

**MINUTES
FINANCE AND AUDIT COMMITTEE MEETING**

**Monday, January 5, 2026, at 9:00 a.m.
UWCD Headquarters, First Floor, Board Room
1701 N. Lombard Street, Oxnard, CA 93030**

OPEN SESSION

Chair Steve Huber called the meeting to order at 9:19 a.m.

Committee Members Roll Call

Present: Director Catherine Keeling and Director Huber

Absent: Director Rachel Jones was absent initially but joined the meeting at 10:15 a.m.

1. Public Comments

No public comments were received.

2. Consent Calendar

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

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

2.1 Approval of Agenda

Motion

Approved January 8, 2026, Finance and Audit Committee meeting Agenda.

2.2 Approval of Minutes

Motion

Approved Minutes of November 3, 2025, Finance and Audit Committee meeting.

2.3 Check Recap Monthly Report

Information Item

Received and filed.

2.4 Investment Monthly Report

Information Item

Received and filed.

2.5 Pipeline Delivery Monthly Report

Information Item

Received and filed.



3. Financial Report Presentation

Information Item

Certified Public Accountant Ryan Domino of LSL presented the District's Annual Financial Audit for Fiscal Year 2024-25, presentation attached.

4. UWCD Board of Directors Meeting Agenda Items

4.1 Adopt a Resolution Designating the General Manager and/or Assistant General Manager as the District's Authorized Agents for the Purposes of Obtaining Federal Assistance for the 2025/2026 Floating Restroom Grant Program

Motion

Senior Park Ranger Bernard Riedel summarized this motion for the Committee, presentation attached.

Action: M/S/C (Keeling, Huber) recommending adoption of a resolution designating the General Manager and/or Assistant General Manager as the District's Authorized Agents for purposes of obtaining federal assistance provided by Federal U.S. Fish and Wildlife Service and sub-granted through the California State Parks Division of Boating and Waterways for Fiscal Years 2025/2026 Floating Restroom Grant Program

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

4.2 Penalty and Interest Waiver Request from Southland Sod Farms

Motion

Chief Financial Officer Brian Zahn summarized this motion for the Committee.

Action: M/S/C (Keeling, Huber) recommending to the full Board approval of a request from Southland Sod Farms to waive penalty and interest charges totaling \$61,350.11 incurred from the billing period July 1, 2024, through December 31, 2024.

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

5. Fiscal Year 2025-2026 First Quarter Financial Report (July 1 to September 30, 2025)
Information Item

Mr. Zahn summarized the first quarter financial report for the Committee, presentation attached.

6. Monthly Department Updates
Information Items

6.1 Administrative Services Department Update

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



6.2 Public Outreach and External Affairs Department Update

Public Outreach and External Affairs Manager Tara Mullaly presented monthly highlights regarding the District's public outreach activities, presentation attached.

With guidance from the General Manager Mauricio Guardado, Director Keeling requested that additional stakeholders be invited on the tours. Director Huber added it would be nice to know ahead of the tours who will be attending so Board members can be prepared to welcome them there.

6.3 Recreation Department Update

Mr. Riedel presented monthly highlights regarding activities of the Lake Piru Recreation Area, presentation attached.

7. Future Agenda Items

- Include a report on new 2026 laws impacting the District.
- Enhancements to Financial Report Presentation:
 - Present at the upcoming Board of Directors meeting on January 14, for the record of stating that the District successfully passed another clean audit.
 - Update presentation to go into context of meeting industry standards. Specifically, emphasis on the *Key Indicator* slide.
 - Highlight "clean audit" on social media platform for everyone to know that its money is well managed by a department that is highly competent.

ADJOURNMENT

Chair Huber adjourned the meeting at 10:21 a.m.

I certify that the above is a true and correct copy of the minutes of the UWCD Finance and Audit Committee Meeting of January 5, 2026.

ATTEST: 

Chair Steve Huber



Presentation of the Annual Financial Audit for the Fiscal Year Ended June 30, 2025

January 5, 2026

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Management's Responsibilities

- The preparation and fair presentation of the financial statements in accordance with US GAAP
- Design and implementation of internal controls
- Evaluate if there are any conditions which indicate doubt of continued financial viability
- Complying with the requirements of federal award programs



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Auditors' Responsibilities

- Conduct the audit in accordance with:
 - Generally accepted auditing standards
 - Government Auditing Standards
 - State Controller's Minimum Audit Standards for California Special Districts
 - Uniform Guidance
- Exercise professional judgment, and professional skepticism
- Conduct a risk-based approach to the audit
- Understand the entity's internal control structure
- Evaluate significant accounting estimates for reasonableness
- Evaluate if there are any conditions which indicate doubt of continued financial viability



Introductory Section

- Provides a letter from management highlighting key financial information
- Includes an overview of the organization's mission and structure
- Summarizes major achievements and challenges during the fiscal year
- Presents a message on the financial health and outlook
- Sets context for detailed financial statements and audit results



Financial Section

- Presents detailed financial statements including balance sheet and income statement
- Includes notes explaining accounting policies and significant financial details
- Shows changes in financial position through cash flow statements
- Provides management's analysis of financial performance and condition
- Presents detailed information on required supplementary information:
 - Pension schedules
 - OPEB schedules



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Statistical Section

- Provides additional context and historical data to help users understand the financial statements.
- Content:
 - Financial Trends: Shows how the government's financial position has changed over time.
 - Revenue Capacity: Provides information on the government's ability to generate revenue.
 - Debt Capacity: Offers insights into the government's debt levels and ability to issue additional debt.
 - Demographic and Economic Information: Includes data on the population, employment, and economic conditions.
 - Operating Information: Details on the government's operations and resources.



