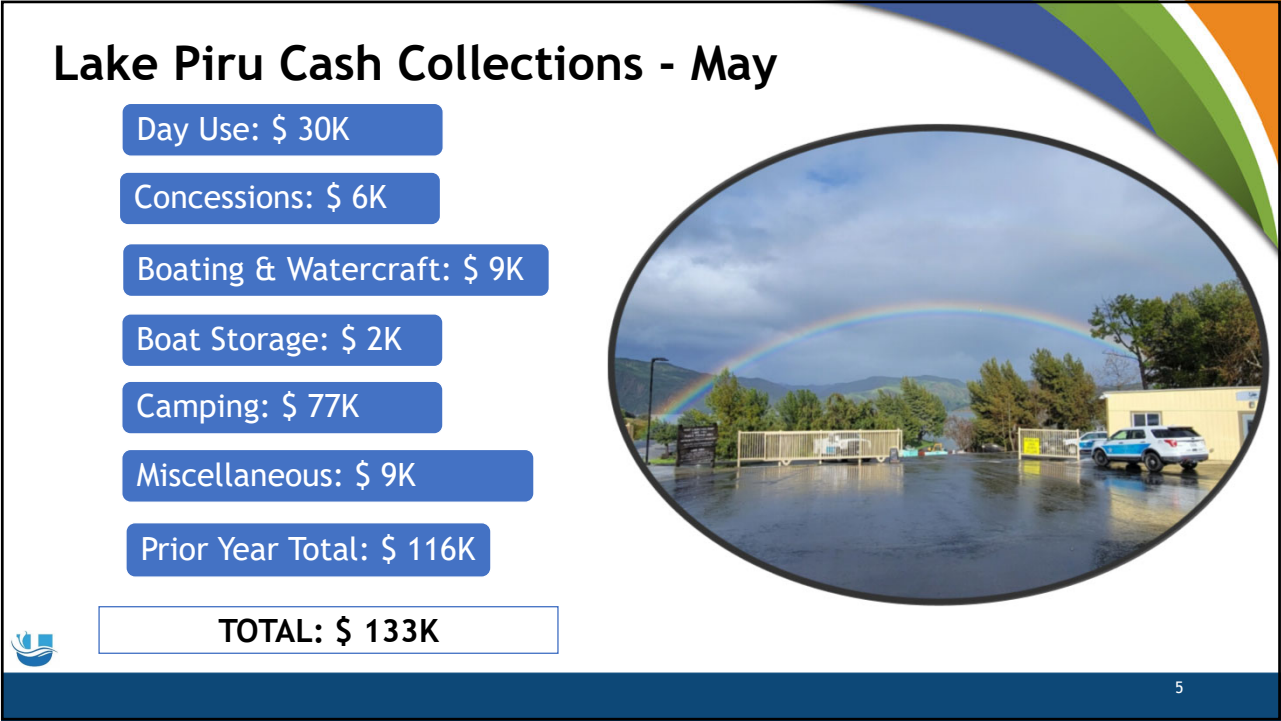
Lake Piru: \$ 133K

Misc.: \$ 4.9M

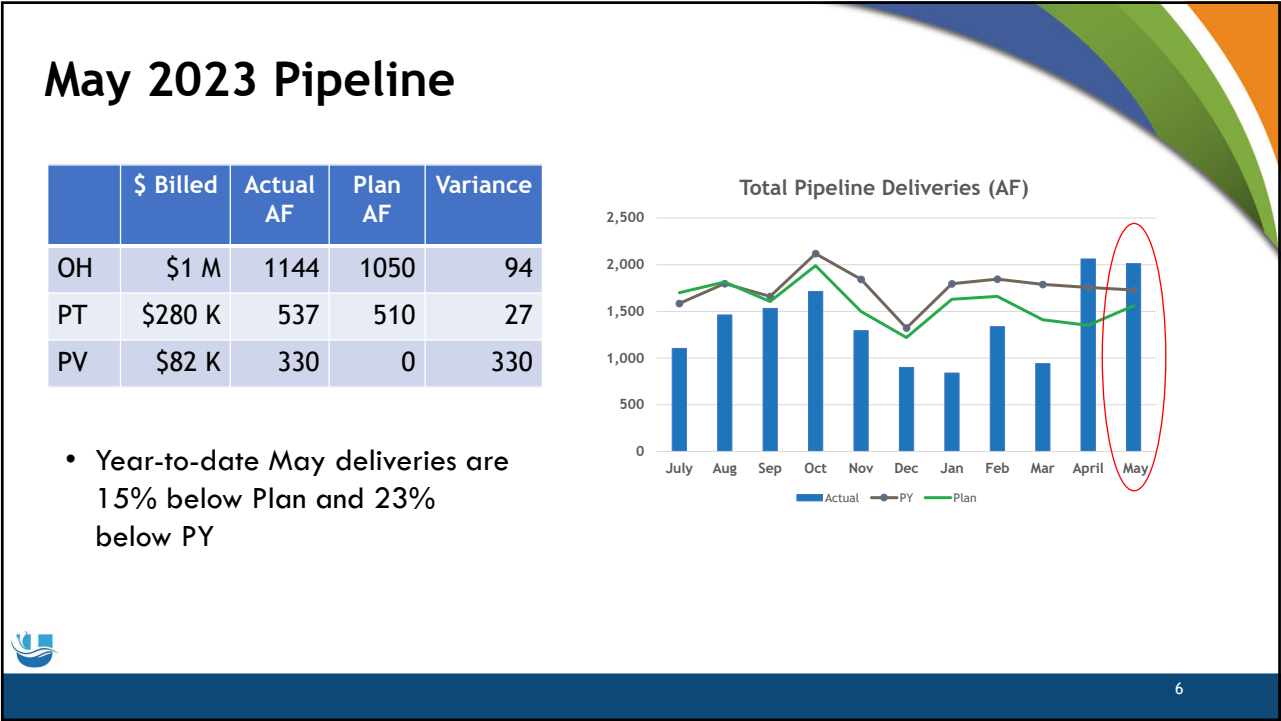
TOTAL: \$ 6.0M



4



5



6

Leases - Quest Diagnostics

Currently negotiating a lease extension with Quest whose lease expires in September '23

Year	Monthly per/SF		Monthly Rent		Current Lease	
	Submitted	Proposed	Submitted	Proposed	Rate	Monthly
1st	\$ 2.35	\$ 2.40	\$ 6,888	\$ 7,045	\$ 2.53	\$ 7,665.43
2nd	\$ 2.41	\$ 2.48	\$ 7,064	\$ 7,256		
3rd	\$ 2.47	\$ 2.55	\$ 7,240	\$ 7,474		
4th	\$ 2.53	\$ 2.63	\$ 7,415	\$ 7,698		
5th	\$ 2.59	\$ 2.71	\$ 7,591	\$ 7,929		
6th		\$ 2.79		\$ 8,167		

- > Approximately 2,931 sf
- > Requesting 2 month free rent for renovations




Board Motion Items with Fiscal Impact

Motion No.	Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
2024-01	Finance/ Engineering	WIFIA loan to support the Santa Felicia Dam Safety Improvement project	Y		Adding \$13.6M funding for SFD project	Repayment of loan begins 10/01/2030
				TOTAL	\$13.6M	



Finance Department Updates

- 2023-24 Budget Approved and preparing to publish approved budget book
- District purchase 2,079 AF Article 21 water - \$571,725
- Interim audit wrapping up with new auditors – LSL
- New Accountant scheduled to begin with United 07/17/23



9

9



Administrative Update

Josh Perez
Chief Human Resources Officer

10

10

Human Resources

- Reached tentative agreement with SEIU Local 721 on a four-year labor agreement pending Board approval at the July 2023 meeting which would last until June 2027.
- Based on Board vote, will host a meeting with all staff to discuss changes in labor agreement in July (tentatively July 13th).
- Successfully completed recruitments for the following personnel and positions:
 - Senior Hydrogeologist (Christofer Coppinger - starts July 10th)
 - Senior Hydrogeologist (Patrick O’Connell - - starts July 10th)
 - Recharge O&M Worker I (Daniel Emerson - started June 26th)
 - Water Treatment Operator II (Ernie Flores - starts July 10th)





11

Current Employee **Recruitments**

Associate Hydrologist

Interviews completed, selection pending GM approval

Senior Engineer

Position posted

Recharge Operator I (Saticoy)

Position posted, strong external response







12

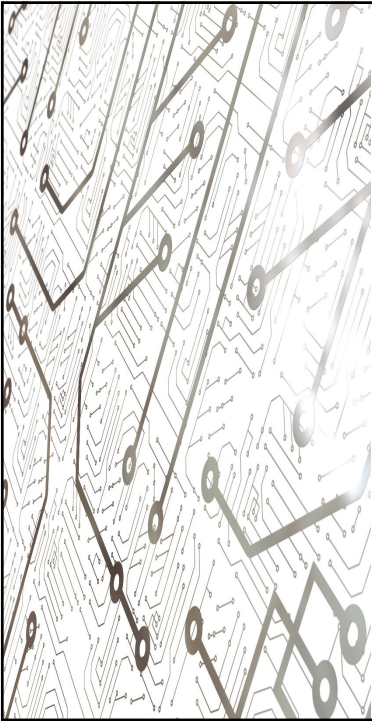
Risk Management

- Coordinated ongoing FEMA Disaster Recovery efforts among Departments.
- Supported Engineering Department with SFD EAP Call-Down Drill.
- Provided annual fire extinguisher training to Recreation and Santa Felicia Dam staff & coordinated annual servicing of fire extinguishers and alarm system & sprinkler inspection for Ranger Station.
- Coordinated interagency Security Evaluation for Santa Felicia Dam Safety Improvement Projects with top tier subject matter experts.
- Delivered heat illness prevention training during monthly safety meeting.
- Assisted O&M and Recreation Departments with updating water quality emergency notifications.
- Completed DHS Office of Bombing Prevention live virtual training on Improvised Explosive Device (IED) Explosive Effects Mitigation.






