

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING

Monday, June 2, 2025, at 9:00 a.m.
UWCD Headquarters, First Floor, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

OPEN SESSION

Chair Steve Huber called the meeting to order at 9:01 a.m.

Committee Members Roll Call

Present: Directors Keeling, Huber, and Jones

Absent: None.

1. Public Comments: None.

2. Consent Calendar

Action: M/S/C (Huber, Keeling) to approve the Consent Calendar items.

Vote: Ayes: Keeling and Jones; Noes: None; Absent: None.

2.1 Approval of Agenda

Motion

Approved June 2, 2025, meeting Agenda.

2.2 Approval of Minutes

Motion

Approved March 31, 2025, meeting minutes.

2.3 Approval of Special Meeting Minutes

Motion

Approved May 5, 2025, special meeting minutes.

2.4 Check Recap Monthly Report

Information Item

Received and filed.

2.5 Investment Monthly Report

Information Item

Received and filed.



2.6 Pipeline Delivery Monthly Report

Information Item

Received and filed.

2.7 District Staff and Board Member Reimbursement for Fiscal Year 2024-25 Third Quarter Report

Information Item

Received and filed.

2.8 Board Requested Cost Tracking Items for Fiscal Year 2024-25 Third Quarter Report

Information Item

Received and filed.

3. UWCD Board of Directors Meeting Agenda Items

3.1 Payment Plan, and Penalty and Interest Waiver Request from Mrs. Nancy Trinidad

Motion

Chief Financial Officer Brian Zahn presented this motion to the Committee members.

Action: M/S/C (Huber, Keeling) recommend to the Board approval a request from Mrs. Nancy Trinidad to enter a payment plan for groundwater extraction charges of \$38,197.68 incurred from the billing period of January 1, 2021, through December 31, 2024, for well number 04N18W29E01S. Additionally, she is seeking a waiver for the associated penalty and interest charges amounting to \$9,034.52 upon successful completion of the payment plan.

Vote: Ayes: Huber, Keeling, Jones; Noes: None; Absent: None.

3.2 Authorize the General Manager to Execute the Second Amendment to the Memorandum of Understanding between the Santa Clarita Valley Water Agency, Casitas Municipal Water District, City of San Buenaventura, and United Water Conservation District regarding the use of the Castaic Lake Flexible Storage Program

Motion

Principal Hydrologist Bram Sercu presented this motion to the Committee members (presentation attached).

Action: M/S/C (Jones, Keeling) recommend the Board authorize the General Manager to Execute the Second Amendment to the Memorandum of Understanding between the Santa Clarita Valley Water Agency, Casitas Municipal Water District, City of San Buenaventura, and United Water Conservation District regarding the use of the Castaic Lake Flexible Storage Program.



Vote: Ayes: Huber, Keeling, Jones; Noes: None; Absent: None.

3.3 Adopt Resolution for the Proposed District Budget Plan, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2025-2026, and Appropriation Carryovers from Fiscal Year 2024-2025

Motion

Mr. Zahn presented this motion to the Committee members. With General Manager consideration, Director Huber asked staff to consider for next fiscal year the addition of a cyber security officer considering the advancement of technology.

Action: M/S/C (Keeling, Huber) recommend approval of a resolution adopting the proposed District Budget Plan, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2025-2026, and Appropriation Carryovers from Fiscal Year 2024-2025 to the full Board.

Vote: Ayes: Huber, Keeling, Jones; Noes: None; Absent: None.

3.4 Adopt a Resolution to Request the County Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Year 2025-2026 Sufficient to Satisfy State Water Project Charges

Motion

Mr. Zahn presented this motion to the Committee members.

Action: M/S/C (Jones, Keeling) recommend adoption of a resolution requesting the County Auditor-Controller to compute and affix a tax rate for Fiscal Year 2025-2026 to provide approximately \$4,269,000 in property tax revenue sufficient to satisfy a portion of the voter approved debt for State Water Project costs to the full Board.

Vote: Ayes: Huber, Keeling, Jones; Noes: None; Absent: None.

**4. Fiscal Year 2024-2025 Third Quarter Financial Report
Information Item**

Mr. Zahn presented the District's quarterly financial report for the period ending March 31, 2025 (presentation attached).

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

Finance Department monthly highlights were presented by Mr. Zahn. Chief Human Resources Officer Josh Perez presented monthly highlights from Human Resources, Risk Management, and Information Technology Departments (presentation attached).

With General Manager consideration, Director Jones asked staff to include a line item in its monthly reporting to see how much has been approved to waive, citing recent waiver request from Mrs. Nancy Trinidad. She would like to be able to see what the trend analysis has been. Also, on a separate topic, she suggested to look into increasing the allocation for the District's Grant Task Force.



6. Future Agenda Items

Director Huber would like to hear what the District has planned to address the new wave of technology regarding Artificial Intelligence.

ADJOURNMENT

Director Huber adjourned the meeting at 9:55 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 2, 2025.