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Audit Results

- **Unmodified** auditors' opinion
- Report on Internal Controls and Compliance
 - No material weaknesses identified
 - No significant deficiencies identified
 - No material noncompliance identified
- Change in accounting policies for GASB 101, *Compensated Absences*
- Estimates are reasonable
 - Pension and OPEB liabilities
- No difficulties encountered during the audit
- No corrected or uncorrected misstatements
- No disagreements with management
- No fraud, waste, or abuse identified



Key Financial Metrics

Critical Ratios vs. Benchmarks

- Current Ratio = **7.3** (>1.5)
- Quick Ratio = **7.3** (>1)
- Liabilities to Equity = **0.4** (<1)
- Unrestricted Equity to Expenses = **0.8** (>0.2)
- Unrestricted Equity to Next Year's Budgeted Expense = **0.5** (>0.2)

Significant Account Activities

- Change in net position increased by \$32.9M
- Capital assets increased by \$18.0M
- Long-term debts increased by \$9.9M
- Pension liability decreased by \$70,348
- OPEB asset increased by \$37,578



Questions?

LSL 

Islcpas.com

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Contact Us

 www.islcpas.com

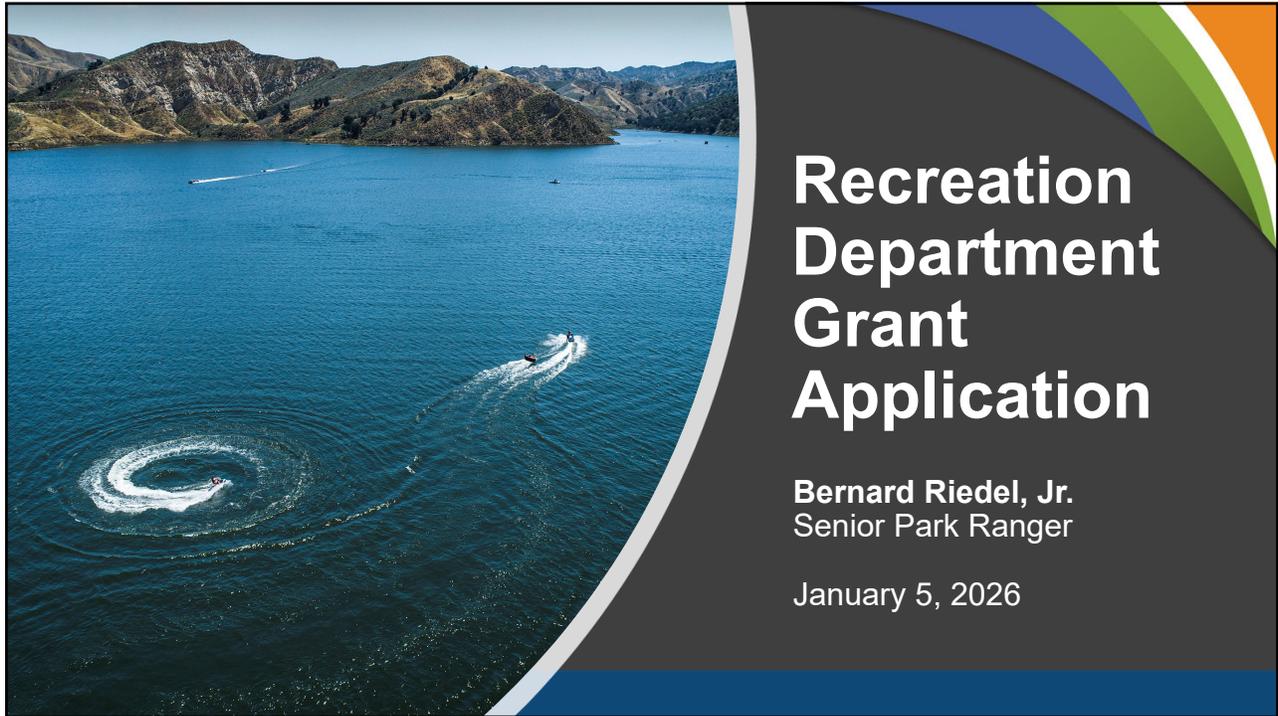
 Ryan.Domino@islcpas.com

 (949) 829-8299

LSL 

Islcpas.com

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Motion Item 4.1

Adopt a resolution designating the General Manager or Assistant General Manager as the District's authorized agents for the purposes of obtaining federal assistance for the California State Parks Division of Boating and Waterways fiscal year 2025/2026 Floating Restroom Grant Program

Status:

- Applied to grant on December 19, 2025
- Grant request: Two (2) floating restrooms