13



Technology Systems

- Tech Systems worked with the Audit firm conducting the Districts 2023 external audit was provided secure remote access capabilities to conduct their assessments, and an online instruction on how to use the solution was provided by Tech Systems Staff.
- Purchased online accounting suite for GSA Accounting and migrated existing companies into the new online accounting software suite. Provided District Finance staff with new accounts and provisioned new software.
- IT and OT Staff worked with SCADA Industrial Contractor to install a Cyber Security Monitoring System. System training is a phased approach that consists of a few weeks of learning baseline business activities, and over these weeks staff will enable reactive modes which can detect and protect District cyber assets.
- Tech Systems Staff hosted various AWA and extended Education Seminars in the Districts multipurpose conference room and District boardroom.

14







Staff Report

To: UWCD Finance and Audit Committee

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

From: Anthony A. Emmert, Assistant General Manager

Date: August 31, 2023 (September 5, 2023, Meeting)

Agenda Item: 4a. State Water Project Water Transfer from Palmdale Water District
Board Motion

Staff Recommendation:

The Committee will consider recommending for approval the Agreement with Palmdale Water District for the transfer of 2,000 acre-feet of Table A State Water Project water and authorizing the General Manager to execute the Agreement and associated documents to the full Board.

Background:

Palmdale Water District (PWD) currently holds the rights to 21,000 acre-feet of State Water Project (SWP) Table A water supply allocation under contract with the California Department of Water Resources (DWR). PWD has developed a portfolio of additional SWP supplies beyond its Table A allocation. During high allocation years, PWD is unable to deliver its full portfolio of SWP supplies.

Ventura County Watershed Protection District (VCWPD) currently holds the rights to 20,000 acre-feet of SWP Table A water supply allocation under contract with DWR. VCWPD has assigned administration of its VCWP SWP contract to the Casitas Municipal Water District (CMWD). United Water Conservation District (District) holds a sub-allocation under the VCWPD contract. The District takes receipt of its SWP water through either SWP Reach 29 via release from Pyramid reservoir or SWP Reach 30 from Castaic Reservoir.

Discussion:

With the SWP allocation of 100 percent for Calendar Year 2023, PWD has sufficient supply to cover all its demands, and desires to transfer a portion to the District. The District has the capacity to receive the surplus PWD water before the end of Calendar Year 2023 and utilize it to supplement groundwater recharge within the District service area.

Because the water to be transferred will be delivered through existing facilities, without the construction of additional facilities, the parties agree that the proposed transfer of water constitutes a project that is exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15301 (b) of the State CEQA Guidelines.

**Agenda Item 4a. State Water Project Water Transfer from Palmdale Water District
Board Motion**

A summary of proposed agreement terms:

- One-year term (2023).
- Transfer of 2,000 acre-feet of PWD's SWP Table A allocation.
- District to pay PWD \$191.30 per acre-foot based on the PWD's existing agreement with Littlerock Creek Irrigation District.
- District to pay all variable costs related to the transferred water supply (estimated \$300 per acre-foot).

Fiscal Impact:

The total cost of the water transfer is estimated at \$982,600. The FY 2023-2024 Budget contains sufficient funds to cover the anticipated expenditure.

Attachment:

Attachment 1: Agreement

WATER TRANSFER AGREEMENT BETWEEN PALMDALE WATER DISTRICT AND UNITED WATER CONSERVATION DISTRICT

This Agreement (Agreement) is made and effective as of _____ (Effective Date) by and among Palmdale Water District (PWD), a special act agency, and United Water Conservation District (UWCD). PWD and UWCD referred to collectively as the Parties.

BACKGROUND AND PURPOSE

Ventura County Watershed Protection District (VCWPD) is a State Water Project Contractor that receives imported water deliveries from the State Water Project (SWP). VCWPD has assigned administration of its VCWPD SWP water contract with the California Department of Water Resources (DWR) to the Casitas Municipal Water District (CMWD). UWCD holds a sub-allocation of the VCWPD Table A allocation, and receives imported water deliveries from the SWP.

PWD is a State Water Project Contractor that receives imported water deliveries from the SWP.

UWCD has expressed a need for additional water supplies, particularly during high allocation years of the SWP. PWD has developed a portfolio of additional SWP supplies beyond its Table A allocation. During high allocation years PWD is unable to deliver its full portfolio of SWP supplies. With the 2023 SWP allocation of 100%, PWD has enough supply to cover all its demands, and UWCD has capacity to take additional water. PWD shall make available 2,000 acre-feet (AF) of its Table A water for transfer to UWCD in 2023.

TERMS AND CONDITIONS

Condition Precedent

DWR's written approval of this Agreement, including the terms and conditions herein, is a condition precedent to the effectiveness of this Agreement. DWR's approval shall be provided in the form of the Change in Point of Delivery Agreement among DWR, CMWD on behalf of VCWPD, and PWD.

Water Transfer

PWD will make available 2,000 AF of PWD's Table A water for transfer to UWCD for delivery in 2023. PWD is not responsible for water made available for transfer under this Agreement that is not delivered to UWCD. The transfer will occur as provided in the Change in Point of Delivery Agreement. The point of transfer is Banks Pumping Plant.

Places of Use

The water transferred to UWCD in 2023, pursuant to this Agreement, will be delivered through existing facilities and will be used entirely within UWCD's service area.

Compliance with Article 57(g) of the Water Supply Contracts

PWD will coordinate with CMWD on behalf of VCWPD for both agencies to confirm their compliance with Article 57(g) of their respective Water Supply Contracts related to this transfer.

California Environmental Quality Act (CEQA) Notice of Exemption

Because all of the water delivered to UWCD pursuant to this Agreement will be delivered through existing facilities, without the construction of additional facilities to affect such deliveries, PWD and UWCD agree that the transfer of water described herein constitutes a project that is exempt from CEQA pursuant to Section 15301 (b) of the State CEQA Guidelines. PWD therefore filed a Notice of Exemption for the project described herein with the State Office of Planning and Research and the Ventura County Clerk's office.

Transaction Costs

UWCD shall pay PWD a rate of \$191.30 for every AF of water made available by PWD; payment shall be made within 45 days of the PWD invoice date. UWCD shall be responsible for the SWP delivery costs for the water delivered to UWCD.

Approvals

UWCD and PWD acknowledge that it will also be necessary for PWD and CMWD on behalf of VCWPD to execute the Change in Point of Delivery Agreement along with DWR. UWCD and PWD each agree to cooperate with DWR, VCWPD, and with each other in the preparation, review, and execution of that agreement with DWR, and with the processing of such other approvals as may be necessary to affect the water transfer described herein.

Other Costs

PWD and UWCD shall each be responsible for its own legal and consulting costs incurred in the preparation, review, and implementation of this Agreement.

Costs of Defense

In the event of any legal action by a third party to challenge this Agreement and/or the water transfer described herein, UWCD and PWD agree to cooperate in the defense thereof and to share equally in the costs of such defense, utilizing counsel mutually acceptable to the Parties.

Force Majeure

In the event that an unavoidable event renders the performance of this Agreement impossible or infeasible, the Parties hereto shall be excused from the performance thereof, with a corresponding refund or adjustment of the payments required herein as may be necessary to achieve financial equity as between the Parties for that portion of the Agreement that cannot

be performed; provided, however, that UWCD and PWD shall first coordinate with DWR to determine whether alternate performance may be possible pursuant to an alternate schedule for completion of performance.

Notices

Written notice may be provided by either party to the other by first-class mail, postage prepaid, to the following addresses:

Palmdale Water District
Dennis LaMoreaux, General Manager
2029 East Avenue Q
Palmdale, CA 93550
Phone: 661.456.1017
Email: dlamoreaux@palmdalewater.org

United Water Conservation District
Mauricio E. Guardado, General Manager
1701 North Lombard Street
Oxnard, CA 93030
Phone: 805.525.4431
Email: mauriciog@unitedwater.org

Authority

The undersigned representatives of UWCD and PWD hereby represent that they are authorized to execute the Agreement for the party on whose behalf this Agreement is executed.

In witness whereof, the Parties have executed this Agreement as of the Effective Date above written.

Palmdale Water District:

United Water Conservation District

Dennis D. LaMoreaux, General Manager

Mauricio E. Guardado, General Manager



Staff Report

To: UWCD Finance and Audit Committee

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

From: Anthony A. Emmert, Assistant General Manager

Date: August 31, 2023 (September 5, 2023, Meeting)

Agenda Item: 4b. State Water Project Water Transfer from Santa Clarita Valley Water Agency
Board Motion

Staff Recommendation:

The Committee will consider recommending for approval an Agreement with Santa Clarita Valley Water Agency for the transfer of 2,000 acre-feet of Table A State Water Project water and authorizing the General Manager to execute the Agreement and associated documents to the full Board.

Background:

Santa Clarita Valley Water Agency (SCV Water) currently holds the rights to 95,200 acre-feet of State Water Project (SWP) Table A water supply allocation under contract with the California Department of Water Resources (DWR). SCV Water has developed a portfolio of additional SWP supplies beyond its Table A allocation. During high allocation years, SCV Water is unable to deliver its full portfolio of SWP supplies.

