

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For fiscal year ended June 30, 2025

BOARD OF DIRECTORS

Lynn E. Maulhardt, *President*

Catherine P. Keeling, *Vice President*

Gordon Kimball, *Secretary/Treasurer*

Keith Ford, *Director*

Mohammed A. Hasan, *Director*

Steve Huber, *Director*

Rachel Jones, *Director*

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UNITED WATER CONSERVATION DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Year Ended June 30, 2025

Prepared by:
Finance Department

UNITED WATER CONSERVATION DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2025

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Introductory Section



Board of Directors
Lynn E. Maulhardt, President
Catherine P. Keeling, Vice President
Gordon Kimball, Secretary/Treasurer
Keith Ford
Mohammed A. Hasan
Steve Huber
Rachel Jones

General Manager
Mauricio E. Guardado, Jr.

Legal Counsel
David D. Boyer

December 22, 2025

To the Honorable Board of Directors of United Water Conservation District:

We are pleased to present the United Water Conservation District's (District) Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2025. This report was prepared in accordance with generally accepted accounting principles as implemented by the Governmental Accounting Standards Board (GASB) and other accounting and rulemaking bodies.

District management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that has been established for this purpose. Because the cost of internal controls should not exceed its anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Lance Soll & Lunghard LLP, Certified Public Accountants, have issued an unmodified opinion on the District's financial statements for the year ended June 30, 2025. The independent auditor's report is located at the front of the financial section of this report (pages 1-3).

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

In 1925, the founding organization of today's United Water Conservation District, the Santa Clara River Protection Association (Association), was formed to protect the runoff of the Santa Clara River from being exported outside the watershed. This effort was successful, and in 1927, the Association was reorganized into the Santa Clara Water Conservation District by vote of the county residents.

In 1950, the voters approved the formation of the District under the State Water Conservation Act of 1931, as the United Water Conservation District, to recognize the projected population growth within the District and the need for a reliable water source. The Santa Clara Water Conservation District was then dissolved and the assets transferred to the District. This allowed the District to issue bonds to raise funding for construction of the Santa Felicia Dam (SFD), creating Lake Piru and other conservation facilities. The District is divided into seven divisions and is governed by an elected seven-member Board of Directors, serving four-year staggered terms.

The District covers approximately 214,000 acres (335 square miles) in central Ventura County, California. The District administers a "basin management" program for the sub-basins that make up the Santa Clara River Valley Basin, utilizing the Santa Clara River and its tributaries for replenishment of groundwater.



The District's facilities include the Santa Felicia Dam, Lake Piru and Lake Piru Recreation Area, Saticoy, El Rio and Piru groundwater recharge facilities, the Freeman Diversion, the Saticoy Well Field, the Pleasant Valley, Oxnard-Hueneme and Pumping Trough delivery systems (pipelines) that include wells, treatment facilities, reservoirs and booster pumping stations.

The District's mission is to *manage, protect, conserve and enhance the water resources of the District, producing a reliable and sustainable water supply for all users, in an environmentally and fiscally responsible manner.* This mission statement is the foundation of the District's Strategic Plan Framework which provides the overall policy direction for District staff to manage and prioritize its programs and activities.

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

Local Economy

The District is located in the center of Ventura County, a county with a strong economic base with a large and diverse labor pool. The area includes major industries: agriculture, biotechnology, telecommunications and advanced technologies, manufacturing, tourism, and military testing and development. The Port of Hueneme (which is located within the boundaries of the District) is the State's smallest port, but it is the only deep-water port between Los Angeles and San Francisco and plays a significant role in the local economy.

Some of the best soil in the nation for agriculture production resides within Ventura County. According to the latest Ventura County Agricultural Commission Crop and Livestock Report, the gross crop value for calendar year 2024 was \$2.3 billion, approximately a 7% increase from 2023. Within the District boundaries, agriculture remains especially important along the coastal Oxnard Plain and the interior Santa Clara Valley communities of Santa Paula, Fillmore and Piru. Ventura County ranks 10th in California for gross agricultural production. Strawberries, avocados, nursery stock, celery, raspberries and lemons remained the highest valued crops, followed by peppers, blackberries, blueberries, and tomatoes.

Economic indicators for Ventura County show continuous economic decline with 2025 continuing with low or negative GDP growth. In 2022 Ventura County unemployment was at 2.9%, but by 2025 that number increased to 5.0% according to the Employment Development Department. County wide population increased to 837,783, up from 835,427 in 2024, according to the US Census Bureau.

In FY 2024-25 property tax assessments collected by the District decreased by approximately 7.6%. This is mainly due to decreased property values even though the County Assessor's Office announced that in FY 2024-25, countywide property tax assessments increased 2.0%. Additionally, Grants increased \$8.5 million due to more grants being received during the year and the State Water Import funds collecting approximately \$0.8 million less comparing FY 2024-25 to FY 2023-24.



Short and Long-term Financial Planning Outlook

The 2024 water year was a wet year for Ventura County, but the 2025 water year did not produce as much rain as in 2024. With the rain, plus state water purchases and supplemental water purchases, United Water Conservation District was able to recharge the basins under their control. These recharge efforts capture and store water for use during dry periods. It is abundantly clear that management of a sustainable water supply is critical to the long-term economic viability of the region. Finding solutions to meet the region's water needs must be achieved through coordinated efforts amongst the region's leading water agencies. United Water Conservation District remains committed to optimizing its resources to bring solutions that benefit its constituents.

Listed below is a summary of major projects that the United Water Conservation District is working on to help meet the Districts water needs along with legal and environment actions:

The District has made significant progress in addressing the seismic vulnerabilities of the outlet works at Santa Felicia Dam (SFD) by undertaking the SFD Outlet Works Improvement Project. This project is the first of two components of the Santa Felicia Dam Safety Improvement Project. A 2012 seismic analysis found that the existing intake tower and steel penstock, key components of the outlet works, would likely fail during a magnitude 7.2 earthquake on the San Cayetano Fault. This seismic event represents the Maximum Credible Earthquake (MCE) for the site, the standard that high-hazard dams like SFD must be designed to withstand. Additional seismic analysis in 2015 concluded that seismic deformation of the dam embankment following the MCE would be significant enough to damage the concrete conduit routed through the dam, also a component of the existing outlet works, which could potentially lead to dam failure. As of June 2025, the District completed the final design of a new outlet works system which will meet the current regulatory seismic standards and be able to withstand the MCE. The final design documents have been submitted to the Federal Energy Regulatory Commission (FERC), Division of Safety of Dams (DSOD), and a FERC required independent Board of Consultants. The District is currently working on finalizing bid documents and securing funding for construction of the new outlet works.

As of June 2025, The District has completed the 90% design of the SFD Spillway Improvement Project, the second of the two components of the SFD Safety Improvement Project. The pass-through capacity of the existing SFD spillway is 146,000 cfs. However, in 2013, the regulators FERC and DSOD, established that the SFD Spillway must be improved to pass at a minimum, the inflow design flood (IDF) of 220,000 cubic feet per second (cfs). The goal of the SFD Spillway Improvement Project is to increase the pass-through capacity of the SFD spillway to be able to safely pass the IDF. This would reduce the risk of potential overtopping of the dam during the IDF, resulting in dam failure and catastrophic flooding downstream of the dam. The 90% design documents have been submitted to the Federal Energy Regulatory Commission (FERC), Division of Safety of Dams (DSOD), and a FERC required independent Board of Consultants. The next step for the District is to complete the 100% design phase.

The District was the lead agency for the California Environmental Quality Act (CEQA) review of the Santa Felicia Dam Safety Improvement Project (State Clearinghouse Number 2017041005) and published the Final Environmental Impact Report (EIR) in February 2019. Consultation with the State Historic Preservation Office (SHPO) pursuant to Section 106 of the National Historic Preservation Act was completed on June 1, 2021. The District obtained a CWA Section 401 Water Quality Certification from the State Water Resources Control Board (SWRCB) for potential water quality effects to state water that could result from fill and dredge operations necessary to implement the Project on March 2, 2022. In accordance with Section 7 of the Endangered Species Act, the U.S. Fish and Wildlife Service issued a Biological Opinion and Conference Opinion for the Project on May 6, 2025. As of June 2025, the completion of the NEPA process and USACE 404 Permit are pending.



Inclusive of District operations are recreation facilities that provide public access and camping to the recreational facilities at Lake Piru, which is a requirement of the permit that was issued as part of the construction of Santa Felicia Dam in 1955. The District continued to advance the Lake Piru Campground and Recreation Area Renovations which includes enhancement of the Olive Grove and Oak Lane Campgrounds in addition to development of a new campground facility in the “Overflow Campground” area. In October 2024, the 30% design documents for the Lake Piru Campground Improvement Project were completed. In 2024 through 2025, the District prioritized a subset of this improvement project including restroom repairs and rehabilitation, and water treatment plant improvements.

The District together with its consultants developed the design of the Freeman Diversion Expansion project to the 90% design level for the Hardened Ramp Fish Passage Alternative. To significantly reduce temporary and permanent impacts within the river, meet permit issuance criteria, and significantly reduce the estimated project cost, the District began developing a conceptual design to improve the existing facility. The improvements being developed will enable the system to convey higher flows, facilitate diversions when river flows and turbidity are higher than typical for current diversion practices, and improve sediment management in the conveyance and recharge system. The project proposes to accomplish five items of rehabilitation: 1) construct a fish passage facility, 2) add cast concrete over the roller-compacted concrete (RCC) face, 3) reconfigure the existing fish screens, 4) add trash racks or screens at the pipe inlets, and 5) dredge the desilting basin to original lines and grades. Additionally, construction was completed to replace the existing Inverted Siphon with a new canal bridge. The completed project removes a hydraulic bottleneck within the Freeman Conveyance System. The District made progress towards completing the permits for the Three-Barrel Culvert Replacement and Vineyard Avenue Undercrossing projects which will further enhance the Freeman Conveyance System.

In August 2024, a Notice of Completion was filed with the Ventura County Recorder’s Office signifying the end of construction and the official start of operations for the new Iron and Manganese Treatment Plant at the El Rio Water Treatment and Groundwater Recharge Facility.

In April 2025, construction of the Phase 1 Laguna Road Recycled Water Pipeline was completed. Construction was supported by a \$343k grant from the Natural Resources Conservation Service (NRCS) and \$4.6M in Sustainable Groundwater Management (SGM) grant funds from the Department of Water Resources (DWR) through the Fox Canyon Groundwater Management Agency (FCGMA). The 30% design of a booster station (Phase 2) was completed in September 2024. The District is currently working with the City of Oxnard and Pleasant Valley County Water District on short-term recycled water delivery operations to calibrate the hydraulic model for the Phase 2 design and establish the basis of a long-term recycled water delivery agreement.

As of June 2025, the District completed installation of fifty-six (56) electromagnetic flow meters at PTP System Turnouts improving the accuracy of flow measurements and providing integration with the District’s Supervisory Control and Data Acquisition (SCADA) System.

The Oxnard Plain is currently in a state of overdraft and the groundwater in the upper aquifer system has degraded due to seawater intrusion. In 2019, the District began collaborating with the U.S. Navy on an Extraction Barrier and Brackish (EBB) Water Treatment Project. In October 2019, the District was awarded a Proposition 1 Groundwater Grant Program Planning Grant by the State Water Resources Control Board (SWRCB) to enhance and use the District’s Groundwater Flow model to evaluate the basin impacts and benefits using groundwater extraction as a technology for managing seawater intrusion. The District investigated moving the extraction wellfield closer to the source of seawater intrusion at Naval Base Ventura County (NBVC) Point Mugu. In December 2021, work was completed, which identified the project to be beneficial and feasible.



The EBB Water Treatment plant will include a series of ground water wells within the area of seawater intrusion located at NBVC Point Mugu creating an effective barrier against the advancement of seawater intrusion in the upper aquifer system. High salinity groundwater from the extraction barrier wells will be treated at the EBB Water Treatment Plant and be delivered to municipal, industrial, and agricultural users in the Oxnard Plain for beneficial use. Brine will be disposed using the existing Calleguas Municipal Water District Salinity Management Pipeline (SMP) or other brine management processes. Deliveries of high-quality treated water will offset groundwater pumping in areas affected by overdraft and seawater intrusion. Ultimately the goal is to construct an advanced water treatment plant with a production capacity of 5,000 acre-feet per year with the ability to expand to 10,000 or more acre-feet per year.

In September 2022, the District entered into a \$1.3 million subgrant agreement with the FCGMA for construction of monitoring wells which were completed in 2024. In December 2022, the District hired two consultants for the Phase 1 project (design and environmental services). In November 2023, a Memorandum of Agreement was executed between Commander, Navy Region Southwest and the District for the development of the Phase 1 project. On June 17, 2024, the District and the SWRCB executed a grant agreement for the Phase 1 project that provided \$8.45 million in grant funding. Field investigations supporting design were conducted in 2024 through 2025. The draft 30% design documents were completed in March 2025. The District is currently working on advancing the design, environmental documents, and real property acquisition process.

In FY 2024-25, District staff and consultants continued to work with state and federal regulatory agencies (National Marine Fisheries Service, US Fish and Wildlife Service, and California Department of Fish and Wildlife) to further develop the District's Multiple Species Habitat Conservation Plan (MSHCP) for the Freeman Diversion facility. The October 13, 2021, court order stipulates scheduled milestones for future steps related to design, modeling, and final selection of a preferred fish passage facility, which is a primary element of the MSHCP. The District met the court ordered schedule and submitted an updated MSHCP and regulatory permit applications in April 2024. In September 2024 sent a letter of denial stating that the MSHCP did not meet the statutory permit issuance criteria. A court evidentiary hearing was held in March and April 2025, and a court order from the judge providing a timeline for submission of an updated MSHCP is expected.

In December 2013, the District discovered invasive quagga mussels in Lake Piru, a reservoir owned and operated by the District. The District conducts quagga mussel monitoring in accordance with a draft Quagga Mussel Monitoring and Control Plan (QMMCP, revised January 2025) developed to comply with California Department of Fish and Game Code §2301(d)(1). In FY 2024-25 the District continued to implement the comprehensive monitoring program and infrastructure scraping control methods which entail a scientific dive team physically removing quagga mussels from infrastructure in Lake Piru. Additionally, the District continued to monitor water quality, veliger concentrations, and adult recruitment in Lake Piru, lower Piru Creek, and the mainstem of the Santa Clara River. During FY 2024-25 the District also continued annual consultation with the California Department of Fish and Wildlife to develop strategies and address quagga mussel control and containment. The District will continue dedicating resources to implement the measures established in the QMMCP and continue to pursue development of monitoring, treatment, control, and containment measures to protect infrastructure and maintain compliance with state and federal law pertaining to invasive species.

In FY 2024-25, District staff continued to work toward 100% design and completion of environmental permitting for the Santa Felicia Dam Safety Improvement Project at Lake Piru. The project addresses safety improvements related to seismic stability of the outlet works and flood capacity of the spillway. Formal Section 7 consultation under the Endangered Species Act was completed with the US Fish and Wildlife Service in May 2025; they provided final letters of concurrence, biological opinions, and a conference opinion. Consultation with the National Marine Fisheries Service is underway with a biological opinion expected soon. A construction start date for the project is not yet scheduled.