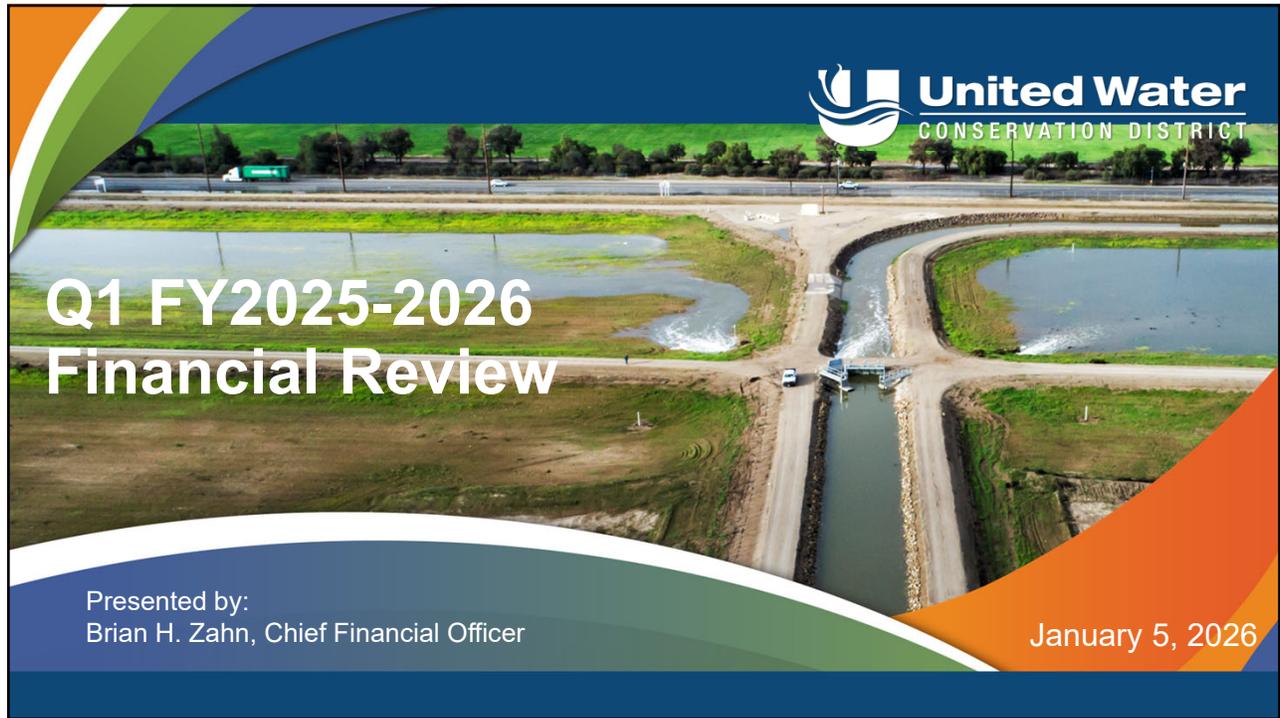
Benefits:

- Convenience/Better experience for guests once current floating restrooms are moved to the marina
- New floating restrooms are compliant with the Americans with Disabilities Act (ADA)
- Ensure continued high quality of water produced by the Lake Piru water treatment plant

A circular logo for California State Parks Boating and Waterways. The logo features a sailboat on a lake, with the text "CALIFORNIA STATE PARKS" at the top and "BOATING AND WATERWAYS" at the bottom. The logo is overlaid on a photograph of a marina with several boats docked.

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Highlights – Revenue

GRANTS REVENUE DRIVE UNFAVOURABILITY TO BUDGET

REVENUE

Total operating revenue is \$1.8M or 22% unfavorable to budget

- Pipeline revenue is favorable to budget by \$0.3M or 16%
- Groundwater will be reported in Q2
- Taxes will be reported in Q2
- Other Operating Revenue is \$0.2M or 60% favorable to budget
- Non-Operating Revenue is unfavorable to budget by \$2.0M or 72% primarily due \$1.7M in Grants that have not been received yet and WIFIA loan proceeds that have not been withdrawn

in \$000's	Q1 FY25-26 Actual	Q1 FY25-26 Budget	Q4 FY24-25 Actual
Taxes	-	234	-
Water Delivery/Fixed Cost	5,295	5,013	5,852
Groundwater	10	-	(70)
Other Operating Revenue	399	250	379
Non-Operating Revenue	774	2,791	4,195
Total Revenue	\$ 6,478	\$ 8,287	\$ 10,356



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Highlights – Expenses

PROFESSIONAL FEES AND CAPITAL SPEND DRIVE FAVORABILITY TO BUDGET

EXPENDITURE

Total expenditures are \$13.0M or 51% favorable to budget

- Professional and legal fees are favorable to budget \$2.7M or 88% due to underspending across all departments
- Operations expenses are favorable to budget \$9.3M or 68% primarily due to CIP being \$8.9M and Capital \$0.3M under spent

in \$000's	Q1 FY25-26 Actual	Q1 FY25-26 Budget	Q4 FY24-25 Actual
Personnel Expense	4,407	4,653	4,005
Professional Fees	368	3,057	458
Operating Expense	4,423	13,734	5,832
Allocated Overhead	1,642	2,322	710
Debt Service	302	793	260
Other	1,326	896	1,228
Total Expenditure	\$ 12,467	\$ 25,455	\$ 12,494