Ventura County Watershed Protection District (VCWPD) currently holds the rights to 20,000 acre-feet of SWP Table A water supply allocation under contract with DWR. VCWPD has assigned administration of its VCWP SWP contract to the Casitas Municipal Water District (CMWD). United Water Conservation District (District) holds a sub-allocation under the VCWPD contract. The District takes receipt of its SWP water through either SWP Reach 29 via release from Pyramid reservoir or SWP Reach 30 from Castaic Reservoir.

Discussion:

With the SWP allocation of 100 percent for Calendar Year 2023, SCV Water has sufficient supply to cover all its demands, and desires to transfer a portion to the District. The District has the capacity to receive the surplus SCV Water SWP water before the end of Calendar Year 2023 and utilize it to supplement groundwater recharge within the District service area.

Agenda Item 4b. State Water Project Water Transfer from Santa Clarita Valley Water Agency
Board Motion

Because the water to be transferred will be delivered through existing facilities, without the construction of additional facilities, the parties agree that the proposed transfer of water constitutes a project that is exempt from the California Environmental Quality Act (CEQA), pursuant to Section 15301 (b) of the State CEQA Guidelines.

A summary of the proposed agreement terms:

- One-year term (2023).
- Transfer of between 2,000 to 10,000 acre-feet of SCV Water's SWP Table A allocation.
- District to pay Santa Clarita Valley Water \$120.00 per acre-foot.
- District to pay all variable costs related to the transferred water supply (estimated \$300 per acre-foot).

Fiscal Impact:

The total cost of the water transfer is estimated to be within \$840,000 to \$4, 200,000. The FY 2023-2024 Budget contains sufficient funds to cover the anticipated expenditure.

Attachment:

Attachment 1: Agreement

**AGREEMENT
FOR A WATER TRANSFER
BETWEEN
UNITED WATER CONSERVATION DISTRICT
AND
SANTA CLARITA VALLEY WATER AGENCY**

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

RECITALS

- A. Ventura County Watershed Protection District (VCWPD) is a State Water Project Contractor that receives imported water deliveries from the State Water Project (SWP). VCWPD has assigned administration of its VCWPD SWP water contract with the California Department of Water Resources (DWR) to the Casitas Municipal Water District (CMWD). UWCD holds a sub-allocation of 5,000 acre-feet of the VCWPD Table A allocation and receives imported water deliveries from the SWP.
- B. SCVWA has contracted with DWR for a SWP water supply and holds a Table A amount of 95,200 acre-feet per year; and
- C. SCVWA and UWCD overlie adjoining groundwater basins located along the Santa Clara River; and
- D. SCVWA and UWCD desire to coordinate enhancing the water supply reliability of their service areas; and
- E. SCVWA and UWCD agree to a one-time non-permanent transfer of up to 10,000 acre-feet of SCVWA’s 2023 State Water Project Table A amount (“Transfer Agreement”); where UWCD agrees to purchase a minimum of 2,000 acre-feet of SCVWA’s Table A water with an optional transfer of the remaining 8,000 acre-feet; and
- F. UWCD has up to 40,000 acre-feet of storage capacity within the Lake Piru reservoir.
- G. UWCD and SCVWA have determined that the transfer provided for in this Agreement will involve no change in the type of use or expansion of use of either UWCD or SCVWA’s existing facilities and is thus exempt from the California Environmental Quality Act (“CEQA”) pursuant to Sections 15301 and 15061(b)(3) of the State CEQA Guidelines.

Now, therefore, incorporating the foregoing recitals herein, the parties agree to a water transfer with the following term and conditions:

1. **Term:** The term of this Agreement shall commence on November 1, 2023 (“Effective Date”). All purchased water will be delivered by December 31, 2023. The Transfer Agreement will terminate by July 1, 2024.

2. Delivery of SCVWA Water to UWCD

- a. **Transfer amount:** SCVWA is entitled to SWP water and desires to transfer up to 10,000 acre-feet (“SCVWA Water”) to UWCD under this Agreement. UWCD shall accept delivery of up to 10,000 acre-feet of SCVWA Water during the timeframe described in Section 2(d).
- b. **The Point of Transfer:** The point of transfer is the California Delta.
- c. **The Point of Delivery:** The point of delivery (POD) of SCVWA Water to UWCD shall be either Reach 29 (Pyramid to Piru Creek) or Reach 30 (Castaic Lake).
- d. **Scheduling:** UWCD shall determine delivery and quantities of the Transfer Agreement water. Water transferred under this term sheet can be requested and scheduled in multiple blocks any time prior to December 31, 2023, subject to capacity limitations imposed by DWR.
- e. **Costs:** Ventura County WPD will be responsible for all charges associated with the conveyance of water from the Transfer Agreement to the POD, which will be billed to UWCD. UWCD will take possession of the Transfer Agreement water at the POD and be responsible for all charges associated with conveyance of Transfer Agreement water downstream from the POD.
- f. **Purchase Price:** The purchase price for Transfer Agreement water sold by SCVWA and to be delivered to UWCD shall be \$120 per acre-foot. This price includes both the minimum purchase of the 2,000 acre-feet and the remaining optional 8,000 acre-feet.

3. Miscellaneous Provisions

- a. **Approvals:** UWCD and SCVWA acknowledge that it will also be necessary for SCVWA and CMWD on behalf of VCWPD to execute the Change in Point of Delivery Agreement along with DWR. UWCD and SCVWA each agree to cooperate with DWR, CMWD on behalf of VCWPD, and with each other in the preparation, review, and execution of that agreement with DWR, and with the processing of such other approvals as may be necessary to affect the water transfer described herein. The parties will cooperate and exercise best efforts to assist one another in obtaining any approvals which are necessary to affect deliveries of water transfer.

- b. **b. Other Costs:** This Agreement identifies the total costs of the water exchange provided for in this Agreement. Neither party is responsible to the other for any costs other than those identified herein.
- c. **CEQA:** The parties agree that the water exchange contemplated by the Agreement is exempt from CEQA pursuant to State CEQA Guidelines Sections 15301 and 15061(b)(3) because it will involve no change in the type of use or expansion of use of either UWCD or SCVWA's existing infrastructure facilities. Rather, the water exchange will involve the exercise of UWCD and SCVWA's existing right to SWP water, and the transfer of said water between UWCD and SCVWA pursuant to the terms of this Agreement. The exchange will consist merely of the continued operation of UWCD and SCVWA's existing facilities and the parties agree that there are no unusual circumstances that would trigger the need for further CEQA review. SCVWA will act as the "lead agency" in obtaining approvals from DWR and CEQA. UWCD and CMWD on behalf of Ventura County WPD will be "responsible agencies".
- d. **Liability:** Neither party hereunder shall be liable to the other party, nor subject to any claim, demand, causes of action, costs, expenses, loss, or damage or injury of any kind or any nature whatsoever in connection with the control, handling, use, disposal, or distribution of water supplied to the other party after such water has been delivered to the other party or its designee.
- e. **Notices, Confirmation and Communication:** Notices, confirmation and communication shall be in the form of emails, followed by written notice delivered personally or by U.S. mail or facsimile, and effective on the date of the first received to the following addresses:

United Water Conservation District
Attn: Mauricio Guardado, General Manager
1701 North Lombard Street, Suite 20
Oxnard, CA 93030
Telephone: 805-525-4431
Facsimile: 805-525-2661
Email: mauriciog@unitedwater.org

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

ATTACHMENT

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

United Water Conservation District

Santa Clarita Valley Water Agency

Mauricio E. Guardado
General Manager

Mathew G. Stone
General Manager



Staff Report

To: UWCD Finance and Audit Committee Members

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

From: Brian H. Zahn, Chief Financial Officer

Date: August 28, 2023 (September 5, 2023, meeting)

Agenda Item: 5. **FY 2022-23 Third Quarter Financial Report**
(July 1, 2022 – March 31, 2023)
Information Item

Staff Recommendation:

The Committee will receive and review the FY 2022-23 Third Quarter Financial Report for the period of July 1, 2022, through March 31, 2023.

Discussion:

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

This report represents the first nine months of financial information for District operations for FY 2022-23 (75 percent of the total fiscal year). Included in this report are budget to actual comparisons to date for District revenues, expenditures and water deliveries, as well as discussion of any significant variances. This report is based on unaudited financial data and therefore is subject to revision as staff makes any necessary adjustments that may occur during the year.

While some funds appear to have some savings potential, adjustment recommendations may not be made at this time because the potential savings may be the result of delays in timing and therefore may not materialize.

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

- Staff currently offers no recommendations for budget adjustments.

Attachment:

Third Quarter Fiscal Year 2022-2023 Financial Reports



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

General Manager
Mauricio E. Guardado, Jr.

Legal Counsel
David D. Boyer

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.

