

**AGENDA**  
**FINANCE AND AUDIT COMMITTEE MEETING**

**Monday, June 3, 2024, at 9:00 a.m.**  
**UWCD Headquarters, First Floor, Board Room**  
**1701 N. Lombard Street, Oxnard CA 93030**

**OPEN SESSION – ROLL CALL**

1. **Public Comment**  
**Information Item**  
The public may comment on any matter not on the agenda within the jurisdiction of the Committee. All comments are subject to a five-minute time limit.
2. **Approval of Agenda**  
**Motion**  
Review and approve the June 3, 2024, Finance and Audit Committee meeting agenda.
3. **Approval of Minutes**  
**Motion**  
Approve the minutes from the April 29, 2024, Finance and Audit Committee meeting.
4. **Annual Comprehensive Financial Report**  
**Information Item**  
Receive the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023.
5. **UWCD Board of Directors Meeting Agenda Item(s)**  
Review and discuss the following agenda item(s) to be considered for approval at the June 12, 2024, Board of Directors meeting. The Committee will formulate a recommendation to the entire Board based on the discussions with staff. The Committee will discuss the following items:
  - 5.1 **Adopt Resolution for the Proposed District Budget Plan, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2024-2025, and Appropriation Carryovers from Fiscal Year 2023-2024**  
**Motion**  
Review and consider recommending approval of a resolution adopting the proposed District Budget Plan, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year (FY) 2024-25, and Appropriation Carryovers from FY 2023-24, to the full Board.



**5.2 Adopt a Resolution to Request the County Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Year 2024-2025 Sufficient to Satisfy State Water Project Charges**

**Motion**

Review and consider recommending approval of adopting a resolution requesting the County Auditor-Controller to compute and affix a tax rate for FY 2024-25 to provide approximately \$4,832,000 in property tax revenue sufficient to satisfy a portion of the voter approved debt for State Water Project costs, to the full Board.

**6. Third Quarter Fiscal Year 2023-2024 Financial Report**

**Information Item**

Review the District's third quarter financial report for the period of January 1 through March 31, 2024.

**7. Investment Monthly Report (April 2024)**

**Information Item**

Receive, review, and discuss the District's investment portfolio and cash position as of April 30, 2024.

**8. Pipeline Delivery Monthly Report (April 2024)**

**Information Item**

Receive, review, and discuss the District's pipeline water activities as of April 30, 2024.

**9. Administrative Services Department Monthly Report**

**Information Item**

Receive and review the monthly report from the Administrative Services team as well as receive a verbal presentation of its highlights.

**10. Future Agenda Items**

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

**11. Adjournment**

*The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's services, programs or activities because of any disability. If you need special assistance to participate in this meeting, or if you require agenda material in an alternative format, please contact the District Office at (805) 525-4431. Notification of at least 48 hours prior to the meeting will enable the District to make appropriate arrangements.*

Approved: \_\_\_\_\_

Mauricio E. Guardado, Jr., General Manager

Approved: \_\_\_\_\_

Brian H. Zahn, Chief Financial Officer



Finance and Audit Committee Meeting AGENDA

June 3, 2024

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This agenda was posted Thursday, May 30, 2024, at 5:50 p.m. at the United Water Conservation District Headquarters, Oxnard, CA and [www.unitedwater.org](http://www.unitedwater.org).

A handwritten signature in blue ink that reads "Jacquelyn E. Lozano".

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Jacquelyn E. Lozano, Clerk of the Committee



# United Water

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## CONSERVATION DISTRICT

### STAFF REPORT

**To:** UWCD Finance and Audit Committee Members

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

**From:** Jackie Lozano, Clerk of the Committee

**Date:** May 30, 2024 (June 3, 2024, meeting)

**Agenda Item: 3. Approval of the April 29, 2024, Finance and Audit Committee Meeting Minutes**  
**Motion**

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**Staff Recommendation:**  
Approve the minutes.

**MINUTES**  
**FINANCE AND AUDIT COMMITTEE MEETING**

**Monday, April 29, 2024, at 9:00 a.m.**  
**UWCD Headquarters, First Floor, Board Room**  
**1701 N. Lombard Street, Oxnard CA 93030**

**OPEN SESSION**

The meeting was called to order at 9:00 a.m.

**Committee Members Roll Call**

All Committee members were present (Huber, Keeling, and Maulhardt).

**1. Public Comment**

No speakers.

**2. Approval of Agenda**

**Motion**

Action: M/S/C (Keeling, Maulhardt) to approve the April 29, 2024, agenda.

Vote: Ayes: Huber, Keeling, and Maulhardt; Noes: None; Absent: None.

**3. EXECUTIVE (CLOSED) SESSION**

Chair Keeling moved the meeting into Executive (Closed) Session at 9:01 a.m.

**3.1 Conference with Legal Counsel–Anticipated Litigation**

Pursuant to Government Code Section 54956.9(d)(2), one (1) case.

**SECOND OPEN SESSION**

Chair Keeling moved the meeting into the Second Open Session at 9:45 a.m.

**4. Oral Report Regarding Executive (Closed) Session**

Chair Keeling reported no action was taken during the Executive (Closed) Session that is reportable under the Ralph M. Brown Act.

**5. Approval of Minutes**

**Motion**

Action: M/S/C (Keeling, Maulhardt) to approve the April 1, 2024, minutes.

Vote: Ayes: Keeling, Huber, and Maulhardt; Noes: None; Absent: None.

**6. UWCD Board of Directors Meeting Agenda Items**

Reviewed and discussed the following agenda items to be considered for approval at the May 15, 2024, Board of Directors meeting:



**6.1 Request from the City of Santa Paula to Waive Penalties and Interest Charges for Late Submission and Payment**

**Motion**

Action: M/S/C (Keeling, Maulhardt) to recommend approval of a request from the City of Santa Paula to waive penalties and interest charges of \$25,299.82 for a late payment and filing for wells 03N21W09R05S, 03N21W11J02S, 03N21W15C06S, 03N21W16A02S, and 03N21W16A03S to the full Board.

Vote: Ayes: Keeling, Huber, and Maulhardt; Noes: None; Absent: None.

**6.2 Request to Write-off Unrecovered Fraud Payment**

**Motion**

Action: M/S/C (Keeling, Maulhardt) to approve writing off \$13,734.68 of unrecovered funds erroneously issued to a fraudulent individual claiming to be the employee of an established United Water Conservation District vendor to the full Board. Also approved to list motion under Consent Calendar on the Board agenda.

Vote: Ayes: Keeling, Huber, and Maulhardt; Noes: None; Absent: None.

**6.3 Adopt Resolution to Amend the 2020 Revenue Certificates of Participation Bond Agreement for the Rebate Arbitrage Analysis**

**Motion**

Action: M/S/C (Keeling, Huber) to approve the adoption of a Resolution approving an amendment of the 2020 Revenue Certificates of Participation (COP) Bond Agreement to adjust the Rebate Arbitrage Analysis computation from an annual requirement to every five years requirement to the full Board.

Vote: Ayes: Keeling, Huber, and Maulhardt; Noes: None; Absent: None.

**7. District Staff and Board Member Reimbursement Third Quarter Report**  
**Information Item**

Received and reviewed the expense reimbursement report for all reimbursements of business expenses to staff and board members for the third quarter of fiscal year 2023-2024.

**8. Board Requested Cost Tracking Items Third Quarter Report**  
**Information Item**

Received and reviewed the costs that the District has incurred through March 31, 2024:

- a) as part of the licensing efforts and the probable maximum flood studies for the Santa Felicia Dam;
- b) in relation to general environmental mandates, and CESA;
- c) in relation to litigation with the City of Ventura, Wishtoyo Foundation, Fifth Amendment takings, and District legal costs over the past several fiscal years;
- d) in relation to professional fees over the past several fiscal years; and
- e) a summary of motion item(s) which have a fiscal impact.



**9. Monthly Investment Report (March 2024)**

**Information Item**

Received and reviewed the District's investment portfolio and cash position as of March 31, 2024.

**10. Monthly Pipeline Delivery Report (March 2024)**

**Information Item**

Received and reviewed the District's pipeline water activities as of March 31, 2024.

**11. Monthly Administrative Services Department Update**

**Information Item**

Received and reviewed the monthly report from the Administrative Services team as well as receiving a verbal presentation of its highlights.

Director Maulhardt inquired about the District's recruiting process; specifically for engineers. Director Huber mentioned he would provide staff with contact information from the hiring department for the Port Hueneme Naval Base because they are always looking for local employment.

Action: Human Resources staff will work with General Manager to define a recruitment program which covers outreach, internship, and employment.

**12. Future Agenda Items**

Director Maulhardt requested Human Resources staff to bring forward to the Board highlights, and the topics of recruitment and hiring. He suggested the District host a student field day as an additional outreach effort to showcase the District's operations.

Action: Human Resources staff will work with the General Manager on the highlights to bring forward to the Board.

**ADJOURNMENT**

The meeting was adjourned at 10:16 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 April 29, 2024.

ATTEST: \_\_\_\_\_  
Chair Catherine P. Keeling



**United Water**  
CONSERVATION DISTRICT

**FINANCE AND AUDIT COMMITTEE MEETING**  
**April 29, 2024**

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**United Water**  
CONSERVATION DISTRICT

**FINANCE AND AUDIT COMMITTEE MEETING**  
**Finance and Administrative Services**  
**Monthly Update**

April 29, 2024

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# Financial Update

Brian H. Zahn  
Chief Financial Officer

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## March Cash Collections

UWCD	Lake Piru
Pipeline: \$ 1.2M	Day Use: \$ 14K
Groundwater: \$ 327K	Concessions: \$ 2K
Rent: \$ 9K	Boating/Watercraft: \$ 4K
Lake Piru: \$ 73K	Boat Storage: \$ 1K
Misc.: \$ 126K	Camping: \$ 50K
<b>TOTAL: \$ 1.7M</b>	Miscellaneous: \$2K
	Prior Year Total: \$ 68K
	<b>TOTAL: \$ 73K</b>

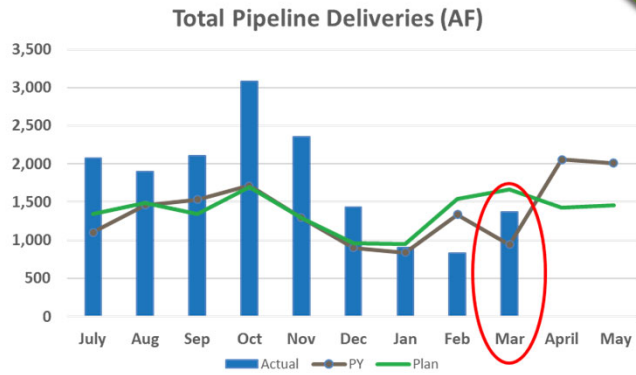
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## March 2024 Pipeline

	\$ Billed	Actual AF	Plan AF	Variance
OH	\$755K	934	850	84
PT	\$250K	325	410	(85)
PV	\$53K	110	400	(290)

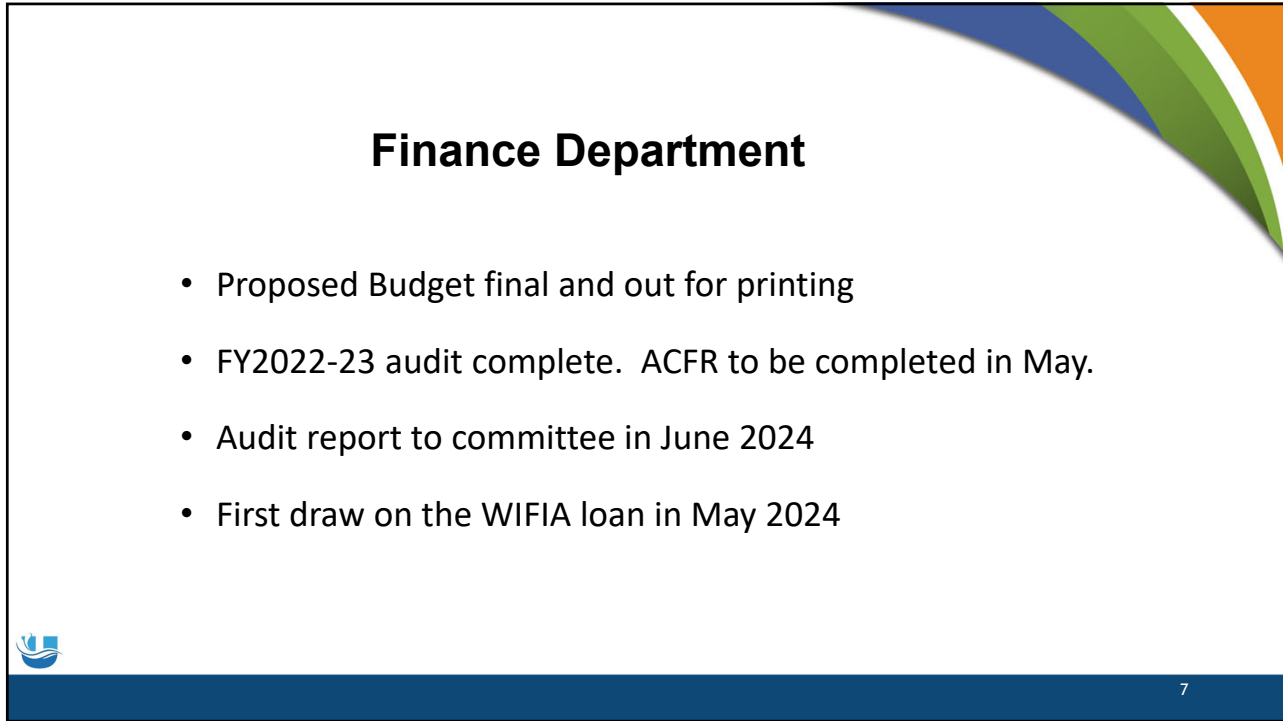
- Year-to-date March deliveries are 31% above plan and 44% above prior year.



## Board Motions with Fiscal Impact


Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
Finance	Request from the City of Santa Paula to Waive Penalties and Interest Charges	N	GW Revenue	\$25,300	None
Finance	Request to Write-off Unrecovered Fraud Payment	N	General Revenue	\$13,735	None
Engineering	Amendment to Agreement with Northwest Hydraulic Consultants (CIP 8018)	Y	CIP #8018	\$49,460	None
Engineering	Authorize Supplemental Appropriation of Funds for the Iron and Manganese Treatment Project (CIP 8007)	N	CIP Reserve Fund	\$344,126	None
Engineering	Authorize GM to Award a Construction Management and Inspection Services Contract for Phase 1 of the PTP Recycled Water Connection – Laguna Road Pipeline Project (CIP 8043)	Y	CIP #8043	\$249,000	None
<b>TOTAL</b>				<b>\$681,621</b>	





**Finance Department**

- Proposed Budget final and out for printing
- FY2022-23 audit complete. ACFR to be completed in May.
- Audit report to committee in June 2024
- First draw on the WIFIA loan in May 2024



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**Administrative Update**

**Josh Perez**  
Chief Human Resources Officer

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# Human Resources

- Promotions**
  - No promotions in April 2024.
- New Hires**
  - Hired or anticipate hiring all three personnel for the Engineering Department vacancies.
- Other Human Resources Efforts**
  - Assisted Finance with organization chart for the annual budget.