ATTEST:

Chair Steve Huber



AGENDA ITEM 3.2

SECOND AMENDMENT TO THE CASTAIC FLEX ALLOCATION AGREEMENT


Presented by: Bram Sercu, Principal Hydrologist
United Water Conservation District
Finance and Audit Committee Meeting
June 2, 2025



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Castaic Lake Flexible Storage Account

- Article 54 of Amendment 12 to VCWPD Water Supply Contract
- Water loan program for contractors participating in capital cost repayment of terminal reservoirs
- VCWPD contractors have no direct access to Castaic
- 2005 MOU to lease 1,376 AF allocation to Castaic Lake Water Agency (now SCVWA)
- 2015 MOU 10-yr extension - Addendum 1
- 2025 MOU 5-yr extension - Addendum 2



SWC	Max. Allocation
MWDSC	153,940 AF
SCVWA	4,684 AF
VCWPD	1,376 AF


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2005 MOU Terms

- SCVWA notifies Ventura Entities by December 1
- Ventura Entities respond by December31
- MOU managed by Casitas MWD

Amendment 2

- Extent term to December 1, 2030
- Increase per acre-foot per year use charge to \$30.35
 - Fiscal Impact - revenue up to \$10,440 per year
- One-year notice of termination clause
- Motion
 - Recommendation to full Board on authorizing the General Manager to Execute MOU Amendment 2




2025-06-02

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Questions?



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United Water
CONSERVATION DISTRICT

Third Quarter Fiscal Year 2024-25 Financial Review

Brian H. Zahn
Chief Financial Officer

June 02, 2025

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Highlights

PIPELINE, GROUNDWATER, AND WIFIA LOAN DRIVE FAVORABILITY TO BUDGET

REVENUE

in \$000's	Q3 FY24-25 Actual	Q3 FY24-25 Budget	Q3 FY23-24 Actual
Taxes	5,519	4,726	3,680
Water Delivery/Fixed Cost	16,248	14,201	9,061
Groundwater	16,354	17,382	11,100
Other Operating Revenue	645	750	3,932
Non-Operating Revenue	16,853	11,050	7,900
Total Revenue	\$ 55,620	\$ 48,108	\$ 35,673

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REVENUE

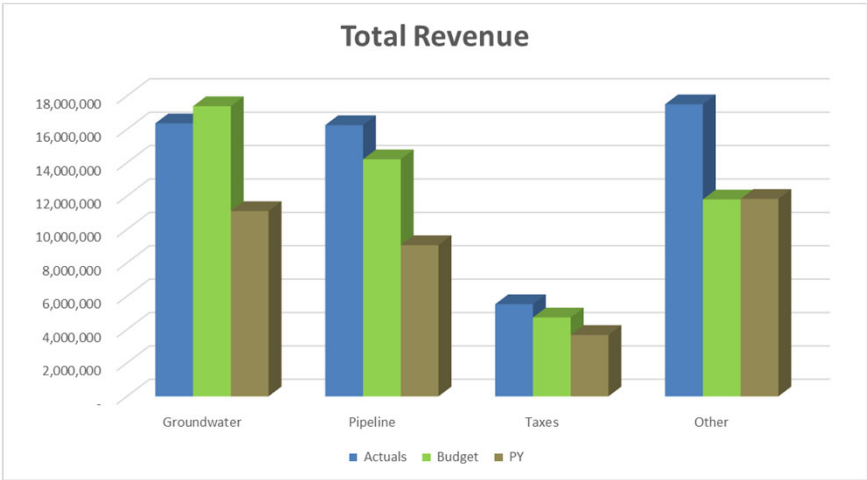
Total Operating Revenue is \$7.5M or 38% favorable to budget

- Pipeline Revenue is favorable to budget by \$2.0M or 14%
- Groundwater Revenue is unfavorable to budget by \$1.0M or 6%
- Taxes are favorable to budget by \$0.8M or 17%
- Other Operating Revenue is unfavorable to budget by \$104K or 14%
- Non-Operating Revenue is favorable to budget by \$5.8M or 53% primarily due \$3.8M of prior year WIFIA loan funding that arrived in this financial year and \$1.8M is a timing difference between when WIFIA funds were received vs when budgeted

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Total Revenue



- Groundwater unfavorable \$1.0M or 6%
- Pipeline favorable \$2.1M or 14%
- Taxes favorable \$793K or 17%
- Other Revenue favorable \$5.7M or 48%




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Cash Balances

	Mar-25		Mar-24	
Citizens Business Bank	\$	4,062,611	\$	6,158,652
Petty Cash	\$	5,400	\$	5,400
County Treasury	\$	3,217	\$	1,884
LAIF Investments	\$	45,923,238	\$	29,413,935
Total	\$	49,994,466	\$	35,579,871