On June 2, 2016, the Wishtoyo Foundation, its Ventura Coastkeeper Program, and the Center for Biological Diversity (“Plaintiffs”) filed a complaint for declaratory and injunctive relief with the US District Court, Central District of California. The complaint alleged that the District’s operation and maintenance of the Freeman Diversion resulted in unauthorized take of federally protected fish in violation of the federal Endangered Species Act (ESA). The District Court conducted a trial in December 2017 and January 2018. On October 4, 2018, the District Court entered a Judgment and Permanent Injunction in favor of Plaintiffs. An Amended Judgment and Permanent Injunction (“Amended Judgment”) was entered on December 1, 2018, which vacated and superseded the October 4, 2018, Judgment and Permanent Injunction. Thereafter, the District Court issued an Order Awarding Attorney’s Fees and Costs to Plaintiffs (Order”). The District then appealed the Amended Judgment and of the Order and stayed enforcement of the Order until after conclusion of the Appeal. In June 2020, the Court of Appeal affirmed the district court judgement of October 2018 and the awarded attorneys’ fees of approximately \$3.4 million to Plaintiffs. All attorney’s fees awarded by the District Court have been paid. The District remains in compliance with the requirements of the Court’s injunction.

In early July 2021 the OPV Coalition, a group of agricultural interests in the Oxnard and Pleasant Valley Basins, filed a complaint in the Ventura County Superior Court for a comprehensive adjudication of both basins. The action seeks a judgment from the court determining the respective rights to the extraction and use of groundwater from the basins and the rights to use of the storage space in the basins among all users of that groundwater. The action was transferred to the Santa Barbara Superior Court.

Although the District was not named as a defendant in the complaint, it holds extensive water rights in both basins. As a result, it filed a motion for leave to file a complaint-in-intervention in the action seeking the determination of its water rights. The Court subsequently granted the District’s motion.

Thereafter, the Court ordered the litigation divided into three phases for each basin (1) determination of safe and native safe yields, (2) determination of water rights, and (3) determination and imposition of a physical solution with a trial at the end of each phase. The trial for Phase 1 of the litigation was held for four days between September 17, 2025, and concluded on September 24, 2025. On October 23, 2025, the Court issued its Statement of Decision setting the safe and native safe yields for each basin.

The parties are now proceeding into Phase 2 of the litigation. The District intends upon fully proving and defending against all claims to its groundwater rights. Groundwater adjudications, however, are notorious for taking years to complete, so the timing on completion of Phases 2 and 3 and entry of judgment is unknown.

On May 17, 2022, the District filed a Complaint in the U.S. Court of Federal Claims seeking just compensation from the United States (government) under the 5th Amendment of the U.S. Constitution, for a physical taking of water for public use by the U.S. National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NMFS). The Complaint alleged that a physical taking of the District’s rights to Santa Clara River water resulted from restrictions NMFS placed on the District’s right to divert water at the Vern Freeman Diversion, due to NFMS’s assertion that the restrictions were needed to protect an endangered fish species.

On January 26, 2023, the trial court dismissed the complaint, holding that the District’s takings claim was not ripe for adjudication and that the District had, therefore, failed to state a viable claim. The trial court entered judgment against the District on January 26, 2023. Thereafter, the District filed a notice of appeal on March 10, 2023. The U.S. Court of Appeals for the Federal Circuit upheld the trial court’s decision. A Petition for Writ of Certiorari with the United States Supreme Court was filed on October 28, 2025.

In 2019 an eminent domain complaint was filed by the State of California seeking possession of a parcel of property for the Rice Avenue Grade Separation Project. (The State of California v. United Water Conservation District, et al., Ventura County Superior Court Case No. 56-2023-00575593-CU-EI-VTA.) The District holds an easement right upon that parcel. Although trial of the eminent domain matter will not occur until 2026, the District entered into a stipulation with the State of California effectively settling the matter with respect to the



District, with exception of the issue of what just compensation is owed to the District. The stipulation allowed the District to continue to have access to its Well No. 4 on the property throughout construction of the project. That stipulation will be part of the final judgment after trial in 2026.

On May 6, 2025, the District filed a petition for writ of mandate in the Los Angeles County Superior Court (Case No. 25STCP01671) challenging the California Fish and Game Commission's decision to list Southern California Steelhead, (defined as all *O. mykiss* from the Santa Maria River system south to the U.S. border with Mexico below barriers to complete anadromy and including resident and anadromous life histories) under the California Endangered Species Act. The administrative record is being finalized and a trial setting conference is scheduled for December 2, 2025.

In August 2023, an eminent domain complaint was filed by the State of California seeking possession of a parcel of property for the Rice Avenue Grade Separation Project. (The State of California v. PEGH Investments, LLC et al. Case No. 2023CUEI012785.) The District holds an easement right upon that parcel. Caltrans and the District agreed to a stipulation effectively settling this matter with respect to the District. Caltrans agreed it would not take the District's easement rights on the property being sought, and the District would retain any and all existing rights over the property. This lawsuit is essentially over for the District, but because it has not been formally dismissed as to the other parties, the District continues to monitor the hearings until there is final resolution of the entire case.

In 2024, an eminent domain complaint was filed by the State of California seeking possession of a parcel of property for the Rice Avenue Grade Separation Project. (The State of California v. Santa Elena Farms, LLC, Ventura County Superior Court Case No. 2024CUE1019827.) The District holds an easement right upon that parcel. Caltrans' legal counsel stated to District legal counsel that it would agree to a similar stipulation as in the PEGH matter, wherein Caltrans would agree to take the parcel subject to the District's existing easement rights, meaning the District would continue to maintain its easements rights. Caltrans' legal counsel has been provided the proposed stipulation and the parties are in the process of negotiating language, but it has yet to be finalized and/or executed by Caltrans. Accordingly, the issues with respect to the District have not been fully resolved in this matter.

Relevant Financial Policies

The District has written detailed financial policies for:

- Reserves
- Investments
- Budget Amendments
- Budget Submittal/Preparation
- Procurement
- Expense Reimbursement (Includes Government Code Section 53065.5)
- Capital Assets
- Vehicle and Equipment Replacement and Maintenance
- Engineering Projects and Contract Administration
- Fraud Prevention and Detection
- Records Management, Retention and Destruction
- Disposition of Surplus Assets
- Accounts Receivables and Write-offs
- Debt Management
- Auditor Rotation & Selection
- Employee Recognition
- Groundwater Well Registration and Inactive Wells
- Identity Theft Protection
- Verification of Groundwater Production Statement
- Continuing disclosure to investors in debt issues
- Fraud Prevention
- Subscription Based IT Arrangements

Major Issues/Challenges

As discussed in the section entitled “Short and Long-Term Financial Planning”, the District faces some substantial financial challenges and uncertainties as a result of:

- Section 10 Endangered Species Act compliance for the operation of the Freeman Diversion.
- Section 7 Endangered Species Act and FERC mandate compliance for the operation of the Santa Felicia Dam.
- FERC and DSOD requirements for modifications of the SFD spillway and possibly the dam’s parapet wall after analysis of a series of proposed alternative flood remediation projects (PMF/PMP).
- Aging and structural deficiencies in existing infrastructure that must be rehabilitated to continue on-going operations related to the District’s water conservation requirements.
- The quagga mussel infestation and operational challenges of the recreation activities at Lake Piru.

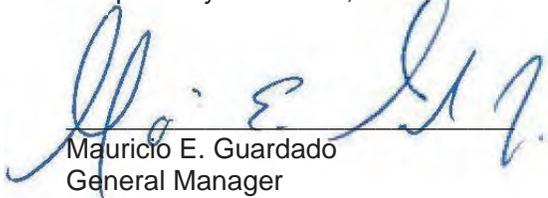
Conclusion

Despite the many challenges, the District remains optimistic and committed to fulfilling its mission of managing, protecting, conserving and enhancing the region’s water supply to produce a reliable and sustainable supply of groundwater for the reasonable and beneficial use of all users. The District will pull from its professional staff and resources to strategically and collaboratively address each challenge while seizing every opportunity to positively impact the region’s water resources. Some foreseeable opportunities and solutions are within the areas of recycled water use, saltwater intrusion, brackish groundwater technology, state-water deliveries, as well as increased storage and recharge capacity.

Acknowledgements

We would like to thank the entire staff (in particular the Finance Department) for their contributions and assistance in the preparation of this year’s Annual Comprehensive Financial Report. The professionalism and dedication of staff to the District mission is very well appreciated and should not go unrecognized. We would also like to recognize the efforts of the District’s auditors, Lance Soll & Lunghard LLP. Finally, to the Board of Directors, sincere appreciation for its leadership and support in maintaining sound financial systems and processes that reflect the integrity, reliability and accuracy to which District staff are committed.

Respectfully submitted,



Mauricio E. Guardado
General Manager



Brian H. Zahn
Chief Financial Officer

**UNITED WATER CONSERVATION DISTRICT
LIST OF PRINCIPAL OFFICIALS FOR
FISCAL YEAR ENDED JUNE 30, 2025**

BOARD OF DIRECTORS

- Lynn E. Maulhardt, President
Representing Division 4
- Catherine P. Keeling, Vice-President
Representing Division 2
- Gordon Kimball, Secretary/Treasurer
Representing Division 1
- Mohammed A. Hasan, Board Member
Representing Division 3
- Steve Huber, Board Member
Representing Division 5
- Keith Ford, Board Member
Representing Division 6
- Rachel Jones, Board Member
Representing Division 7

EXECUTIVE MANAGEMENT

- Mauricio Guardado, General Manager
- David D. Boyer, Legal Counsel

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Financial Section

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
United Water Conservation District
Oxnard, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the United Water Conservation District, (hereafter, the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of June 30, 2025, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Standards for California Special Districts. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2025, the District adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



To the Board of Directors
United Water Conservation District
Oxnard, California

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the State Controller's Minimum Audit Standards for California Special Districts will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the State Controller's Minimum Audit Standards for California Special Districts we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required pension and other post-employment benefits schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



To the Board of Directors
United Water Conservation District
Oxnard, California

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

LSL, LLP

Sacramento, California
December 22, 2025

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**United Water Conservation District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025**

As management of United Water Conservation District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - vii of this report.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$172 million (net position). Of this amount, \$30.4 million represents unrestricted net position, which may be used to meet the government's ongoing obligations to constituents and creditors.
- The District's total long-term liabilities increased by \$10 million during the current fiscal year.
- The District's total net position increased by \$32.7 million from the prior fiscal year's net position primarily due to an increase in capital assets.
- The District's operating revenues increased by \$19.7 million or 66.9% primarily due to higher rates.
- The District's operating expenses decreased by \$4.4 million or 10% primarily due to decreased services and supplies costs, associated with delays in projects.

GENERAL OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report includes the basic financial statements. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows provide information about the activities and performance of the District.

The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate fiscal stability and creditworthiness.

The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, noncapital financing, and capital and related financing activities.

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**United Water Conservation District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025**

FINANCIAL ANALYSIS OF THE DISTRICT

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are considered regardless of when the cash is received or paid.

These two statements report on the District's net position and changes in them. One can think of the District's net position - the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources - as a way to measure the District's financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, and new or changed government legislation, such as changes in Federal and State water quality standards.

Summary of Net Position

	June 30		Increase/(Decrease)	
	2025	2024	Amount	%
Current assets	\$ 70,320,683	\$ 45,553,024	\$ 24,767,659	54.4%
Capital assets	160,713,684	142,677,646	18,036,038	12.6%
Net OPEB asset	198,268	160,690	37,578	23.4%
Total assets	231,232,635	188,391,360	42,841,275	22.7%
Deferred outflow of resources	3,903,145	5,629,687	(1,726,542)	-30.7%
Current liabilities	7,125,304	8,623,505	(1,498,201)	-17.4%
Long-term liabilities	54,716,669	44,669,785	10,046,884	22.5%
Total liabilities	61,841,973	53,293,290	8,548,683	16.0%
Deferred inflow of resources	1,145,249	1,283,295	(138,046)	-10.8%
Net Position				
Net investment in capital assets	120,596,461	112,239,890	8,356,571	7.4%
Restricted	21,186,989	12,601,605	8,585,384	68.1%
Unrestricted	30,365,107	14,602,967	15,762,140	107.9%
Total net position	\$ 172,148,557	\$ 139,444,462	\$ 32,704,095	23.5%

As noted earlier, over time, changes in net position may serve as a useful indicator of a government's financial condition. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$172 million as of June 30, 2025.

**United Water Conservation District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025**

Summary of Net Position (continued)

Total assets increased by \$42.8 million or 22.7% in the current year due to an increase in Capital Assets of \$18.0 million or 12.6% and an increase of current assets of \$24.8 million or 54.4%.

Total liabilities increased by \$8.5 million or 16% due to an increase in Long-term liabilities.

At the end of the fiscal year June 30, 2025 the District shows a positive balance in unrestricted net position of \$30.4 million.

Summary of Revenues, Expenses and Changes in Net Position

The following schedule provides a summary of the District's changes in net position for the fiscal years ended June 30, 2025:

	<u>June 30</u>		<u>Increase/(Decrease)</u>	
	<u>2025</u>	<u>2024</u>	<u>Amount</u>	<u>%</u>
Revenues				
Operating revenues:				
Charges for service	\$ 49,172,493	\$ 29,465,957	\$ 19,706,536	66.9%
Nonoperating revenues:				
Property taxes	10,079,635	10,902,825	(823,190)	-7.6%
Grants and contributions	8,983,758	471,063	8,512,695	1807.1%
Investment (loss) earnings	1,825,737	1,653,933	171,804	-10.4%
Other income	3,009,526	3,817,689	(808,163)	-21.2%
Total revenue	<u>73,071,149</u>	<u>46,311,467</u>	<u>26,493,545</u>	<u>57.2%</u>
Expenses				
Operating expenses:				
Salaries and benefits	15,173,972	\$ 13,908,331	1,265,641	9.1%
Services and supplies	20,122,557	26,481,877	(6,359,320)	-24.0%
Depreciation	3,484,603	3,036,261	448,342	14.8%
Nonoperating expenses:				
Interest expense	1,118,190	917,497	200,693	21.9%
Loss on disposal of capital assets	266,137	-	266,137	-
Total expenses	<u>40,165,459</u>	<u>44,343,966</u>	<u>(4,178,507)</u>	<u>-9.4%</u>
Change in net position	32,905,690	1,967,501	30,938,189	1572.5%
Beginning net position	139,444,462	137,476,961	1,967,501	1.4%
Restatement	(201,595)	-	(201,595)	-
Ending net position	<u>\$ 172,148,557</u>	<u>\$ 139,444,462</u>	<u>\$ 32,704,095</u>	<u>23.5%</u>

The increase or decrease in net position can provide an indication as to whether the financial position of the District improved or deteriorated during the year. The change in net position was \$32.7 million in fiscal year 2025.

The reasons for significant changes in the revenues and expenses of the District noted in the previous schedules are as follows:

**United Water Conservation District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025**

Revenues

For the fiscal year ended June 30, 2025 total revenue increased \$26.5 million or 57.2%. Charges for services continue to be the District's main source of revenue which primarily consist of groundwater extraction fees and pipeline deliveries. Charges for services increased by \$19.7 million or 66.9% during the fiscal year ended June 30, 2025 due to higher rates along with increased demand for water.

The other remaining revenue is mainly derived from property taxes, grants and investment earnings. Grants increased \$8.5 million due to more grants received during the year which was offset by a \$0.8 million or 7.6% decrease in property taxes and a \$0.8 million or 21.2% decrease in state water purchases.

Expenses

For the fiscal year ended June 30, 2025 total expenses decreased \$4.5 million or 10.0%. This was primarily driven by a \$6.3 million or 24.0% decrease in services and supplies which includes a decrease in state water purchases.