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## Current Employee Recruitments

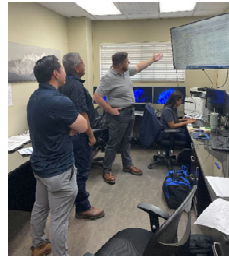
- Technology Systems Intern**  
Interns either onboarded or selected pending GM approval.
- Seasonal Park Ranger Assistants**  
Interviews held; hiring five to seven assistants
- Associate Engineer**  
Selected candidate will begin in June 2024
- Associate Environmental Scientist**  
Position closed, interviews pending



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## Risk Management

- Coordinated and participated as a member of the Process Hazard Analysis (PHA) team with Water Treatment Operations Supervisor & consultants as part of the Risk Management Plan 5-year update for chlorine and ammonia covered processes.
- Provided Valley Fever training at the monthly safety meeting; this training is required by Cal/OSHA since Ventura is listed as one of the endemic counties in the state.
- Conducted annual respirator fit testing for O&M staff; in the past, this would have cost the District \$1,500 per day for a third party to come on site.
- Conducted baseline and exit hearing tests for new and departing staff.



Process Hazard Analysis – With Risk Management Professionals, Inc. as part of a five-year Risk Management Plan Update (April 3, 2024)



Respiratory Fit Testing Information – Performed at HQs (April 17, 2024)



FEMA Request for Information – Field review of FEMA disaster response project (April 16, 2024)



## Risk Management continued

- Coordinated UHF programming on new Motorola APX Next radios with Ventura County IT partners. This capability will allow park rangers to communicate internally with recreation area staff and volunteers as well as Ventura County public safety partners with one single radio instead of having to carry two radios.
- Collected additional information from the field pertaining to Lake Piru disaster recovery project in response to FEMA RFIs alongside O&M and Environmental Services staff.
- Drafted letter to FEMA Region IX administrator and Cal OES on requesting an extension of the Lake Piru Marina Replacement Project.



Visual of new radios which are now integrated with County of Ventura response system



Senior Park Ranger, Bernard Riedel and Dam Operator, Greg DeJarnette testing new radios



## Technology Systems



- Provided staff support by processing 85 tickets of various levels of importance throughout the month.



- Provided continual support to in service of meetings for our local stakeholders to include the GSA, AWA regular meetings, and AWA symposium.



- **Technological Advancements at Lake Piru:**

- Internet Service Installation: The initiation of the first new internet service under a new agreement is nearing completion. Scheduled for final testing and formal handover to the Technology Systems (TS) department on April 23, 2024. This project marks a pivotal upgrade for the Lake Piru facilities.
- Lake Piru Store Developments: A selected vendor concluded the cabling work required to retrofit the Lake Piru Recreation Area concessions shop. TS personnel have transported the initial batch of technical equipment intended for operational use within the store, aligning with broader efforts to modernize and enhance service efficiency at this venue.
- Lake Piru Physical Security Enhancements: In a collaborative effort with the Risk and Safety departments, TS has diligently worked to activate new network equipment at the store location.



## Questions





# United Water

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## CONSERVATION DISTRICT

### STAFF REPORT

**To:** UWCD Finance and Audit Committee Members

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

**From:** Brian H. Zahn, Chief Financial Officer

**Date:** May 30, 2024 (June 3, 2024, meeting)

**Agenda Item: 5.1 Adopt Resolution for the Proposed District Budget Plan, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2024-2025, and Appropriation Carryovers from Fiscal Year 2023-2024**  
**Motion**

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#### **Recommendation:**

Review and consider recommending approval of a resolution adopting the proposed District Budget Plan, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year (FY) 2024-25, and Appropriation Carryovers from FY 2023-24, to the full Board.

1. Consider the FY 2024-25 Budget (which includes, among other things, the District's overhead allocation methodology, and amended staffing levels and salary schedule) and recommended revisions to the original budget proposals identified later in this report and comments from Board members and the public.
2. Adopt a Resolution (attached) that:
  - a. approves the FY 2024-25 Budget, noting and including any changes agreed to by the Board as part of its budget deliberations at the May 28, 2024, meeting to the proposed budget submitted on April 30, 2024;
  - b. authorizes necessary FY 2023-24 appropriation carryovers;
  - c. approves Overhead Allocation Rates for FY 2024-25;
  - d. approves staffing levels and salary schedules; and
  - e. approves the Proposed FY 2024-25 Budget document.

#### **Summary:**

The District's Proposed FY 2024-25 Budget was made available on April 30, 2024, and formally presented to the Board on May 28, 2024, in a public budget workshop. The presentation included an overview of the budget process, development of revenues and expenditures projections, rate changes recommended, how costs are fairly and

**Agenda Item: 5.1 Adopt Resolution for the Proposed District Budget, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2024-2025, and Appropriation Carryovers from Fiscal Year 2023-2024**  
**Motion**

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proportionally allocated to the various funds, and a review of the Proposed FY 2024-25 Budget in detail. The proposed Oxnard Hueneme Pipeline budget was reviewed with the Oxnard Hueneme Pipeline contractors on May 13, 2024. The Pumping Trough Pipeline (PTP) users were addressed by District staff on May 13, 2024. The Pleasant Valley Pipeline (PV) users were addressed by District staff on May 21, 2024.

**Discussion:**

The District's budget is comprised of the General/Water Conservation Fund (combination of Water Conservation Activities Sub Fund (Zone A), General Operating Activities Sub Fund and Recreation Activities Sub Fund), four enterprise funds, a proposed special revenue fund (State Water Import Fund (Zone S)) and the Overhead Fund. The Water Conservation Activities Sub Fund (Zone A) includes District-wide water conservation activities such as groundwater recharge operations, groundwater monitoring, modeling and analysis and the necessary environmental compliance required to support the District's core mission to preserve and augment groundwater resources. The Water Conservation Activities Sub Fund is funded primarily by revenue generated from groundwater extraction charges and in-lieu water delivery charges and may be partially augmented by available property tax revenue at the discretion of the Board. The General Operating Activities Sub Fund includes all activities that indirectly support District-wide water conservation efforts in Zone A. The General Operating Activities Sub Fund and the Recreation Activities Sub Fund are supported primarily by the District's property tax receipts.

The District's four enterprise funds are comprised of the Freeman Diversion Fund (Zone B), Oxnard Hueneme Pipeline Fund (OH), Pleasant Valley Pipeline Fund (PV) and the Pumping Trough Pipeline Fund (PTP). All expenses directly related to each enterprise fund are charged to that fund and are part of the equation used to determine delivery charges for each pipeline and how the groundwater extraction charge (Zone B) is determined for the Freeman Diversion.

The District maintains a State Water Importation Fund to account for the purchase and importation of water from the State Water Project, which is funded through a voter approved special property tax assessment and an extraction charge on groundwater pumping in Zone S. The tax assessment is separate from the property tax receipts accounted for in the General/Water Conservation Fund, as discussed earlier.

The District's budget includes the Supplemental Water Fund which will account for the purchase of water other than the Table A allocation from the State Water Project. The fund will be funded through a surcharge on groundwater extraction and in-lieu fees. The Supplemental Water Fund will be utilized exclusively for purchases of outside water and not for any other District expenses.

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**Agenda Item: 5.1 Adopt Resolution for the Proposed District Budget, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2024-2025, and Appropriation Carryovers from Fiscal Year 2023-2024**  
**Motion**

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The District's Overhead Fund is used to account for the indirect administrative costs of operating the District. These costs are proportionally distributed to the five primary operating funds used by the District via the overhead allocation rate setting methodology specified in the OH Pipeline Water Delivery contract and approved by the Board prior to each fiscal year as part of the budget approval process. Every month during the fiscal year, actual expenditures in the Overhead Fund are charged against the operating funds (excluding the State Water Importation Fund) and revenues are transferred to the Overhead Fund to match revenues with expenditures; although overhead costs for liability/property insurance premiums and capital asset purchases are allocated and charged directly to the five operating funds.

The District is currently comprised of three zones: Zone A - Water Conservation Activities Sub Fund (also sometimes referred to as the Zone A Water Conservation Fund), Zone B (Freeman Fund) and Zone S (State Water Importation Fund). California Water Code Section 75540 provides the Board with the authority to establish zone(s) at its discretion, based on the District's annual investigation and report on groundwater conditions. A zone may include the entire District. The Board has consistently established the entire District as Zone A, in recognition that all of the groundwater basins in the District are hydro-geologically connected and it is acknowledged annually that there is an average annual and accumulated overdraft "of all the groundwater basins in the District." Zone A (Water Conservation Activities Sub Fund) charges are used to provide services, operations, infrastructure, and facilities that the District's Board has determined benefit all of the groundwater basins within the District by assisting in the District's efforts to combat the average annual and accumulated overdraft and corresponding seawater intrusion, as well as promote safe, reliable, sustainable and cost-effective local water supplies. Zone A charges do not include any metered or potable water utility or delivery operations, other than the Saticoy Well Field, established and used as a groundwater management facility. The FY 2024-25 Budget document includes more detailed information on the programs and activities funded under the General/Water Conservation Fund, the Freeman Diversion Fund (Zone B) and the State Water Importation Fund (Zone S). Groundwater extractions and pipeline delivery customers in Zone B pay both the Zone A and B groundwater extraction charges. Groundwater extractions and pipeline delivery customers in Zone S pay the Zone A, Zone B and Zone S groundwater extraction charges.

The FY 2024-25 Budget, as discussed at the May 28, 2024, Budget Workshop includes:

1. Changes to the Water Conservation Sub Fund Groundwater Extraction Charge (Zone A).
  - Agricultural - \$89.75/AF to \$135.07/AF
  - Municipal and Industrial - \$100.52/AF to \$151.28/AF

**Agenda Item: 5.1 Adopt Resolution for the Proposed District Budget, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2024-2025, and Appropriation Carryovers from Fiscal Year 2023-2024**  
**Motion**

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2. Changes to the Freeman Extraction Charge (Zone B).
    - Agricultural - \$87.00/AF to \$135.25/AF
    - Municipal and Industrial - \$97.44/AF to \$151.48/AF
  3. Changes to the Water Purchase Surcharge to facilitate the purchase of Article 21 or other supplemental water in future years.
    - Agricultural - \$10.00/AF to \$10.00/AF
    - Municipal and Industrial - \$10.00/AF to \$10.00/AF
  4. The addition of the Zone S Extraction Charge
    - Agricultural - \$26.79/AF to \$25.66/AF
    - Municipal and Industrial - \$30.01/AF to \$28.74/AF
  5. Changes in the projected volume of groundwater extractions in the Upper and Lower Basins for agricultural pumpers decreased by approximately 17 percent from prior year's budget.
  6. Changes in the projected volume of groundwater extractions in the Upper and Lower Basins for Municipal and Industrial pumpers decreased by approximately 15 percent from prior year's budget.
  7. Changes in Oxnard Hueneme Pipeline Variable O&M Costs per AF of \$363.17 to \$474.62.
  8. Changes in Oxnard Hueneme Pipeline Marginal O&M Costs per AF of \$161.45 to \$237.94
  9. Changes in Oxnard Hueneme Pipeline Fixed Costs per unit of peak capacity of \$26,434.00 to \$55,924.89.
  10. Changes to the PTP Fixed (upper) Costs per turnout from \$745.50 to \$887.50.
  11. Changes to the PTP Fixed (all others) Costs per turnout from \$1,050.00 to \$1,250.00.
  12. Changes in PTP Variable O&M Costs per AF of \$395.00 to \$590.00.
  13. Changes in PTP Saticoy Well Costs per AF of \$30.00 to \$0.00.
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**Agenda Item: 5.1 Adopt Resolution for the Proposed District Budget, Overhead Allocation Method, Staffing Levels, and Salary Schedules for Fiscal Year 2024-2025, and Appropriation Carryovers from Fiscal Year 2023-2024**  
**Motion**

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14. Changes in PV Variable O&M Costs per AF of \$55.00 to \$25.00.
15. Changes to the PV Fixed Costs from \$26,000.00 to \$20,000.00.
16. Changes in PV Saticoy Well Costs per AF of \$30.00 to \$0.00.
17. Changes in Oxnard Hueneme Pipeline Marginal O&M Costs per AF of \$161.45 to \$237.94
18. Changes in Oxnard Hueneme Pipeline Fixed Costs per unit of peak capacity of \$26,434.00 to \$55,924.89.
19. Inclusion of FY 2023-24 appropriation carryovers including ongoing capital improvement projects and open contractual or purchase order commitments that have been made but not yet completed and would run into the next fiscal year.

With the adoption of the FY 2024-25 Budget, the Board approves the various components included within the budget document such as:

- Staffing levels and related salary/compensation schedules (pages 13-15)
- Overhead allocation plan (page 32)

**Fiscal Impact:**

Adoption of the FY 2024-25 Budget, as modified and recommended, sets the District's rates and the Board's spending plan for staff for the upcoming fiscal year. This spending plan represents the authorization to expend funds over the next 12 months per the policies and established objectives and goals of the Board of Directors. The budget can be amended throughout the fiscal year as often and whenever the Board so desires, via a majority vote of its members. If a budget is not adopted, staff would not have the authority to expend funds or carry out District operations.