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Highlights

PROFESSIONAL FEES AND OPERATIONAL EXPENSES DRIVE FAVORABILITY TO BUDGET

EXPENDITURES

in \$000's	Q3 FY24-25 Actual	Q3 FY24-25 Budget	Q3 FY23-24 Actual
Personnel Expense	10,696	12,116	9,244
Professional Fees	4,408	7,561	3,131
Operating Expense*	23,642	42,730	15,748
Allocated Overhead	3,692	5,476	3,489
Debt Service	780	1,961	862
Other	1,935	3,376	1,378
Total Expenditure	\$ 45,153	\$ 73,220	\$ 33,852



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EXPENDITURE

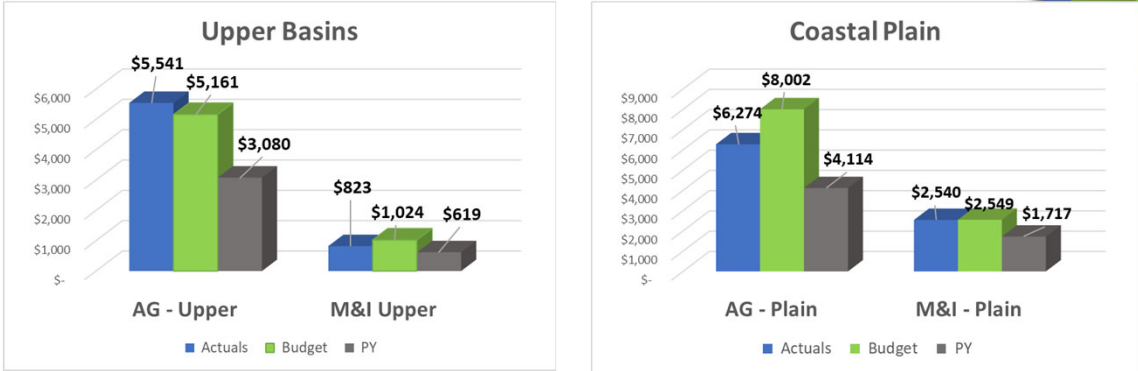
Total Expenditures are \$28.1M or 38% favorable to budget

- Professional and Legal Fees are favorable to budget \$3.2M or 42% due to underspending across all departments
- Operations Expenses are below budget \$19.1M or 45% due to favorable Capital spend \$1.4M, favorable CIP spend \$14.8M (Design, Construction, and CEQA Permits), favorable State Water purchases \$1.0M, favorable Utilities \$0.7M, and favorable Operations cost \$1.3M (primarily maintenance)
- Allocated Overhead is favorable to budget \$1.3M or 40% primarily due to Professional and Legal Fees \$1.2M

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Groundwater Revenue
UPPER BASIN AND COASTAL PLAIN



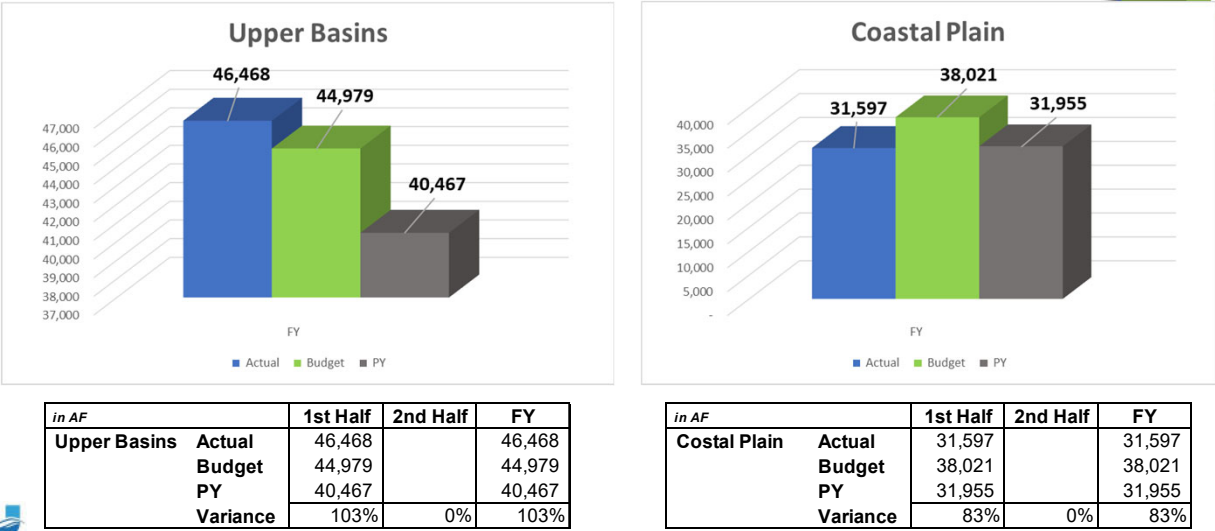
In \$000's	Groundwater	Actuals	Budget	PY	vs Budget	vs PY	% var Budget	% var PY
Zone A	AG - Upper	\$ 5,541	\$ 5,161	\$ 3,080	380	2,461	7%	80%
	M&I Upper	\$ 823	\$ 1,024	\$ 619	(200)	204	-20%	33%
Zone B	AG - Plain	\$ 6,274	\$ 8,002	\$ 4,114	(1,728)	2,160	-22%	52%
	M&I - Plain	\$ 2,540	\$ 2,549	\$ 1,717	(9)	823	0%	48%
		\$ 15,178	\$ 16,736	\$ 9,530	\$ (1,558)	\$ 5,648	-9%	59%