Capital Assets

Capital assets as of June 30, 2025 is summarized as follows:

	June 30	
	2025	2024
Capital assets not being depreciated		
Land	\$ 19,519,766	\$ 19,519,766
Construction in progress	64,980,183	60,950,051
Total capital assets not being depreciated	<u>84,499,949</u>	<u>80,469,817</u>
Capital assets being depreciated		
Building and structures	130,427,378	113,753,382
Machinery and equipment	10,118,078	9,934,749
Automotive equipment	3,264,752	2,662,512
Subscription assets	924,209	924,209
Intangibles - water rights	8,431,927	8,431,927
Total capital assets being depreciated	<u>153,166,344</u>	<u>135,706,779</u>
Less: Accumulated depreciation	<u>(76,952,609)</u>	<u>(73,498,950)</u>
Total capital assets being depreciated - net	<u>\$ 76,213,735</u>	<u>\$ 62,207,829</u>
Total capital assets net	<u><u>\$ 160,713,684</u></u>	<u><u>\$ 142,677,646</u></u>

As of June 30, 2025, the District had approximately \$160.7 million invested in capital assets including land, construction in progress, buildings and structures, machinery and equipment, automotive equipment, subscription assets and intangibles, net of accumulated depreciation. This amount represents a net increase of \$18.0 million or 12.6% from the prior year. Accumulated depreciation increased by \$3.5 million.

The increase in construction in progress of \$4.0 million was primarily related to the Santa Felicia Dam improvements, and the Freeman Diversion Rehabilitation. Additionally, there was a \$16.6 million increase to Building and Structure and an increase of \$0.8 million to all other capital asset accounts that was driven by various procurements and transfers in from construction in progress.

Additional information on the District's capital assets can be found in Note 3 on page 24 of this report.

**United Water Conservation District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025**

Long-Term Debt

The District's long-term liabilities at the end of the year were \$40.1 million. This represents an increase of \$9.9 million or 32.9% and relates to the repayment of 2020 Revenue Certificates of Participation plus the addition of the WIFIA Loan.

An overview of long-term liabilities at June 30, 2025 is presented below.

	June 30	
	2025	2024
Obligation under State Water Project	\$ 1,080,529	\$ 1,133,747
Loans Payable:		
WIFIA Loan	11,048,599	-
WIFIA Loan - accreted interest	255,476	-
Total loans payable - net	11,304,075	-
Bond payable:		
2020 Certificates of Participation	23,000,000	23,945,000
Plus (less) deferred amounts:		
Bond premiums	4,260,497	4,432,059
Bond discounts	-	-
Total bonds payable - net	27,260,497	28,377,059
Subscription liability	472,122	664,790
Total long-term liabilities	\$ 40,117,223	\$ 30,175,596

Additional information on the District's long-term liabilities can be found in Note 11 on pages 34-35 of this report. In November 2020, the District issued the 2020 Revenue Certificates of Participation (COPs) with par value of \$26.7 million and bond premium of \$5.0 million. About \$13.0 million of the proceeds refunded the 2001 and 2005 Revenue Bonds and the 2009 COP currently outstanding and approximately \$19 million was used to finance, in part, the capital improvement projects at the Freeman Diversion and the Santa Felicia Dam, as well as smaller projects throughout the District. The 2020 COPS have maturity dates from 2021 through 2050 with an average duration of issue of about 11 years. The True Interest Cost (TIC) of the COPs is 2.609%.

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect the District and were considered in developing the 2025-26 fiscal year budget.

- Significant increase in groundwater extraction charges
- Decrease in groundwater extraction volumes
- Rate increases for most pipeline customers
- Decreasing volume trend for pipeline customers
- Modest increases in the taxable assessed value as a percentage of estimated actual value and resulting increases in property assessments will continue to affect the District's real property tax base
- Interest rates have stopped increasing and are expected to fall during the fiscal year 2025-26
- Cost of Living increases 3% for all District staff
- Inflation factors were added to Utilities, Fuel, Chemicals and Spare Parts expenses

CONDITIONS THAT MAY IMPACT FUTURE FINANCIAL POSITION

Any conditions that may impact the District's future financial position can be found in Notes 13 - 15 on pages 34-41 of this report.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to United Water Conservation District, Chief Financial Officer, 1701 N. Lombard St., Suite 200, Oxnard, California 93030.

Basic Financial Statements

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UNITED WATER CONSERVATION DISTRICT
Statement of Net Position
June 30, 2025

	<u>Business-Type Activities</u>
ASSETS	
Current assets:	
Cash and investments	\$ 31,347,293
Receivables:	
Accounts receivable, net of an allowance of \$1,901,928	16,599,737
Property taxes	345,480
Accrued interest	508,763
Grants	282,725
Deposits	247,964
Restricted:	
Cash and investments	<u>20,988,721</u>
Total current assets	<u>70,320,683</u>
Noncurrent:	
Net OPEB asset	198,268
Capital assets, net	<u>160,713,684</u>
Total noncurrent assets	<u>160,911,952</u>
Total assets	<u>231,232,635</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension-related	3,821,576
OPEB-related	<u>81,567</u>
Total deferred outflows of resources	<u>3,903,143</u>
LIABILITIES	
Current liabilities:	
Accounts payable	3,951,794
Accrued liabilities	16,723
Accrued interest	241,425
Unearned revenues	42,902
Deposits payable	11,761
Accrued wages and benefits	377,689
Compensated absences - due within one year	1,225,637
Long-term debt - due within one year	<u>1,257,373</u>
Total current liabilities	<u>7,125,304</u>
Noncurrent liabilities:	
Compensated absences - due in more than one year	825,415
Long-term debt - due in more than one year	38,859,850
Net pension liability	<u>15,031,403</u>
Total noncurrent liabilities	<u>54,716,668</u>
Total liabilities	<u>61,841,972</u>
DEFERRED INFLOWS OF RESOURCES	
Pension-related	1,109,457
OPEB-related	<u>35,792</u>
Total deferred inflows of resources	<u>1,145,249</u>
NET POSITION	
Net investment in capital assets	120,596,461
Restricted for capital projects	13,236,909
Restricted for State Water Import	7,751,812
Restricted for OPEB	198,268
Unrestricted	<u>30,365,107</u>
Total net position	<u>\$ 172,148,557</u>

UNITED WATER CONSERVATION DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2025

OPERATING REVENUES	
Charges for services	\$ 49,172,493
Total operating revenues	<u>49,172,493</u>
OPERATING EXPENSES	
Salaries and benefits	15,173,972
Services and supplies	20,122,557
Depreciation and amortization	3,484,603
Total operating expenses	<u>38,781,132</u>
Operating income (loss)	<u>10,391,361</u>
NONOPERATING REVENUES (EXPENSES)	
Property taxes	10,079,635
Grants and contributions	8,983,758
Interest revenue	1,825,737
Interest expense	(1,118,190)
Other income	3,009,526
Gain (loss) on disposal of capital assets	(266,137)
Total nonoperating revenues (expenses)	<u>22,514,329</u>
Change in net position	<u>32,905,690</u>
Net position-beginning	139,444,462
Restatements - change in accounting principle	(201,595)
Net position-beginning (as restated)	<u>139,242,867</u>
Net position-ending	<u>\$ 172,148,557</u>

UNITED WATER CONSERVATION DISTRICT
Statement of Cash Flows
For the Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from charges for services	\$ 41,769,890
Cash payments to suppliers for goods and services	(21,672,448)
Cash payments to employees for services	(13,179,390)
Net cash provided by (used for) operating activities	<u>6,918,052</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash received from property taxes	10,107,841
Nonoperating contributions received	3,009,526
Grant contributions received	8,768,909
Net cash provided by (used for) noncapital financing activities	<u>21,886,276</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(22,315,641)
Proceeds from issuance of long-term debt	11,048,599
Repayment of long-term debt	(1,190,886)
Repayment of interest	(1,093,722)
Net cash provided by (used for) capital and related financing activities	<u>(13,551,650)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment earnings	1,656,248
Net cash provided by (used for) investing activities	<u>1,656,248</u>
Net increase (decrease) in cash and cash equivalents	16,908,926
Cash and cash equivalents-beginning	35,427,088
Cash and cash equivalents-ending	<u>\$ 52,336,014</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION	
Cash and investments	\$ 31,347,293
Restricted cash and investments	20,988,721
Total cash and cash equivalents	<u>\$ 52,336,014</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	
Operating income (loss)	\$ 10,391,361
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation/amortization expense	3,484,603
(increase) decrease in accounts receivable	(7,414,398)
(Increase) decrease in deposits	(3,105)
(Increase) decrease in prepaid items	1,395
(Increase) decrease in OPEB asset	(37,578)
(Increase) decrease in pension-related deferred outflows	1,666,984
(Increase) decrease in OPEB-related deferred outflows	59,560
Increase (decrease) in accounts payable	(1,551,286)
Increase (decrease) in accrued liabilities	170,181
Increase (decrease) in unearned revenue	14,900
Increase (decrease) in compensated absences	343,830
Increase (decrease) in net pension liability	(70,349)
Increase (decrease) in pension-related deferred inflows	(133,448)
Increase (decrease) in OPEB-related deferred inflows	(4,598)
Total adjustments	<u>(3,473,309)</u>
Net cash provided by (used for) operating activities	<u>\$ 6,918,052</u>
SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES	
Unrealized gain/(loss) on fair value of investments	\$ 163,284
Amortization on bond discount/(premium)	171,562

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UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the United Water Conservation District have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The United Water Conservation District's significant accounting policies are described below.

A. Reporting Entity

The United Water Conservation District (the District) was formed in 1950 under the Water Conservation Act of 1931. The District is a municipal corporation governed by an elected seven-member Board of Directors. The District's major operations, as a water conservation district, include groundwater recharge and monitoring and abatement of seawater intrusion that manifests along the coast while also protecting environmental needs. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

Blended Component Unit

The United Water Conservation District Public Facilities Financing Authority (PFFA) was established in 1993 to construct, acquire, maintain and improve the public facilities and improvements within the District boundaries. The PFFA is governed by a board composed of the United Water Conservation District elected Council. The rates for user charges and bond issuance authorizations are approved by the United Water Conservation District's Council and the United Water Conservation District is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The Authority is reported as an enterprise fund and does not issue separate financial statements.

B. Measurement Focus and Basis of Accounting

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent of the District is that the costs of managing groundwater basins and pipeline deliveries on a continuing basis are financed or recovered primarily through user charges or fees, capital grants and similar funding. Revenues and expenses are recognized on the full accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Operating revenues and expenses result from exchange transactions associated with the principal activity of the District. Exchange transactions are those in which each party receives and gives up essentially equal values. Management, administration, and depreciation expenses are also considered operating expenses. Other revenues and expenses not included in the above categories are reported as non-operating revenues and expenses.

C. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

1. Cash and Cash Equivalents

The District's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension and OPEB trust funds are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The State Treasurer's Investment Pool (Pool) is managed by the State Office of the Treasurer, which allows certain types of governments within the state to pool their funds for investment purposes. Investments in the Pool are valued at the Pool's share price, the price at which the investment could be sold.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in District's financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets are tangible and intangible assets, which include dams, structures and improvements and equipment, are capitalized at historical cost and recorded in the Statements of Net Position. Capital assets, except for structures and improvements, are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. For structures and improvement, the same estimated minimum useful life is used (in excess of two years), but only those structures and improvements that cost more than \$25,000 are reported as capital assets.

As the District constructs or acquires capital assets each period they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, subscriptions, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Capital Asset Classes</u>	<u>Lives</u>
Dams	100 years
Structures and Improvements	15 to 50 years
Equipment	3 to 35 years
Subscriptions	2 to 10 years

5. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The District has two items that qualify for reporting in this category. It is deferred amounts related to pension and OPEB. The deferred amounts relate to pension and OPEB differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related changes.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, which is deferred inflows relating the net pension liability reported in the statement of net position. These inflows are a result of the change in assumptions, the difference between expected and actual experiences, the adjustments due to difference in proportions and difference between employer's contribution and employer's proportionate share of contributions, which are amortized over the expected average remaining service life of active plan participants.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

6. Net Position

The financial statements utilize a net position presentation. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- *Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

7. Subscription-Based Information Technology Arrangements

The District is a subscriber for a noncancellable subscription of information technology services. The District recognizes a subscription liability and an intangible right-to-use subscription asset (subscription asset) in the financial statements. The District recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a subscription, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to subscriptions include how the District determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) lease term, and (3) subscription payments.

- The District uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.
- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB Statement No. 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

9. Other Post-Employment Benefit Plans (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

D. Revenues and Expenditures/Expenses

1. Property Taxes

Property taxes attach as an enforceable lien on real property and are levied as of March 1st. The equal installments of taxes levied upon secured property become delinquent on the following 10th of December and April. Taxes on unsecured property are due when billed and become delinquent after August 31st. If taxes are not paid on or before the date and time they become delinquent, a penalty of 10% is added. Unsecured property accrues an additional penalty of 1% per month beginning the first day of the third month following the delinquency date.

2. Compensated Absences

The District's policy is to permit employees to accumulate earned vacation, compensatory time and administrative leave. Upon termination of employment, employees are paid all unused vacation, and compensatory time. Administrative leave is not paid out.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 2: CASH AND INVESTMENTS

Cash and investments as of June 30, 2025, are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 31,347,293
Restricted:	
Cash and investments	<u>20,988,721</u>
Total cash and investments	<u>\$ 52,336,014</u>
Petty Cash	\$ 5,400
Demand Deposits	6,440,648
Investments	<u>45,889,966</u>
Total cash and investments	<u>\$ 52,336,014</u>

A. Investments Authorized by the California Government Code and the District's Investment Policy

The table below identifies the investment types that are authorized for the District by the California Government Code and the District's investment policy. The table also identifies certain provisions of the California Government Code (or the District's investment policy, if more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District's investment policy.

<u>Investment Types Authorized by State Law</u>	<u>Authorized by Investment Policy</u>	<u>Maximum Maturity *</u>	<u>Maximum Percentage of Portfolio *</u>	<u>Maximum Investment in One Issuer *</u>
U.S. Treasury obligations	Yes	5 years	None	None
U.S. agency securities	Yes	5 years	None	None
Bankers acceptances	Yes	180 days	40%	5%
Commercial paper	Yes	270 days	25%	5%
Certificates of deposit (nonnegotiable)	Yes	5 years	None	None
Certificates of deposit (negotiable)	Yes	5 years	30%	None
Repurchase agreements	Yes	1 year	None	5%
Medium-term notes	Yes	5 years	30%	5%
Municipal investments	Yes	5 years	10%	5%
Money market mutual funds	Yes	N/A	20%	10%
Mortgage pass-through securities	Yes	5 years	20%	None
Government Investment Pools:				
Ventura County Investment Pool	Yes	N/A	33%	33%
Local Agency Investment Fund	Yes	N/A	None	\$50 million

* Based on state law requirements or City investment policy requirements, whichever is more restrictive.

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

Investment Type	Total	Remaining Maturity 12 Months or Less
Local Agency Investment Fund	\$ 45,889,172	\$ 45,889,172
Held by bond trustees:		
Money market mutual funds	794	794
Total	\$ 45,889,966	\$ 45,889,966

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Total	Minimum Legal Rating	<u>Moody's Rating as of Fiscal Year End</u>	
			AAA	Exempt or Not Rated
Local Agency Investment Fund	\$ 45,889,172	N/A	\$ -	\$ 45,889,172
Held by bond trustees:				
Money market mutual funds	794	AAA	794	-
Total	\$ 45,889,966	\$ -	\$ 794	\$ 45,889,172

C. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The District has deposits with various banks as of June 30, 2025. Of the bank balances, up to \$250,000 per bank for specific amounts are federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralizing securities are not held in the District's name.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

D. Concentration of Credit Risk

The District diversifies its investments by security type and institution. The investment policy of the District provides that no more than 33% of the District’s portfolio be invested with a single firm or institution with the exceptions of United States Treasury Obligations, mutual funds, and external investment pools. As of June 30, 2025, there are no investments in any one issuer that represents 5% or more of total District investments.

E. Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District’s investment in this pool is reported in the accompanying financial statements at amounts based on the District’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF does not impose limits or restrictions on participant withdrawals, and the entire balance of the District’s investment in the portfolio is available for withdrawal at any time. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals in LAIF are made on the basis of \$1 and not fair value. Accordingly, the District’s investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

F. Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs utilized by the District to determine fair market value include: matrix pricing, market corroborated pricing, and other inputs such as yield curves and indices. Level 3 inputs are significant unobservable inputs. At June 30, 2025, all of the District’s investments are valued as follows:

Investment Type	Total	Input Category	
		Level 1	Uncategorized
Local Agency Investment Fund	\$ 45,889,172	\$ -	\$ 45,889,172
Held by bond trustees:			
Money market mutual funds	794	794	-
Total	\$ 45,889,966	\$ 794	\$ 45,889,172

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 3: CAPITAL ASSETS

The District's capital assets for the year ended June 30, 2025, was as follows:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Non-depreciable assets:					
Capital assets, not being depreciated/amortized					
Land	\$ 19,519,766	\$ -	\$ -	\$ -	\$ 19,519,766
Construction-in-progress	60,950,051	19,511,989	(262,428)	(15,219,429)	64,980,183
Total capital assets, not being depreciated/amortized	80,469,817	19,511,989	(262,428)	(15,219,429)	84,499,949
Capital assets, being depreciated/amortized					
Buildings and Structures	113,753,382	1,454,567	-	15,219,429	130,427,378
Machinery and equipment	9,934,749	183,329	-	-	10,118,078
Automotive equipment	2,662,512	636,893	(34,653)	-	3,264,752
Subscription Asset	924,209	-	-	-	924,209
Intangibles - Water Rights	8,431,927	-	-	-	8,431,927
Total capital assets, being depreciated/amortized	135,706,779	2,274,789	(34,653)	15,219,429	153,166,344
Less accumulated depreciation/amortization					
Buildings and structures	(58,670,905)	(2,228,040)	-	-	(60,898,945)
Machinery and equipment	(5,297,093)	(819,793)	-	-	(6,116,886)
Automotive equipment	(1,912,849)	(224,347)	30,944	-	(2,106,252)
Subscription Asset	(107,600)	(183,735)	-	-	(291,335)
Intangibles - water rights	(7,510,503)	(28,688)	-	-	(7,539,191)
Total accumulated depreciation/amortization	(73,498,950)	(3,484,603)	30,944	-	(76,952,609)
Total capital assets, being depreciated/amortized, net	62,207,829	(1,209,814)	(3,709)	15,219,429	76,213,735
Total Capital Assets, net	\$ 142,677,646	\$ 18,302,175	\$ (266,137)	\$ -	\$ 160,713,684

NOTE 4: COMPENSATED ABSENCES

Changes to compensated absences for the year ended June 30, 2025 were as follows:

	Balance June 30, 2024, as restated	Net Change	Balance June 30, 2025	Current Portion	Noncurrent Portion
Compensated absences	\$ 1,908,817	\$ 142,235	\$ 2,051,052	\$ 1,225,637	\$ 825,415

NOTE 5: PENSION PLANS

A. Plan Description, Benefits Provided, and Employees Covered

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The District sponsors one miscellaneous plan in the miscellaneous risk pools. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to Plan members, who must be public employees, and their beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 5: PENSION PLANS (CONTINUED)

service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms is set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect at June 30, 2025 are summarized as follows:

	Miscellaneous Plan	
	<u>Classic</u>	<u>PEPRA</u>
Hire date	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	2.5% at 55	2% at 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 and up	52 and up
Monthly benefits, as a % of eligible compensation	2.0% - 2.5%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.75%
Required employer contribution rates	14.13%	7.87%

B. Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Plan contributions for the year equaled \$1,160,132.

Proportionate Share of Net Pension Liability

Proportion - June 30, 2024	0.121053%
Proportion - June 30, 2025	<u>0.123945%</u>
Change	<u>0.0029%</u>

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 5: PENSION PLANS (CONTINUED)

C. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2023 valuation was rolled forward to determine the June 30, 2024 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and services
Mortality rate table	Derived using CalPERS' membership data for all funds
Post-retirement benefit increase	The lesser of contract COLA or 2.30% until purchasing power protection allowance floor on purchasing power applies, 2.30% thereafter

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

D. Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

Asset Class	Assumed Asset Allocation	Real Return ^{1, 2}
Global equity-cap-weighted	30.00%	4.54%
Global equity-non-cap-weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-22 Asset Liability Management study

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 5: PENSION PLANS (CONTINUED)

E. Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

F. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liabilities calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate:

	Discount Rate -1 Percent (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1 Percent (7.90%)
Plan's net pension liability/(asset)	\$ 23,250,925	\$ 15,031,403	\$ 8,265,529

G. Pension Expense and Deferred Outflows and Deferred Inflows of Resources

For the fiscal year ended June 30, 2025, the District recognized \$2,623,318 in pension expenses.

The following table presents deferred outflows and deferred inflows of resources related to pensions as of the June 30, 2025:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	\$ 1,160,132	\$ -
Changes of assumptions	386,338	-
Differences between expected and actual experience	1,299,603	50,710
Net difference between projected and actual earnings on pension plan investments	865,339	-
Adjustments due to differences in proportions	110,164	18,928
Difference in proportionate share	-	1,039,819
Total	<u>\$ 3,821,576</u>	<u>\$ 1,109,457</u>

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 5: PENSION PLANS (CONTINUED)

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	\$ 388,383
2027	1,577,958
2028	(117,810)
2029	(296,544)
Total	<u>\$ 1,551,987</u>

NOTE 6: OTHER POSTEMPLOYMENT BENEFIT (OPEB) ASSET

A. Plan Description

The District provides postemployment health care and life insurance benefits (OPEB) through an agent-multiple employer defined benefit plan administered by CalPERS through the California Employers' Retiree Benefit Trust (CERBT) Fund. Eligible retirees and their spouses are provided postemployment medical insurance through the California Public Employees Retirement System. State statutes within the Public Employees' Retirement Law establish menus of benefit provisions as well as other requirements and may be amended by CalPERS. The District selected an optional benefit provision specifically for health benefits in compliance with the Public Employees Medical and Hospital Care Act (PEMHCA). The plan's Financial Statements are issued by CalPERS and are available on the CalPERS website.

B. Employees Covered

Membership in the plan consisted of the following at June 30, 2023, the date of the latest actuarial valuation:

Active members	74
Inactive members currently receiving benefits	<u>18</u>
Total	<u>92</u>

C. Contributions

The obligation of the District to contribute to the plan is established and may be amended by the Board of Directors. The Board of Directors has established a policy of funding the actuarially determined contribution (ADC) on a pay as you go basis. For the fiscal year ended June 30, 2025, the District's cash contributions were \$0 in payments to the trust. The District's contributions to the OPEB plan are not based on a measure of pay.

D. Net OPEB Asset

The District's net OPEB Asset was measured as of June 30, 2024. The total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as June 30, 2023. The net OPEB asset at June 30, 2025, was \$198,268.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 6: OTHER POSTEMPLOYMENT BENEFIT (OPEB) ASSET (CONTINUED)

E. Actuarial Assumptions

The total OPEB liability for the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal
Asset Valuation Method	Market Value
Assumptions	
Inflation	2.50%
Investment Rate of Return	6.75%
Healthcare Cost Trend Rates	4.00% per year. It is assumed that the average increase over time cannot outstrip general inflation by a wide margin.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2023, through June 30, 2024.

F. Long-Term Expected Rates of Return

As of June 30, 2023 valuation date, the long-term expected rates of return for each major investment class in the Plan's portfolio are as follows:

<u>Asset Class</u>	<u>Percentage of Portfolio</u>	<u>Assumed Gross Return¹</u>
All Equities	49.00%	7.25%
All Fixed Income	23.00%	4.25%
Real Estate Investment Trusts	20.00%	7.25%
All Commodities	3.00%	7.25%
Treasury Inflation Protected Securities (TIPS)	5.00%	3.00%

¹ An expected inflation of 2.50% used for this period.

G. Discount Rate

A discount rate of 6.75% was used in the valuation. It was assumed that contributions would be sufficient to fully fund the obligation over a period not to exceed 34 years. The valuation used historic 36-year real rates of return for each asset class along with the assumed long-term inflation assumption to set the discount rate. The expected investment return was offset by 50 basis points to account for investment expenses. The interest assumption does not reflect a municipal bond rate.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 6: OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

H. Changes in Net OPEB Liability (Asset)

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2023 (Measurement Date June 30, 2023)	\$ 975,474	\$ 1,136,164	\$ (160,690)
Changes recognized for the measurement period:			
Service cost	53,650	-	53,650
Interest on total OPEB liability	66,533	124,867	(58,334)
Changes of assumptions	-	-	-
Contributions-employer	-	33,491	(33,491)
Experience (Gains)/Losses	227	-	227
Benefit payments, including refunds of employee contributions	(33,491)	(33,491)	-
Administrative expense	-	(370)	370
Net changes during 2023-24	86,919	124,497	(37,578)
Balance at June 30, 2024	\$ 1,062,393	\$ 1,260,661	\$ (198,268)

I. Discount Rate and Healthcare Rate Sensitivity Analysis

The following presents the net OPEB liability (asset) of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement periods ended June 30, 2024:

	Discount Rate -1 Percent (5.75%)	Current Discount Rate (6.75%)	Discount Rate +1 Percent (7.75%)
Plan's net OPEB liability/(asset)	\$ (47,556)	\$ (198,268)	\$ (321,406)

The following presents the net OPEB asset of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement periods ended June 30, 2024:

	1 Percent Decrease	Current Healthcare Trend Rate	1 Percent Increase
Plan's net OPEB liability/(asset)	\$ (350,493)	\$ (198,268)	\$ (5,994)

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 6: OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

J. OPEB Expense and Deferred Items Summary

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after measurement date	\$ 33,264	\$ -
Changes of assumptions	19,575	-
Differences between expected and actual experience	5,515	35,792
Net difference between projected and actual earnings on OPEB plan investments	23,213	-
Total	\$ 81,567	\$ 35,792

K. OPEB Expense and Deferred Items Summary (Continued)

Deferred outflows and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Fiscal year ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	\$ 453
2027	40,110
2028	(9,553)
2029	(10,249)
2030	(613)
Thereafter	(7,637)
Total	\$ 12,511

NOTE 7: CONSTRUCTION COMMITMENTS

The District has active construction projects as of June 30, 2025. The projects include regulatory mandated safety improvements to the Santa Felicia Dam, improvements to recharge basis to allow increased recharge to the aquifers and new structures and improvements to existing structures to increase the amount of water available to the District.

The following material construction commitments existed at June 30, 2025:

Project	Contract Amount	Expenditures to date as of June 30, 2025	Remaining Commitment
Freeman Improvement Project - 30% Design	\$ 966,700	\$ 98,936	\$ 867,764
SFD SIP - Outlet Works Construction Management Adj	3,279,511	1,473,407	1,806,104
Well 14 Replacement Drive	139,286	-	139,286

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 8: RISK MANAGEMENT

The District participates in the property, liability and workers' compensation program and risk management services organized by the Special District Risk Management Authority (the Authority). The Authority is a Joint Powers Authority (JPA) created to provide an insurance program and risk management services to public agencies in the State of California. The JPA is not a component unit of the District for financial purposes, as explained below. The Authority provides liability, property and workers' compensation insurance and risk management services for the District, which is one of over 650 participating agencies, for losses in excess of the members' specified self-insurance retention levels. Individual claims (and aggregate public liability and property claims) in excess of specified levels are covered by excess insurance policies purchased from commercial carriers. The Authority is governed by a board composed of members from participating agencies. The board controls the operations of the Authority, including selection of management and approval of operating budgets, independent of any influence by the members from beyond their representation on the board. Each member shares financial surpluses and deficiencies proportionately to its participation in the Authority. The District paid premiums of \$1,243,385 to the Authority for property, general liability and workers' compensation insurance during the year ended June 30, 2025.

JPA's summary financial information as of fiscal year ended June 30, 2024 as follow (most recent information available):

	<u>2024</u>
Total assets	\$ 162,354,367
Deferred outflows of resources related to pensions	1,620,957
Total liabilities	78,404,034
Deferred inflows of resources related to pensions	384,924
Net assets	85,186,366
Total operating revenues	107,500,542
Net investment (loss) income	3,497,765
Change in net position	13,665,163

NOTE 9: STATE WATER PROJECT

In 1963, the Ventura County Flood Control District contracted with the State of California (State) for 20,000 acre-feet per year of water from the State Water Project (SWP). The SWP conveys water from Northern California to Southern California through a system of reservoirs, canals, pump stations and power generation facilities. In 1971, the administration of the Water Supply Contract with the State was assigned to Casitas Municipal Water District (Casitas). The District has contracted with Casitas for an annual Table A allocation of 5,000 acre-feet of SWP water. As consideration for water delivery entitlement, the District is obligated through the year 2036 to pay, without regard to the quantity of water received, its share of SWP capital construction costs, ongoing operating, maintenance, power and replacement costs, and certain other costs (collectively referred to as "ongoing operations and maintenance costs") to ensure the future availability of water. The District and the Department of Water Resources have signed an agreement in principle to extend the term of the SWP water supply contracts by 40 years from December 31, 2035 to December 31, 2075.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 9: STATE WATER PROJECT (CONTINUED)

The District has recorded a liability for its share of capital construction costs (see Note 11). The District's share of ongoing operations and maintenance costs is determined annually by the State. Estimates provided by the State of future costs are as follows:

Years Ending June 30,	State's estimated capital construction costs	
2026	\$	514,648
2027		795,150
2028		793,640
2029		791,142
2030		783,864
2031-2035		3,902,325
2036		1,182,899
Total	\$	<u>8,763,668</u>

The above estimates are based upon a number of assumptions, are contingent upon future events, and are subject to significant variations over time. The District accounts for such ongoing operations and maintenance costs as expenditures in the periods in which they are billed to the District.

NOTE 10: SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

As of June 30, 2025, United Water Conservation District had 12 active subscriptions. The subscriptions have payments that range from \$0 to \$158,370 and interest rates that range from 2.1840% to 3.2690%. As of June 30, 2025, the total combined value of the subscription liability is \$472,122, and the total combined value of the short-term subscription liability is \$171,002. The combined value of the right to use asset, as of June 30, 2025 of \$924,209 with accumulated amortization of \$291,335. The subscriptions had \$0 of variable payments and \$0 of other payments, not included in the subscription liability, within the fiscal year. Information on the subscription assets as of June 30, 2025, are as follows:

Amount of Subscription Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Subscription Asset Value	Accumulated Amortization
Software	924,209	291,335
Total Subscriptions	924,209	291,335

The future principal and interest subscription payments as of June 30, 2025, were as follows:

Principal and Interest Requirements to Maturity

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2026	171,002	12,492	183,494
2027	164,637	7,884	172,521
2028	136,483	3,589	140,072
Totals	<u>\$ 472,122</u>	<u>\$ 23,965</u>	<u>\$ 496,087</u>

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 11: LONG-TERM LIABILITIES

A. Change in Long-Term Liabilities

Changes in the District's long-term liabilities for the year ended June 30, 2025, are as follows:

	Balance			Balance June 30, 2025	Amount Due Within One Year
	July 1, 2024	Additions/ Accretions	Deletions		
Obligation Under State Water					
Project Direct Borrowing	\$ 1,133,747	\$ -	\$ 53,218	\$ 1,080,529	\$ 86,371
Loans Payable:					
WIFIA Loan	-	11,048,599	-	11,048,599	-
WIFIA Loan - accreted interest	-	255,476	-	255,476	-
Total loans payable	-	11,304,075	-	11,304,075	-
Bonds Payable:					
2020 Certificates of Participation	23,945,000	-	945,000	23,000,000	1,000,000
Plus (less) deferred amounts:					
Premium	4,432,059	-	171,562	4,260,497	
Total bonds payable	28,377,059	-	1,116,562	27,260,497	1,000,000
Subscription liability	664,790	-	192,668	472,122	171,002
Total long-term liabilities	\$ 30,175,596	\$ 11,304,075	\$ 1,362,448	\$ 40,117,223	\$ 1,257,373

B. State Water Project (Direct Borrowing)

The long-term liability represents the District's share of capital construction costs of the State Water Project (See Note 9). The total principal amount outstanding as of June 30, 2025 is estimated to be \$1,080,529 and has a fixed interest rate of 4.61%, payable in various installments, due December 2035.