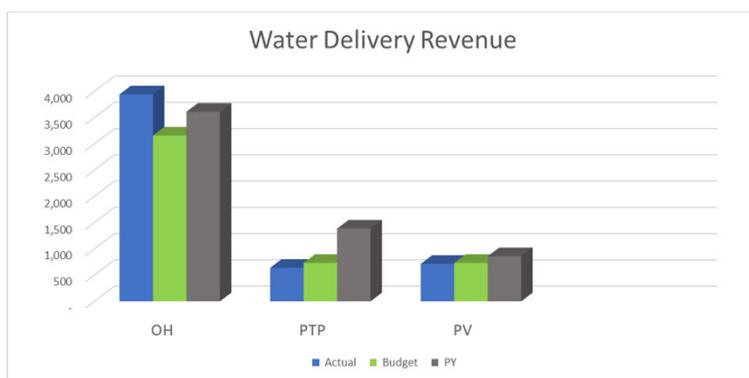


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Pipeline Revenue

EXCLUDING IN-LIEU OF PUMPING CHARGES



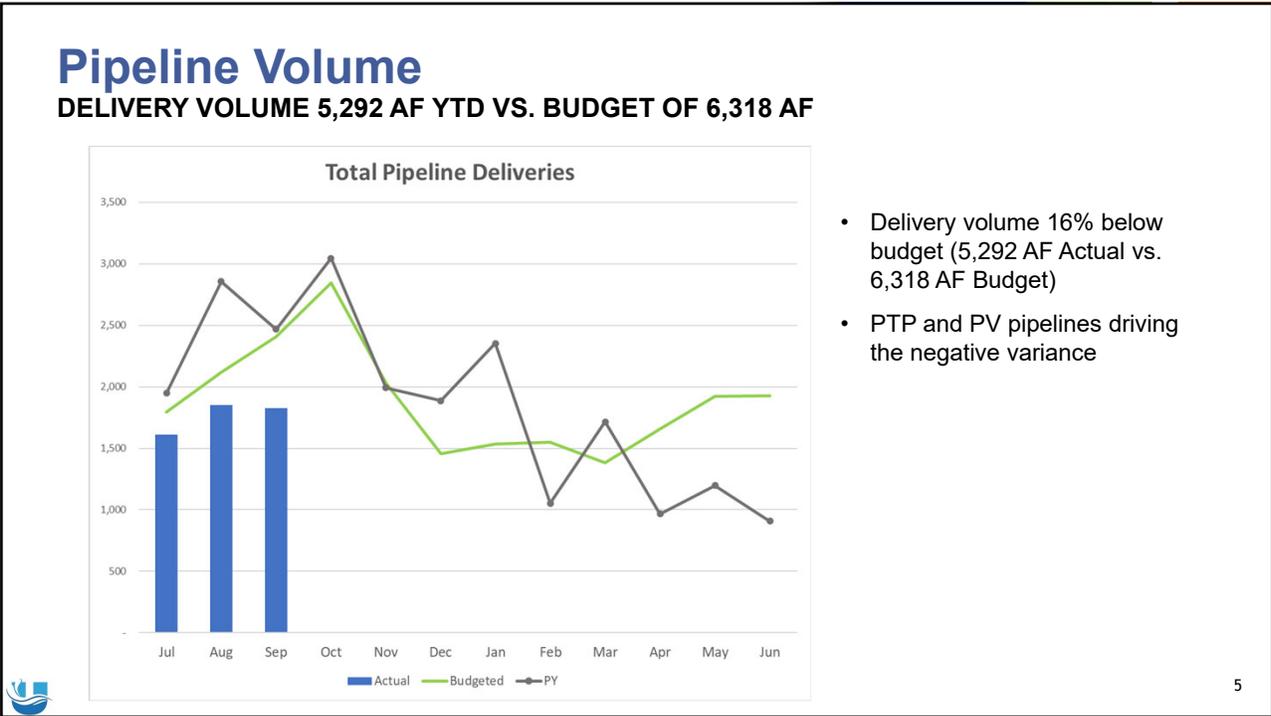
- Pipeline revenue up 15% against the budget
- OH 25% favorable
- PTP (13%) unfavorable
- PV (2%) unfavorable

Pipeline	Actual	Budget	PY	vs Budget	vs PY	% var Budget	% var PY
OH	3,941	3,157	3,610	785	332	25%	9%
PTP	638	732	1,384	(94)	(746)	-13%	-54%
PV	713	731	858	(18)	(145)	-2%	-17%
	\$ 5,292	\$ 4,620	\$ 5,852	\$ 673	\$ (560)	15%	-10%



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Top 10 AG Pipeline Customers Q1 FY2025-26

Top AG	Total Usage	Total Revenue
PVCWD	1,824.90	\$ 700,933
OceanView	344.39	\$ 318,209
Reiter Brothers Inc	119.20	\$ 68,949
Laubacher Farms Inc	117.38	\$ 56,721
3H Custom Farming Inc	105.70	\$ 45,790
Catalinos Berry Farms	103.99	\$ 45,514
Sorrento Berry Farms	95.40	\$ 57,519
Western Ag Group, LLC	71.65	\$ 33,504
Oxnard Lemon Mutual Water Co.	59.54	\$ 25,554
Tom Vujovich	53.94	\$ 23,398
Total	1,071.19	\$ 675,158

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Top 10 M&I Pipeline Customers Q1 FY2025-26