**Attachment:**

Resolution

**RESOLUTION 2024-\_\_\_****A RESOLUTION OF THE BOARD OF DIRECTORS OF  
UNITED WATER CONSERVATION DISTRICT ADOPTING THE PROPOSED  
DISTRICT BUDGET, OVERHEAD ALLOCATION METHOD, STAFFING  
LEVELS, AND SALARY SCHEDULES FOR  
FISCAL YEAR 2024-25, AND APPROPRIATION CARRYOVERS  
FROM FISCAL YEAR 2023-24****SECTION 1. FISCAL YEAR 2024-25 BUDGET**

**WHEREAS**, the General Manager, on April 30, 2024, submitted the Proposed Budget Plan for United Water Conservation District (“District”) for the Fiscal Year 2024-25, commencing July 1, 2024; and

**WHEREAS**, as required by the “WATER SUPPLY AGREEMENT FOR DELIVERY OF WATER THROUGH THE OXNARD HUENEME PIPELINE” the following activities were undertaken by the District:

1. A preliminary draft of the District’s Fiscal Year 2024-25 Budget Plan, including the Oxnard Hueneme Pipeline Fund (OH) budget, was submitted to the contractors for their review on May 13, 2024;
2. The preliminary draft of the budget included a summary of projected water deliveries; fixed and variable costs and projected fixed, variable and marginal rates;
3. The District held an OH contractors’ meeting on May 13, 2024; and

**WHEREAS**, a Board of Directors’ Budget Workshop was held on May 28, 2024, wherein the following was reviewed and discussed:

1. The budget preparation process;
2. The FY 2024-25 Budget Plan and five-year CIP Plan, as recommended by the General Manager, and

**WHEREAS**, the Board of Directors conducted a hearing on June 12, 2024, to discuss and consider the proposed Fiscal Year 2024-25 Budget Plan as originally submitted.

**RESOLUTION 2024-**  
**(continued)**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of United Water Conservation District hereby approves and adopts the Fiscal Year 2024-25 Budget Plan as proposed to the Board of Directors on June 12, 2024, with the following revisions, as directed by the Board:

**SECTION 2: FISCAL YEAR 2023-24 APPROPRIATION CARRY-OVERS**  
**(Encumbrances)**

**WHEREAS**, the completion of District work does not necessarily coincide with the calendar dates of the fiscal year, and as such work is in progress, contracts are in progress, or work otherwise is unavoidably delayed beyond June 30, 2024.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of United Water Conservation District hereby authorizes the carryover of specific appropriations from one budget year (FY 2023-24) to the next (FY 2024-25) to complete Board authorized work plan(s) and other operating needs, and therefore, effective June 30, 2024, before closing the District's financial accounting records for FY 2023-24, the Board of Directors hereby appropriates and authorizes the carryover in the General/Water Conservation Fund and other specified District funds for use in FY 2024-25, those appropriations from the Fiscal Year 2023-24 Budget deemed necessary by the General Manager to complete specific projects or services that could not be finalized prior to June 30, 2024.

**SECTION 3. OVERHEAD ALLOCATION METHOD**

**WHEREAS**, District management has reviewed the relationship of overhead expenses to the various funds and programs of the District; and

**WHEREAS**, the review considered the relative proportion of each fund's expenditures to total operating expenditures, the units of billings per fund, the direct labor hours worked in each fund, the number of accounts payable transactions in each fund and the revenue generated in each fund based on prior year activity; and

**WHEREAS**, in the judgment of management and after review by the Finance and Audit Committee the following allocation of overhead expenses is equitable, proportional, and rational.

**RESOLUTION 2024-**  
**(continued)**

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of United Water Conservation District hereby approves District overhead expenses to be proportionately allocated for Fiscal Year 2024-25 to the District's operating funds as follows:

General/Water Conservation Fund	57.49 %
Freeman Fund	15.20 %
OH Pipeline Fund	18.49 %
PV Pipeline Fund	0.68 %
PT Pipeline Fund	8.14 %
Total	100.00 %

**SECTION 4. STAFFING LEVELS AND SALARY SCHEDULES**

**BE IT RESOLVED** that the Board of Directors of United Water Conservation District hereby approves the Position Titles and Annual Salary Ranges and Staffing Levels as amended in the proposed Fiscal Year 2024-25 Budget Plan.

**ADOPTED AND PASSED** this 12th day of June 2024.

ATTEST: \_\_\_\_\_  
Sheldon Berger, President

ATTEST: \_\_\_\_\_  
Cathrine P. Keeling, Secretary/Treasurer



# United Water

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## CONSERVATION DISTRICT

### STAFF REPORT

**To:** UWCD Finance and Audit Committee Members

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

**From:** Brian H. Zahn, Chief Financial Officer

**Date:** May 30, 2024 (June 3, 2024, meeting)

**Agenda Item:** **5.2 Adopt a Resolution to Request the County Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Year 2024-2025 Sufficient to Satisfy State Water Project Charges**  
**Motion**

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#### **Staff Recommendation:**

Review and consider recommending approval of adopting a resolution requesting the County Auditor-Controller to compute and affix a tax rate for FY 2024-25 to provide approximately \$4,832,000 in property tax revenue sufficient to satisfy a portion of the voter approved debt for State Water Project costs, to the full Board.

#### **Discussion:**

Annually, in order to fund State Water Project Table A allocation costs, the District's Board of Directors must request that the County's Auditor-Controller compute and affix a tax rate to the property tax roll for the upcoming fiscal year.

As part of the budget preparation, staff estimates the operating costs and debt service for State Water corresponds to the District's annual 5,000 acre-foot AF share of the 20,000 AF Table A contracted amount held by the Ventura County Watershed Protection District (VCWPD). Additionally, starting in 2023 for five (5) years, the District has contracted to purchase the Casitas Municipal Water District's annual 5,000 AF share of the 20,000 AF Table A contracted amount held by the Ventura County Watershed Protection District (VCWPD). The Board may fund these costs by using tax revenues or a combination of tax revenues and reserves. These estimates are to be submitted to the County no later than August 1, 2024, for the Auditor-Controller to establish calculations for the tax rate necessary to fund the annual project cost obligation.

The State of California operates the State Water Project on a calendar year basis and the District typically attempts to purchase as much of its Table A allocation as possible for

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**Agenda Item: 5.2 Adopt a Resolution to Request the County Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Year 2024-2025 Sufficient to Satisfy State Water Project Charges**  
**Motion**

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delivery. The District cannot currently receive delivery of State Water during the months of January through October, largely due to the U.S. Endangered Species Act issues along middle Piru Creek.

Of the total \$2,569,390 budgeted costs for State Water in FY 2024-25, approximately \$1,286,370 represents the District's projected share of the VCWPD State Water contractual fixed costs. As the Board is aware, Port Hueneme Water Agency (PHWA) leases 1,850 AF of the District's 5,000 AF Table A allocation, leaving the District with a total of 3,150 AF. PHWA reimburses the District only for actual State Water delivered.

As of May 2024, the Department of Water Resources has authorized deliveries at 40 percent of State Water Contractors' Table A allocation. The District's allocation at 40 percent is 1,260 AF for the District's contract and 2,000 AF for the Casitas Municipal Water District contract.

The assessment rate for FY 2024-25 will be based on the actual assessed valuation of properties within the State Water Importation tax roll areas. It is not possible for staff to estimate what the actual assessed valuation total will be. The assessor calculates a rate by dividing the District's request by the total assessed valuation of properties within the State Water Importation tax roll areas. That rate is then applied to the assessed value of each individual property to compute a proportional share to affix to each property owner's individual tax bill.

**Fiscal Impact:**

Property tax revenue of \$4,832,000 is necessary to cover the budgeted costs of State Water in FY 2024-25 and maintain adequate reserves, pursuant to the District's reserve policy.

**Attachments:**

- A – Resolution
- B – State Water Tax Request Auditor Form 82

**RESOLUTION 2024-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
UNITED WATER CONSERVATION DISTRICT  
REQUESTING THE AUDITOR-CONTROLLER TO COMPUTE AND AFFIX  
A TAX RATE FOR THE FISCAL PERIOD 2024-2025 SUFFICIENT TO SATISFY THE  
STATE WATER PROJECT CHARGES**

**WHEREAS**, the United Water Conservation District, as of July 1, 1970, was allocated 5,000 acre-feet of state water; and

**WHEREAS**, since 1970 there has been annual revenue needed to pay the State Water Project fixed and variable charges (voter approved debt) for the District's 5,000 acre-foot allocation, and United Water Conservation District has paid the variable charges in the years when all or a portion of the Table A allocation was received; and

**WHEREAS**, starting in 2023 for five years, there will be annual revenue needed to pay the State Water Project fixed and variable charges (voter approved debt) for the Casitas Municipal Water District 5,000 acre-foot allocation the District has contracted to purchase; and

**WHEREAS**, the estimated amount of revenue required for the fiscal year July 1, 2024, through June 30, 2025, to satisfy unfunded State Water Project charges is \$4,832,000.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the United Water Conservation District does request the Auditor-Controller to compute and affix a tax rate for the fiscal period July 1, 2024, through June 30, 2025, sufficient to satisfy the State Water Project charges up to the amount set forth above.

**ADOPTED AND PASSED** this 12<sup>th</sup> day of June 2024.

ATTEST: \_\_\_\_\_  
Sheldon Berger, President

ATTEST: \_\_\_\_\_  
Catherine P. Keeling, Secretary/Treasurer

**County of Ventura**  
**Jeffery S. Burgh**  
**Agency Director/Assistant Auditor-Controller**

Schedule of available financing budget requirements  
Voter approved debt service rates levied

Please prepare this schedule for each fund  
which levies a rate for voter approved debt

Budget no. \_\_\_\_\_

Fund no. 7771

SUMMARY OF AVAILABLE FINANCING:

1. Estimated fund Balance, 6/30		\$ 3,743,000
2. Less: Fund Balance - Unavailable		
3. Reserve for encumbrances	\$ -	
4. Uncancelled general reserve (Prior Year)		
5. Other reserves (Account No.)		-
6. Inter-fund Transfers (+ or -)		
7. Fund Balance available for Financing Budget Year		3,743,000
8. Estimated revenue		87,000
9. TOTAL AVAILABLE FINANCING		\$ 3,830,000
10. SUMMARY OF SPECIAL DISTRICT BUDGET		
11. Requirements:		
12. Expenditure appropriation	\$ 5,319,000	
13. Provisions for Reserves (New/Increase)	3,343,000	
14. Total requirements		\$ 8,662,000
15. Less: available financing (Item 9)		3,830,000
16. Amount to be Raised for Voter approved Debt		\$ 4,832,000
17. Request Tax Rate		
18. Tax Rate to be computed by County Auditor	<u>Yes</u>	(Yes or No)
(If answer no give code section that authorized District Board to set tax rate.)		

I do hereby certify that the amount of money to be raised by property taxes is for voter approved debt due and payable for the current fiscal year.

Approved by \_\_\_\_\_  
Title Chief Financial Officer  
Date \_\_\_\_\_

Please Return to: Ventura County auditor by August 1.  
Attention: Property Tax Section

Do not include estimate for Homeowners Subvention, if Auditor-Controller computes Tax Rate.

**United Water Conservation District**

**State Water Import Fund - 110**

(\$ thousands)	Actual FY 2022-23	Projected FY 2023-24	Adopted FY 2023-24
<b>Cash Reserves/Working Capital:</b>			
Beginning Balance July 1	6,007	7,735	3,743
Net Surplus / (Shortfall)	1,728	(3,992)	(400)
<b>Ending Balance June 30</b>	<b>7,735</b>	<b>3,743</b>	<b>3,343</b>

	Reserve Maximum	Reserve Balance
	(\$ thousands)	(\$ thousands)
Full Water Allocation Purchase Reserve	1,575 *	1,575
General Reserve	1,000	1,768
<b>Total</b>	<b>2,575</b>	<b>3,343</b>

\* Based on most recent price per AF of Article 21 or Table A water, whichever is higher

**Purchase activity since 2008 in acre feet:**

	Approved Obligation	United Purchased	PHWA Purchased
2008	5,000	1,980	733
2009	5,000	3,150	1,850
2010	5,000	3,150	1,850
2011	5,000	2,520	932
2012	5,000	3,150	1,850
2013	5,000	2,242	830
2014	5,000	-	-
2015	5,000	630	233
2016	5,000	1,890	699
2017	5,000	12,677	1,573
2018	5,000	1,103	647
2019	5,000	13,516	1,295
2020	5,000	788	463
2021	5,000	158	93
2022	5,000	158	93
2023	10,000	20,150	1,850
2024	10,000	6,575	925
<b>Total</b>	<b>95,000</b>	<b>73,836</b>	<b>15,914</b>

**United Water Conservation District**

**State Water Import Fund - 110**

(\$ thousands)	<b>Actual FY 2022-23</b>	<b>Projected FY 2023-24</b>	<b>Proposed FY 2024-25</b>
<b>Revenues:</b>			
Taxes	3,192	5,991	4,832
Investment/Interest Earnings	80	99	87
Other Revenue	14	-	-
<b>Total Revenues</b>	<b>3,286</b>	<b>6,089</b>	<b>4,920</b>
<b>Expenditures:</b>			
Miscellaneous	6	18	5
State Water Import Costs	1,454	9,946	5,200
<b>Operating Expenses</b>	<b>1,460</b>	<b>9,964</b>	<b>5,205</b>
Debt Repayment - Principal	65	74	78
Debt Repayment - Interest	32	44	36
<b>Debt Services</b>	<b>97</b>	<b>117</b>	<b>114</b>
<b>Total Expenditures</b>	<b>1,558</b>	<b>10,082</b>	<b>5,319</b>
<b>Net : Surplus / (Shortfall)</b>	<b>1,728</b>	<b>(3,992)</b>	<b>(400)</b>



## STAFF REPORT

**To:** UWCD Finance and Audit Committee Members

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

**From:** Brian H. Zahn, Chief Financial Officer

**Date:** March 31, 2024 (June 3, 2024, meeting)

**Agenda Item:** **6. Fiscal Year Third Quarter 2023-2024 Financial Reports  
(January 1 – March 31, 2024)  
Information Item**

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### **Staff Recommendation:**

Review the District's third quarter financial report for the period of January 1 through March 31, 2024, as well as receive a presentation from the Chief Financial Officer.

### **Discussion:**

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

This report represents nine months of financial information for District operations for Q3 FY 2023-24 (75 percent of the total fiscal year). Included in this report are budget to actual comparisons to date for District revenues, expenditures, and water deliveries, as well as discussion of any significant variances. This report is based on unaudited financial data and therefore is subject to revision as staff makes any necessary adjustments that may occur during the year.

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

Staff currently offer no recommendations for budget adjustments.

### **Attachments:**

- A – CIP Status FY 2023-24 Third Quarter Financial Reports
  - B – FY 2023-24 Third Quarter Financial Reports
-



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

General Manager  
Mauricio E. Guardado, Jr.

Legal Counsel  
David D. Boyer

May 30, 2024

Board of Directors  
United Water Conservation District

**Subject: Third Quarter Fiscal Year 2023-2024 Financial Reports**

Dear Board Members:

Enclosed for your review are the District's Fiscal Year (FY) 2023-2024 Third Quarter Financial Reports. These reports represent six months of financial information for District operations (July 1, 2023, through March 31, 2024) and Capital Improvement Project (CIP) updates (January 1 through March 31, 2024).