The annual debt service requirements for the obligation under State Water Project outstanding at June 30, 2025, were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 86,371	\$ 30,152	\$ 116,523
2027	98,962	39,051	138,013
2028	103,209	34,959	138,168
2029	106,127	30,221	136,348
2030	107,683	25,366	133,049
2031-2035	578,177	55,953	634,130
Totals	\$ 1,080,529	\$ 215,702	\$ 1,296,231

C. WIFIA Loan

On August 29, 2023, the District entered into a WIFIA Loan Agreement with the United States Environmental Protection Agency (US EPA) to provide financing for the Santa Felicia Safety Improvement Program for a total of \$13,594,645. Principal and interest payments will commence on October 1, 2030. As of June 30, 2025, total loan proceeds received were \$11,048,599.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 11: LONG-TERM LIABILITIES (CONTINUED)

D. 2020 Certificates of Participation Bonds

In November 2020, the District issued the 2020 Revenue Certificates of Participation (COPs) with par value of \$26.7 million and bond premium of \$5.0 million. About \$13.0 million of the proceeds was used to refund the 2001 and 2005 Revenue Bonds and the 2009 COP and approximately \$19.0 million will be used to finance, in part, the capital improvement projects at the Freeman Diversion and the Santa Felicia Dam, as well as smaller projects throughout the District. The 2020 COPS have maturity dates from 2021 through 2050 with an average duration of issue of about 11 years. The 2020 COPs bears a True Interest Cost (TIC) of 2.609% per annum. The bonds require semiannual payments, with interest ranging from 2.00% to 5.00% for 30 years through October 2050. The economic gain (difference between the present value of the old and the new debt service payments) resulting from this transaction was \$3,030,320. As of June 30, 2025, the total principal outstanding amounted to \$23,000,000 with remaining interest from 4.00% to 5.00%.

A summary of the annual debt service requirements for 2020 COP Bonds is presented below:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 1,000,000	\$ 967,300	\$ 1,967,300
2027	765,000	923,175	1,688,175
2028	800,000	884,050	1,684,050
2029	840,000	843,050	1,683,050
2030	885,000	799,925	1,684,925
2031-2035	5,120,000	3,292,600	8,412,600
2036-2040	5,140,000	2,198,600	7,338,600
2041-2045	3,385,000	1,362,100	4,747,100
2046-2050	4,135,000	612,900	4,747,900
2050-2052	930,000	18,600	948,600
Totals	<u>\$ 23,000,000</u>	<u>\$ 11,902,300</u>	<u>\$ 34,902,300</u>

NOTE 12: RELATED PARTY TRANSACTIONS

Four of the seven-member Board of Directors have business concerns within the District boundaries and were assessed groundwater extraction charges from water pumped from wells within the District and for pipeline water deliveries. For the years ended June 30, 2025 the District recognized revenue from Board members of \$384,653. The estimated amount of revenue earned but not yet collected as of June 30, 2025, \$9,524.

NOTE 13: PRIOR PERIOD ADJUSTMENTS

Change in Accounting Principle

For fiscal year ended June 30, 2025, the City implemented GASB Statement No. 101, *Compensated Absences*, which updated the recognition and measurement guidance for compensated absences, to align recognition and measurement under a single unified model to better meet the needs of financial statement users; refer to note 1. The effect of the implementation of the change in accounting principle is shown the table below.

NOTE 14: CONTINGENCIES (CONTINUED)

On September 12, 2008, FERC issued a new 40-year license to the District. The new license establishes specific requirements that the District must meet. Several of these requirements come from the biological opinion (BiOp), which National Marine Fisheries Service (NMFS) issued to FERC for the effects of the license on Southern California steelhead, listed as endangered under the Endangered Species Act (ESA). NMFS found that the issuance of the FERC license would jeopardize the continued existence of steelhead and result in adverse modification to designated critical habitat for steelhead. NMFS identified reasonable and prudent alternatives (RPA) made up of three elements that FERC must require the District to implement to reduce the effects to steelhead and critical habitat to below the threshold of jeopardy and adverse modification.

The BiOp includes requirements that the District undertake actions, such as establishing minimum required water releases, that are operational changes and reduce the water-yield of the project. The BiOp requires the District to prepare and implement a number of plans to address three elements: water releases, geomorphic effects, and fish passage. The RPA and FERC license requires that plans or reports be developed in consultation with NMFS and approved by NMFS and FERC before they can be implemented.

The District has not formally accepted the new license. Instead, it requested a rehearing on several license elements including items for steelhead effects. On December 17, 2009, FERC denied the District's request for a rehearing. The District filed an appeal in the U.S. Court of Appeals for the D.C. Circuit on February 12, 2010, and the appeal brief was filed with the court on August 24, 2010. Because significant progress was being made on the most critical of the necessary plans, NMFS, FERC and the District requested that the court proceedings be held in abeyance. The court ordered the abeyance on September 29, 2010, and the abeyance remains in effect. The District is in compliance with a 60-day period reporting requirement and continues to report each 60-day period.

To date, the District has completed and received approval from FERC and NMFS on five of the nine plans/reports required under the BiOp and FERC license. The District has completed implementation of one of the approved plans, the study plan of geomorphic effects. Of the other four approved plans, one is for an evaluation of the relationship between flows and water elevation of lower Piru Creek and involves no implementation; another is a water release plan that the District must implement for the term of the license; another lays out the procedures for implementing the water releases; and the fourth is a study plan for assessing the feasibility of providing fish passage at Santa Felicia Dam.

Three plans pending completion are in various stages of development. The District has prepared drafts of three other required plans (adaptive management and effectiveness monitoring of water releases and habitat improvement measures). The District is in consultation with NMFS and FERC on developing these plans.

In addition, the District has completed and submitted a fish passage feasibility report. The report conveys the District's intent regarding a preferred long-term solution on fish passage at the Santa Felicia Project that is contingent on resolution of certain outstanding issues. The District is implementing a study to resolve the outstanding biological and engineering issues.

For the most part, once the plans/reports are completed, the District will need to undertake specific actions (e.g., water releases, habitat improvement measures, fish passage actions, data collection) for the term of the license. This will continue to involve staff time and outside consulting services to manage and carry out said actions and will likely have a negative effect on water resources over the term of the license (40 years). At this time, the future cost of complying with the requirements of the license and associated BiOp is not known.

The successful collaboration of the District and NMFS on the development of acceptable plans has demonstrated to FERC that progress is being made and as a result, FERC has not imposed any penalties on the District for non-compliance with the license requirements. If FERC concludes at some point that the District is not making enough progress in meeting its requirements in a timely manner, FERC could assess up to the maximum amount of the \$21,563 per day penalty, retroactive to the required deadline set for any required action(s). The financial impact to the District, if FERC takes such a position, could be significant. It should be understood though, that it appears that FERC's intent is not to assess and collect penalties from the District but instead to use the potential for penalties to keep the District focused on coming into compliance with the license requirements.

NOTE 14: CONTINGENCIES (CONTINUED)

B. Santa Felicia Dam Safety and Infrastructure Needs

Under the District's dam safety program, a structural analysis was performed to determine the seismic adequacy of the Santa Felicia Dam outlet works. The final results of the analyses indicate that the outlet works is insufficient to withstand the maximum credible earthquake (MCE) as defined by the study.

The outlet works include the intake tower, a standing pipe under the lake with its opening above the lake bottom sediment. Water flows into the intake tower and through the pressure conduit and the penstock, a steel pipe supported inside of a tunnel built under the dam. The purpose of the outlet works is to convey water from upstream of the dam and release it downstream of the dam. The reservoir bottom sediment is also approaching the rim or sill of the in-take tower, which could potentially impact the efficacy of the intake and make controlled releases from the reservoir impossible, which will impact the District's mission of recharging the aquifers and direct delivery of water supplies within UWCD's service area.

In addition, it has also been determined that the penstock will most likely not withstand a significant seismic event. A failure of the penstock could cause an uncontrolled release from the reservoir through the tunnel, leading to a full breach of the dam. Because of the seismic insufficiency of the intake tower (and silting issues) and penstock, the District is working on the design of a project to replace the entire outlet works and power plant. The Opinions of Probable Project Cost (OPPC) is \$116 million. The OPPC was developed during the development of the 100% design phase. It is anticipated that the outlet works project could have a significant financial impact on the District.

The FERC has required the District to convene an independent Board of Consultants (BOC) to provide oversight and quality assurance of the project design and construction. The BOC is an independent panel composed of four experts experienced in tunneling, geotechnical engineering, hydraulics and structures. In parallel with the design effort a consulting team is preparing the necessary environmental documents for the projects to comply with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). The final Environmental Impact Report has been prepared in compliance with CEQA. The District is in the process of finalizing the Environmental Assessment (EA) report on behalf of FERC in accordance with NEPA as part of the license amendment application for the project. Currently, the estimated cost to design and construct the new outlet works is in the order of \$116 million. Through June 30, 2025, the District has spent \$14,711,600 on these Santa Felicia Dam safety and infrastructure measures.

C. Santa Felicia Dam Probable Maximum Precipitation/Flood Studies

Standard engineering practices require that dams be designed to safely pass the largest stormwater inflow that they might encounter. This theoretical inflow is called the Probable Maximum Flood (PMF). The PMF is calculated from a large rainfall distribution. In 2006, new PMF's were calculated for both the District's Santa Felicia Dam and California Department of Water Resources (DWR) Pyramid Dam on upper Piru Creek with the revised NWS rainfall model. Both facilities were found to have issues with safely passing the new flows in order to protect the structural integrity of the dams. The discharges at either dam are intended to be conveyed over engineered spillways. Accordingly, should a discharge which exceeds existing spillway capacity need to be passed, some enlargement or modification to the dam's spillway will become necessary.

The FERC and the California Division of Safety of Dams (DSOD), in their regulatory capacities, accepted an inflow design flood (IDF) of 220,000 cubic feet per second (cfs), which is the PMF for Santa Felicia Dam. The District awarded a contract for the design of the spillway improvements to safely pass an IDF of 220,000 cfs in May 2016.

FERC has required the District to convene an independent BOC to provide oversight and quality assurance of the project design and construction. The BOC is an independent panel comprised of four experts experienced in tunneling, geotechnical engineering, hydraulics and structures. In parallel with the design, a consulting team is preparing the necessary environmental documents for the projects to comply with the CEQA and the NEPA. The final Environmental Impact Report has been prepared in compliance with the CEQA . The District is in the process

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 14: CONTINGENCIES (CONTINUED)

of finalizing the Environmental Assessment (EA) and Biological Assessment reports on behalf of FERC in accordance with NEPA and Section 7 of the Endangered Species Act (ESA) as part of the license amendment application for the project.

Currently, the estimated cost to design and construct the modifications to the spillway is in the order of \$57 million. The estimated costs of these modifications attributable to PMF are in addition to the estimated design and construction costs for Santa Felicia Dam rehabilitation referenced earlier. Through June 30, 2025, the District has spent \$7,958,005 on the Probable Maximum Precipitation/Flood study efforts. This work could also be influenced by the results of the SFD fish passage study currently being reviewed by the NMFS. It is anticipated that the design and construction of the modifications to the dam and spillway could result in a significant financial impact on the District.

D. Freeman Diversion

The Freeman Diversion, completed in 1991, diverts water released from Lake Piru and other surface water from the Santa Clara River. The diverted water is conveyed via the Freeman Canal to groundwater recharge facilities, and to direct use in some areas.

In 1997, the southern California steelhead was listed as an endangered Distinct Population Segment (DPS) in accordance with the ESA. Section 9 of the ESA prohibits the “take” of endangered species unless the take has been authorized under regulatory mechanisms established in the Act. The District must comply with the ESA for this listed DPS with respect to the District's operation of the Freeman Diversion. Over time, to minimize effects of ongoing operations to Steelhead, the District has developed and implemented modified operations, including modified diversion operations, for the Freeman Diversion. The District does not, however, have authorization for take of Steelhead that may occur due to operation of the Freeman Diversion. Since approximately 2008, the District has focused on obtaining take authorization via Section 10(a)(1)(B) and 10(a)(2) of the ESA, under which the National Marine Fisheries Service (NMFS) may issue a permit authorizing take of Steelhead that is incidental to an otherwise lawful activity if certain criteria are met. The District is seeking an incidental take permit based on conservation measures identified in a multiple species habitat conservation plan (MSHCP).

On June 2, 2016, Wishtoyo Foundation, its Ventura Coastkeeper Program, and the Center for Biological Diversity filed a lawsuit in the United States District Court for the Central District of California alleging that the District's operation and maintenance of the Freeman Diversion results in unauthorized take of Steelhead and endangered Southwestern Willow Flycatcher (Wishtoyo Litigation).

On September 23, 2018, the District Court in the Wishtoyo Litigation issued an order that included its findings of fact and conclusions of law based on the trial. Operative findings and conclusions are the basis for the subsequent judgment. On October 4, 2018, the Court issued a judgment, finding the District in violation of the ESA Section 9 regarding Steelhead; ordering the District to: continue with Freeman Diversion operations according to the diversion and flow-related RPA of the 2008 BiOp, until such time as the District obtains an incidental take permit; accelerate the design of at least two alternative fish passage systems; choose a final fish passage system by May 10, 2023; submit updated permit application documents by September 22, 2023; and complete construction of the selected fish passage system no later than two years after receiving regulatory approvals. Implementation of the 2008 BiOp's diversion and flow-related RPA as required by the Court results in very serious reduction in the ability to divert water at the Freeman Diversion. On October 4, 2018 the District Court entered a Judgment and Permanent Injunction in favor of Plaintiffs.

An Amended Judgment and Permanent Injunction (“Amended Judgment”) was entered on December 1, 2018, which vacated and superseded the October 4, 2018 Judgment and Permanent Injunction. Thereafter, the District Court issued an Order Awarding Attorney's Fees and Costs to Plaintiffs (“Order”) in the amount of \$3,220,303. The total award, plus interest is \$3,438,943, to be paid in four installments. All installment have been paid as of June 30, 2023.

NOTE 14: CONTINGENCIES (CONTINUED)

The design, permitting, construction, operation and maintenance of the new fish passage facility could have a significant effect on the financial position and cash flows of the District. Given that the fish passage improvement alternative that will ultimately be selected is not currently known, the range of costs for construction is approximately \$75 million to \$122 million. The District's goal is to comply with the Court's direction by pursuing the design and evaluation of the two alternative fish passage systems. The District submitted the MSHCP and all permitting applications and environmental compliance documents on June 30, 2020. The District completed hydraulic basis of design reports during Fiscal Year 2020-2021 and initiated physical modeling of the top two alternatives. In August 2020 a Stipulation was established by the Court that established deadlines for complying with the Court order. As mentioned above the District met the June 30, 2020 and September 18, 2020 deadlines in submitting the MSHCP and associated permit applications and hydraulic basis of design for each alternative, respectively. The District met the November 23, 2020 deadline to submit a physical modeling plan to the agencies and that plan was finalized per the stipulation on February 8, 2021. Physical modeling commenced on one of the alternatives by the March 22, 2021 stipulated date. It was found that the Court stipulation did not allow for enough time to complete the physical modeling and on October 13, 2021 the Court granted a Motion to Modify the stipulation. This modification calls for the completion of the physical modeling by October 31, 2022, and the District is on schedule to meet this deadline. The District shall deliver the 100% hydraulic design by May 10, 2023. The District will submit the MSHCP with the preferred fish passage alternative on or before September 22, 2023. If the permitting process moves quickly then construction could commence some time in 2025 weather permitting.