Top MI	Total Usage	Total Revenue
City of Oxnard	1,961.77	\$ 2,300,543
Port Hueneme Water Agency	896.58	\$ 1,156,877
Vineyard Estates	44.82	\$ 60,439
Dempsey Road MWC	30.45	\$ 40,432
Cypress Mutual	12.94	\$ 17,646
Saviors Road MWC	8.94	\$ 11,737
Rio Del Valle (2)	0.87	\$ 12,317
E & H Land Company, LLC (2)	0.62	\$ 1,170
California American Water	0.05	\$ 51
USNCBC	-	\$ -
Total	2,957.05	\$ 3,601,211



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Personnel Expenses

\$000's	Q1 2025-26 Actual	Q1 2025-26 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Regular Salary	2,104	2,518	1,899	414	16%	205	11%
Over-time Salary	16	68	37	52	77%	-22	-58%
Part-time	190	249	173	59	24%	17	10%
Salaries	\$ 2,310	\$ 2,835	\$ 2,109	525	19%	\$ 201	10%
Retirement- Classic	1,464	528	1,284	(937)	-178%	180	14%
Retirement - PEPRA	117	130	106	13	10%	11	11%
Soc Sec/457b Expense	124	159	120	36	22%	4	3%
Medicare Expense	32	41	30	10	23%	2	6%
SUI Expense	2	6	2	4	67%	0	19%
Medical Ins Exp	242	341	232	99	29%	11	5%
LTD	5	9	7	3	39%	-2	-23%
Life Insurance	4	7	5	3	40%	-1	-16%
Worker's Comp Expense	52	102	63	50	49%	-10	-17%
OPEB	10	10	10	0	0%	0	-3%
Deferred Comp	17	17	17	(0)	0%	0	0%
Other	26	33	20	7	0%	6	0%
Employee Benefits	\$ 2,097	\$ 1,384	\$ 1,896	-713	-51%	\$ 201	11%
Personnel Expenses	\$ 4,407	\$ 4,220	\$ 4,005	-187	-4%	\$ 402	10%

- Salaries are favorable to budget \$0.5M or 19%
- Employee Benefits are unfavorable to budget \$0.7M or 51% primarily due to:
 - Higher Retirement costs



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Operating Expenses

PROFESSIONAL AND LEGAL FEES DRIVE BUDGET FAVORABILITY

000's	Q1 2024-25 Actual	Q1 2024-25 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to PY
Profess Fees - Engineering	9	119	-	(109)	-	9	#DIV/0!
Prof. Fees - Environmental	-128	430	71	(558)	-130%	(199)	-281%
Prof. Fees - IT consulting	3	50	12	(47)	-94%	(9)	-74%
Prof. Fees - Grant Consulting	0	25	6	(25)	-100%	(6)	-100%
Prof. Fees - Other	109	683	113	(573)	-84%	(4)	-3%
Professional Fees	(6)	\$ 1,307	\$ 201	\$ (1,313)	-100%	\$ (207)	-103%
Legal Fees	374	1,749	\$ 257	\$ (1,375)	-79%	\$ 117	46%
Utilities	289	684	333	(395)	-58%	(44)	-13%
Maintenance	95	728	245	(633)	-87%	(150)	-61%
Capital / CIP	722	9,915	147	(9,194)	-93%	575	392%
Insurance	1,078	375	941	704	188%	137	15%
Office Expenses	149	330	62	(181)	-55%	87	139%
Miscellaneous	269	359	244	(90)	-25%	25	10%
Travel, Trainings and Meetings	37	114	22	(77)	-67%	15	70%
Gasoline, Diesel, Fuel	48	62	45	(14)	-22%	3	6%
Depreciation	925	920	-	6	1%	925	-
Safety, supplies, clothing	28	93	42	(64)	-69%	(14)	100%
Telephone	24	25	22	(1)	-3%	2	7%
General Operating Expense:	\$ 3,666	\$ 13,604	\$ 2,104	\$ (9,938)	-73%	\$ 1,562	74%
State Water Import Costs	2,083	1,025	\$ 1,989	\$ 1,058	103%	\$ 94	100%
Total Operating Expenses	\$ 6,116	\$ 17,686	\$ 4,551	\$ (11,570)	-65%	\$ 1,565	34%

- Professional Fees are favorable to budget by \$1.3M
- Legal Fees are favorable to budget by \$1.4M
- Operating Expenses favorable to budget; key variances include:
 - Utilities \$395K favorable
 - Maintenance \$633K favorable
 - Capital/CIP \$9.2M favorable
 - State water Import Costs higher due to state water purchases



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Top 10 Accounts Payable Vendors Q1 FY2025-26

Vendor	Payment Amount
CASITAS MUNICIPAL WATER	\$ 2,041,735.73
US BANK NATIONAL ASSOCIATION	\$ 1,496,150.00
SPECIAL DISTRICT RISK	\$ 1,321,507.07
ATKINSON, ANDELSON, LOYA, RUUD AND ROMO	\$ 1,167,067.89
SO. CALIFORNIA EDISON	\$ 585,783.14
GEI CONSULTANTS, INC	\$ 480,849.46
FOLEY & LARDNER LLP	\$ 236,450.38
BLACK & VEATCH CORPORATION	\$ 219,732.06
GENERAL PUMP COMPANY	\$ 190,781.87
CV STRATEGIES	\$ 180,936.05