The report focuses primarily on the operating funds of the District and corresponding CIP funds:

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

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

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



## **OPERATING FUNDS**

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

## **CAPITAL IMPROVEMENT PROGRAM STATUS**

A one-page summary of the District's current Five-Year Capital Improvement Program appears along with Benchmark Interest Rates as part of Attachment B. **As of March 31, 2024**, all CIP expenditures are within the total amount appropriated by the Board.

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

- ***Well Replacement Program (CIP # 8000)***

Construction of Well 20 is complete, this quarter saw the installation of the curbing around the new Well 20 piping. Staff are working with California's Department of Drinking Water to amend the El Rio Pumping Plant permit in order to place Well 20 into service.

- ***Freeman Diversion Expansion (CIP # 8001)***

The 60% design of the Hardened Ramp fish passage alternative continued. Consultants also work feverishly on the MSHCP, which is due early next quarter.

- ***Santa Felicia Dam Outlet Works Rehabilitation (CIP # 8002)***

- GEI Consultants Inc. developed the 100% design of the new outlet works. The Board of Consultants (BOC) Meeting No.9 for the 100% design package review was scheduled for August 20-21, 2024. The 100% design package will be submitted to FERC, DSOD and the BOC at least two weeks prior to the BOC meeting by August 6, 2024.

- Design PFMA – 90% Outlet Works and 60% Spillway

- Design PFMA Workshop - The design PFMA workshop was conducted at District HQ from January 22 to 25, 2024, and two virtual overflow days were conducted on February 2, 2024, and February 5, 2024. An additional 8-hour overflow session held on March 11, 2024, was required to finalize the PFMs that were identified but could not be fully developed during the previous workshops in January and February. A Design PFMA Summary Report will be prepared by Black and Veatch (BV) and submitted to the District for review in April 2024.

- ***Santa Felicia Dam Probable Maximum Flood Containment (CIP # 8003)***

Staff and the Grant Task Force (GTF) responded to multiple requests regarding the 2023 FEMA Flood Mitigation Assistant (FMA) grant sub-application. The final copy of the sub-application was resubmitted to Cal OES on February 12, 2024. Cal OES informed staff via an email on March 6, that Cal OES submitted our sub-application to FEMA for review and funding consideration. If considered for funding, the FEMA FMA grant will support the design and construction of the Spillway Improvement Project.



- ***Santa Felicia Dam Sediment Management (CIP # 8005)***  
The feasibility study was completed in 2022. No updates to report.
- ***Oxnard Hueneme Pipeline Iron and Manganese Treatment Facility (CIP # 8007)***  
Construction is substantially complete. In January 2024, a buried 24” butterfly valve in line of the Filtered Water (FW) pipeline would not open preventing the delivery of treated water into the distribution system. Refurbishment of the valve is underway with replacement scheduled for early April 2024. In March 2024, issues with the air scour system dating back to September 2023 were resolved by the Contractor through a series of modifications and trial and error testing.
- ***Freeman Conveyance System Upgrade–Freeman to Ferro Recharge Basin (CIP # 8018)***  
The construction contract for the Inverted Siphon Replacement Project was executed with Granite Construction. Staff met with the Army Corp of Engineers to progress the permitting process for the Three Barrell Culvert Replacement Project. Detailed design and permitting efforts kicked off for the connection from Noble to Ferro Basin.
- ***Extraction Barrier and Brackish Water Treatment (CIP # 8019)***  
*New Monitoring Wells:*  
On March 15, 2024, Notice of Award was issued to ABC Liovin Drilling, Inc. Comments on Modification No. 1 to the monitoring well license agreement was sent to the Navy on March 26, 2024.  
*Letter of Request (LOR):*  
Due to significant storm damage at the proposed extraction well site location “EBB3,” an alternative location was proposed to Navy Southwest Region Real Estate.  
*Grants:*  
On March 4, the State Water Resources Control Board Division of Financial Assistance provided the draft agreement (60% complete) for the \$8.5 million Proposition 1 Groundwater Grant Program Round 3 Grant.  
*Design:*  
Kennedy/Jenks Consultants continued with the 10% design effort. On March 12, 2024, Kennedy/Jenks Consultants and Environmental Science Associates held a workshop related to the Mugu Lagoon outfall design. The draft dig permit for geotechnical exploration work was submitted on February 27, 2024, and a site clearance meeting was held on March 25, 2024. On March 19, 2024, a professional services agreement was executed with Encompass Consultant Group for land surveying services.
- ***Rice Ave. Overpass PTP (CIP # 8021)***  
General Counsel is representing the District in three litigation cases related to the project. In the first case, CalTrans vs. United, United is negotiating an agreement with CalTrans to secure access to the PTP Well Site No. 4 during construction of the overpass and secure an easement or ownership of a parcel next to the well site that would allow United to have sufficient footprint for operation and maintain of the well. A Case Management Conference with the Court is scheduled for April 8, 2024, and the trial is scheduled for August 3, 2026. The second case is related to Caltrans vs. Pegh Properties where United



is named as an easement holder. United has entered to a Stipulated Order with Caltrans and CalTrans would not acquire United's easement right. A Case Management Conference with the Court is scheduled for April 17, 2024. In the third case, CalTrans vs. Santa Elena, United is named as an easement holder and Caltrans is not planning to acquire United's easement right. An executed Stipulated Judgment would end this litigation for United and allow United to keep its easement rights on the property. A Case Management Conference with the Court is scheduled for June 6, 2024.

- ***PTP Metering Improvement Project (CIP # 8022)***

As of March 2024, fifty-three (53) out of sixty (60) meters are installed and operational. Thirty-three (33) easements have been recorded out of forty (40) required for completion of the project.

- ***State Water Interconnection (CIP # 8025)***

The City of Ventura (City) provided comments on the 90% design of the interconnection provided by Stantec, the City's consultant in January 2024. The final design documents are scheduled to be submitted by Stantec to the City for review in mid-May 2024.

- ***Replace El-Rio Trailer (CIP # 8028)***

The old trailer has been removed and a new one is expected to arrive onsite in early May 2024.

- ***Asset Management System/CMMS System (CIP # 8041)***

Staff organized learning sessions about asset management with two consultants with expertise in asset management.

- ***PTP Recycled Water Connection – Laguna Road Pipeline (CIP # 8043)***

Several coordination meetings with Pleasant Valley County Water District (PVCWD) were conducted in January and February 2024 to develop and discuss the draft Agreement between the District and PVCWD for recycled water delivery. District staff reviewed and provided comments on the 60% design plans for the pipeline (Phase 1). District staff reviewed and commented on the draft hydraulic Technical Memorandum (TM) related to the pipeline (Phase 1) and booster pump station (Phase 2). District staff reviewed and commented on the public draft CEQA Initial Study document that was expected to be finalized and released for public review and comment from April 17 to May 1, 2024. District staff drafted Request for Proposals (RFPs) to be solicited to selected firms for professional consulting services to provide construction management and inspection services for the pipeline (Phase 1) construction.

- ***SCADA Hardware Update (CIP # 8046)***

The Control Systems team conducted several PLC improvements and upgrades in this quarter. Upgraded was the El Rio TID cabinet with an Uninterruptible Power Supply unit to ensure clean and consistent power delivery to the PLC. Upgraded and completely rehabilitated were the PLC and cabinet for PTP-4. The original cabinet was ground mounted while the new cabinet is now off the ground and wall mounted. This will reduce the likelihood of critters and rodents as well as water to get into the cabinet, preserving



the PLC and electronics inside. The PLC for PTP-4 was also upgraded to a Compact Logix 5000. After completion of PTP-4, the Control Systems team shifted focus towards Saticoy. Staff began with the upgrade of the PLC at Saticoy Well #3. The PLC has been upgraded to a Compact Logix 5000 and is now up and running. Staff have also begun the upgrade phase to the Moss Screen PLC but will have to postpone the upgrade until the next quarter.

- **Lake Piru Recreation Area Pavement Maintenance Program (CIP # 8047)**  
No activity this quarter.
- **Condor Point Improvement Project (CIP # 8048)**  
Two Notices of Completion (NOC) were recorded with the Ventura County Clerk Recorder on March 5, 2024. One NOC for the Condor Point Improvement Project by MDJ Management and one NOC for the Condor Point Swim Beach Project by MDJ Management.
- **Main Supply Pipeline Sodium Hypochlorite Injection Facility (CIP # 8053)**  
The rental chemical tank was removed and a spare chemical tank from PTP system is serving as the sodium hypochlorite (NaOCl) storage/injection supply at Saticoy Moss Screen.
- **Lake Piru Campground and Recreation Area Renovations (CIP # 8055)**  
A Professional Consulting Services agreement between the District and Stantec for development of the 30% design of the FIP was executed on March 20, 2024, following the District's Board approval of the contract at the March 13, 2024, Board of Directors meeting. A kick-off meeting with Stantec was conducted on March 27, 2024.
- **OHP Low-Flow Upgrade (CIP # 8056)**  
No updates to report.
- **Critical Well Environmental Improvement (CIP # 8057)**  
Staff reached out to various vendors for quotes to implement the project.
- **Piru Early Warning System Replacement (CIP # 8058)**  
This CIP is being deferred. The resources are being reallocated to the radio system upgrade, which is directly related to the early warning system. The CIP will remain in the budget and additional resources will be requested in FY 2024/2025.
- **OH Well 13 Rehabilitation (CIP # 8059)**  
No updates to report.
- **OH Well 14 Energy Efficiency Upgrades (CIP # 8060)**  
Staff reviewed the Draft Preliminary Design Report for the replacement of the well discharge line.



**CASH POSITION AND INVESTMENTS OF THE DISTRICT**

As of March 31, 2024, the District had a total of \$34.4M in cash and investments. As noted in the cash position report, some of the District’s resources are readily available for use while other funds have restrictions that limit how they can be used. The District must adhere to any legal, bond or contractual restrictions placed on funds. However, some restrictions are based on Board designations and can be redirected for other uses if the Board so determines.

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

	Mar-24	Mar-23
Bank of Sierra	\$ -	\$ 1,671,279
Citizens Business Bank	\$ 2,360,646	\$ 2,409,545
US Bank - 2020 COP Bond Balance	\$ -	\$ 10,121,506
Petty Cash	\$ 4,400	\$ 4,400
County Treasury	\$ 1,884	\$ 1,712
LAIF Investments	\$ 32,056,987	\$ 35,241,746
<b>Total</b>	<b>\$ 34,423,918</b>	<b>\$ 49,450,188</b>

Any restrictions on the remaining \$ 34.4M are listed in this report.

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

Respectfully submitted,



Brian H. Zahn  
 Chief Financial Officer

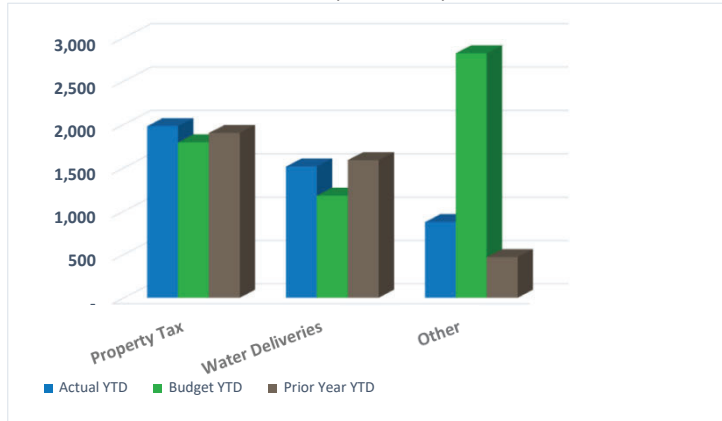
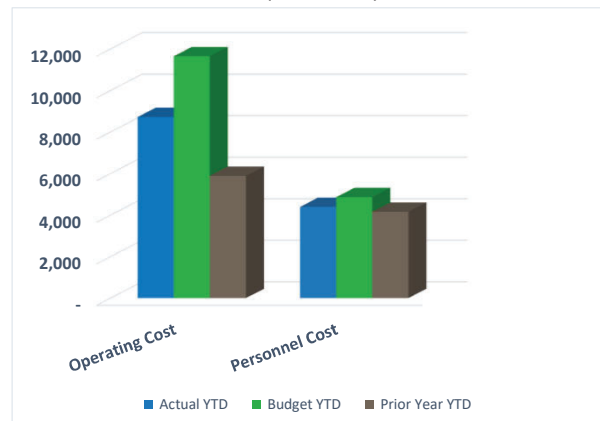
**FY 2023-24 Third Quarter Financial Review**

July 1, 2023 through March 31, 2024

75% of Fiscal Year Completed

**General/Water Conservation Fund**

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
<b>Revenues</b>							
Water Delivery	1,513	1,177	336	29%	1,587	(74)	-5%
Groundwater	6,519	7,662	(1,143)	-15%	7,910	(1,391)	-18%
Supplemental Water	0	0	0	0%	0	0	0%
Property Taxes	1,980	1,792	188	10%	1,901	79	4%
Earnings on Investments	615	221	394	179%	585	30	5%
Other	1,426	6,227	(4,801)	-77%	1,018	408	40%
Transfers in	98	0	98	0%	5	92	0%
<b>Total Revenues</b>	<b>12,150</b>	<b>17,079</b>	<b>(4,929)</b>	<b>-29%</b>	<b>13,007</b>	<b>(857)</b>	<b>-7%</b>
<b>Expenses</b>							
Personnel Costs	4,397	4,865	(468)	-10%	4,157	240	6%
Operating Expenditures	8,722	11,652	(2,930)	-25%	5,889	2,833	48%
Capital Outlay	354	514	(160)	-31%	125	230	184%
Transfers out	9,679	12,204	(2,525)	-21%	8,980	699	8%
<b>Total Expenses</b>	<b>23,152</b>	<b>29,235</b>	<b>(6,083)</b>	<b>-21%</b>	<b>19,150</b>	<b>4,002</b>	<b>21%</b>
<b>Net Surplus / (Shortfall)</b>	<b>(11,002)</b>	<b>(12,157)</b>	<b>1,155</b>	<b>-9%</b>	<b>(6,143)</b>	<b>(4,859)</b>	<b>79%</b>

**Revenues**  
 (\$ thousands)

**Expenses**  
 (\$ thousands)

**Revenue Status vs. Budget**

- Revenue received through Third Quarter is \$12.2M, \$4.9M (29%) below Plan. This is predominantly due to Grant revenue being under Plan by \$2.7M. Grant revenue pertains to FEMA reimbursement for Lake Piru Flooding and SGM Grant for CIP Projects Ferro-Rose Recharge and Brackish Water Treatment. This is a timing variance as the budget is front loaded.
- Proceeds from Financing related to the WIFIA Laon are also under Budget (\$2.5M) but expected to be received later in the fiscal year.
- Groundwater Revenue below Budget (\$1.1M) due a decrease in well pumping of 12,739 AF (15%).
- Lake Piru Revenue is also below projections by \$114K but expected to pick up in the future months for peak season.
- Overrun offset by increases in Earnings on Investments (\$394K), Water Delivery (\$336K), Property Taxes (\$188K), and CIP Transfers In (\$98K).
- Investment increase is due to higher interest earnings and market value adjustments for LAIF.
- Water Deliveries \$336K (29%) higher than Plan, which is caused by 3,786 AF more deliveries for the OH, PV, and PTP Pipelines combined.
- Property taxes increase is due to a timing difference as property taxes are budgeted over 12 months and most are paid in December and April.
- Piru Early Warning System Replacement Project (CIP 8058) was cancelled, and therefore funds were transferred back to fund 050 to be used for the purchase of New District Radios.
- Higher than expected Revenue Reimbursements from the City of San Buenaventura for consulting services (\$100K) and SDRMA Insurance payment (\$367K) for Lake Piru Marina repairs also helped offset decrease in revenue.