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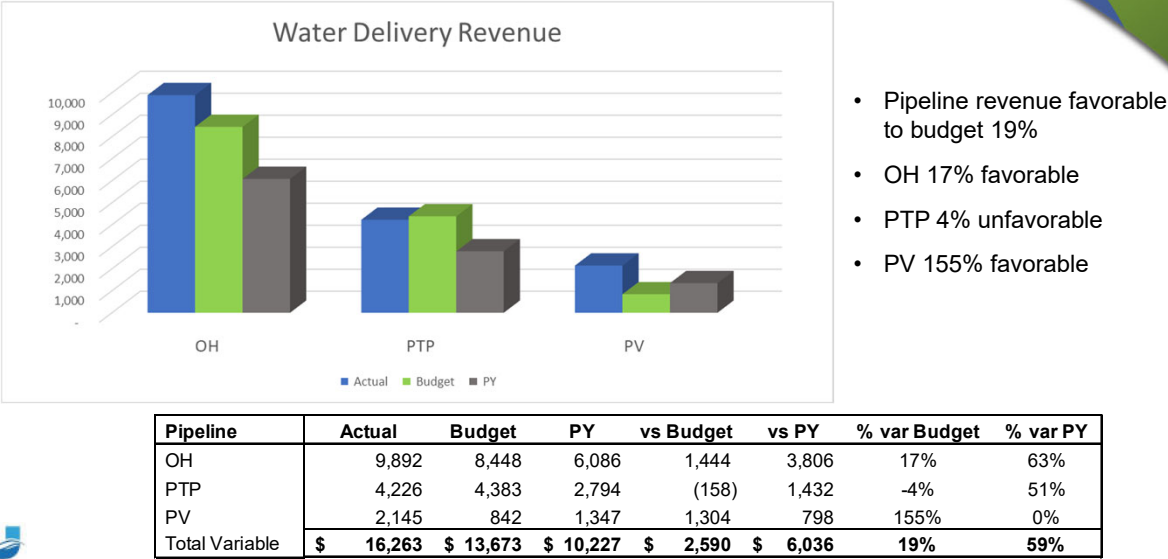
Groundwater Volume