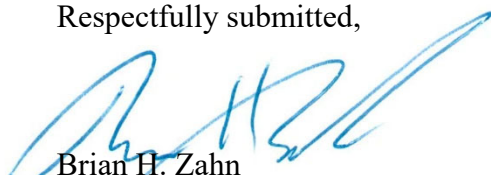
The District's cash, cash equivalents and securities held in the various accounts as compared to the prior year are as follows:

	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

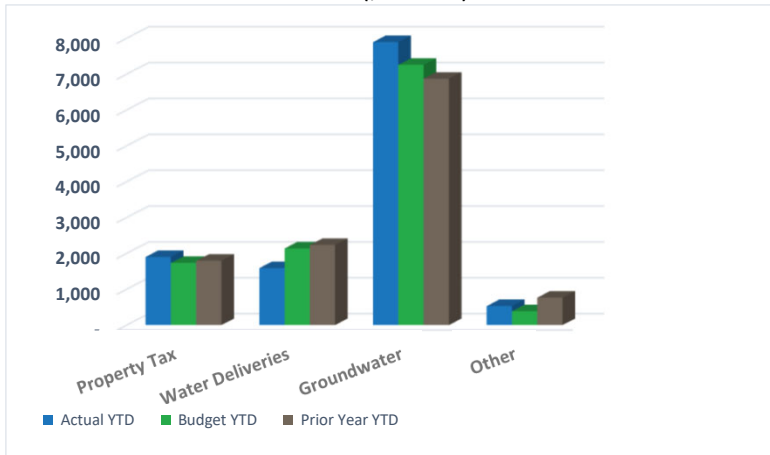
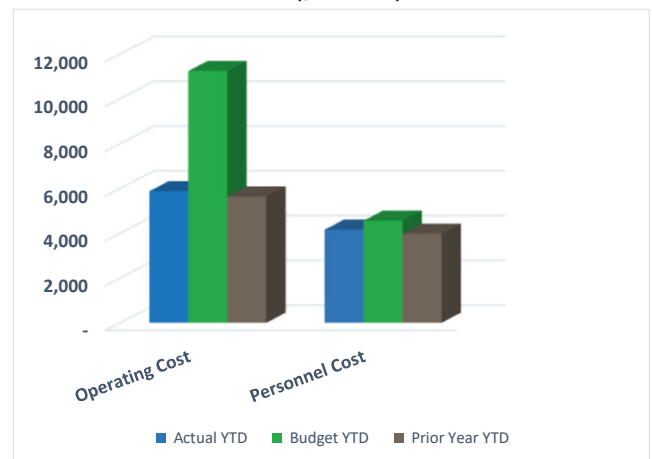
FY 2022-23 Third Quarter Financial Review

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.

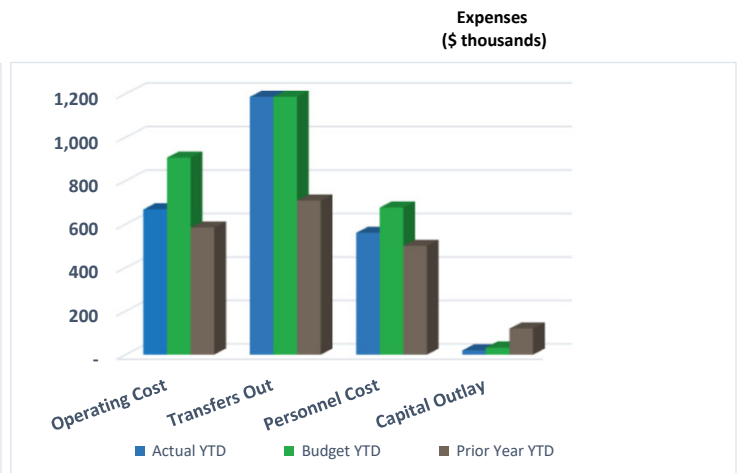
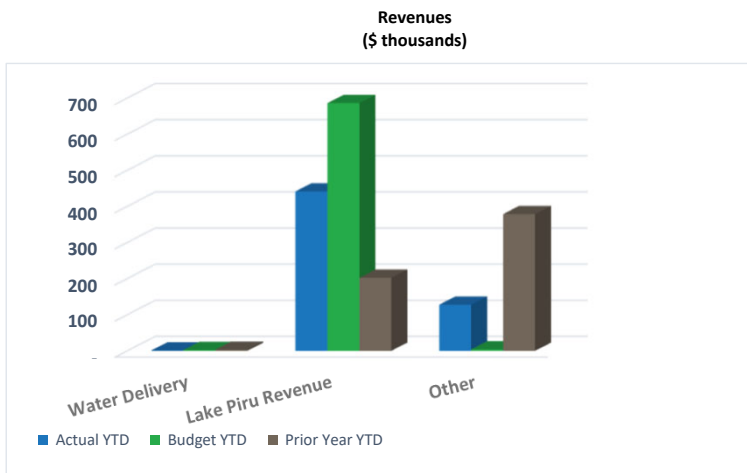
FY 2022-23 Third Quarter Financial Review

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%


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

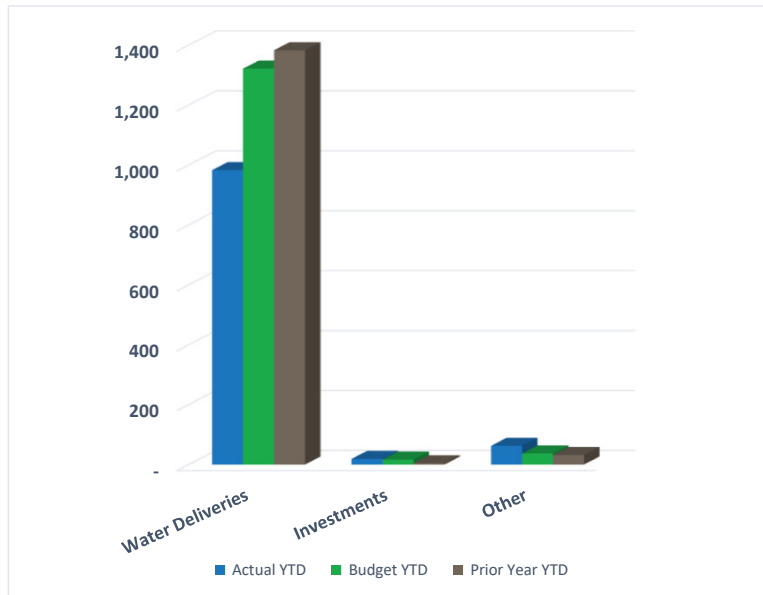
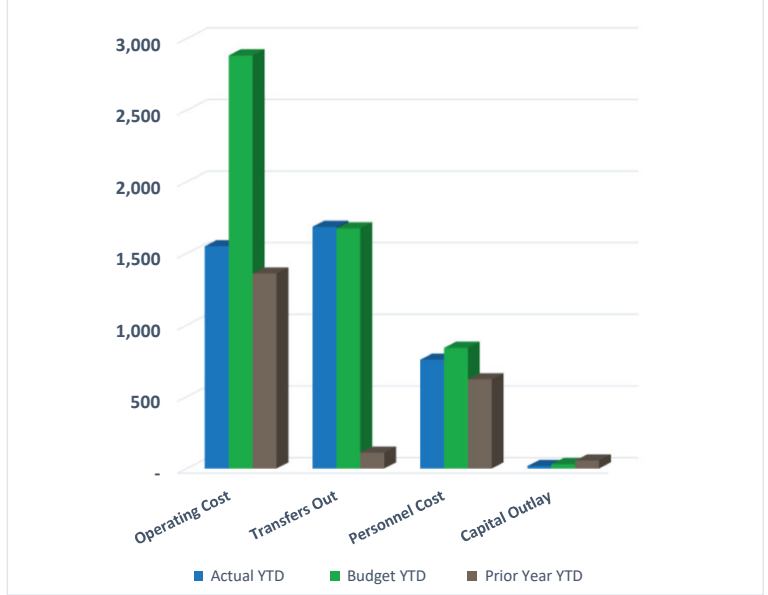
- Expenditures are \$522K (27%) higher than Prior Year primarily due to CIP Transfers Out \$478K over PY for the Lake Piru Campground and Recreation Area Renovations. Contributing to the variance is higher Salaries and Benefits \$61K due to the Board Approved 2% COLA increase and annual merits increases.
- 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

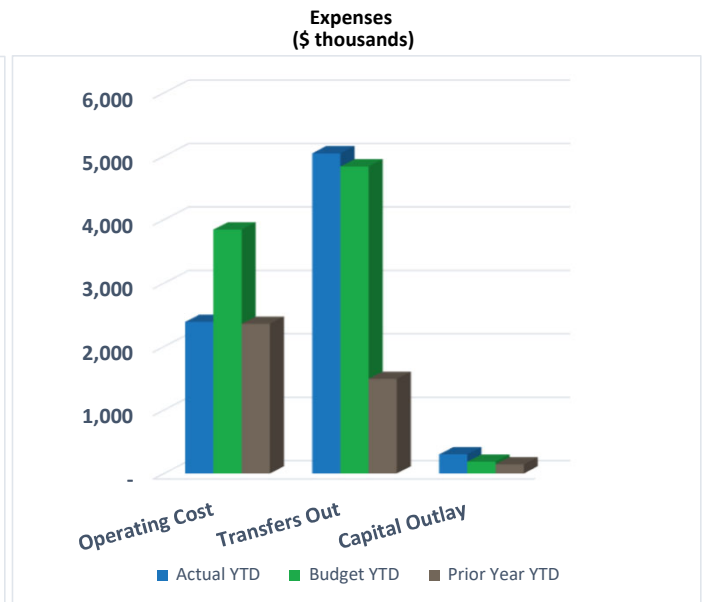
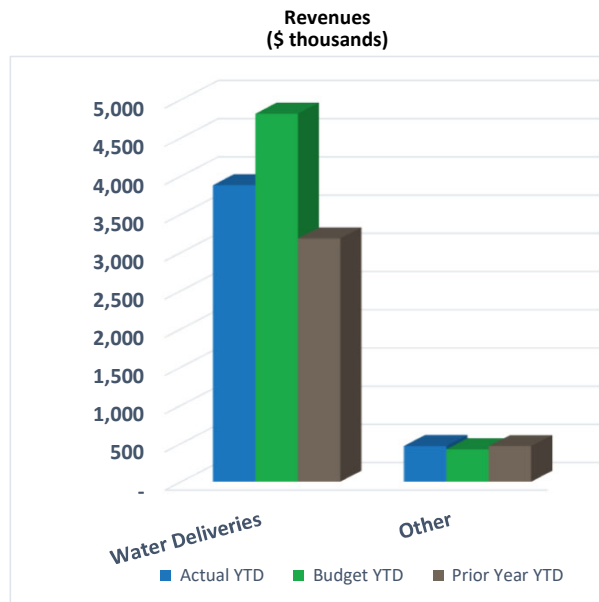
- The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$605K. The District's reserve policy requires an undesignated balance of \$1.5M.