## FY 2023-24 Third Quarter Financial Review

July 1, 2023 through March 31, 2024

75% of Fiscal Year Completed

### General/Water Conservation Fund - Continued

#### **Revenue Status vs. Prior Year**

- Third Quarter Revenue \$857K (7%) lower than the prior year mainly due to lower Groundwater Revenue (\$1.4M) in the current fiscal year. Decrease in Groundwater Revenue was the result of a decline in pumping of 14,054 AF compared to the prior fiscal year.
- Water Deliveries were higher in current fiscal year by 4,935 AF. However, Water Delivery Revenue was lower by \$74K (5%) due to the reduction in M&I Rate that took effect in FY 2023-24.
- Grant Revenue also lower in current fiscal year by \$71K, which was caused by multiple grants being completed in FY 2022-23.
- Offsetting decrease is Miscellaneous Revenue (\$404K), which is related to the SDRMA Insurance payment received in the current fiscal year for Lake Piru Marina repairs.
- CIP Transfers In (\$92K) higher in current fiscal year due to Piru Early Warning System Replacement Project (CIP 8058) being cancelled.
- Higher Property Taxes (\$79K), Lake Piru Revenue (\$75K) and Earnings on Investments (\$30K) in FY 2023-24 compared to previous fiscal year.

#### **Appropriation/Expenditure Status vs. Budget**

- Total Expenditures were \$23M, \$6.1M (21%) under Plan primarily due lower than expected Operating Expenditures (\$2.9M) and a delay of CIP Transfers Out (\$2.5M) for Debt Proceeds related to CIP Projects SFD Outlet and SFD PMF.
- Overhead costs (\$859K) are below Budget due to timing differences and expected to pick up later in the fiscal year.
- Principal (\$454K) and Interest payments (\$533K) related to 2020 COP Payments are budgeted as expenses but paid directly to liability.
- Professional Fees (\$502K), related to Public Relations Consulting Services and Environmental Services, are lower than anticipated due to funds not being needed yet.
- Office Expense (\$302K) lower than Budget, which is caused by a delay in public and community outreach.
- Personnel Cost (\$468K) also under Plan due to vacant Full-Time positions in Water Resources, Environmental Services, and Recreation Department. Positions looking to be filled before next fiscal year.
- Miscellaneous Revenue (\$80K) below Budget due timing differences related to County Elections and O&M Rent and Leases.
- Maintenance (\$74K), Travel Expenses (\$113K), and Capital Outlay (\$160K) are also below Plan but anticipated to be utilized later in the fiscal year.

#### **Appropriation/Expenditure Status vs. Prior Year**

- Expenditures are \$4M (21%) higher than the prior year largely due to Operating Expenditures (\$2.8M).
- Professional Fees up \$2.4M, which was attributed to the first installment payment for a lawsuit settlement.
- Maintenance (\$209K) and Overhead Costs (\$141K) are also higher in FY 2023-24 compared to the prior fiscal year.
- Capital Outlay (\$230K) greater in the current fiscal year due to new vehicle purchases for the General Manager, Chief Operations Officer, and Patrol Vehicle for the Recreation Department. In addition, there were also purchases of New District Radios, Gator Vehicle for El Rio, and two Can-Am Defenders for Saticoy.
- Salaries and Benefits (\$240K) higher in the current fiscal year, which is caused by a Board approved 4% COLA increase and annual merit increases.
- Transfers-Out for Capital Improvement Projects higher by \$699K in FY 2023-24, which is caused by multiple projects transitioning into

#### **Fund Balance**

The projected ending undesignated working capital balance at the end of FY 23-24 is approximately \$5.3M.

The District's reserve policy requires a \$4 - \$5 million minimum undesignated balance. If the expected expenditures are realized, the fund is expected to finish the year within the Districts reserve requirement amount.

### FY 2023-24 Third Quarter Financial Review

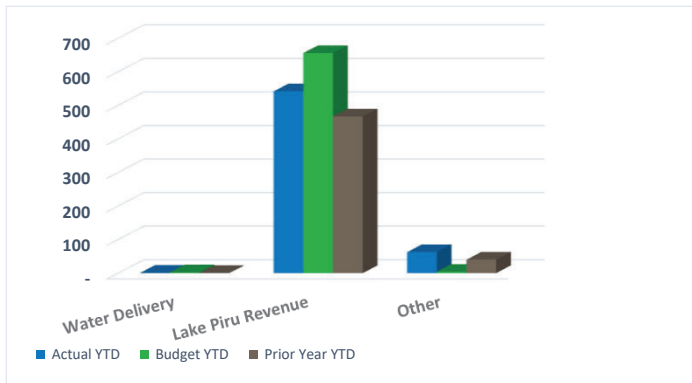
July 1, 2023 through March 31, 2024

75% of Fiscal Year Completed

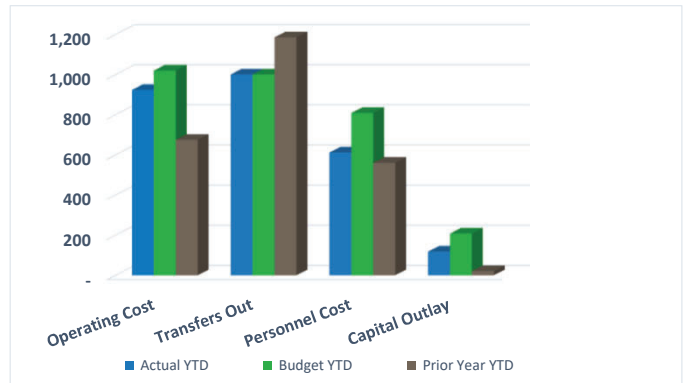
#### Recreation Sub-Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
<b>Revenues</b>							
Water Delivery	1	2	(1)	-59%	1	0	7%
Earnings on Investments	0	0	0	0%	0	0	0%
Lake Piru Revenue	542	656	(114)	-17%	467	75	16%
Other	63	4	59	1448%	40	22	56%
<b>Total Revenues</b>	<b>606</b>	<b>662</b>	<b>(57)</b>	<b>-9%</b>	<b>508</b>	<b>98</b>	<b>19%</b>
<b>Expenses</b>							
Personnel Costs	612	809	(197)	-24%	561	51	9%
Operating Expenditures	924	1,020	(96)	-9%	675	249	37%
Capital Outlay	119	208	(90)	-43%	21	98	474%
Transfers out	1,001	1,001	0	0%	1,186	(186)	-16%
<b>Total Expenses</b>	<b>2,655</b>	<b>3,038</b>	<b>(383)</b>	<b>-13%</b>	<b>2,442</b>	<b>213</b>	<b>9%</b>
<b>Net Surplus / (Shortfall)</b>	<b>(2,049)</b>	<b>(2,375)</b>	<b>326</b>	<b>-14%</b>	<b>(1,934)</b>	<b>(115)</b>	<b>6%</b>

Revenues  
(\$ thousands)



Expenses  
(\$ thousands)



#### Revenue Status vs. Budget

- Operational Revenue received through Third Quarter below Budget by \$57K (9%), which is mainly due to Lake Piru Revenue decrease of \$114K related Day Use, Camping, Boating fees and reservations. Slightly offsetting decrease is Filming Revenue and Shower Money (\$59K).

#### Revenue Status vs. Prior Year

- Third Quarter Operational Revenue \$98K (19%) higher due to increases in Day Use, Camping, Boating fees, reservations, and filming fees in the Current Year.

#### Appropriation/Expenditure Status vs. Budget

- Total expenditures of \$2.7M, \$383K (13%) under Budget due to Capital Outlay (\$90K), Operating Expenditures (\$96K), and Personnel Costs (\$197K).
- Capital Outlay purchases related to New District Radios have been made and the Budget will be met by the end of the fiscal year.
- Salaries and Benefits below Plan (\$197K) due to vacant Park Ranger Cadet position and resignation of Chief Park Ranger.
- Professional Fees (\$16K) under Budget due to under-utilized Grant Solicitation and Legal fees.
- Maintenance (\$14K) is also below Budget due to Land Maintenance not being needed through Q3 of FY 2023-24 but is expected to be fully utilized by the end of the fiscal year.
- Overhead Costs (\$63K) and Office Expenses (\$18K) are lower than forecast due to timing differences.
- Savings are partially offset by an increase in Insurance Premiums (\$12K) and Small Tools (\$12K).

#### Appropriation/Expenditure Status vs. Prior Year

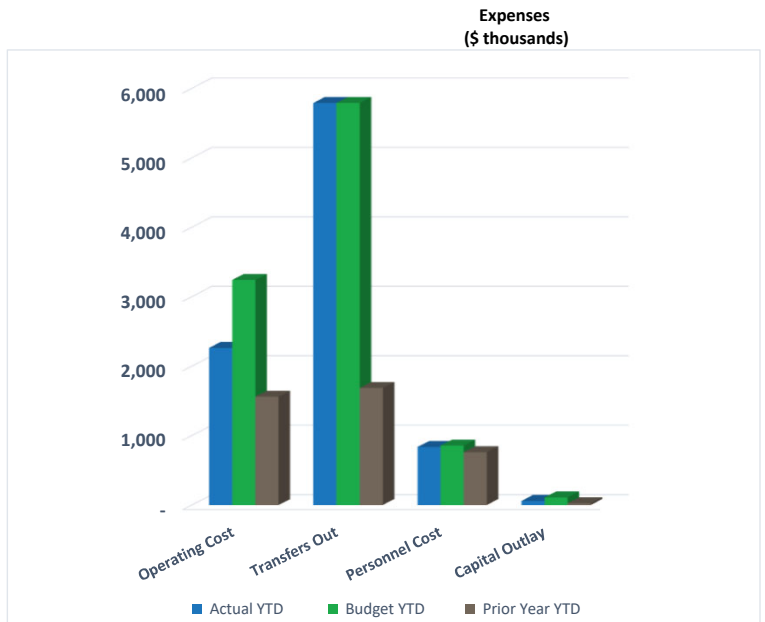
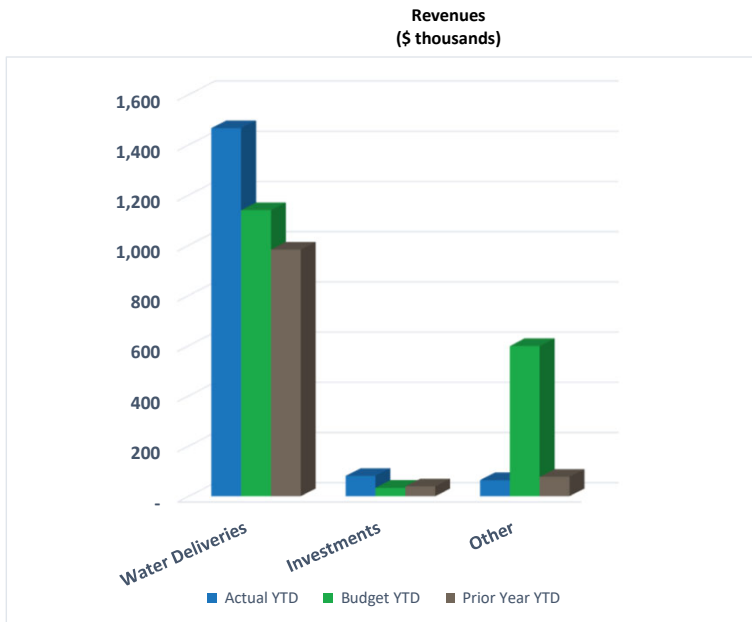
- Expenditures are \$213K (9%) higher in the current year primarily due to higher Operating Expenditures (\$249K).
- Maintenance (\$202K), Utilities (\$24K), Small Tools (\$21K), Miscellaneous Expenses (\$17K) and Overhead Cost (\$27K) are higher in FY 2023-24.
- Salaries and Benefits (\$51K) are also higher in the current fiscal year due to the Board Approved 4% COLA increase and annual merits increases.
- Offsetting increase is higher CIP Transfers Out (\$186K) in PY for the Lake Piru Campground and Recreation Area Renovations.



**FY 2023-24 Third Quarter Financial Review**  
 July 1, 2023 through March 31, 2024  
*75% of Fiscal Year Completed*

**Freeman Diversion Fund (Zone B)**

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
<b>Revenues</b>							
Groundwater	2,845	3,461	(616)	-18%	2,540	305	12%
Water Delivery	1,466	1,139	327	29%	983	484	49%
Earnings on Investments	81	33	47	142%	39	42	107%
Other	64	598	(534)	-89%	91	(27)	-30%
Transfers in	0	0	0	0%	86	(86)	0%
<b>Total Revenues</b>	<b>4,456</b>	<b>5,232</b>	<b>(776)</b>	<b>-15%</b>	<b>3,738</b>	<b>718</b>	<b>19%</b>
<b>Expenses</b>							
Personnel Costs	835	857	(22)	-3%	761	74	10%
Operating Expenditures	2,263	3,241	(979)	-30%	1,560	703	45%
Capital Outlay	59	111	(51)	-46%	26	34	130%
Transfers out	5,790	5,790	0	0%	1,686	4,105	244%
<b>Total Expenses</b>	<b>8,947</b>	<b>9,999</b>	<b>(1,051)</b>	<b>-11%</b>	<b>4,032</b>	<b>4,915</b>	<b>122%</b>
<b>Net Surplus / (Shortfall)</b>	<b>(4,492)</b>	<b>(4,767)</b>	<b>275</b>	<b>-6%</b>	<b>(294)</b>	<b>(4,197)</b>	<b>1427%</b>



**Revenue Status vs. Budget**

- Revenue received Third Quarter was \$4.5M, down \$776K (15%) primarily caused by Groundwater revenue down \$616K (18%) due to 6,879AF less pumped in first half of year.
- Proceeds from Financing also down from plan \$560K delayed due to timing issues.
- Offsetting the deficit is Water Deliveries revenue \$327K (29%) higher than Plan, which is caused by 3,789AF more than budgeted deliveries for the OH, PV, and PTP Pipelines combined.
- Earnings on Investments also exceeded the Budget by \$47K this Quarter.