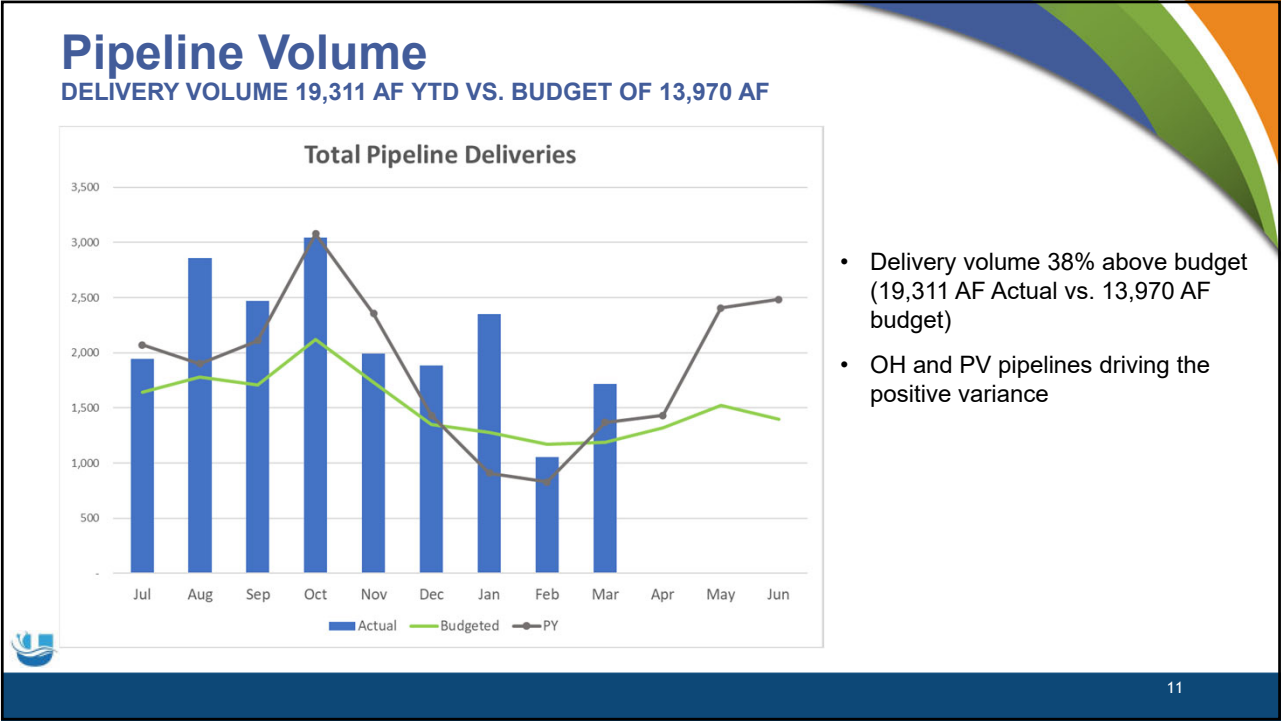
UPPER BASIN AND COASTAL PLAIN



Pipeline Revenue

EXCLUDING IN-LIEU OF PUMPING CHARGES





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Top 10 Groundwater AG Pumpers

Customers	Total Revenue	Total AF
FARMERS IRRIGATION CO.	\$ 829,346.33	5,716.87
REITER BROTHERS INC.	\$ 653,709.19	2,514.51
SOUTHLAND SOD FARMS	\$ 570,067.19	2,033.63
DUDA FARM FRESH FOODS INC	\$ 566,119.70	2,294.25
SESPE AGRICULTURAL WATER,	\$ 356,525.47	2,457.61
NAUMANN RANCH	\$ 342,422.11	1,221.54
FILLMORE FISH HATCHERY	\$ 300,528.46	2,071.61
DEL NORTE WATER COMPANY,	\$ 261,073.24	931.34
ALTA MUTUAL WATER CO,	\$ 259,084.61	1,177.83
SIERRA PACIFIC FARMS, INC	\$ 252,298.50	1,739.15
ALL OTHERS	\$ 8,074,718.63	42,076.33
Grand Total	\$ 12,465,893.43	64,234.67

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Top 10 Groundwater M&I Pumpers

Customers	Total Revenue	Total AF
OXNARD - WTR DIV, CITY OF	\$ 1,571,419.09	4,601.52
SAN BUENAVENTURA, CITY OF	\$ 1,000,431.97	3,392.43
SANTA PAULA, CITY OF	\$ 373,082.57	2,313.26
FILLMORE, CITY OF	\$ 202,896.69	1,258.04
RIVER RIDGE GOLF COURSE	\$ 136,733.19	400.39
CALIFORNIA AMERICAN WATER	\$ 98,561.07	512.93
STERLING HILLS GOLF CLUB,	\$ 41,618.97	133.07
VINEYARD AVE ACRES MUTUAL	\$ 30,112.53	96.28
BOSKOVICH FARMS INC,	\$ 24,444.57	71.58
RIO MANOR MUTUAL WTR CO,	\$ 17,850.20	52.27
ALL OTHERS	\$ 238,613.25	998.17
Grand Total	\$ 3,735,764.10	13,829.94



Personnel Expenses

SALARIES DRIVE BUDGET FAVORABILITY

\$000's	Q3 2024-25 Actual	Q3 2024-25 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Regular Salary	6,520	7,788	6,315	1,268	16%	205	3%
Over-time Salary	107	252	158	146	58%	-51	-32%
Part-time	417	359	338	(58)	-16%	78	23%
Salaries	\$ 7,043	\$ 8,400	\$ 6,811	1,356	16%	\$ 233	3%
Retirement- Classic	1,629	1,418	1,437	(211)	-15%	191	13%
Retirement - PEPRA	320	360	266	40	11%	55	21%
Soc Sec/457b Expense	381	430	372	49	11%	9	2%
Medicare Expense	99	113	97	13	12%	2	2%
SUI Expense	20	10	15	(11)	-107%	5	34%
Medical Ins Exp	783	930	747	147	16%	36	5%
LTD	21	28	20	7	24%	1	7%
Life Insurance	18	23	17	5	20%	1	7%
Worker's Comp Expense	215	260	181	45	17%	34	19%
OPEB	31	31	30	1	0%	1	3%
Deferred Comp	52	56	50	4	7%	2	0%
Other	83	57	61	(26)	0%	22	0%
Employee Benefits	\$ 3,653	\$ 3,716	\$ 3,293	64	2%	\$ 359	11%
Personnel Expenses	\$ 10,696	\$ 12,116	\$ 10,104	1,420	12%	\$ 592	6%



- Salaries are favorable to budget \$1.3M or 16%
- Employee Benefits are favorable to budget \$0.1M or 2%