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Supplemental Water Purchase Fund

STATUS UPDATE

	<u>Revenue (\$000'S)</u>
Beginning Balance - July 1, 2025	\$8,070
Changes in Surcharge	\$209
Other	\$0
Ending Balance - September 30, 2025	\$8,279

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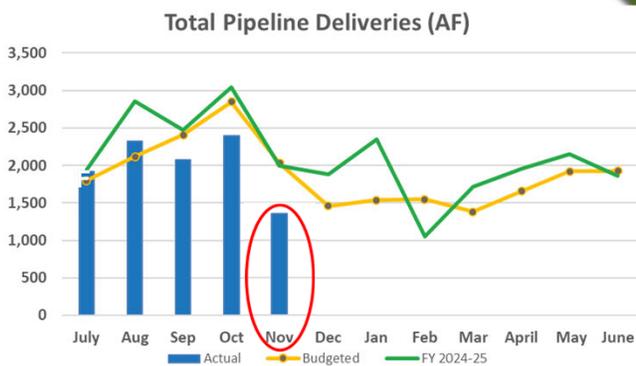


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November 2025 Pipeline

	Actual AF	Budget AF	Variance AF	Actual \$
OH	986	960	26	\$1.2M
PTP	221	500	(278)	\$144K
PV	139	569	(430)	\$64K

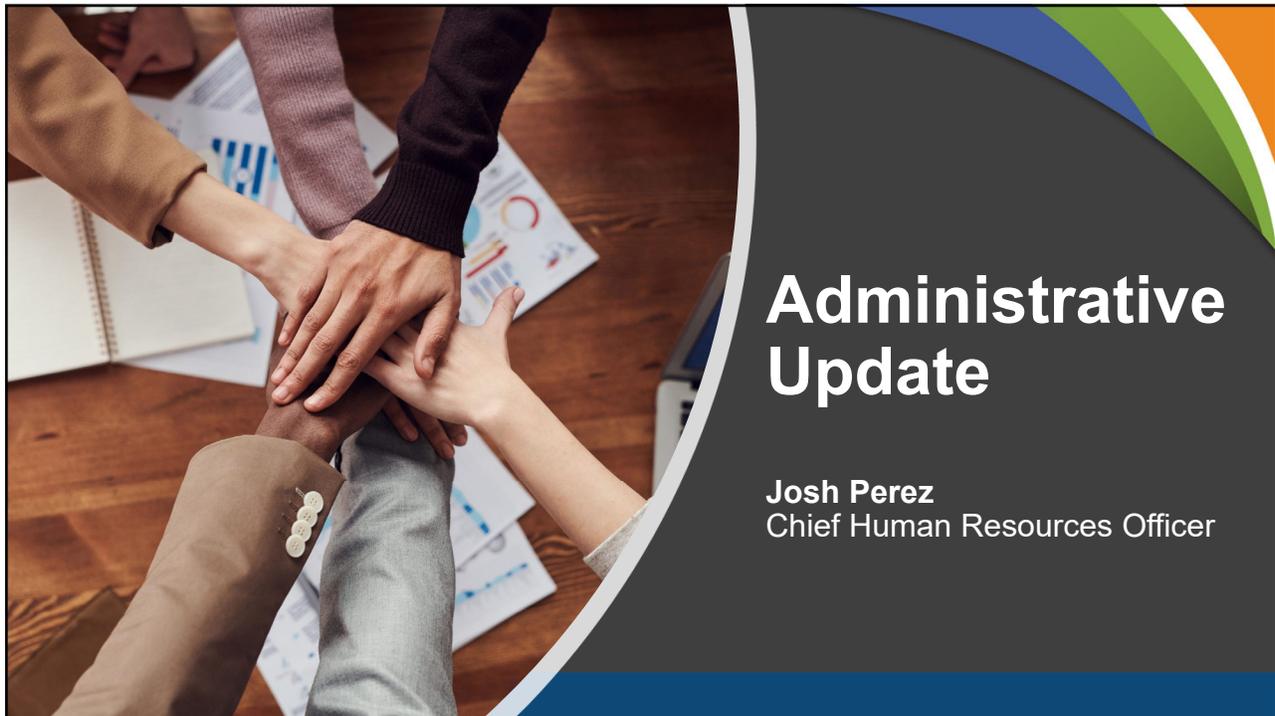
Year-to-date deliveries are 10% below budget and 18% below prior year.



Finance Department

- **Financial Audit's** – complete
- **Annual Comprehensive Financial Report** – published
- **Budget Templates** - sending out in December
- **Budget Strategies** – meeting with Executive Board Jan 12, 2026
- **AP Workshop** – scheduled for Jan 28, 2026
- **Changing GW billing** – GW Billing to match water year





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Human Resources

- Working on recruitment for the Senior Hydrogeologist position
- Implemented California's 2026 Minimum Wage Law which impacted several positions
- Onboarded three Part Time Environmental Services Field Assistants
- A new Technology Systems Intern is set to start on January 5, 2026
- Processed several Lake Piru Camp Host resignations, set to initiate recruitment for new season in early January