**Revenue Status vs. Prior Year**

- Current Year revenue is higher by \$718K (19%). The increase is primarily due to Pipeline Deliveries up \$484 (2,874AF more delivered in FY 23-24) and Groundwater deliveries up \$305K (12%) compared to FY 2022-23.
- Slightly offsetting the increase is lower Grant revenue received of \$14K due to delays in Grant funding payments issued and lower Transfers In by \$86K.



## **FY 2023-24 Third Quarter Financial Review**

July 1, 2023 through March 31, 2024

*75% of Fiscal Year Completed*

### **Freeman Diversion Fund (Zone B) - continued**

#### ***Appropriation/Expenditure Status vs. Budget***

- Total expenditures through the Third Quarter are \$8.9M, which is \$1.1M (11%) below Plan. Savings predominantly in Operating Expenditures of \$979K (30%) and under-utilized Capital Outlay costs of \$51K due to delay in purchase of Freeman flow meters and gear box.
- Overhead costs down \$244K, professional services down \$265K and salaries down \$31K.
- Principal (\$430K) and Interest (\$4K) payments related to 2020 COP are budgeted as expense but paid directly to liability.
- Additional Operating Expenditures under Budget are Rents and Leases (\$36K) and Fuel Expense (\$21K) and Permits/Licenses (\$20K). However, expected to be used by the end of the fiscal year.
- Savings are partially offset by an increase in Maintenance Costs of \$28K and Water Chemicals \$8K due to increased water deliveries.
- Insurance Premiums also over Plan by \$17K due to payments being made in July 2023 and funds budgeted over 12 months.

#### ***Appropriation/Expenditure Status vs. Prior Year***

- Total Expenditures are \$4.9M (122%) higher than in the Prior Year, which is largely due to higher CIP transfers out of \$4.1M related to the Freeman Expansion Project.
- Operating Expenditures (\$703K), Personnel Cost (\$74K), and Capital Outlay (\$34K) are also higher in FY 2023-24.
- Contributing to the Operating Expenditures overrun from prior year are Professional Fees (\$537K) Water Treatment Chemicals (\$41k), Maintenance (\$165K), and Overhead costs (\$36K).
- Salaries and Benefits (\$74K) are also higher than prior year due to the Board approved 4% COLA increase, annual merit increases and unfunded liability payment.

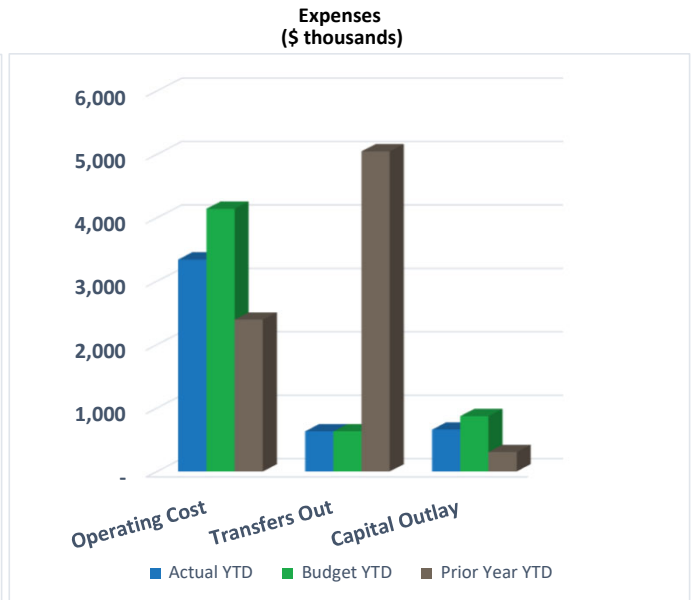
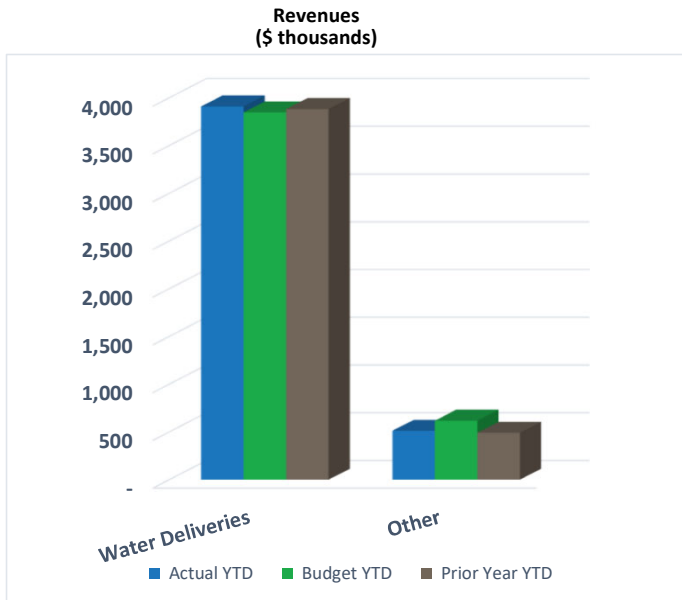
#### ***Fund Balance***

- The projected ending undesignated working capital balance at the end of FY 23-24 is approximately -\$721K.
- The District's reserve policy requires an undesignated balance of \$1.5M which is not expected to be met.

**FY 2023-24 Third Quarter Financial Review**  
**July 1, 2023 through March 31, 2024**  
*75% of Fiscal Year Completed*

**Oxnard Hueneme Pipeline Fund**

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
<b>Revenues</b>							
Water Delivery	3,909	3,847	63	2%	3,882	27	1%
Earnings on Investments	46	47	(1)	-2%	98	(52)	-53%
Grants	0	188	(188)	-100%	6,276	(6,276)	-100%
Other	466	571	(105)	-18%	393	73	19%
<b>Total Revenues</b>	<b>4,422</b>	<b>4,652</b>	<b>(231)</b>	<b>-5%</b>	<b>10,649</b>	<b>(6,227)</b>	<b>-58%</b>
<b>Expenses</b>							
Personnel Costs	880	768	113	15%	683	198	29%
Operating Expenditures	2,461	3,374	(913)	-27%	1,710	751	44%
Capital Outlay	660	872	(212)	-24%	306	354	116%
Transfers out	632	632	(0)	0%	5,046	(4,415)	-87%
<b>Total Expenses</b>	<b>4,633</b>	<b>5,645</b>	<b>(1,011)</b>	<b>-18%</b>	<b>7,745</b>	<b>(3,112)</b>	<b>-40%</b>
<b>Net Surplus / (Shortfall)</b>	<b>(212)</b>	<b>(992)</b>	<b>781</b>	<b>-79%</b>	<b>2,904</b>	<b>(3,116)</b>	<b>-107%</b>



**Revenue Status vs. Budget and vs. Prior Year**

- Total Revenue \$231K (5%) under Budget for the third quarter of FY 2023-24, which was near the forecasted Budget.
- Underrun is primarily due to the timing of Grant Revenue (\$188K) received which is related to Iron and Manganese Project. Compared to the prior year, Grant Revenue is \$6.3M lower due to multiple grants being completed in FY 2022-23.
- Fox Canyon Revenue was also below Budget by \$121K due to GMA rate budgeted at \$70 for a rate increase that was budgeted but not approved this fiscal year. The current GMA rate is \$55.
- Slightly offsetting decrease was Water Delivery Revenue (\$63K), which was on target with FY 2023-24 Plan. There was 102 AF (2%) more deliveries than projected. Compared to prior year's third quarter, deliveries were slightly higher by 545 AF (\$27K) in the current fiscal year.

**FY 2023-24 Third Quarter Financial Review**  
**July 1, 2023 through March 31, 2024**

*75% of Fiscal Year Completed*

**Oxnard Hueneme Pipeline Fund - continued**

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

- Total Expenses of \$4.6M were \$1M under Budget for the third quarter of FY 2023-24, which was primarily due to lower-than-expected Operating Expenditures (\$913K).
- Utilities (\$244K) below Budget due to delayed Edison invoices. However, Budget should be met by the end of fiscal year.
- Contractual Services (\$84K) below Budget due to SCADA troubleshooting, Allen Bradley tech support, and OH infrastructure analysis being delayed. Should pick up by the end of the fiscal year.
- Maintenance Cost (\$102K) were also lower than Plan but expected to pick up later in the fiscal year.
- Fox Canyon GMA Expenses (\$73K) lower than Budget due to delayed invoices from Fox Canyon GMA.
- Capital Outlay Expenditures (\$212K) shortcoming caused by a delay in gas engine piping improvements.
- Overhead Cost \$226K under Budget but projected to be utilized by end of the fiscal year.
- Principal payments \$214K under Plan due to payments budgeted as expense but paid directly to liability.
- Slightly offsetting this is Insurance Expense (\$31K) and Water Chemicals (\$34K). Insurance Expense over Budget due to SDRMA payment paid in July, but budget was distributed evenly throughout the fiscal year. Treatment Chemicals over Budget due to a price increase per gallon.
- Personnel Cost (\$113K) were also higher than Plan, which was primarily due to SDRMA and Unfunded Liability payments being paid in July, but budget distributed evenly throughout the entire fiscal year. Secondly, there was also higher than expected work for the OH Pipelines, OH Booster Plant, and OH Well repairs.
- Compared to the last fiscal year, total expenditures were lower by \$3.1M (40%) in the current fiscal year. This was predominantly attributable to a decrease in Transfers-Out (\$4.4M) for CIP Projects.
- Offsetting savings over prior year are increases in Personnel Costs (\$198K), Maintenance (\$144K), Fox Canyon fees (\$111K), Insurance (\$42K), Utilities (\$197K), and Capital Outlay (\$354K).

***Fund Balance***

- The projected ending undesignated working capital balance for FY 23-24 is approximately -\$313K.
- The District's reserve policy requires an undesignated balance of \$1.1M for this fund, which is not expected to be met.

**FY 2023-24 Third Quarter Financial Review**  
**July 1, 2023 through March 31, 2024**  
*75% of Fiscal Year Completed*

**Pleasant Valley Pipeline Fund**

in \$ thousands	CY Actuals	CY Budget	Variance	% Variance	PY Actuals	Variance	% Variance
<b>Revenues</b>							
Water Delivery	488	278	209	75%	258	230	89%
Earnings on Investments	26	11	15	136%	15	11	77%
Other	4	5	(1)	-27%	7	(3)	-44%
<b>Total Revenues</b>	<b>517</b>	<b>295</b>	<b>223</b>	<b>76%</b>	<b>279</b>	<b>238</b>	<b>85%</b>
<b>Expenses</b>							
Personnel Costs	90	47	42	89%	39	51	130%
Operating Expenditures	202	258	(56)	-22%	47	155	328%
Capital Outlay	3	6	(3)	0%	2	1	66%
Transfers out	1	1	0	0%	59	(58)	-98%
<b>Total Expenses</b>	<b>296</b>	<b>312</b>	<b>(17)</b>	<b>-5%</b>	<b>147</b>	<b>149</b>	<b>101%</b>
<b>Net Surplus / (Shortfall)</b>	<b>222</b>	<b>(18)</b>	<b>239</b>	<b>-1348%</b>	<b>132</b>	<b>89</b>	<b>67%</b>



**Revenue Status vs. Budget & vs. Prior Year**

- Revenue received of \$517K in Q3 exceeds what was budgeted by 76% (\$223K) predominately due to water delivery \$209K (75%) over budget (3,803AF).
- Revenue is up \$238K (85%) from prior fiscal year due mainly to Water Delivery revenue \$230K (89%) as there was 3,379AF more water delivered in FY 23-24. Also increase from prior year of \$11K in Earnings on Investments due to the GAAP market value adjustment to LAIF.

**Appropriation/Expenditure Status vs. Budget & vs. Prior Year**

- Expenses for Q3 of \$296K, under plan by \$17K (-5%). Operating Expenditures under plan by \$56K caused by lower than budgeted Treatment Chemicals (\$52K), Overhead costs (12K) and Professional Services (\$6K). Offsetting overrun are Personnel Costs which are \$42K (89%) over plan caused by more work needed on the PV Pipeline due to increased water deliveries.
- Compared to prior year expenses are up \$149K (101%). Operating Expenditures have increased \$155K primarily due to higher Electricity expense of \$16K and Maintenance \$40K. Salaries and Benefits also up \$51K (130%) from prior year due to the Board approving 4% COLA increase, annual merit increases, and unfunded liability payment.

**Fund Balance**

The projected ending undesignated working capital balance at the end of FY 23-24 is approximately \$932K. The District's reserve policy requires a \$288K minimum undesignated balance which is projected to be met.