Operating Expenses

PROFESSIONAL FEES DRIVE BUDGET FAVORABILITY

000's	Q3 2024-25 Actual	Q3 2024-25 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Profess Fees - Engineering	105	319	191	(214)	-67%	(86)	-45%
Prof. Fees - Environmental	208	1,350	836	(1,142)	-85%	(628)	-75%
Prof. Fees - IT consulting	40	238	46	(198)	-83%	(6)	-13%
Prof. Fees - GW Consulting	19	67	11	(48)	-71%	8	78%
Prof. Fees - Other	752	1,538	1,254	(786)	-51%	(502)	-40%
Professional Fees	\$ 1,123	\$ 3,511	\$ 2,337	\$ (2,388)	-68%	\$ (1,214)	-52%
Legal Fees	\$ 3,284	\$ 4,049	\$ 4,006	\$ (765)	-19%	\$ (722)	-18%
Utilities	1,340	1,964	1,328	(624)	-32%	12	1%
Maintenance	1,001	1,987	1,371	(985)	-50%	(370)	-27%
Field Supplies	34	-5	44	38	-844%	(10)	-22%
Insurance	956	973	789	(17)	-2%	168	21%
Office Expenses	159	648	445	(489)	-76%	(286)	-64%
Miscellaneous	1,076	1,717	888	(641)	-37%	188	21%
Travel, Trainings and Meetings	127	306	143	(178)	-58%	(16)	-11%
Gasoline, Diesel, Fuel	138	180	136	(42)	-23%	2	1%
Fox Canyon GMA	283	664	142	(381)	-57%	141	99%
Safety, supplies, clothing	120	182	128	(63)	-34%	(8)	100%
Telephone	68	76	65	(8)	-10%	3	5%
General Operating Expenses	\$ 5,303	\$ 8,693	\$ 5,478	\$ (3,390)	-39%	\$ (175)	-3%
State Water Import Costs	\$ 2,897	\$ 3,899	\$ 9,487	\$ (1,002)	-26%	\$ (6,590)	100%
Total Operating Expenses	\$ 12,608	\$ 20,152	\$ 21,310	\$ (7,545)	-37%	\$ (8,702)	-41%

- Professional Fees are favorable to budget by \$2.3M
- Legal fees are favorable to budget by \$0.8M
- Operating expenses are favorable to budget \$3.4M.
Key variances include:
 - Maintenance \$985K favorable
 - Utilities \$624K favorable
 - Misc \$641K favorable
- State Water cost lower due to less State Water purchases

Top 10 AP Vendors

Vendor	Payment Amount
TORO ENTERPRISES, INC.	\$ 3,958,735.79
GEI CONSULTANTS, INC.	\$ 1,484,919.13
CASITAS MUNICIPAL WATER	\$ 786,474.88
US BANK NATIONAL ASSOCIATION	\$ 489,266.68
FOX CANYON GW MGMNT AGENCY	\$ 478,528.20
ATKINSON, ANDELSON, LOYA, RUUD AND ROMO	\$ 438,144.23
ABC LIOVIN DRILLING, INC.	\$ 385,115.37
NORTHWEST HYDRAULIC CONSULTANTS	\$ 333,905.99
BELLINGHAM MARINE INDUSTRIES, INC.	\$ 307,341.22
SO. CALIFORNIA EDISON	\$ 273,447.32

Supplemental Water Purchase Fund	
STATUS UPDATE	
	Revenue (\$000'S)
Beginning Balance - July 1, 2024	\$5,145
Changes in Surcharge	\$2,045
Other	\$0
Ending Balance - March 31, 2025	\$7,190