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Risk Management

- Submitted 2023 Winter Storms Disaster Recovery Closeout documentation for all projects except for the large debris removal effort
- Supported Engineering with submission of Annual Security Compliance Certification to FERC and with Annual SFD Saticoy Duty Operator Dam Safety Cross Over Training
- Oversaw Physical Installation of Dam Siren Replacement above Fire Station 28 in Piru
- Coordinated Annual First Aid Refill of First Aid Kits in District Vehicles and Cabinets at District Facilities
- Coordinated elevator and fire contractors testing requirement per Cal/OSHA Order to receive new permit



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Information Technology

- **System Maintenance, Cybersecurity, and Optimization Initiatives**
 - During December, Technology Systems initiated the procurement process for three 24-port network switches to be installed at the Lake Piru facilities
 - Phishing campaign – highlight of success
- **Technological Equipment Life Cycle – Deployment Progress**
 - Continued replacing unsupported equipment using a proactive approach that helps reduce the long-term security exposure and operational risk associated with that equipment hardware
- **Infrastructure and System Optimization Initiatives**
 - Coordinated secure remote access to support Ventura County Watershed Protection District and Law enforcement partners while ensuring access controls



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Public Outreach and External Affairs

Tara Mulally
Public Outreach and External Affairs Manager

January 5, 2026

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Outreach Events

Tours Provided

- **Isbell Middle School** Diversion Tour (December 16)
- **AWA** Diversion Tour (December 16)

Events Attended

- **AWA** Holiday Event (December 9)
- **Piru** Christmas Parade and Festival (December 13)

Upcoming Tours

- January Quarterly Tour (January 28)

Upcoming Events

- Native Plant Fest (January 24)




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Successes

- **Quarterly Tour Launch**
 - Attendees: 15 Registrants
 - E-Blast Distribution:

Sends	Open rate
866	58.6%

- **United Social Media Analytics**
 - Facebook: 98% View Increase (3,050 New Viewers)
 - LinkedIn: 467 Followers (19 New Followers)
 - Instagram: 9 Followers
 - Nextdoor: 44 Interactions

- **Lake Piru Social Media Analytics**
 - Facebook: 2,676 Followers
 - Instagram: 1,387 Followers



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Media Buy Overview

- **TV**
 - KEYT Commercial
 - KEYT Half Hour Paid Programming (1 @ 11:30 a.m. weekday and 1 @ 5 p.m. Sunday per month)

- **Digital**
 - Display (General)
 - Creative Retargeting Display
 - Pre Roll (English)
 - Pre Roll (Spanish)
 - Run of Network (KEYT)
 - SEM (Search Engine Marketing - 40 clicks per month)
 - Custom Branded Content (VC Star)
 - Display (VC Star Homepage)
 - Website Retargeting

- **Print**
 - VC Star Insert
 - VC Reporter (Half Page Ad)

- **Social Media**
 - Social Ads (VC Star)

- **Radio/Audio**
 - Audio Engage (Spanish)
 - Audio Engage (English)
 - KXLM
 - KUNX
 - KVEN

- **Email**
 - Email Campaign (Spanish)
 - Smart Email (VC Star)
 - E-Newsletter Sponsorship (VC Star)

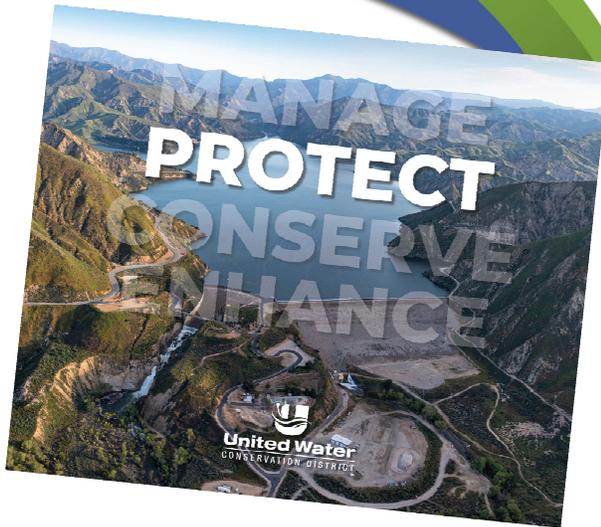
- **Outdoor**
 - Billboard (Ventura Auto Center)
 - Lotus Outdoor Digital

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Upcoming Initiatives

- Interactive Project Map
- Website Content Refresh
- Legislative Webpage
- Funding Educational Campaign Launch