On March 8, 2023, the District, the plaintiffs, agencies and the Court agreed to conduct physical modeling of the two Hardened Ramp alternatives, Mod 9 and Mod 6. The Mod 9 physical modeling was conducted from April 11 to April 12, 2023, followed by the Mod 6 physical modeling on May 23 through May 25, 2023. As a result of the judge granting a stay of the stipulation, the September 22, 2023 submittal of the MSHCP was postponed until February 9, 2024.

On January 17, 2024, a hearing was held at the Court and a stipulated order was signed that stated that United shall submit completed regulatory applications by April, 9 2024 and 90% engineered design level drawings by August 10, 2024.

On April 3, 2024, there was a mediation with the District, plaintiffs, agencies and special master. This mediation covered the remaining issues in the case, including the status of the engineering design and bypass flows. There was little movement in either direction. On May 28, 2024, the Court issued a minute order on the status of the case and called for a July 16, 2024 hearing.

E. Quagga Mussels

In December 2013, the District discovered invasive quagga mussels in the District's Lake Piru reservoir. Quagga Mussels are a species of freshwater mussels, originally from Eastern Europe, which have been spreading from water body to water body across Europe, Canada, and the United States. Quagga mussels are often spread by improperly cleaned recreational boats or by conveyance of microscopic larval mussels (veligers) from one water source to another. Quagga infestations can become so thick that they clog water infrastructure, such as intake structures, pipes, valves, and hydroelectric plants. They can also weigh down and cause damage to floating recreational facilities, such as marina docks, floating restrooms, barges, and boats.

Quagga mussels are filter feeders and are very efficient at consuming plankton from the lakes and rivers in which they grow. In sufficient numbers, they can alter the water environment by removing plankton, which increases the clarity of the water and can result in harmful algal blooms. The water quality parameters at Lake Piru make it an ideal environment for quagga mussel growth and reproduction.

As required by California Department of Fish and Game Code §2301(d)(1), the District has developed a draft Lake Piru Quagga Mussel Monitoring and Control Plan (revised September 2018). The plan has not been approved by CDFW due to the lack of containment of water from Lake Piru due to the District's obligation for habitat water releases to lower Piru Creek as required by the FERC license. The District continues to implement the procedures, actions, and monitoring program outlined in the plan, and consults with CDFW annually.

UNITED WATER CONSERVATION DISTRICT
Notes to the Financial Statements
For the Year Ended June 30, 2025

NOTE 14: CONTINGENCIES (CONTINUED)

In FY 2023-24, the District continued implementing the comprehensive monitoring program and infrastructure scraping control methods which entail a scientific dive team conducting physical removal of quagga mussels from infrastructure in Lake Piru. The District will continue dedicating resources to develop new treatment efforts, implement various control and containment measures, monitor the quagga mussel infestation, and to maintain compliance with state and federal law pertaining to invasive species. The District spent \$4,184,541 on quagga control measures through June 30, 2025.

NOTE 15: CLAIMS

A. Wishtoyo, Ventura Coastkeeper-Center for Biological Diversity

As described in Note 13 above, on June 2, 2016, Wishtoyo Foundation, its Ventura Coastkeeper Program, and the Center for Biological Diversity filed a lawsuit in the United States District Court for the Central District of California alleging that the District's operation and maintenance of the Freeman Diversion results in unauthorized take of Steelhead and endangered Southwestern Willow Flycatcher (Wishtoyo Litigation). Further details concerning the matter are described in Note 13.

B. Other Claims

The District is a defendant in a number of lawsuits incidental to its operations. These lawsuits against the District have been evaluated and upon consultation with legal counsel, management believes that the ultimate resolution of such lawsuits would not have a material adverse impact on the financial statements.

NOTE 16: SUBSEQUENT EVENTS

The District evaluated subsequent events for recognition and disclosure through December 22, 2025, the date on which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2025, that required recognition or disclosure in these financial statements.

UNITED WATER CONSERVATION DISTRICT
Schedule of Changes in Net OPEB Asset and Related Ratios
As of June 30, for the Last Ten Fiscal Years ¹

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Measurement Date	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Total OPEB Liability				
Service cost	\$ 53,650	\$ 42,788	\$ 41,643	\$ 27,964
Interest on total pension liability	66,533	63,377	58,701	55,473
Changes of assumptions	-	8,445	-	21,636
Difference between expected and actual experience	227	(39,916)	-	8,979
Benefit payments, including refunds of employee contributions	(33,491)	(33,491)	(29,784)	(28,832)
Net change in total OPEB liability	86,919	41,203	70,560	85,220
Total OPEB liability-beginning	975,474	934,271	863,711	778,491
Total OPEB liability-ending (a)	1,062,393	975,474	934,271	863,711
Plan Fiduciary Net Position				
Contributions-employer	33,491	33,491	29,784	28,832
Net investment income	124,867	68,582	(165,090)	266,033
Benefit payments, including refunds of employee contributions	(33,491)	(33,491)	(29,784)	(28,832)
Administrative expense	(370)	(310)	(312)	(366)
Other miscellaneous income/(expense)	-	-	-	-
Net change in fiduciary net position	124,497	68,272	(165,402)	265,667
Plan fiduciary net position-beginning	1,136,164	1,067,892	1,233,294	967,627
Plan fiduciary net position-ending (b)	1,260,661	1,136,164	1,067,892	1,233,294
Net OPEB liability/(asset) (a) - (b)	(198,268)	(160,690)	(133,621)	(369,583)
Plan fiduciary net position as a percentage of the total OPEB liability	118.7%	116.5%	114.3%	142.8%
Covered-employee payroll	\$ 8,129,062	\$ 7,315,786	\$ 6,644,880	\$ 6,334,443
Plan net OPEB liability/(asset) as a percentage of covered-employee payroll	-2.4%	-2.2%	-2.0%	-5.8%

Notes to Schedule of Changes in the Net OPEB Liability and Related Ratios:

Benefit Changes: None

Changes of Assumptions: None

¹ Fiscal year 2018 was the first year of GASB Statement No. 75 implementation; therefore only eight years are shown.

	2021	2020	2019	2018
	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>
\$	27,216	\$ 27,950	\$ 27,202	\$ 26,474
	50,941	48,228	44,583	41,087
	-	-	-	-
	(662)	(6,933)	-	-
	<u>(26,911)</u>	<u>(27,066)</u>	<u>(18,713)</u>	<u>(17,993)</u>
	50,584	42,179	53,072	49,568
	<u>727,907</u>	<u>685,728</u>	<u>632,656</u>	<u>583,088</u>
	778,491	727,907	685,728	632,656
	171,911	172,066	163,713	162,993
	29,006	39,377	36,765	26,975
	(26,911)	(27,066)	(18,713)	(17,993)
	(389)	(132)	(815)	(230)
	-	-	46	-
	173,617	184,245	180,996	171,745
	<u>794,010</u>	<u>609,765</u>	<u>428,769</u>	<u>257,024</u>
	967,627	794,010	609,765	428,769
	(189,136)	(66,103)	75,963	203,887
	124.3%	109.1%	88.9%	67.8%
\$	5,747,082	\$ 5,621,127	\$ 5,559,274	\$ 5,283,147
	-3.3%	-1.2%	1.4%	3.9%

UNITED WATER CONSERVATION DISTRICT
Schedules of Proportionate Share of Net Pension Liability
As of June 30, for the Last Ten Fiscal Years

<u>Reporting Date¹</u> <u>as of June 30,</u>	<u>Proportion of the</u> <u>Net Pension</u> <u>Liability</u>	<u>Proportionate</u> <u>Share of Net</u> <u>Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share</u> <u>of the Net Pension</u> <u>Liability as a % of</u> <u>Covered Payroll</u>	<u>Plan's Fiduciary</u> <u>Net Position as a</u> <u>% of the Total</u> <u>Pension Liability</u>
<u>Miscellaneous Plan</u>					
2025	0.1239%	\$ 15,031,403	\$ 8,129,062	184.9%	79.9%
2024	0.1211%	15,101,752	7,315,786	206.4%	78.0%
2023	0.1199%	13,850,756	6,644,880	208.4%	78.2%
2022	0.1200%	6,491,456	6,334,443	102.5%	86.9%
2021	0.1061%	11,546,367	5,747,082	200.9%	75.9%
2020	0.1027%	10,526,612	5,621,127	187.3%	76.9%
2019	0.0993%	9,564,349	5,559,274	172.0%	77.7%
2018	0.1089%	10,795,523	5,283,147	204.3%	73.9%
2017	0.1072%	9,278,264	5,630,234	164.8%	75.2%
2016	0.1065%	7,306,703	5,106,149	143.1%	79.3%

Notes to Schedule of Proportionate Share of the Net Pension Liability:

Benefit Changes: None

Changes of Assumptions: None

¹ *The proportions and proportionate share of the net pension liability are measured as of one year behind the reporting date. Refer to notes to basic financial statements.*

UNITED WATER CONSERVATION DISTRICT
Schedules of Plan Contributions
As of June 30, for the Last Ten Fiscal Years ¹

Fiscal Year Ending June 30,	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Deficiency (Excess)	Covered/ Covered-Employee Payroll	Contribution as a % of Covered/ Covered Employee Payroll
<u>Miscellaneous Cost-Sharing, Multiple-Employer Pension Plan</u>					
2025	\$ 1,160,132	\$ 1,160,132	\$ -	\$ 8,129,062	14.3%
2024	1,096,848	1,096,848	-	7,315,786	15.0%
2023	777,818	777,818	-	6,644,880	11.7%
2022	1,577,546	1,577,546	-	6,334,443	24.9%
2021	1,399,090	1,399,090	-	5,747,082	24.3%
2020	1,211,196	1,211,196	-	5,621,127	21.5%
2019	1,035,479	1,035,479	-	5,559,274	18.6%
2018	1,984,562	1,984,562	-	5,283,147	37.6%
2017	542,174	542,174	-	5,630,234	9.6%
2016	524,361	524,361	-	5,106,149	10.3%
<u>Single Employer OPEB Plan</u>					
2025	\$ 33,264	\$ 33,264	\$ -	\$ 8,129,062	0.4%
2024	33,491	33,491	-	7,315,786	0.5%
2023	-	-	-	6,644,880	0.0%
2022	-	-	-	6,334,443	0.0%
2021	112,782	-	112,782	5,747,082	0.0%
2020	112,782	171,911	(59,129)	5,621,127	3.1%
2019	112,980	172,066	(59,086)	5,559,274	3.1%
2018	109,620	164,969	(55,349)	5,283,147	3.1%

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially contributions for fiscal year 2024-25 were derived from the June 30, 2022 funding valuation report, available on CalPERS' website.

Actuarial Cost Method: Entry Age Normal

Amortization Method/Period: For details, see June 30, 2022 Funding Valuation Report

Asset Valuation Method: Fair value of assets, for details, see June 30, 2022 Funding Valuation Report

Inflation: 2.30%

Salary Increases: Varies by entry age and service

Payroll Growth: 2.80%

Investment Rate of Return: 6.80% (net of administrative expenses)

Retirement Age: For details, see June 30, 2022 Funding Valuation Report

Mortality: For details, see June 30, 2022 Funding Valuation Report

¹ Fiscal year 2018 was the first year of GASB Statement No. 75 implementation; therefore only eight years are shown.

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Financial Trends	49
<p>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</p>	
Revenue Capacity	51
<p>These schedules contain information to help the reader assess one of the District's most significant local revenue source, water fees.</p>	
Debt Capacity	58
<p>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and its ability to issue additional debt in the future.</p>	
Demographic and Economic Information	62
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</p>	
Operating Information	66
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the government provides and the activities it performs.</p>	

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United Water Conservation District

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
(in thousands)										
Net investment in capital assets	\$ 61,690	\$ 64,430	\$ 66,295	\$ 75,044	\$ 81,205	\$ 68,849	\$ 95,791	\$ 96,304	\$ 112,240	\$ 120,596
Restricted	1,282	1,490	1,988	2,008	2,574	2,171	16,162	12,575	12,601	21,187
Unrestricted	19,371	21,515	24,719	19,364	19,259	38,995	9,943	28,598	14,603	30,365
Total net position	\$ 82,343	\$ 87,435	\$ 93,002	\$ 96,416	\$ 103,038	\$ 110,015	\$ 121,896	\$ 137,477	\$ 139,444	\$ 172,148

Source: United Water Conservation District

United Water Conservation District

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

(amounts expressed in thousands)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
REVENUES:										
Charges for services:										
Water conservation	\$ 10,093	\$ 10,481	\$ 11,705	\$ 11,299	\$ 14,646	\$ 14,884	\$ 15,859	\$ 14,534	\$ 12,250	\$ 22,687
Lake Piru recreation facilities	2	2	3	3	4	6	4	1	1	1
Freeman Diversion facility	3,354	3,189	3,592	3,266	4,616	5,305	5,572	5,308	6,389	11,415
Water delivery and treatment facilities	6,367	6,848	7,478	6,795	7,463	8,197	8,199	9,381	10,826	15,069
Nonoperating revenues	2,775	5,547	6,090	6,797	9,683	6,424	9,884	16,826	16,846	23,899
Total revenues	\$ 22,591	\$ 26,067	\$ 28,868	\$ 28,160	\$ 36,412	\$ 34,816	\$ 39,518	\$ 46,051	\$ 46,312	\$ 73,071
EXPENSES:										
Water conservation	\$ 7,994	\$ 8,950	\$ 9,830	\$ 10,789	\$ 11,847	\$ 10,645	\$ 11,358	\$ 14,772	\$ 15,604	\$ 16,659
Lake Piru recreation facilities	979	1,209	1,469	1,367	1,360	1,562	1,767	2,051	2,467	2,998
State Water Project importation	415	1,942	1,685	2,768	1,386	783	904	1,460	9,727	2,960
Freeman Diversion facility	2,000	2,728	3,814	3,287	6,730	2,587	3,359	3,684	4,158	5,525
Water delivery and treatment facilities	5,509	5,327	6,044	5,869	7,825	11,245	9,109	7,484	11,337	10,639
Nonoperating expenses	882	821	699	666	643	1,016	1,140	1,018	1,051	1,384
Total expenses	\$ 17,779	\$ 20,977	\$ 23,541	\$ 24,746	\$ 29,791	\$ 27,838	\$ 27,637	\$ 30,470	\$ 44,344	\$ 40,165
Change in net position	\$ 4,812	\$ 5,090	\$ 5,327	\$ 3,414	\$ 6,621	\$ 6,978	\$ 11,881	\$ 15,581	\$ 1,968	\$ 32,906

Source: United Water Conservation District

United Water Conservation District

Revenues By Source
Last Ten Fiscal Years

Revenue:

Fiscal Year	Charges for Services	Taxes/ Assessment	Grant/ Contributions	Earnings on Investments	Inter- governmental Revenue	Other Revenues	Total
2016	17,127,446	2,486,764	-	101,908	-	298,646	20,014,764
2017	20,011,501	5,054,131	94,649	148,138	-	429,905	25,738,324
2018	21,461,123	5,327,288	60,500	314,663	49,691	544,939	27,758,204
2019	21,934,527	5,536,140	-	647,075	116,407	935,882	29,170,031
2020	28,640,249	2,869,564	174,684	700,083	172,373	3,855,528	36,412,481
2021	28,392,365	4,265,948	311,624	65,108	175,989	1,604,567	34,815,601
2022	29,633,974	6,552,274	1,319,241	(298,789)	-	2,311,534	39,518,234
2023	29,224,620	6,658,249	6,739,062	1,040,290	-	2,388,786	46,051,007
2024	29,465,957	10,902,825	471,063	1,653,933	-	3,817,689	46,311,467
2025	49,172,493	10,079,635	8,983,758	1,825,737	-	3,009,526	73,071,149

Source: United Water Conservation District

United Water Conservation District

Water Production (Acre Foot)
for Last Ten Fiscal Years (amounts expressed in thousands)

<u>July 1 - June 30</u>	<u>Water Pumped from Wells Agricultural</u>	<u>Water Pumped from Wells Non- Agricultural</u>	<u>Water Deliveries Agricultural</u>	<u>Water Deliveries Non-agricultural</u>
2016	153,329	35,559	6,772	9,255
2017	135,036	36,037	6,698	9,079
2018	152,394	37,058	7,675	9,875
2019	113,484	38,149	5,985	9,211
2020	117,696	39,148	7,491	10,794
2021	139,635	43,391	11,024	13,041
2022	129,380	35,391	8,081	12,506
2023	100,626	35,252	7,860	9,396
2024	94,593	30,384	12,547	9,830
2025	112,215	39,443	14,858	10,428

Source: United Water Conservation District

United Water Conservation District
 Groundwater Pumping by Zone (Acre Foot)
 Last Ten Fiscal Years

Fiscal Year	Zone A	Zone B	District Total
2016	89,127	99,762	188,888
2017	84,094	86,979	171,073
2018	91,770	97,682	189,452
2019	70,804	80,830	151,633
2020	73,327	83,517	156,844
2021	92,117	90,910	183,027
2022	86,391	78,380	164,771
2023	64,469	71,409	135,878
2024	62,221	62,755	124,977
2025	77,494	74,164	151,659

Zone A - 100% District-wide pump charge / 0% Freeman pump charge
 Zone B - 100% District-wide pump charge / 100% Freeman pump charge

Source: United Water Conservation District

United Water Conservation District

Groundwater Charge Rates

Last Ten Fiscal Years

(Charge per Acre Foot)

Fiscal Year	Zone	Pumped water used for agricultural purposes	Pumped water used for purposes other than agriculture
2016	A	\$39.75	\$119.25
	B	\$62.65	\$187.95
2017	A	\$43.75	\$131.25
	B	\$67.80	\$203.40
2018	A	\$45.08	\$135.24
	B	\$69.85	\$209.55
2019	A	\$46.43	\$139.30
	B	\$71.94	\$215.84
*2020	A	\$57.04	\$171.12
	B	\$90.97	\$272.92
2021	A	\$57.03	\$171.09
	B	\$90.96	\$272.89
2022	A	\$67.51	\$202.53
	B	\$106.53	\$319.60
2023	A	\$71.98	\$215.93
	B	\$113.15	\$339.44
2024	A	\$99.75	\$110.52
	B	\$186.75	\$207.96
2025	A	\$145.07	\$161.28
	B	\$280.32	\$312.76

Zone A District-wide pump charges - 100%

Zone B District-wide pump charges - 100%
Freeman Diversion pump charge - 100%

* In FY 2019-20, the District added a Water Purchase Surcharge to Zone A and Zone B.

* In FY 2023-24, the District added a Zone S to wells located in Ventura and Oxnard City Limits. For FY 24/25 the rate was \$25.66 for agricultural purposes and \$28.74 for non-agricultural purposes.

Source: United Water Conservation District

United Water Conservation District

Oxnard Hueneme Pipeline Deliveries per Acre Foot and Rate Charge
Last Ten Fiscal Years

July 1 - June 30	Water delivered (acre feet)	Pipeline variable* water charge per acre foot Municipal & Industrial (1) Customer	Pipeline marginal* water charge per acre foot Municipal & Industrial (1) Customer	Pipeline variable* water charge per acre foot Agricultural (2) Customer	Pipeline marginal** water charge per acre foot Agricultural (2) Customer	Fixed Charge *** per unit of peak (3) capacity
2016	10,550	501.61	361.33	376.31	236.03	14,874.00
2017	10,419	522.50	379.28	386.90	243.68	14,737.00
2018	11,401	528.65	374.30	388.95	234.60	16,689.00
2019	10,454	534.94	380.59	391.04	236.69	16,689.00
2020	11,850	541.95	442.17	360.00	260.22	26,801.00
2021	14,301	555.59	465.14	373.66	283.21	24,389.00
2022	13,737	560.16	510.72	347.09	297.65	26,621.00
2023	10,400	742.61	540.89	516.32	314.60	32,555.00
2024	10,931	626.13	424.41	604.92	403.20	26,434.00
2025	11,735	842.38	605.70	809.94	573.26	55,924.89

(1) Municipal and Industrial customer shall mean water used for domestic, industrial, commercial, urban, incidental irrigation or fire protection purposes.

(2) Oxnard Hueneme Pipeline Agricultural customer (Oceanview) shall mean Oxnard Hueneme Pipeline water used primarily for agricultural irrigation purposes.

(3) The peak capacity in the OH Pipeline is 53.0 cubic feet per second (cfs).

* Variable Costs = (up to 75% of customer sub-allocation). Variable costs shall mean the rate required per acre foot of water delivered and charged to individual customers up to 75% of their 1985-89 historical sub-allocation.

Marginal costs = (over 75% of customer sub-allocation). Marginal costs shall mean the rate charged to individual customers for every acre foot delivered once

*** Fixed charge represents per unit of peak capacity, all other rates per acre foot delivered. The above annual fixed charge shown is in addition to the variable/marginal rate charged as applies per individual customer. Charge is allocated over 12 monthly payments.

This schedule is subject to all other terms and conditions per the "Water Supply Agreement for delivered water through the Oxnard Hueneme Pipeline" that may not be represented in this schedule.

Source: United Water Conservation District

United Water Conservation District

Pleasant Valley and Pumping Trough Pipeline Deliveries per Acre Foot and Rate Charge
Agricultural Customers
Last Ten Fiscal Years

Pleasant Valley Pipeline Deliveries per Acre Foot and Rate Charge

<u>July 1 - June 30</u>	<u>Water delivered (acre feet)</u>	<u>Pipeline water charge per acre foot Agricultural Customer</u>	<u>Saticoy Well * Field Pump Charge per acre feet</u>
2016	-	117.65	30.00
2017	-	122.80	30.00
2018	-	124.85	30.00
2019	87	126.94	30.00
2020	1,031	145.97	30.00
2021	3,171	145.96	30.00
2022	786	161.53	30.00
2023	1,778	168.15	30.00
2024	6,052	241.75	30.00
2025	7,694	305.32	-

Pumping Trough Pipeline Deliveries per Acre Foot and Rate Charge

<u>July 1 - June 30</u>	<u>Water delivered (acre feet)</u>	<u>Pipeline water charge per acre foot Agricultural Customer</u>	<u>Saticoy Well * Field Pump Charge per acre feet</u>
2016	5,477	207.65	30.00
2017	5,357	288.55	30.00
2018	6,149	317.35	30.00
2019	4,655	319.44	30.00
2020	5,403	357.97	30.00
2021	6,593	405.96	30.00
2022	6,064	441.53	30.00
2023	5,113	463.15	30.00
2024	5,394	636.75	30.00
2025	5,857	925.32	-

* Pump charge is in addition to water charge per acre foot when the District pumps from the Saticoy Well Field in lieu of surface water.

Note - GMA pump charge rates were: \$6.00 effective July 2014, \$6.00 - \$10.00 effective July 2015, \$12.50 effective July 2016, \$17.00 effective Aug. 2019, \$40.00 effective Jan. 2021, \$55 effective Oct. 2022 for Saticoy Well Field and PTP Pipeline.

Source: United Water Conservation District

United Water Conservation District

10 Largest Customers by Revenues
Fiscal Year Ended June 30, 2025 and Nine Years Ago

Fiscal Year 2024-2025

Customer	Groundwater consumed (acre-feet)	Groundwater charge per acre foot	Water delivered by pipeline (acre-feet)	Pipeline water charge per acre foot	Total water purchased (acre-feet)	Fixed Annual Charge	Well Repl. Charge	Supplemental Water	Revenue
City of Oxnard (incl OV Mist Mtr)	8,504	\$341.50	7,887	\$842.38/\$809.94/\$605.70/\$573.26	16,391	\$ 1,495,991	\$ 164,102	\$ -	\$ 10,890,848
PHWA	-	\$0.00	3,487	\$842.38/\$605.70	3,487	1,244,329	84,607	-	4,266,071
PVCWD	2,286	\$312.76	7,631	\$305.32	9,917	240,000	-	-	3,210,689
City of San Buenaventura	7,405	\$161.28/\$190.02/\$312.76/\$341.50	-	-	7,405	-	-	-	2,133,284
Reiter Brothers, Inc.	3,955	\$145.07/\$280.32/\$312.76	533	\$925.32	4,488	102,600	-	-	1,640,812
Farmers Irrigation	9,520	\$145.07	-	-	9,520	-	-	-	1,381,091
Southland Sod Farms	3,408	\$280.32/\$312.76	82	-	3,490	-	-	-	1,031,221
CA Dept of Fish & Game	6,877	\$145.07/\$161.28	6,877	\$925.32	6,877	-	-	-	997,765
Duda Farm Fresh Foods Inc	3,439	\$145.07/\$280.32/\$312.76/\$305.98	-	-	3,439	-	-	-	860,719
City of Santa Paula	4,130	\$161.28	-	-	4,130	-	-	-	666,014
	<u>49,524</u>		<u>19,620</u>		<u>69,144</u>	<u>\$ 3,082,920</u>	<u>\$ 248,709</u>	<u>\$ -</u>	<u>\$ 27,078,516</u>

Fiscal Year 2015-2016

Customer	Groundwater consumed (acre-feet)	Groundwater charge per acre foot	Water delivered by pipeline (acre-feet)	Pipeline water charge per acre foot	Total water purchased (acre-feet)	Fixed Annual Charge	Well Repl. Charge	Supplemental Water	Revenue
City of Oxnard	6,660	\$187.95	7,239	\$501.61/\$361.33 & \$376.31**/\$236.03	13,899	\$ 397,880	\$ 256,582	\$ 250,006	\$ 5,552,931
PHWA	-	\$0.00	2,923	\$501.61/\$361.33	2,923	330,947	132,287	-	1,929,425
PVCWD	14,281	\$62.65	-	\$117.65	14,281	360,000	-	-	1,254,705
City of San Buenaventura	8,737	\$119.25 / \$187.95	-	-	8,737	-	-	-	1,309,698
City of Santa Paula	3,861	\$39.75 / \$119.25	-	-	3,861	-	-	-	455,923
Farmers Irrigation	9,805	\$39.75	-	-	9,805	-	-	-	389,768
CA Dept of Fish & Game	6,986	\$39.75	-	-	6,986	-	-	-	277,682
City of Fillmore	1,875	\$119.25	-	-	1,875	-	-	-	223,584
Southland Sod Farms	3,723	\$62.65	142	\$207.65/\$247.65**	3,865	-	-	-	262,711
Sespe Agricultural Water	4,461	\$39.75	-	-	4,461	-	-	-	177,305
	<u>60,388</u>		<u>10,304</u>		<u>70,693</u>	<u>\$ 1,088,826</u>	<u>\$ 388,869</u>	<u>\$ 250,006</u>	<u>\$ 11,833,731</u>

**Note - Includes GMA and Saticoy Well Field charges.

Source: United Water Conservation District

United Water Conservation District

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(amounts expressed in thousands except for population and per capita amount)

Fiscal Year	Government Activities			Business-Type Activities			Loans (3)	Total Government	Assessed Valuations (4)	Percentage of Assessed Valuations (5)	Population (6)	Per Capita
	Special Assessment Contract (1)	Revenue-backed Bonds	Certificates of Participation (2)	General Obligation Debt	Revenue-backed Bonds							
2016	1,232	5,423	10,205	-	1,900	-	18,760	39,715,003	0.05%	854,383	21.96	
2017	1,266	5,144	9,737	-	1,738	-	17,885	41,679,612	0.04%	857,386	20.86	
2018	1,666	4,856	9,248	-	1,570	-	17,340	43,511,374	0.04%	859,073	20.18	
2019	1,581	4,555	8,745	-	1,395	-	16,276	45,788,839	0.04%	855,489	19.03	
2020	1,504	4,245	8,221	-	1,213	-	15,183	47,843,716	0.03%	853,747	17.78	
2021	1,432	-	31,611	-	-	-	33,043	50,061,708	0.07%	852,435	38.76	
2022	1,355	-	30,485	-	-	-	31,840	53,537,755	0.06%	837,845	38.00	
2023	1,273	-	29,454	-	-	-	30,727	53,537,755	0.06%	829,764	37.03	
2024	1,134	-	28,377	-	-	-	29,511	56,706,644	0.05%	824,051	35.81	
2025	1,081	-	27,260	-	-	11,049	39,390	61,889,266	0.06%	824,051	47.80	

(1) California State Water Project Contract

(2) Amount represents the 2020 COP Bonds and includes un-amortized portion of premium

(3) Loan from EPA's Water Infrastructure Finance and Innovation Act (WIFIA) program

(4) Source - County Auditor-Controller Ventura County - also refer to Demographic and Economic Statistics for detailed breakdown

(5) Assessed valuation used as other economic base versus personal income.

(6) California Department of Finance Ventura County July 1st of each year.

Notes: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

The above data are alternative indicators that are considered relevant to United Water Conservation District.

Source: United Water Conservation District

United Water Conservation District

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(amounts expressed in thousands except for population and per capita amount)

Fiscal Year	General Obligation Bonds	Total General Obligation Bonds	Total Assessed Valuations	Percentage of Total Assessed Valuations (1)	
				Population (2)	Per Capita
2016	-	-	39,715,003	0.00%	854,383
2017	-	-	41,679,612	0.00%	857,386
2018	-	-	43,511,374	0.00%	859,073
2019	-	-	45,788,839	0.00%	855,489
2020	-	-	47,843,716	0.00%	853,747
2021	-	-	50,061,708	0.00%	852,435
2022	-	-	53,537,755	0.00%	837,845
2023	-	-	53,537,755	0.00%	829,764
2024	-	-	56,706,644	0.00%	824,051
2025	-	-	61,889,266	0.00%	824,051

(1) Source - County Auditor-Controller Ventura County.

(2) California Department of Finance Ventura County July 1st of each year.

The above data are alternative indicators that are considered relevant to United Water Conservation District.