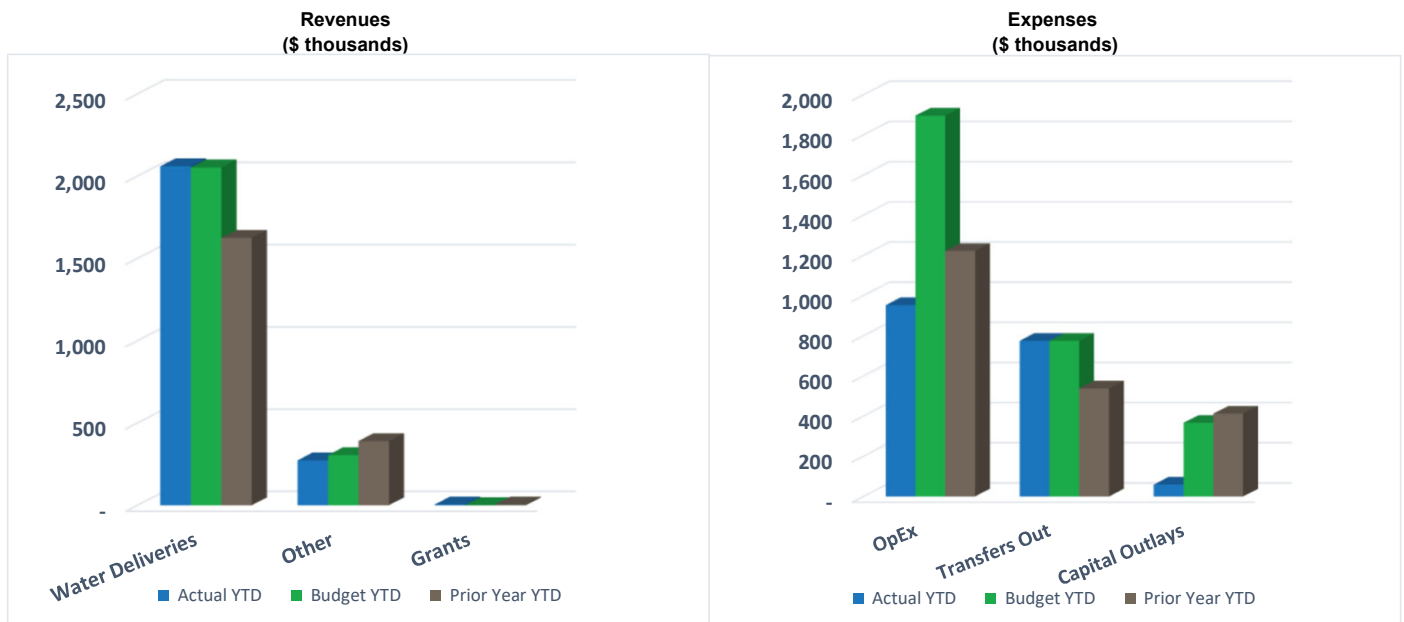
**FY 2023-24 Third Quarter Financial Review**

July 1, 2023 through March 31, 2024

75% of Fiscal Year Completed

**Pumping Trough Pipeline Fund**

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
<b>Revenues</b>							
Water Delivery	2,060	2,053	7	0%	1,625	435	27%
Earnings on Investments	54	24	31	129%	48	6	13%
Grants	4	0	4		5	(1)	0%
Other	219	281	(62)	-22%	342	(123)	-36%
<b>Total Revenues</b>	<b>2,337</b>	<b>2,358</b>	<b>(21)</b>	<b>-1%</b>	<b>2,020</b>	<b>317</b>	<b>16%</b>
<b>Expenses</b>							
Personnel Costs	282	278	4	1%	271	11	4%
Operating Expenditures	671	1,618	(947)	-59%	951	(280)	-29%
Capital Outlay	59	366	(307)	-84%	412	(353)	-86%
Transfers out	775	775	0	0%	537	237	44%
<b>Total Expenses</b>	<b>1,786</b>	<b>3,037</b>	<b>(1,251)</b>	<b>-41%</b>	<b>2,172</b>	<b>(385)</b>	<b>-18%</b>
<b>Net Surplus / (Shortfall)</b>	<b>551</b>	<b>(679)</b>	<b>1,230</b>	<b>-181%</b>	<b>(152)</b>	<b>703</b>	<b>-462%</b>



**Revenue Status vs. Budget**

- Revenue received through third quarter was \$2.3M, which was on target with Budget.
- Minor shortfall of \$21K (1%) was primarily caused by lower Fox Canyon GMA Revenue (\$258K) due to more surface water deliveries, which was offset by CIP Transfers In (\$198K) related to a CIP Board approved allocation correction.
- Market Value Adjustment to LAIF (\$31K) also offset decrease in revenue.
- Water Deliveries slightly over Plan by \$7K which was caused by increase in rates and 85 AF (2%) more deliveries than expected.

**Revenue Status vs. Prior Year**

- Revenue up \$317K (16%) from prior year. This is primarily due to \$435K (27%) increase in Water Delivery Revenue which was attributed to higher rates and 212 AF more water deliveries in FY 2023-24.
- Earnings on Investments also up \$6K (13%) from prior year due to higher interest rates.
- Offsetting increase was Fox Canyon GMA Revenue (\$140K), which is lower in current fiscal year versus last because of more surface water deliveries in current fiscal.



## FY 2023-24 Third Quarter Financial Review

July 1, 2023 through March 31, 2024

*75% of Fiscal Year Completed*

### Pumping Trough Pipeline Fund - continued

#### ***Appropriation/Expenditure Status vs. Budget***

- Total expenditures through third quarter are \$1.8M, \$1.3M (41%) below Budget predominantly due to lower Operating Expenditures of \$947K (59%).
- Utilities (\$254K) were lower than projected which was caused by less electricity used for well pumping.
- Maintenance (\$159K), Overhead costs (\$110K), and Water Chemicals (\$32K) under Plan but anticipated to pick by the end of the fiscal year.
- Fox Canyon GMA expenditure (\$54K) under projection as a result of more surface water deliveries.
- Principal payments (\$265K) under Budget due to 2020 COP payments budgeted as expense but paid directly to liability.
- Professional fees underutilized by \$39K because of a delay in PTP infrastructure analysis.
- Capital outlay (\$307K) (84%) also lower than anticipated due to fewer than planned PTP isolation valves and VFD replacements.

#### ***Appropriation/Expenditure Status vs. Prior Year***

- Compared to prior fiscal year, expenditures are lower by \$385K (18%) predominantly due to lower Capital Outlay expenditures of \$353K (86%). This was attributed to PTP Booster Replacement and PTP Pump #3 Rehabilitation that occurred in FY 2022-23.
- Operating Expenditures are also lower by \$280K (29%) in FY 2023-24 compared to last fiscal year. This is largely caused by lower Electricity costs (\$195K) and Fox Canyon fees (\$58K) due to significant surface water deliveries in the current fiscal year.
- Offsetting expenditures decrease is higher Transfers Out (\$237K) to Capital Improvement Projects in FY 2023-24.

#### ***Fund Balance***

- The projected ending undesignated working capital balance is approximately \$1.2M.
- The District's reserve policy requires an undesignated balance of \$1M for this fund which is expected to be met.



## FY 2023-24 Third Quarter Financial Review

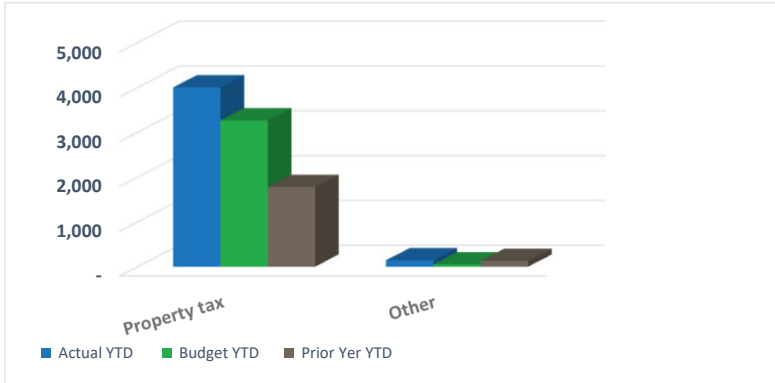
July 1, 2023 through March 31, 2024

75% of Fiscal Year Completed

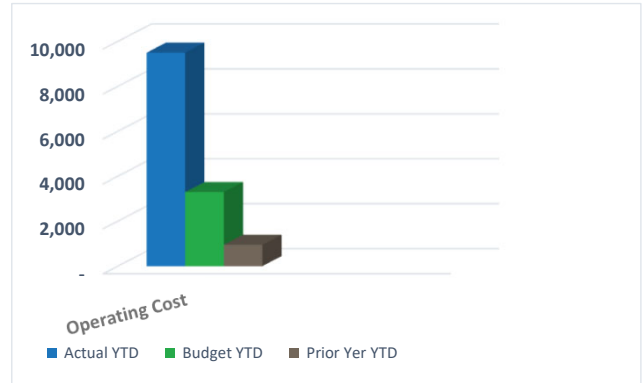
### State Water Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
<b>Revenues</b>							
Earnings on Investments	144	50	94	186%	115	29	25%
Property Taxes	4,002	3,268	734	22%	1,792	2,210	123%
<b>Total Revenues</b>	<b>4,146</b>	<b>3,318</b>	<b>828</b>	<b>25%</b>	<b>1,907</b>	<b>2,239</b>	<b>117%</b>
<b>Expenses</b>							
Personnel Costs	0	0	0	0%	0	0	0%
Operating Expenditures	9,500	3,299	6,201	188%	949	8,551	902%
Capital Outlay	0	0	0	0%	0	0	0%
Debt Service	0	0	0	0%	0	0	0%
Transfers out	0	0	0	0%	0	0	0%
<b>Total Expenses</b>	<b>9,500</b>	<b>3,299</b>	<b>6,201</b>	<b>188%</b>	<b>949</b>	<b>8,551</b>	<b>902%</b>
<b>Net Surplus / (Shortfall)</b>	<b>(5,353)</b>	<b>19</b>	<b>(5,373)</b>	<b>-28090%</b>	<b>959</b>	<b>(6,312)</b>	<b>-658%</b>

Revenues  
(\$ thousands)



Expenses  
(\$ thousands)



#### Revenue Status vs. Budget and vs. Prior Year

- Revenue received through Q3 is above plan by \$828K (25%).
- Property tax revenue was favorable by \$734K (22%) largely due to higher than budgeted unsecured taxes. Earnings on investments also over Plan by \$94K due to GAAP market value adjustment to LAIF in addition to increase in rate of return.
- Compared to Prior Year, revenue is up \$2.2M (117%) due to increase in property taxes (123%) and increase in Earnings (25%).

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

- Total expenditures of \$9.5M over budget by \$6.2M (188%). This is due to higher variable costs from State Water Purchases and additional water purchases from Casitas Mutual Water, Palmdale Water and Santa Clarita Valley Water.
- Compared to Prior Year, expenditures are up by \$8.5M (902%). This is also due to water purchases in FY 23-24.

#### Fund Balance

- The projected ending undesignated working capital balance for FY 23-24 is approximately \$3.7M. Assuming FY 2023-24 activity is consistent with the approved budget; the projected ending balance is within the District's fund reserve maximum of \$5.5M.
- The entire fund balance is designated for the fixed and variable costs related to the District's State Water Project allocation of 5,000 AF per year, plus allowable Table A water.

### FY 2023-24 Third Quarter Financial Review

July 1, 2023 through March 31, 2024

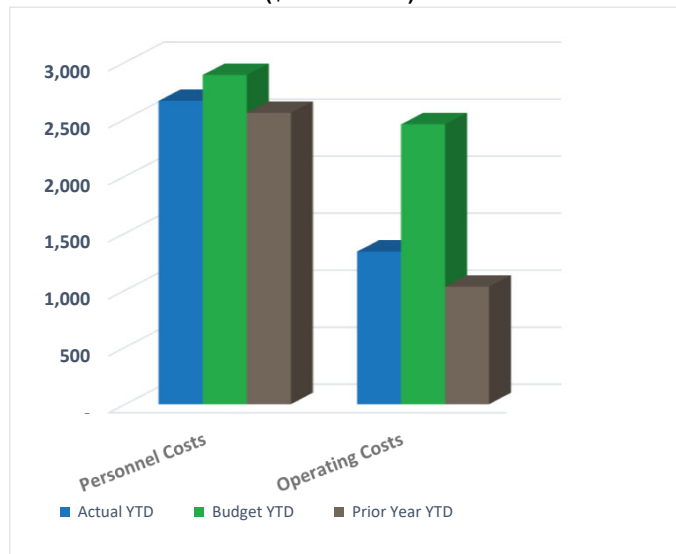
*75% of Fiscal Year Completed*

#### Overhead Fund

in \$ thousands	CY Actuals	CY Revised Budget	Variance	% Variance	PY Actuals	Variance	% Variance
<b>Expenses</b>							
Personnel Costs	2,660	2,887	(228)	-8%	2,555	105	4%
Operating Expenditures	1,338	2,454	(1,116)	-45%	1,031	308	30%
Capital Outlay	0	296	(296)	0%	0	0	0%
<b>Total Expenses</b>	<b>3,998</b>	<b>5,638</b>	<b>(1,640)</b>	<b>-29%</b>	<b>3,586</b>	<b>412</b>	<b>12%</b>

#### Expenses

(\$ thousands)



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

- Expenditures under budget by \$1.6M (29%).
- The largest savings were in Professional Fees \$958K primarily due to Prof. Fees – Other and Legal Counsel - Appointed being underutilized. Contributing to the variance are Salaries and Benefits \$228K (8%) under budget due to vacant positions. Also under budget are Safety Supplies \$17K, Maintenance \$41K, Office Expense \$54K and Travel \$40K that are expected to be fully utilized by the end of the year.
- Slightly offsetting the savings are Telephone Expenses, which were \$16K over plan due to District wide phone plan replacing phone allowance previously issued.
- Capital Outlay \$296K under budget due to a Ceragon radio link replacement and Siklu radio monitoring software which is expected to be purchased later this year.
- Compared to prior year, expenditures are higher by \$412K (12%). This is mainly due to higher Professional Fees \$136K, Office Expenses \$124K and Personnel Costs \$105K.



## STAFF REPORT

**To:** UWCD Finance and Audit Committee Members

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

**From:** Brian H. Zahn, Chief Financial Officer  
Sara Guzman, Senior Accountant

**Date:** May 30, 2024 (June 3, 2024, meeting)

**Agenda Item:** 7. **Investment Monthly Report (April 30, 2024)**  
**Information Item**

---

**Staff Recommendation:**

Review and discuss the most current investment report for April 30, 2024, that is attached.

**Discussion:**

Based on the information included in the attached reports, staff will present a summary and discuss key information as an overview.

**Fiscal Impact:**

As shown.