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%



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.

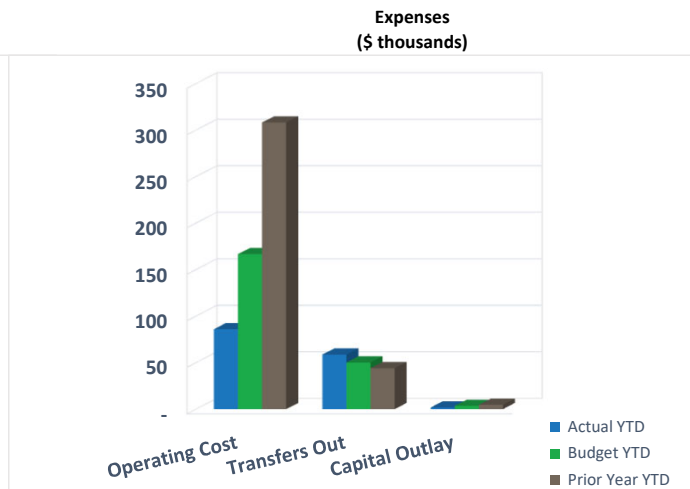
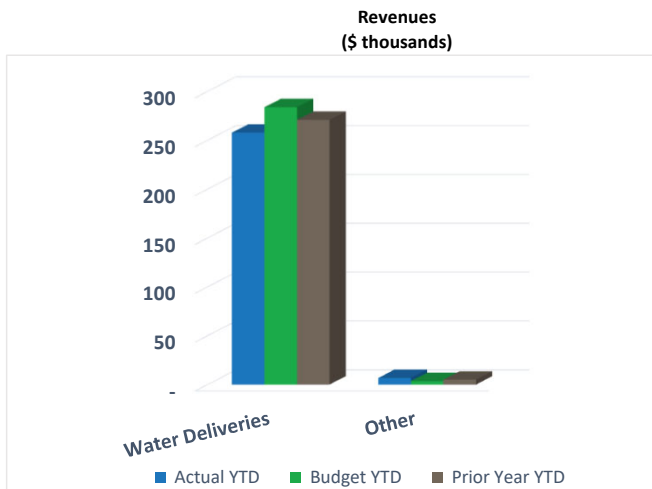
Fund Balance

- 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

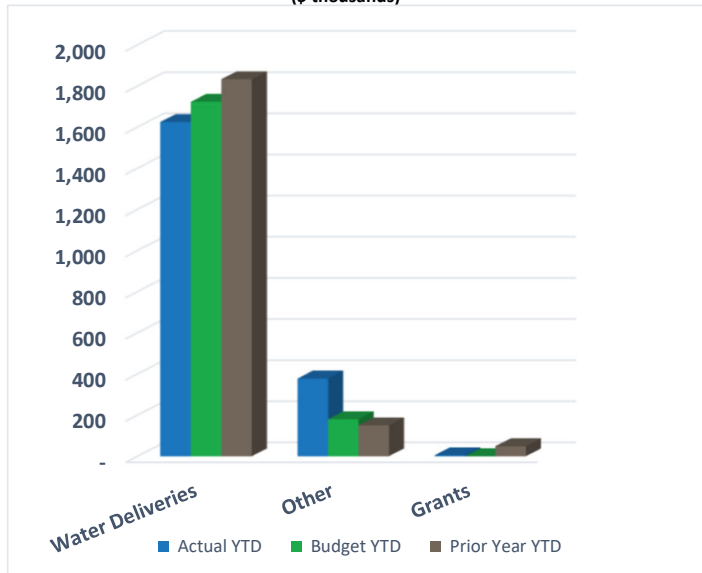
- The projected ending undesignated working capital balance at the end of FY 22-23 is approximately \$593K.
- The District's reserve policy requires a \$258K minimum undesignated balance which is projected to be met.

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

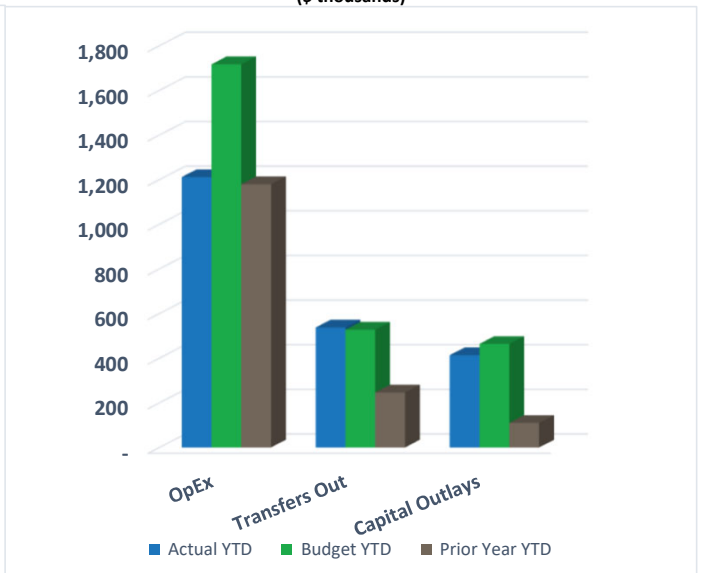
Pumping Trough Pipeline Fund

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

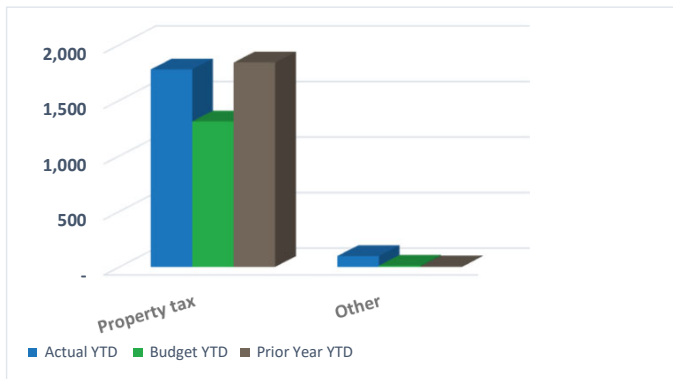
July 1, 2022 through March 31, 2023

75% of Fiscal Year Completed

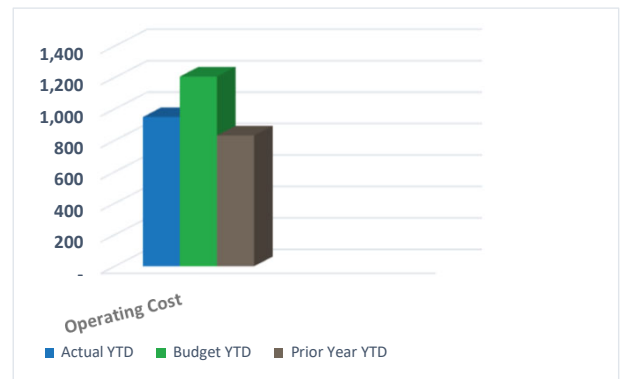
State Water Fund

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

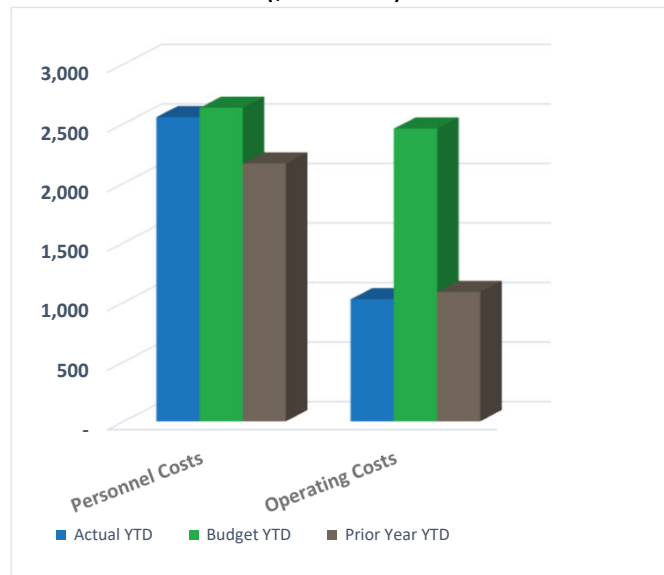
75% of Fiscal Year Completed

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.