Recreation Department Monthly Update

Bernard Riedel, Jr.
Senior Park Ranger

January 5, 2026

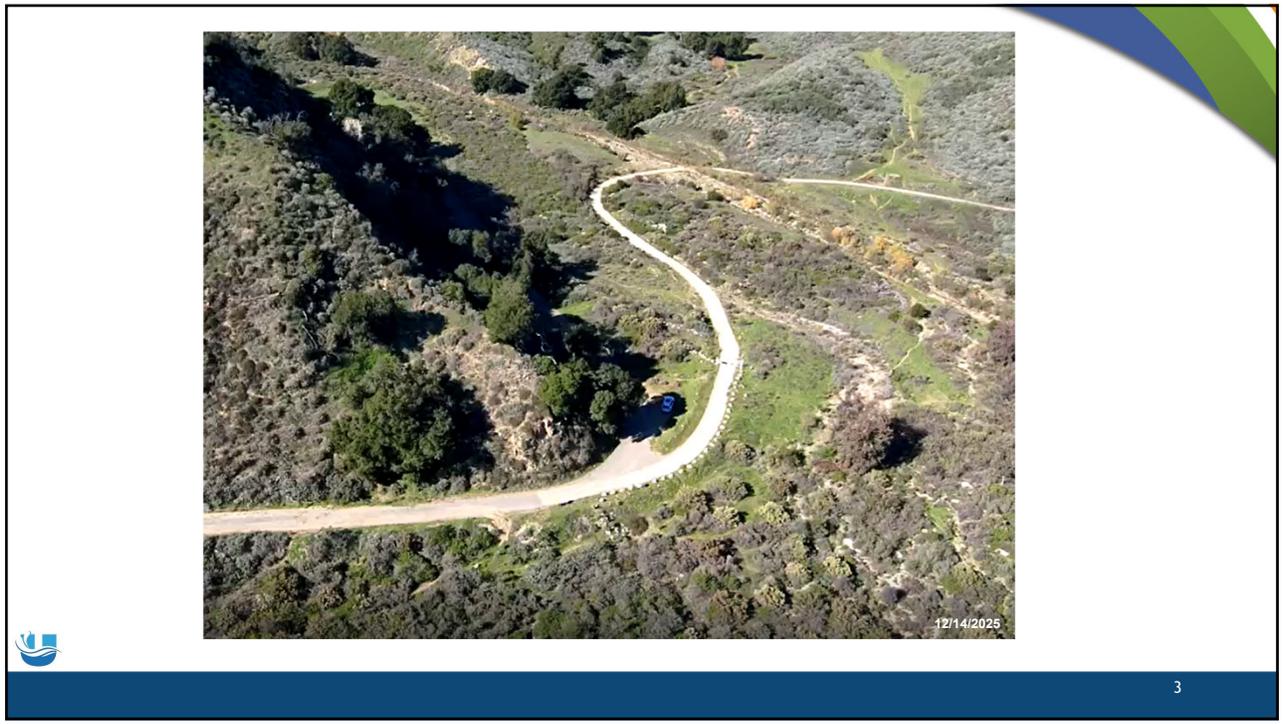
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Pothole Trail - reroute

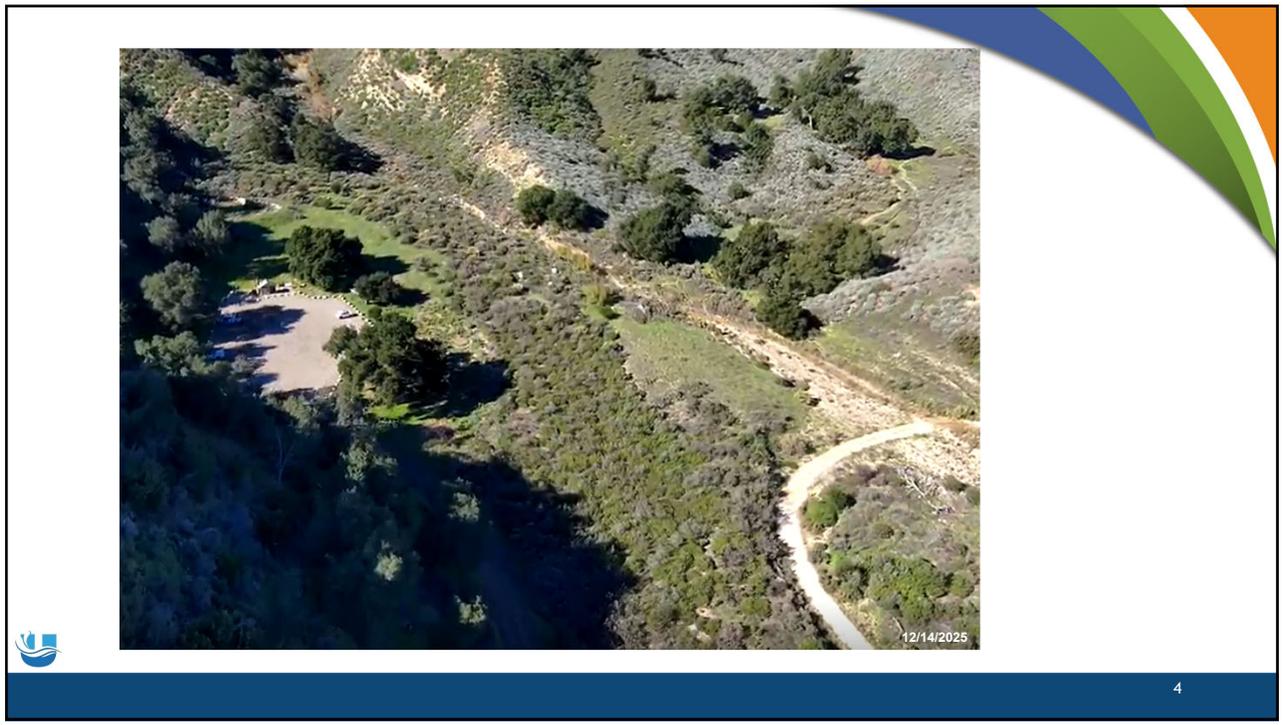


12/18/2025

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Volunteers doing all work by hand



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Oxnard and Piru Holiday Parades



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Storm - Christmas 2025



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