Source: United Water Conservation District

United Water Conservation District

Direct and Overlapping Governmental Activities Debt

As of June 30, 2025

(amounts expressed in thousands)

	Special Assessment Contract (1)	Revenue-backed Bonds	Certificates of Participation (2)	Total Debt Outstanding
Direct debt	\$ 1,081	\$ -	\$ 27,260	\$ 28,341
Overlapping debt	-	-	-	-
Total direct and overlapping debt	<u>\$ 1,081</u>	<u>\$ -</u>	<u>\$ 27,260</u>	<u>\$ 28,341</u>

(1) California State Water Project Contract

(2) Amount represents the 2020 COP Bonds and includes un-amortized portion of premium

Source: United Water Conservation District

United Water Conservation District
 Summary of Historic Operating Results and Pledged-Revenue and non Pledged Debt Service Coverage
 Fiscal Year Ended June 30

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
REVENUES:										
Water delivery charges	\$ 7,941,936	\$ 9,073,359	\$ 9,814,957	\$ 9,945,745	\$ 10,829,492	\$ 12,622,941	\$ 12,670,644	\$ 12,367,810	\$ 16,343,930	\$ 20,808,128
Groundwater charges	11,505,767	11,382,921	12,711,756	11,062,316	13,936,301	16,422,731	17,185,967	17,110,218	13,582,489	28,624,392
Less allowance for uncollectibles	(3,595)	(24,585)	(8,664)	(10,445)	(59,220)	(190,191)	(459,644)	(253,408)	(460,462)	(260,027)
Taxes	2,404,269	2,553,589	2,633,886	2,808,174	2,869,564	3,074,667	3,203,603	3,466,316	3,648,696	3,917,574
Interest	100,075	148,429	393,376	807,186	626,748	65,170	258,826	1,040,290	1,653,933	1,819,802
Other	114,487	428,880	629,224	989,094	1,899,312	1,629,062	3,867,781	9,127,848	4,791,199	11,988,744
Total Revenues	22,062,939	23,562,594	26,174,535	25,582,070	30,102,197	33,624,380	36,727,177	42,859,074	39,559,785	66,898,613
Operating expenditures (1)										
Salaries	3,826,442	4,054,946	4,156,875	4,228,613	4,561,134	4,833,387	5,180,376	5,145,203	5,844,735	6,565,159
Employee benefits	1,918,153	2,399,619	3,197,157	2,406,720	3,186,058	3,038,745	3,203,296	2,331,452	4,330,871	5,407,527
Utilities	1,389,360	1,346,787	1,462,082	1,351,990	1,169,454	1,612,760	2,013,386	1,802,819	1,969,679	2,200,243
Maintenance	822,692	735,844	706,930	938,734	799,108	841,673	1,390,788	1,370,293	1,806,375	1,960,134
Professional fees	2,013,411	2,542,817	5,523,165	3,758,550	7,882,633	5,303,837	3,685,356	6,094,280	6,625,767	6,504,773
Miscellaneous	1,141,037	1,241,072	1,367,259	2,048,666	1,613,679	3,207,207	2,541,665	2,943,455	3,521,981	4,036,131
General and administrative	2,745,072	2,711,470	2,989,367	1,815,577	4,355,836	4,137,136	4,714,798	5,381,704	5,905,813	6,373,444
Total operating expenditures	13,856,167	15,032,555	19,402,835	16,548,850	23,567,902	22,974,745	22,729,665	25,069,206	30,005,221	33,047,411
Net revenues	\$ 8,206,772	\$ 8,530,039	\$ 6,771,700	\$ 9,033,220	\$ 6,534,295	\$ 10,649,635	\$ 13,997,511	\$ 17,789,868	\$ 9,554,564	\$ 33,851,202
Debt Service:										
Principal	\$ 1,190,000	\$ 910,000	\$ 945,000	\$ 980,000	\$ 1,015,000	\$ -	\$ 1,189,807	\$ 1,096,942	\$ 1,147,390	\$ 1,116,564
Interest	824,634	776,724	739,459	783,269	685,108	1,016,354	1,139,738	1,095,551	1,050,861	989,505
Total Parity debt service (2)	\$ 2,014,634	\$ 1,686,724	\$ 1,684,459	\$ 1,763,269	\$ 1,670,108	\$ 1,016,354	\$ 2,329,544	\$ 2,192,493	\$ 2,198,251	\$ 2,106,069
Coverage of system net revenues to parity debt service	4.07	5.06	4.02	5.12	3.91	10.48	6.01	8.11	4.35	16.07
Debt Service:										
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total debt service on other debt payable from net revenues	\$ -	\$ -	\$ -	\$ -	\$ -					
Coverage on all debt payable from net revenues	4.07	5.06	4.02	5.12	3.91	10.48	6.01	8.11	4.35	16.07

(1) Excludes depreciation capital expenditures and debt service.
 (2) Includes 2001, 2005, 2006 Revenue Bonds, 2009 Certificates of Participation bond contracts.
 Does not include other obligations of the District not secured by an express pledge of water revenues.
 Source: United Water Conservation District

United Water Conservation District

Demographic and Economic Statistics of Ventura County
Last Ten Fiscal Years
(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Utility Valuations</u>	<u>Secured Valuations</u>	<u>Unsecured Valuations</u>	<u>Total Assessed Valuations (1)</u>	<u>Population (2)</u>
2016	80,267	38,541,466	1,093,269	39,715,003	854,383
2017	66,866	40,599,584	1,013,162	41,679,612	857,386
2018	51,249	42,390,507	1,069,618	43,511,374	859,073
2019	22,261	44,607,687	1,158,710	45,788,839	855,489
2020	60,798	46,547,390	1,235,528	47,843,716	853,747
2021	240,767	48,558,226	1,262,715	50,061,708	852,435
2022	47,160	52,098,041	1,439,714	53,537,755	837,845
2023	90,264	55,123,347	1,583,297	55,123,347	829,764
2024	108,584	57,659,175	3,700,360	61,359,536	824,247
2025	203,189	60,192,160	1,697,106	61,889,266	820,178

(1) Source - County Auditor-Controller Ventura County, Property Tax, Direct Assessments, District Recap Valuations.

(2) California Department of Finance Ventura County July 1st of each year E-2 estimates.

The above data are alternative indicators that are considered relevant to United Water Conservation District.

United Water Conservation District

Demographic and Economic Statistics of Ventura County - Continued

Last Ten Calendar Years

(amounts expressed in thousands or acre foot as indicated)

<u>Calendar Year</u>	<u>Gross Value of Crops (1)</u>	<u>Lending Commodity Value Strawberry (1)</u>	<u>Acres of Agricultural of Farm Land (2)</u>
2015	2,198,555	617,832	95,802
2016	2,198,555	617,832	95,802
2017	2,099,889	654,312	95,850
2018	2,103,232	670,716	91,350
2019	1,990,100	508,371	95,813
2020	1,985,365	575,373	95,813
2021	2,085,999	712,022	98,549
2022	2,127,682	111,851	95,785
2023	2,170,243	733,257	99,433
2024	2,312,556	708,690	93,025

(1) Source: Ventura County Agricultural Commissioner, most current information available

(2) Source: Ventura County Agricultural Commissioner, calculated by the California Department of Conservation's Farmland Mapping and Monitoring Program and excludes grazing land.

The above data are alternative indicators that are considered relevant to United Water Conservation District.

United Water Conservation District

Demographic and Economic Statistics of Ventura County - Continued

Last Ten Calendar Years

(amounts expressed in thousands except population and per capita)

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Unemployment Rate (2)</u>
2014	848,038	43,878,654	51,984	6.0%
2015	852,199	46,269,484	54,581	5.3%
2016	853,673	47,397,620	55,779	5.0%
2017	854,987	44,113,605	52,307	4.0%
2018	855,489	46,629,719	57,206	3.8%
2019	842,886	48,579,555	57,270	3.9%
2020	852,435	53,488,970	62,343	7.5%
2021	832,104	57,822,939	67,773	6.2%
2022	833,407	61,933,142	70,199	3.7%
2023	824,247	66,384,705	77,657	3.9%
2024	820,178	69,884,854	79,802	3.8%

(1) Caltrans Long-Term Socio-Economic Forecasts by County, Ventura County Economic Forecast

(2) California Employment Development Department, Labor Market Information Division

The above data are alternative indicators that are considered relevant to United Water Conservation District.

United Water Conservation District

Demographic and Economic Statistics of Ventura County - Continued
 Calendar Year Ended June 30, 2024 and Nine Years Ago

Employer	2024 (a)			2015 (b)		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
United States Naval Base County of Ventura	20,000	1	5.11%	14,547	1	4.63%
Amgen, Inc.	9,953 (1)	2	2.54%	8,721	2	2.77%
Conejo Valley Unified School District	5,500	3	1.40%	5,095	3	1.62%
Ventura Unified School District	3,320	4	0.85%	1,943	7	0.62%
Oxnard Union High School District	2,899	5	0.74%	1,842	8	0.59%
Bank of America	2,825	5	0.72%			
Oxnard School District	2,804	7	0.72%			
Blue Cross of California	2,634	8	0.67%			
Community Memorial Healthcare	2,500	9	0.64%			
Anthem, Inc. (previously Wellpoint, Inc.)	2,000	10	0.51%	2,000	6	0.64%
Simi Unified School District				2,913	4	0.93%
Dignity Health				2,436	5	0.77%
Los Robles Regional Med Center				1,805	9	0.57%
	<u>54,435</u>		<u>13.90%</u>	<u>43,002</u>	<u>10</u>	<u>0.54%</u>
						<u>13.68%</u>

Note:

(1) Ventura County actual payroll employee count as of 6/30/2024.

Sources:

- (a) The List, Ventura County Employers, Pacific Coast Business Times, April 2024.
- (b) 2015 Ventura County Real Estate and Economic Outlook as of January 2015.
- (c) Employment Development Department, State of California, July 2024 Ventura County, retrieved from <https://www.labormarketinfo.edd.ca.gov/data/interactive-labor-market-data-tools.html>, updated 9/2024

United Water Conservation District

Operating Information

For the Year Ended June 30, 2025

Full time equivalent positions as assigned by Function/Program at June 30th.

<u>Fiscal Year</u>	<u>Water Conservation</u>	<u>Facility Operations and Improvements</u>	<u>Recreation Facilities</u>	<u>General and Administrative</u>	<u>Total District Employees</u>
2015	12	25	2	13	52
2016	14	27	3	14	58
2017	16	26	6	14	62
2018	15	25	4	13	57
2019	15	25	5	13	58
2020	15	30	5	18	68
2021	15	30	12	18	75
2022	15	34	32	21	102
2023	14	37	18	23	92
2024	15	34	17	22	88
2025	15	34	19	19	87

General and administrative employees compensation allocated to water conservation and facilities based on an agreed upon in-direct cost allocation methodology.

Source: United Water Conservation District

United Water Conservation District

Operating Information Continued
 For the Year Ended June 30, 2025

Well No.	<u>Well Depth In Feet</u>	<u>Well Capacity Gallons Per Minute</u>
The Oxnard-Hueneme Pipeline has twelve active pumping wells:		
2A	320	3,200
8	319	3,100
11	360	3,500
12	1,112	2,500
13	1,410	2,500
14	1,495	3,500
15	330	3,500
16	340	2,150
17	300	2,150
18	380	2,500
19	300	2,700
20	475	3,750

Well No.	<u>Well Depth In Feet</u>	<u>Well Capacity Gallons Per Minute</u>
The Pumping Trough Pipeline has five deep aquifer irrigation pumping wells:		
1	1,300	2,300
2	1,286	1,600
3	1,310	1,975
4	1,500	3,100
5	1,220	2,400
The Pumping Trough Pipeline also has one Booster Pump with pumping capacity of 6,700 gallons per minute.		

Well No.	<u>Well Depth In Feet</u>	<u>Well Capacity Gallons Per Minute</u>
The Saticoy Well Field has four upper aquifer irrigation pumping wells:		
1	375	1,800
2	330	1,300
3	360	1,800
4	280	1,200

Source: United Water Conservation District

United Water Conservation District

Operating Information - Continued

For the Year Ended June 30, 2025

District Facilities: United Water Conservation District operates a series of water conservation facilities within the watershed of the Santa Clara River. The facilities are used to store water run-off, divert water, recharge aquifers through the use of spreading ponds and deliver water to municipalities and agricultural growers. The District has over 1,192 active water wells within the District's service area. The District estimates these wells are owned by approximately 700 individuals. A listing of some of the major facilities is as follows:

<u>Santa Felicia Dam</u>	An earthen dam constructed in 1954 with a maximum height of 200 feet. The main purpose of the dam is to catch water run-off from Piru Creek.
<u>Lake Piru</u>	Created by the Santa Felicia Dam. The main purpose of the Lake is to store water run-off and release, in controlled amounts, water to replenish several groundwater basins and supply surface water for irrigation to agricultural areas of the District. Capacity: maximum 82,000 acre feet to a minimum pool of 16,000 acre feet.
<u>Piru Diversion and Spreading Grounds</u>	Constructed in 1931. Percolating Capacity: 150 acre-feet per day Average Annual Spreading: 0 acre feet (not currently in use)
<u>Ferro Basin</u>	231 acre Ferro Basin Acquired in 2009 Not presently connected to the District's recharge system
<u>Noble Rose Basins</u>	Converted from an aggregate mining pit in 1994 120 acre Noble Basin 117 acre Rose Basin Basin dividers: 4 cells separated by 15 to 20 foot earthen berms Percolation capacity: 200 AF
<u>Mugu Lateral</u>	Pipeline to Point Mugu Naval Air Station Leased long term to Port Hueneme Water Agency
<u>Freeman Diversion</u>	Construction completed in 1991. A concrete structure spanning the Santa Clara River with water diversion of 375 cfs. Diverts water released from Lake Piru and natural runoff from the Santa Clara River. Flows via canal and pipelines to a 44 acre desilting basin. From the desilting basin water flows via canals and pipelines to spreading grounds and other water delivery systems. Average annual diversion: 68,000 acre feet

United Water Conservation District

Operating Information - Continued
 For the Year Ended June 30, 2025

<p><u>Saticoy Spreading Grounds</u></p>	<p>Headworks and canal capacity: 375 cfs Number of basins: 15 including desilting basin Wetted area: 130 acres Basin dividers: 6 to 8 foot earth dikes Percolating capacity: 450 acre-feet per day Annual average spreading: 22,500 acre feet</p>
<p><u>El Rio Spreading Grounds</u></p>	<p>Saticoy to El Rio pipeline capacity: 150 cfs Number of basins: 10 Wetted area: 100 acres Basin dividers: 6 to 8 foot earth dikes Percolating capacity: 240 acre-feet per day Annual average spreading: 31,300 acre feet</p>
<p><u>Municipal Delivery Systems:</u> Oxnard-Hueneme Pipeline</p>	<p>Consists of: 12 wells located at the El Rio spreading grounds and Rose Avenue 2 8.4 million gallon clearwells 1 chloramination facility 2 booster plants (1 standby) 1 Iron and Manganese Removal Plant 12 miles of distribution pipeline Delivery: 60 cfs of potable water to customers</p> <p>13 turnouts and servicing agent for 53 turnouts. Includes City of Oxnard, Port Hueneme Water Agency (that provides service to the City of Port Hueneme, Point Mugu and Port Hueneme Navel bases and 4 mutual water companies), Vineyard Avenue Estates MWC, Rio Real & Rio Del Valle Schools</p>
<p><u>Agricultural Delivery Systems:</u></p> <p>Pumping Trough Delivery System</p> <p>Pleasant Valley Delivery System</p> <p>Saticoy Well Field</p>	<p>Construction completed in 1986 consisting of: 5 wells 1 reservoir 1 booster station Serves 4,600 acres of farmland Average delivery capacity of approximately 12,000 acre feet of water per year 15 miles of distribution pipeline. 60 turnouts</p> <p>Completed approximately 1958. The primary purpose is to sell diverted river water to the Pleasant Valley County Water District (PVCWD) to offset pumping of wells in the PVCWD area.</p> <p>Serves 12,000 acres of farmland The pipeline is 25,600 feet long and 54 inches in diameter. 4 turnouts Design capacity: 75 cfs 2 reservoirs totaling 230 acre feet of capacity Average surface water delivery is 8,700 acre feet per year.</p> <p>Construction completed in 2005 4 wells</p> <p>The purpose is to increase storage in the upper aquifer by pumping at the Saticoy spreading grounds and delivering excess water to the Oxnard Plain to relieve pumping in the Lower Aquifer System.</p>

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