Staff Report

To: UWCD Finance and Audit Committee Members

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

From: Brian H. Zahn, Chief Financial Officer

Date: August 28, 2023 (September 5, 2023, meeting)

Agenda Item: 6. **District Staff and Board Member Reimbursement Report
(April 1, 2023 –June 30, 2023)
Information Item**

Staff Recommendation:

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

Discussion:

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

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

Attachment:

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

UNITED WATER CONSERVATION DISTRICT
CHECK REPORT
QUARTER ENDED 06/30/2023

<u>Vendor Name</u>	<u>Payable Description</u>	<u>Payable Amount</u>	<u>Payment Amount</u>	<u>Payment Date</u>	<u>Check Number</u>
BRUCE DANDY	TRAVEL REIMBURSEMENT 03/08/2023	\$ 125.62	\$ 125.62	04/14/2023	289
JOSH PEREZ	REIMBURSEMENT FOR EOY CELEBRATION/ PIRU STAFF	\$ 200.39	\$ 200.39	04/14/2023	304
TONY HUYNH	TRAVEL REIMBURSEMENT/ SDRMA SPRING EDUCATION DAY	\$ 328.00	\$ 552.84	04/14/2023	314
	TRAVEL REIMBURSEMENT/ SECURITY AND PROTECTION WKSP	\$ 224.84			
ROBERT WILLIAM ZAMBELLI	REIMBURSEMENT FOR \$250 FISCAL BOOT ALLOWANCE	\$ 250.00	\$ 250.00	04/21/2023	330
KRIS SOFLEY	REIMBURSEMENT FOR GM & O&M WORKSHOP MEETING	\$ 261.98	\$ 261.98	04/28/2023	345
ROBERT RICHARDSON	REIMBURSEMENT FOR MILEAGE/ TOUR OF PERRIS DESALTER	\$ 155.90	\$ 155.90	04/28/2023	351
KRIS SOFLEY	REIMBURSEMENT FOR EPSON PRINTER	\$ 229.38	\$ 229.38	05/19/2023	404
DANIEL NAUMANN	MILEAGE REIMBURSEMENT/ APRIL 2023	\$ 177.77	\$ 177.77	06/09/2023	462
ADRIAN QUIROZ	MILEAGE REIMBURSEMENT/ DART DRONES TRAINING	\$ 141.48	\$ 141.48	06/16/2023	482
KRIS SOFLEY	REIMBURSEMENT/ SUPPLIES FOR HQ & VAN RENTAL	\$ 420.20	\$ 420.20	06/16/2023	494
MOHAMMED HASAN	MILEAGE REIMBURSEMENT/ MAY 2023	\$ 502.39	\$ 502.39	06/16/2023	495
BRUCE DANDY	TRAVEL REIMBURSEMENT/ MAY 2023	\$ 2,753.18	\$ 2,753.18	06/23/2023	504
DANIEL NAUMANN	TRAVEL REIMBURSEMENT/ MAY 2023	\$ 178.16	\$ 178.16	06/23/2023	507
JOSH PEREZ	REIMBURSEMENT FOR DAN DETMERS RETIREMENT GIFT	\$ 600.00	\$ 600.00	06/23/2023	515
KRIS SOFLEY	REIMBURSEMENT/RENTAL TRANSPORTATION FOR 6/15 TOUR	\$ 381.53	\$ 381.53	06/23/2023	517
MOHAMMED HASAN	TRAVEL REIMBURSEMENT/ MAY 2023	\$ 400.00	\$ 400.00	06/23/2023	520
STEVEN KADOWAKI	REIMBURSEMENT FOR BACKFLOW TESTER CERTIFICATE	\$ 403.04	\$ 403.04	06/23/2023	525
SHELDON BERGER	MILEAGE REIMBURSEMENT 04/2023	\$ 104.80	\$ 104.80	05/05/2023	300506
BRIAN COLLINS	T-3 & D-3 OPERATOR CERTIFICATION RENEWALS	\$ 280.00	\$ 280.00	05/12/2023	300514
Groeneveld, Michael	REIMBURSEMENT/ BART HALL SHOW	\$ 456.35	\$ 456.35	05/19/2023	300548
Jesse Mitchell	REIMBURSEMENT FOR ANNUAL ALLOWANCE FOR BOOTS	\$ 250.00	\$ 250.00	05/19/2023	300552
ZACHARY HANSON	REIMBURSEMENT/ PROFESSIONAL ENGINEERING LICENSE	\$ 180.00	\$ 180.00	05/19/2023	300571
KATHRYN PRADO	BART HALL SHOW LONG BEACH/ REIMBURSEMENT	\$ 473.70	\$ 473.70	05/26/2023	300588
Natalie Everton	REIMBURSEMENT/ BART HALL SHOW	\$ 248.13	\$ 382.82	06/02/2023	300623
	REIMBURSEMENT/ KEYS MADE AT VENTURA LOCKSMITH	\$ 134.69			
Groeneveld, Michael	TUITION REIMBURSEMENT	\$ 2,500.00	\$ 2,500.00	06/09/2023	300646
CATHERINE KEELING	MILEAGE REIMBURSEMENT/ MAY 2023	\$ 425.75	\$ 425.75	06/16/2023	300671
MAURICIO GUARDADO	REIMBURSEMENT/ GROUND TRANSPORTATION IN DENVER	\$ 234.09	\$ 234.09	06/16/2023	300681
SHELDON BERGER	MILEAGE REIMBURSEMENT/ MAY 2023	\$ 447.37	\$ 447.37	06/16/2023	300685
CATHERINE KEELING	TRAVEL REIMBURSEMENT/ MAY 2023	\$ 200.00	\$ 200.00	06/23/2023	300698
PETER CERVANTEZ	REIMBURSEMENT FOR CERTIFICATION RENEWAL	\$ 160.00	\$ 160.00	06/23/2023	300712
SHELDON BERGER	TRAVEL REIMBURSEMENT/ MAY 2023	\$ 399.36	\$ 399.36	06/23/2023	300717
Macy Petrula	REIMBURSEMENT FOR BART HALL SHOW	\$ 396.84	\$ 746.41	06/30/2023	300738
	REIMBURSEMENT FOR PC832 COURSE	\$ 349.57			



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

Date: August 31, 2023 (September 5, 2023, meeting)

Agenda Item: 7. **Monthly Investment Report (June 30, 2023)**
Information Item

Staff Recommendation:

The Committee will review and discuss the most current investment report for June 30, 2023, that is attached.

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:

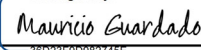
Combined Monthly Investment Report

United Water Conservation District
Monthly Investment Report
June 30, 2023

<u>Investment Recap</u>	<u>G/L Balance</u>	<u>Weighted Avg Days to Maturity</u>	<u>Diversification Percentage of Total</u>
Bank of the Sierra	3,631,299	1	8.14%
Citizens Business Bank	4,910,151	1	11.00%
US Bank - 2020 COP Bond Balance	6,113,344	1	13.70%
Petty Cash	4,400	1	0.01%
County Treasury	1,712	1	0.00%
LAIF Investments	29,958,313	1	67.13%
Total Cash, Cash Equivalents and Securities	44,619,218		100.00%
 Investment Portfolio w/o Trustee Held Funds	 44,619,218		
Trustee Held Funds	-		
Total Funds	44,619,218		

Local Agency Investment Fund (LAIF)	Beginning Balance	Deposits (Disbursements)	Ending Balance
	29,958,313	-	29,958,313
	Interest	Interest	
	Earned YTD	Received YTD	Qtrly Yield
	483,011	540,392	2.74%

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

DocuSigned by:

38D23F9D882745E
Mauricio E. Guardado, Jr., General Manager

9/5/2023

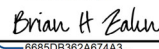
Date Certified

DocuSigned by:

70D59ECF0D8D46E
Anthony Emmert, Assistant General Manager

8/29/2023

Date Certified

DocuSigned by:

6685D9392A874A3
Brian H. Zahn, Chief Financial Officer

8/29/2023

Date Certified

<i>United Water Conservation District</i>			
<i>Cash Position</i>			
June 30, 2023			
Fund	Total	Composition	Restrictions/Designations
General/Water Conservation Fund:			Revenue collected for district operations
General/Water Conservation	13,145,578	(150,218)	Includes General, Rec & Ranger, Water Conservation
		4,962,000	Reserved for legal expenditures
		4,751,849	Designated for replacement, capital improvements, and environmental projects
		3,581,947	Supplemental Water Purchase Fund
General CIP Funds	8,757,063	8,757,063	Appropriated for capital projects
2020 COP Bond Funds	6,695,739	6,695,739	Reserved for CIP Projects
Special Revenue Funds:			Revenue collected for a special purpose
State Water Project Funds	7,658,187	7,658,187	Procurement of water/rights from state water project
Enterprise Funds:			Restricted to fund usage
Freeman Fund	1,656,854	1,656,854	Operations, Debt Service and Capital Projects
		-	Designated for replacement and capital improvements
		-	Reserved for legal expenditures
Freeman CIP Fund	1,300,150	1,300,150	Appropriated for capital projects
OH Pipeline Fund	(891,597)	(891,597)	Delivery of water to OH customers
OH CIP Fund	2,713,496	2,713,496	Appropriated for capital projects
OH Pipeline Well Replacement Fund	629,317	629,317	Well replacement fund
PV Pipeline Fund	745,603	745,603	Delivery of water to PV customers
PV CIP Fund	235,548	235,548	Appropriated for capital projects
PT Pipeline Fund	1,063,012	1,063,012	Delivery of water to PTP customers
PT CIP Fund	910,270	910,270	Appropriated for capital projects
Total District Cash & Investments	44,619,218	44,619,218	



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
Sara Guzman, Senior Accountant

Date: August 29, 2023 (September 5, 2023, meeting)

Agenda Item: 8. **Monthly Pipeline Delivery Reports
(June 30, 2023, and July 31, 2023)
Information Item**

Staff Recommendation:

The Committee will review and discuss the most current pipeline delivery report for June 30, 2023, and July 31, 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.