Questions

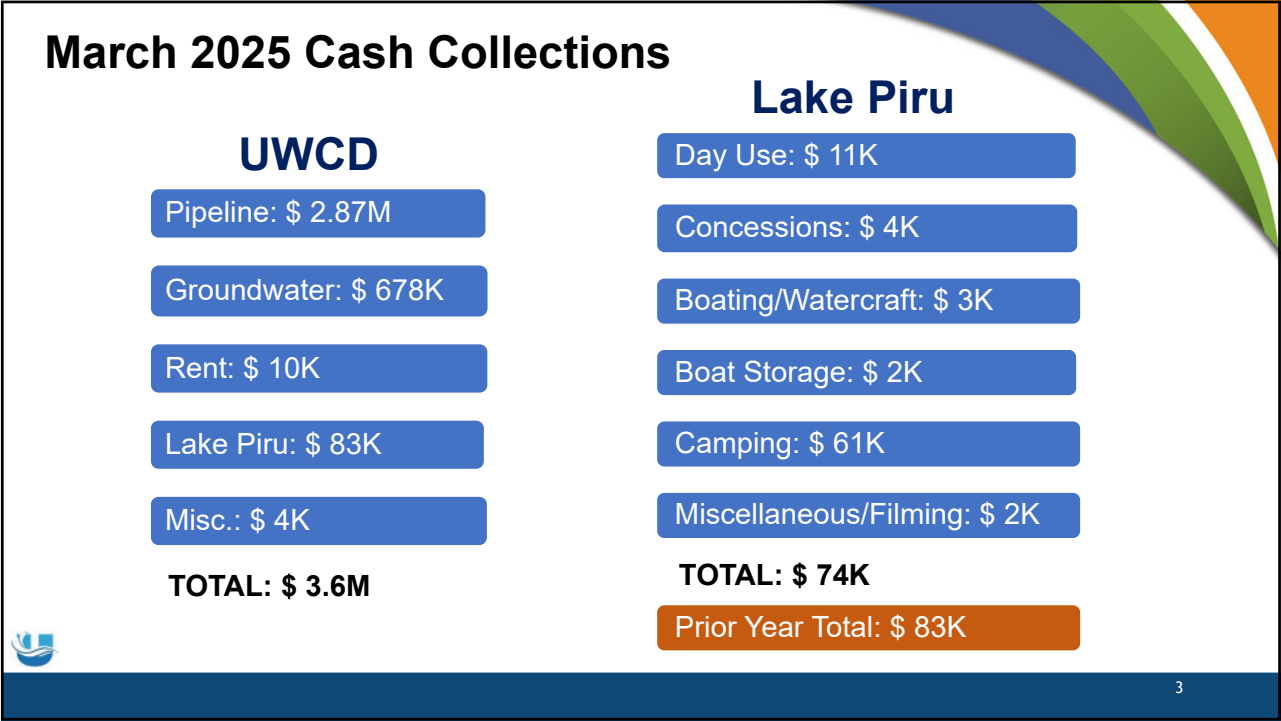
United Water
CONSERVATION DISTRICT



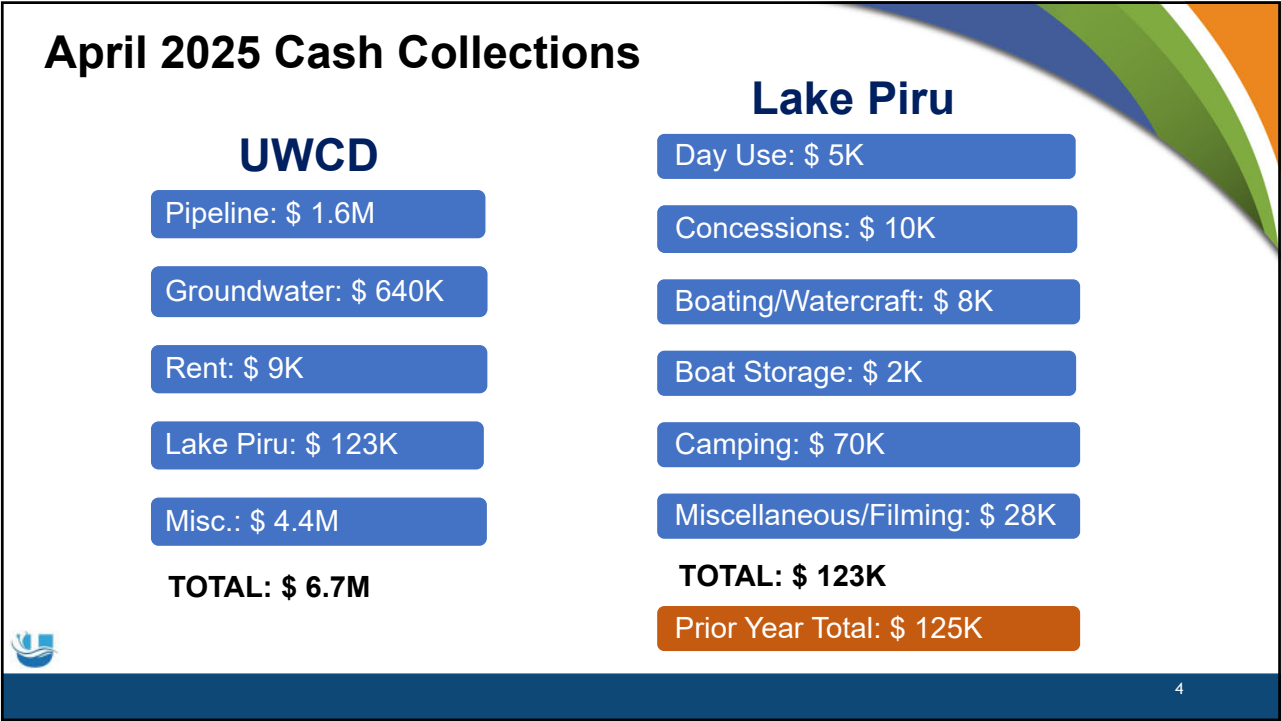
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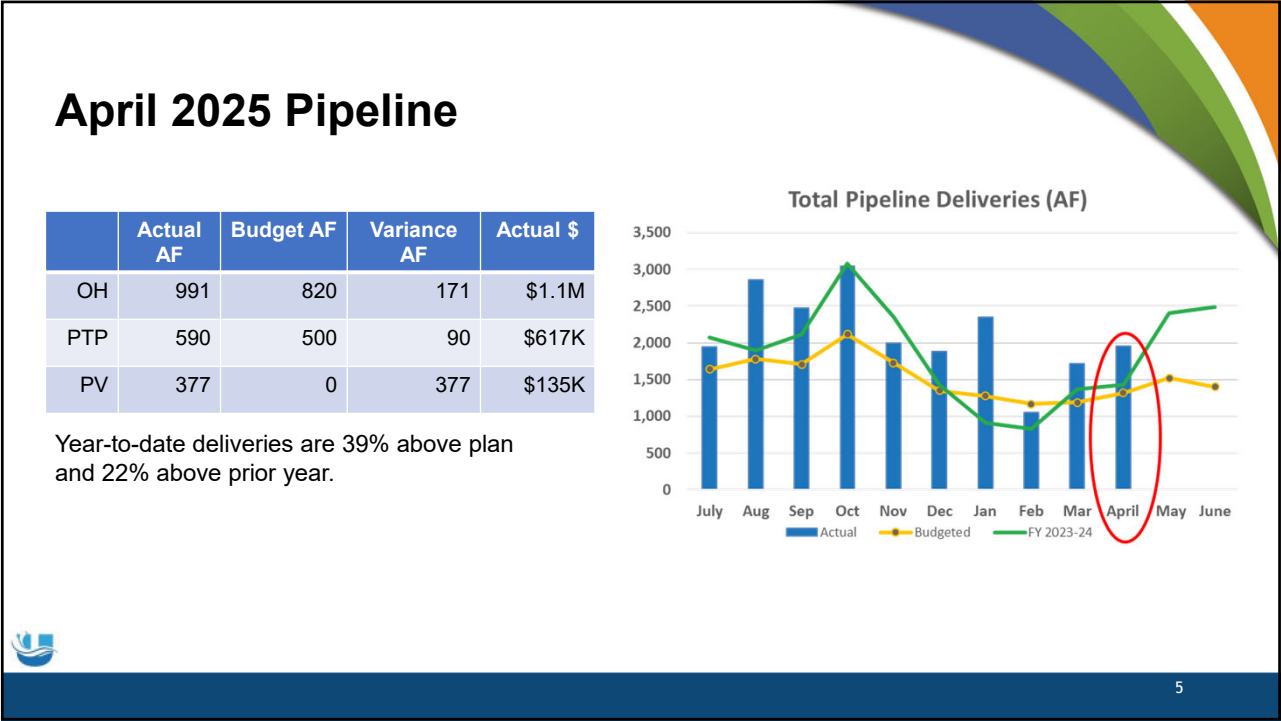
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Board Motion Items with Fiscal Impact