**Attachment:**

Combined Investment Monthly Report

**United Water Conservation District  
Monthly Investment Report  
April 30, 2024**


<b>Investment Recap</b>	<b>G/L Balance</b>	<b>Weighted Avg Days to Maturity</b>	<b>Diversification Percentage of Total</b>
Citizens Business Bank	5,775,311	1	16.41%
Petty Cash	4,400	1	0.01%
County Treasury	1,884	1	0.01%
LAIF Investments	29,413,935	1	83.56%
<b>Total Cash, Cash Equivalents and Securities</b>	<b>35,195,531</b>		<b>100.00%</b>
<b>Investment Portfolio w/o Trustee Held Funds</b>	<b>35,195,531</b>		
<b>Trustee Held Funds</b>	<b>-</b>		
<b>Total Funds</b>	<b>35,195,531</b>		

<b>Local Agency Investment Fund (LAIF)</b>	<b>Beginning Balance</b>	<b>Deposits (Disbursements)</b>	<b>Ending Balance</b>
	32,056,987	(2,643,052)	29,413,936
	<b>Interest Earned YTD</b>	<b>Interest Received YTD</b>	<b>Qtrly Yield</b>
	903,974	1,155,622	4.30%

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

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**Mauricio E. Guardado, Jr., General Manager**

5/29/2024  
**Date Certified**

DocuSigned by:  
  
70D59ECF008D46E  
**Anthony Emmert, Assistant General Manager**

5/29/2024  
**Date Certified**

DocuSigned by:  
  
6685DB3E2A674A3  
**Brian H. Zahn, Chief Financial Officer**

5/29/2024  
**Date Certified**

<b><i>United Water Conservation District</i></b>			
<b><i>Cash Position</i></b>			
<b>April 30, 2024</b>			
<b>Fund</b>	<b>Total</b>	<b>Composition</b>	<b>Restrictions/Designations</b>
<b>General/Water Conservation Fund:</b>		<b>Revenue collected for district operations</b>	
General/Water Conservation	7,231,288	(4,782,369)	Includes General, Rec & Ranger, Water Conservation
		4,962,000	Reserved for legal expenditures
		1,886,171	Designated for replacement, capital improvements, and environmental projects
		5,165,486	Supplemental Water Purchase Fund
General CIP Funds	13,430,207	13,430,207	Appropriated for capital projects
	5,424,578	5,424,578	Reserved for CIP Projects
<b>Special Revenue Funds:</b>		<b>Revenue collected for a special purpose</b>	
State Water Project Funds	2,324,110	2,324,110	Procurement of water/rights from state water project
<b>Enterprise Funds:</b>		<b>Restricted to fund usage</b>	
Freeman Fund	(2,271,859)	(2,271,859)	Operations, Debt Service and Capital Projects
		-	Designated for replacement and capital improvements
		-	Reserved for legal expenditures
Freeman CIP Fund	3,903,928	3,903,928	Appropriated for capital projects
OH Pipeline Fund	(476,690)	(476,690)	Delivery of water to OH customers
OH CIP Fund	2,275,472	2,275,472	Appropriated for capital projects
OH Pipeline Well Replacement Fund	(214,766)	(214,766)	Well replacement fund
PV Pipeline Fund	978,046	978,046	Delivery of water to PV customers
PV CIP Fund	241,967	241,967	Appropriated for capital projects
PT Pipeline Fund	1,230,189	1,230,189	Delivery of water to PTP customers
PT CIP Fund	1,119,060	1,119,060	Appropriated for capital projects
<b>Total District Cash &amp; Investments</b>	<b>35,195,531</b>	<b>35,195,531</b>	



## STAFF REPORT

**To:** UWCD Finance and Audit Committee Members

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

**From:** Brian H. Zahn, Chief Financial Officer  
Sara Guzman, Finance Supervisor

**Date:** May 29, 2024 (June 3, 2024, meeting)

**Agenda Item: 8. Pipeline Delivery Monthly Report (April 30, 2024)**  
**Information Item**

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**Staff Recommendation:**

Review and discuss the most current pipeline delivery report for April 30, 2024, that is enclosed.

**Fiscal Impact:**

As shown.

**Discussion:**

Based on the information included in the attached reports, staff will present a summary and discuss key information as an overview.

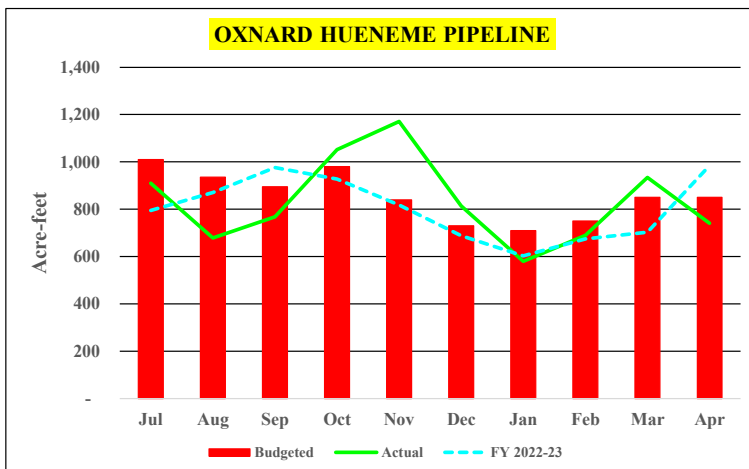
**Attachment:**

Pipeline Delivery Monthly Report

United Water Conservation District  
 Pipeline Water Deliveries (Acre-feet)  
 FY 2023-24 data thru April 30, 2024

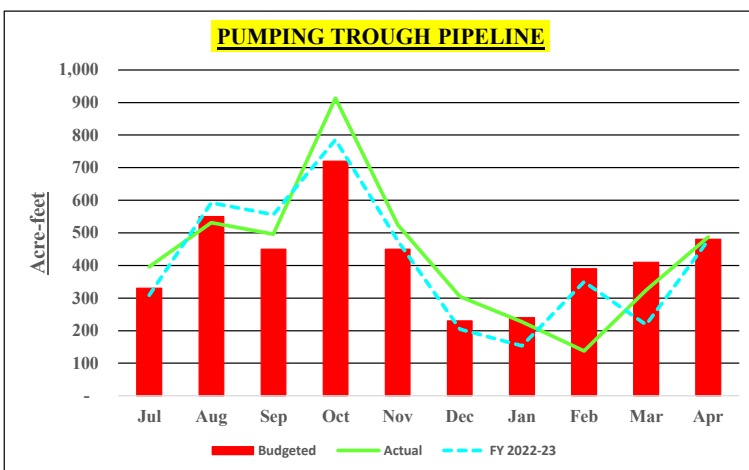
OH Pipeline 2023-24			
	Projection	Actual	Difference
Jul	1,010	909	(101)
Aug	935	678	(257)
Sep	895	768	(127)
Oct	980	1,052	72
Nov	840	1,171	331
Dec	730	814	84
Jan	710	581	(129)
Feb	750	690	(60)
Mar	850	934	84
Apr	850	741	(109)
May	960		
Jun	870		
Totals	10,380	8,338	(212)
YTD	8,550	8,338	(212)

YTD Actual to Budget: -2.5%



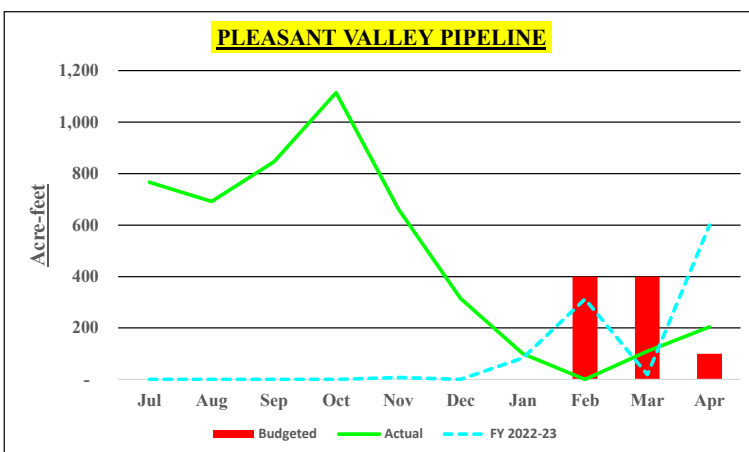
PT Pipeline 2023-24			
	Projection	Actual	Difference
Jul	330	396	66
Aug	550	532	(18)
Sep	450	496	46
Oct	720	913	193
Nov	450	525	75
Dec	230	304	74
Jan	240	227	(13)
Feb	390	138	(252)
Mar	410	325	(85)
Apr	480	487	7
May	500		
Jun	450		
Totals	5,200	4,343	93
YTD	4,250	4,343	93

YTD Actual to Budget: 2.2%



PV Pipeline 2023-24			
	Projection	Actual	Difference
Jul	-	766	766
Aug	-	691	691
Sep	-	846	846
Oct	-	1,114	1,114
Nov	-	661	661
Dec	-	314	314
Jan	-	100	100
Feb	400	-	(400)
Mar	400	110	(290)
Apr	100	204	104
May	-		
Jun	-		
Totals	900	4,807	3,907
YTD	900	4,807	3,907

YTD Actual to Budget: 434.1%





## STAFF REPORT

**To:** UWCD Finance and Audit Committee Members

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

**From:** Josh Perez, Chief Human Resources Officer  
Brian H. Zahn, Chief Financial Officer  
Tony Huynh, Risk and Safety Manager  
Zachary Plummer, Technology Systems Manager  
Tracy Oehler, Executive Assistant/Clerk of the Board

**Date:** May 30, 2024 (June 3, 2024, meeting)

**Agenda Item:** 9. **Administrative Services Department Monthly Report**  
**Information Item**

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### **Staff Recommendation:**

Receive and review this staff report and a presentation from the Administrative Services Department about its activities for May 2024.

### **Discussion:**

#### **Finance**

- FY2024-25 Proposed Budget is ready for Board approval on June 12, 2024.
- FY2022-23 annual audit complete with no findings. ACFR is currently in the draft stage.
- Finance staff has completed the FY2024-25 draft budget for the Fillmore and Piru Basins, and Mound Basin Groundwater Sustainability Agencies.

#### **Administrative Services**

- Provided administrative assistance for drafting, finalizing, distributing/posting materials, and room set up for the following Committee meetings: Finance and Audit (April 29), Water Resources (April 30), Recreation (May 1), Engineering and Operations (May 2) as well as the regular Board of Directors meeting (May 15) and Budget Workshop (May 28). Additionally, Fillmore and Piru Basins Groundwater Sustainability Agency meetings (May 16 and 30) held at the City of Fillmore and Mound Basin Groundwater Sustainability Agency (May 23) held at the City of Ventura.
  - Provided administrative and logistical support for OH and PTP User meetings (May 13), and Freeman Tour (May 14).
  - Coordinated logistical support with room and beverage setup for the following outside agency meetings: AWA Board of Directors (May 2), AWA Waterwise Breakfast (May 16), AWA Water Issues Committee (May 21), VC-CWA (May 21), and UCCE (May 23).
-

## 9. **Administrative Services Department Monthly Report** **Information Item**

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### **Human Resources**

- Onboarded two new Engineering Assistants, secured an employment agreement with a new Associate Engineer, and a new Associate Environmental Scientist.
- Worked with Lake staff and the Environmental Services departments on candidate interviews for their respective positions.
- Developed a robust list of hotel options for administrative staff in the key cities of Sacramento and Washington, D.C. to support continued efforts on legislative outreach. We will continue to review prospective hotels for these critical conferences to ensure we get the best value and services for our ratepayers.
- Attended the USC Sol Price School of Public Policy on Special District Resiliency Measures.
- Attended and participated in sessions at the ACWA Conference.
- Registered for the CSDA (California Special Districts Association) annual conference in Indian Wells in September which if attended reduces our insurance premiums for the following calendar year.
- Reviewed annual renewals with Special District Risk Management Authority on insurance related to Property/Liability and Workers Compensation.

### **Safety and Risk Management**

- Led UWCD's multi-departments participation in Cybersecurity and Infrastructure Security Agency (CISA) Dams Sector Information Sharing Drill, with primary focus on IT (Information Technology) and OT (Operational Technology) cyber security injects. Participation resulted in FERC Security Branch Credit. Also conducted simultaneous parallel play with testing new Motorola radios that were programmed by Ventura County IT.
- Coordinated Confined Space Safety training delivered by subject matter expert; staff were able to get hands-on experience with the instructor of the District's own self-rescue tools and equipment.
- Delivered heat illness prevention training at monthly safety training.
- Coordinated call with CISA Cyber Security Advisor on potential support of data recovery drill.
- Continued FEMA disaster recovery efforts with various stakeholders, culminating in insurance determination for the Lake Piru Marina damages.
- Coordinated Ventura County IT and Motorola on enabling SmartConnect programming feature on newly acquired radio devices, which allows updates to be delivered (remotely) over the air increasing efficiency and removing maintenance costs for personnel resulting in significant staff time saved as a result.

### **Technology Systems**

- *Total Tickets Handled:* 85 tickets were actively supported by staff during the month, with a significant focus on timely and effective resolutions.

## 9. **Administrative Services Department Monthly Report** **Information Item**

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- *Types of Issues:* Most tickets pertained to information technology services and support, including software installation requests, system updates, and troubleshooting.
- *Resolution Efficiency:* 91.76% of the tickets were closed within the month, demonstrating the team's dedication to swift and effective problem resolution.
- Provided systems support for new and ongoing technology needs, including offboarding processes and new employee onboarding, as well as providing two new district Directors with their respective devices, ensuring seamless transitions.
- After diligent efforts over several years, the department has achieved a significant milestone in enhancing our cybersecurity measures by reducing the risk of unauthorized access.

### **Notable Resolutions**

- *System Upgrades:* Completed Office 365 updates for staff photo management, enhancing user experience and aiding District staff to recognize peers in e-mails virtually using software tools like Outlook, Teams, Word, and Excel collaboration features.
- *Software Deployments:* Responded to multiple requests for essential software like Adobe and Microsoft services, ensuring tools were available for optimal staff productivity.
- *Hardware Issues:* Staff addressed urgent hardware concerns, including the repair of toner bleed on the main copier with the support of our third-party maintenance firm, resulting in minimal downtime.

### **Committee and Workshop Support**

- Provided critical support to District's Board Committees, and Fillmore and Piru Basins GSA Board Meeting, ensuring effective technology integration for essential discussions.
- Provided comprehensive assistance to the AWA Board of Directors, the California Avocado Commission, and Ventura County Women for Agriculture, promoting efficient hybrid meeting environments.
- Supported vital workshops and meetings, enabling productive hybrid meeting environments, including AWA Waterwise Breakfast, AWA Water Issues Committee, and AWA Annual Symposium 2024.

### **Technological Advancements at Lake Piru**

- *Internet Service Installation:* The initiation of the first new internet service under the new Calnet agreement is nearing completion. This project marks a pivotal upgrade for the Lake Piru facilities. The finalization of this process will significantly enhance service capabilities and propel the location towards the forefront of modern technology standards.

## 9. **Administrative Services Department Monthly Report** **Information Item**

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- Lake Piru Store Developments: Staff transported and installed the initial batch of technical equipment intended for operational use within the store, aligning with broader efforts to modernize and enhance service efficiency at this venue.
- *Lake Piru Physical Security Enhancements*: In a collaborative effort with the Risk and Safety departments, the team has diligently worked to activate new network equipment at the store location. Despite the equipment being confirmed functional, initial communication attempts were unsuccessful. Further investigation revealed that local wildlife had displaced several feet of fiber optic cable, critically impairing connectivity from the rangers' office to the store. The Electrical and Installation Team is now spearheading the repair efforts with contractors, aiming to restore the fiber optic connectivity. Although this has delayed the project slightly, it remains well-positioned within the overall timeline, anticipating operational readiness by late spring.