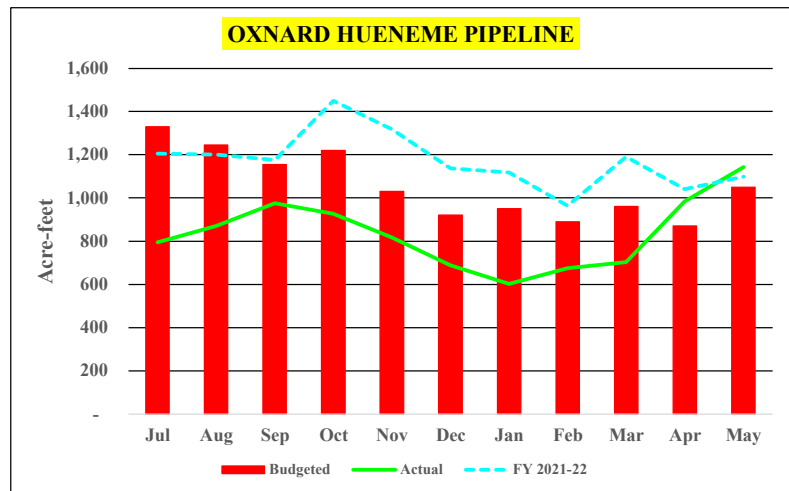
Attachments:

Attachment A – June Pipeline Delivery Report
Attachment B – July Pipeline Delivery Report

**United Water Conservation District
Pipeline Water Deliveries (Acre-feet)
FY 2022-23 data thru June 30, 2023**

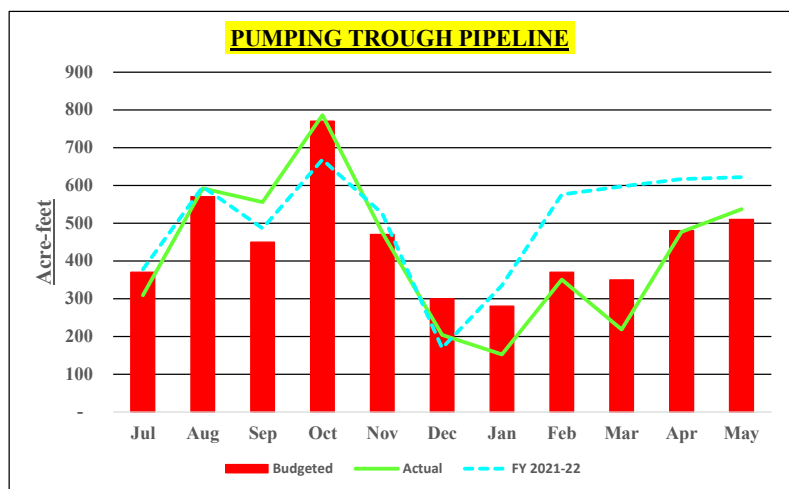
OH Pipeline 22-23			
	Projection	Actual	Difference
Jul	1,330	795	(535)
Aug	1,245	870	(375)
Sep	1,155	976	(179)
Oct	1,220	927	(293)
Nov	1,030	818	(212)
Dec	920	688	(232)
Jan	950	603	(347)
Feb	890	674	(216)
Mar	960	703	(257)
Apr	870	985	115
May	1,050	1,144	94
Jun	1,050	1,182	132
Totals	12,670	10,363	(2,307)
YTD	12,670	10,363	(2,307)

YTD Actual to Budget: -18.2%



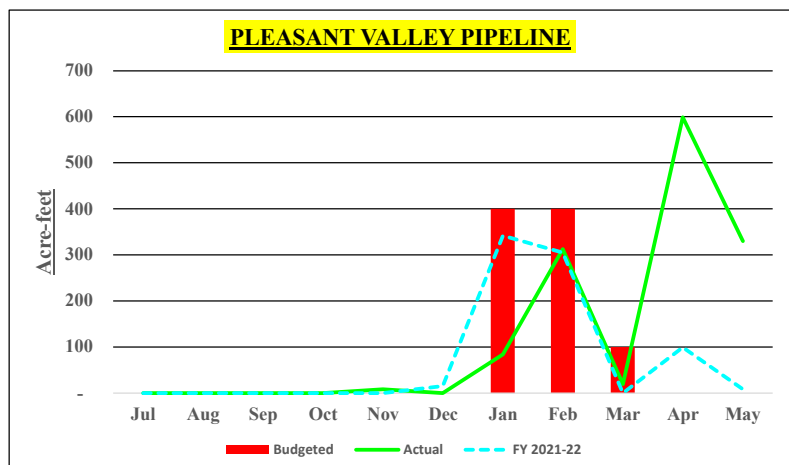
PT Pipeline 2022-23			
	Projection	Actual	Difference
Jul	370	309	(61)
Aug	570	592	22
Sep	450	556	106
Oct	770	786	16
Nov	470	475	5
Dec	300	204	(96)
Jan	280	153	(127)
Feb	370	350	(20)
Mar	350	219	(131)
Apr	480	477	(3)
May	510	537	27
Jun	480	456	(24)
Totals	5,400	5,114	(286)
YTD	5,400	5,114	(286)

YTD Actual to Budget: -5.3%



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	19	(81)
Apr	-	599	599
May	-	330	330
Jun	-	425	425
Totals	900	1,778	878
YTD	900	1,778	878

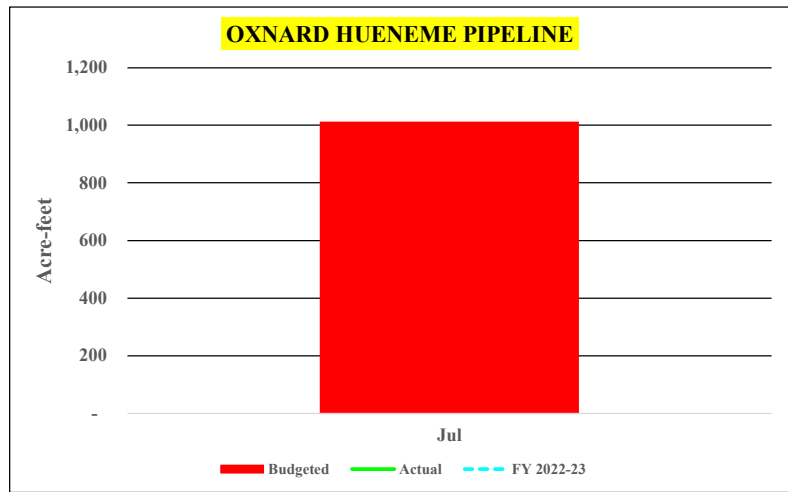
YTD Actual to Budget: 97.5%



**United Water Conservation District
Pipeline Water Deliveries (Acre-feet)
FY 2023-24 data thru July 30, 2023**

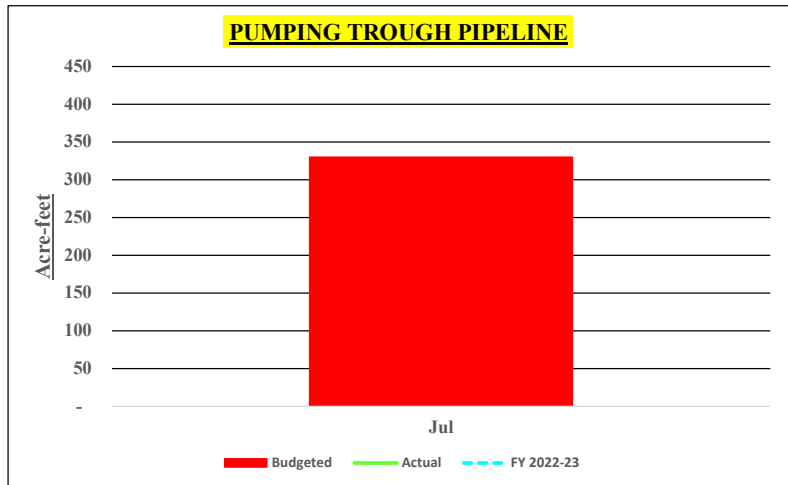
	OH Pipeline 2023-24		
	Projection	Actual	Difference
Jul	1,010	909	(101)
Aug	935		
Sep	895		
Oct	980		
Nov	840		
Dec	730		
Jan	710		
Feb	750		
Mar	850		
Apr	850		
May	960		
Jun	870		
Totals	10,380	909	(101)
YTD	1,010	909	(101)

YTD Actual to Budget: -10.0%



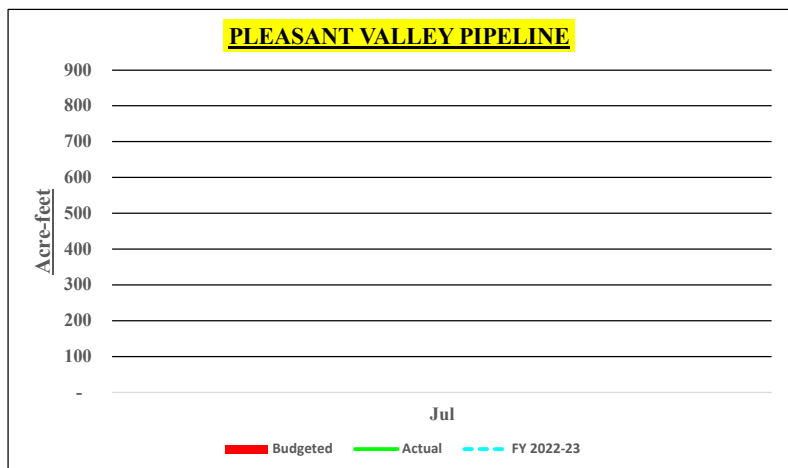
	PT Pipeline 2023-24		
	Projection	Actual	Difference
Jul	330	396	66
Aug	550		
Sep	450		
Oct	720		
Nov	450		
Dec	230		
Jan	240		
Feb	390		
Mar	410		
Apr	480		
May	500		
Jun	450		
Totals	5,200	396	66
YTD	330	396	66

YTD Actual to Budget: 19.9%



	PV Pipeline 2023-24		
	Projection	Actual	Difference
Jul	-	766	766
Aug	-		
Sep	-		
Oct	-		
Nov	-		
Dec	-		
Jan	400		
Feb	400		
Mar	100		
Apr	-		
May	-		
Jun	-		
Totals	900	766	766
YTD	-	766	766

YTD Actual to Budget:





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
Sara Guzman, Senior Accountant

Date: August 29, 2023 (September 5, 2023, meeting)

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

Staff Recommendation:

The Committee will review and discuss the cost-to-date reports for:

- 1) FERC licensing
- 2) The Probable Maximum Precipitation/Flood Study
- 3) General/Water Conservation Fund Environmental
- 4) Freeman Fund Environmental
- 5) Quagga Mussels
- 6) City of Ventura Litigation
- 7) O. Mykiss CESA Listing
- 8) 5th Amendment Takings Claim
- 9) Wishtoyo Litigation
- 10) All legal fees
- 11) All professional fees (excluding legal fees)

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 June 30.