Sponsor	Description/Summary	Budget Y/N	Cash Impact of Approval	Other Financial Impact
Finance	Payment Plan, and Penalty and Interest Waiver Request from Mrs. Trinidad	n/a	\$9,034.52	\$0
Total:			\$9,034.52	\$0


Finance Department

- Proposed Fiscal Year 2025-26 Budget Published
- OH and PTP User Meetings held 05/15/25
- Budget Workshop held 05/29/25
- Interim Fiscal Year 2024-25 Audit begins 06/09/25



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Administrative Update

Josh Perez
Chief Human Resources Officer

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Human Resources

- Working on recruitments for the following positions:
 - Engineer
 - Water Resources Supervisors
 - Interviews completed, decision to be completed by the GM
 - Outreach and Communications Specialist
 - Position closed, 143 applicants
- Implemented Camp Host Program revisions at Lake Piru Recreation Area
- Held Brown Bag Session on May 7th which incorporated lessons from long-tenured staff
- Prepared memos for merit pay for June processing date



Pictures from Brown Bag Session



Human Resources In Action



Moorpark College
Career Fair



Oxnard College
Career Fair



Specialized Driver
Safety Course for Staff



Risk Management

- Provided project management oversight of security project enhancement with implementation by Control Systems staff with support from O&M and Lake Piru Recreation Area staff
- Completed Fall Hazardous Awareness Training
- Collaborated with Engineering and Grant Task Force staff on HMGP Grant NOI submission on Early Warning System Project
- Attended Southern California Edison's Public Safety Power Safety Power Shutoff Critical Infrastructure Workshop
- Represented and voted on behalf of the District on the Regional Radio Project Oversight Committee, which was also held at District headquarters
- With staff from Engineering and O&M, participated in the U.S. Environmental Protection Agency's National Water and Wastewater Sector Cybersecurity Drill



Regional Radio Project Oversight
Committee Meeting



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Technology Systems

- Integrated new staff members onto the Technology Systems team familiarizing them with standard processes and procedures and addressing a significant volume increase in tickets reported
- A total of 123 tickets were logged in May as of the date this briefing was prepared, with most categorized under IT Services and Support
- Configuration of the department's new Security Information and Event Management (SIEM) System progressed this month, establishing a foundation for centralized log monitoring and enhanced visibility into potential security threats
- Additional improvements included firewall tuning, email security enhancements, and refinements to internal system monitoring controls initiated over the past several months



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