Fiscal Impact:

As shown.

Attachments:

Attachment A – Consolidated Cost Summary

**United Water Conservation District
Consolidated Cost Summary Report
Through June 30, 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	907,733	921,871	9,189	607,690	288,682	215,063	44,519	294,337	1,749,252	3,393,774	69,178,088	72,571,862
Report Total	10,152,927	6,159,011	5,025,266	8,650,474	3,509,747	4,211,622	44,519	791,145	15,146,660	27,707,963	91,649,425	119,357,388
Previous Report Total	10,011,139	5,808,890	5,025,266	8,547,170	3,486,397	4,176,930	44,519	730,990	15,146,660	27,483,531	25,292,577	52,776,108
<i>Current Activity</i>	<i>141,787</i>	<i>350,122</i>	<i>3,242</i>	<i>103,305</i>	<i>23,350</i>	<i>34,693</i>	<i>9,447</i>	<i>60,155</i>	<i>143,594</i>	<i>224,431</i>	<i>66,356,848</i>	<i>66,581,280</i>

* Does not include City of San Buenaventura judgment

Current Activity Narrative:

FERC - The activity for May (\$142K) was spent on staff time (\$21K), Legal Fees (\$6K) and professional services (\$115K).

PMF - The activity for June (\$350K) was spent on staff time (\$6K), Legal Fees (\$12K), Professional Services (\$302K) and Permitting (\$30K).

General/Water Cons - The activity for May (\$3K) was spent on staff time (\$1K) and Legal Fees (\$2K).

Freeman - The activity for May (\$103K) was spent on staff time (\$65K) and professional services (\$38K).

Quagga - The activity for June (\$23K) was spent on staff time (\$18K) and professional services (\$5K) related to quagga mussel eradication and the scientific dive agreement.

Ventura - There were legal costs of \$35K associated with the settlement of the City of Ventura Lawsuit.

O. Mykiss CESA - June's activity (\$9K) was spent on staff time (\$4K) and legal fees (\$5K).

Takings Claim - June's activity (\$60K) was all associated with Legal expenses for the Takings Claim.

Wishtoyo - The activity for June (\$144K) was spent on legal fees related to the Wishtoyo complaint (\$139K) and (\$5K) for on salaries.

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.



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
Tony Huynh, Risk and Safety Manager
Zachary Plummer, Technology Systems Manager
Kris Sofley, Executive Assistant/Clerk of the Board

Date: August 28, 2023 (September 5, 2023, meeting)

Agenda Item: 10. **Monthly Administrative Services Department Report**
Information Item

Staff Recommendation:

The Committee will receive this staff report and presentation from the Administrative Services Department regarding its activities for the months of July and August 2023.

Discussion:

Finance

- WIFIA loan for design costs closed on August 29, 2023.
- Selection has been made for the open Accountant role. The anticipated start date is September 8, 2023.
- Current estimate for emergency work performed on OH pipeline for the blockage removal is \$275K. Once the cost is final, this will be brought to the committee and board for supplemental appropriations.
- Year-end financials to be presented in the October Finance and Audit Committee meeting.
- The financial audit begins the week of September 11, 2023.

Administrative Services

- Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the UWCD Finance and Audit (July 3), Water Resources (July 5) and Engineering and Operations (July 6) Committee meetings as well as the regular UWCD Board meeting (July 12), Special Board Meeting (August 24) and two UWCD PFFC Board meetings (July 12 and August 24).
-

10. Monthly Administrative Services Department Report

Information Item

- Planned, coordinated, decorated, and oversaw the District's Celebration of 4 Million Acre Feet of Water Recharge at Rancho Tres Treseros (August 3), attracting over 120 elected officials, representatives from various water agencies, associations, and organizations as well as former and current staff.
- Provided administrative support, coordination, and assistance to AWA VC for its Board of Directors meeting (July 6), Water Issues Committee meeting (July 17) and WaterWise Event (July 20) featuring UWCD GM's presentation on "The Not So Friendly" Friendly Adjudication, all of which took place in the HQ's Boardroom.
- Provided administrative assistance, coordination, and technical support in organizing a tour of the Freeman Diversion led by UWCD GM for Ventura County's CEO Dr. Sevet Johnson (Aug 24).
- Provided administrative assistance, coordination, and support in organizing a tour led by UWCD's Engineering staff Dr. Maryam Bral and Michel Kadah for staff from the City of Santa Paula. The tour visited the District's Santa Felicia Dam, Freeman Diversion and El Rio Iron and Manganese Treatment Plant.
- Continued public outreach, inviting various elected officials, agencies, municipalities, public works, and special interest groups to tour the Freeman Diversion and/or Santa Felicia Dam and El Rio's Iron and Manganese Treatment plant. Summer vacations were used as the excuse to reschedule and circle back later in the year.
- Provided administrative support, coordination and assistance to the University of California's Cooperative Extension who held an Avocado Irrigation Workshop in the District's Boardroom (July 15) attracting some 60 local farmers and other stakeholders.
- Provided administrative support, coordination and assistance to the California Avocado Commission for its Executive Committee and Finance Committee meetings (August 9) utilizing the District's Boardroom.
- At the suggestion of the GM, provided administrative support, coordination, and assistance in organizing a "History of United" educational series for new staff. The presentations were given by John Lindquist (August 7), Murray McEachron (August 16) and a combined Project presentation from the Engineering staff and AGM Anthony Emmert (August 30) took place at lunch time and staff attendance was significant (30+ in attendance plus on TEAMS). The presentations were also recorded and posted to the District's YouTube Channel and Facebook page, engaging many of the District's curious stakeholders. The series will also be accessible via the United Water website shortly.

Human Resources

- Finalized Memorandum of Understanding with SEIU 721 and implemented policy changes in early July.
 - Successfully completed recruitments for the following personnel and positions
 - Accountant (Krista Kelley – started August 7)
 - Environmental Services Field Technicians (Dallan Barr, Michael Sosa, Deanna Lomeli – started August 9)
 - Recharge O&M Worker I (William Campos – started August 21)
-

10. Monthly Administrative Services Department Report

Information Item

- Working on recruitments for the following positions:
 - Senior Control Systems Programmer – Position posted, closes on September 4, 2023
 - Park Ranger Cadet – Position posted, closes on September 1, 2023
- Promotions
 - Promoted Hydrogeologist Dr. Zachary Hanson to Water Resources Engineer
 - Promoted Associate Engineer Adrian Quiroz to Engineer
 - Promoted Associate Control Systems Programmer Kevin Ortega to Control Systems Programmer
- Processed exit documents for several staff that submitted retirement or resignation letters during the month of July and August.
- Held an all-staff Lincoln Financial Group presentation on August 15.
- Calculated 2024 health insurance rates and scheduled an all-staff employee benefits presentation for September 14.
- Updated/digitized employee and vehicle files.

Safety and Risk Management

- Certified seven staff members in Adult and Pediatric First Aid/CPR/AED. In addition, added hands-on tourniquet training as part of our enhanced element of CPR training.
- Provided oversight of license plate reader security camera installation with support from Technology Systems.
- Continued ongoing Disaster Recovery Public Assistance Grant efforts.
 - Two reimbursements thus far:
 - Lake Piru emergency dive repair efforts: \$7,525 (approved by Cal OES for dispersal; check is expected to arrive in 4-6 weeks)
 - OH well motor 18 repair: \$10,148 approved and waiting for reimbursement.
- Coordinated Annual Law Enforcement Security Consultation Meeting at Santa Felicia Dam in collaboration with Engineering Department.
- Participated in Control Systems Programmer interview panel.
- Conducted training and annual hearing exam for Operations and Maintenance, and Engineering staff as part of the District's Hearing Conservation Program.
- Supported Operations and Maintenance on OH Pipeline Project repair efforts.
- Coordinated Confined Space Safety training for new Operations and Maintenance staff members.

Technology Systems

- Provided detailed descriptions of United's IT processes in relationship to financial processes. The new audit firm inquired about this information as a new auditor of the District.
 - Renewed District's document signature capabilities enhancing administrative technology support of business processes.
 - Renewed service agreements with wireless security vendor.
 - Worked on a software issue regarding Microsoft products impacting certain staff members.
-

10. Monthly Administrative Services Department Report
Information Item

- Worked on the development of a Mobile Device Service Program for enhancing the rollout of staff technology assets.
- Phone System Upgrade Plan developed and provided an in-person demonstration to the administrative staff.
- Resolved network communication issue inside the ranger's office preventing access to network resources elsewhere throughout the district. Several trips to the lake to identify and resolve the root cause.
- Provided off-site technical assistance for the Fillmore and Piru Basins Groundwater Sustainability Agency meeting held at Fillmore city hall as well as at United's 4-million-acre feet of water recharge celebration.
- Resolved a print and network communication issue inside El Rio gas engine room.