

**REGULAR MEETING  
OF  
CACHUMA OPERATION AND MAINTENANCE BOARD**

by Teleconference Call **ONLY**

**Teleconference Call-in Number: 1 (888) 899-7789  
Passcode: 804443#**

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**Monday, December 14, 2020**

**1:00 PM**

**AGENDA**

**NOTICE:** This meeting shall be conducted by teleconference call only as authorized and in accordance with Government Code section 54953 and the California Governor's Executive Order N-29-20 and N-33-20.

- 1. CALL TO ORDER, ROLL CALL**
- 2. PUBLIC COMMENT** (*Public may address the Board on any subject matter not on the agenda and within the Board's jurisdiction. See "Notice to the Public" below.*)
- 3. CONSENT AGENDA** (*All items on the Consent Agenda are considered routine and will be approved or rejected in a single motion. Any item placed on the Consent Agenda may be removed and placed on the Regular Agenda for discussion and possible action upon the request of any Board Member.*)  
Action: Recommend Approval of Consent Agenda by motion and roll call vote of the Board:
  - a. Minutes of October 26, 2020 Regular Board Meeting
  - b. Investment of Funds
    - Financial Reports
    - Investment Reports
  - c. Review of Paid Claims
- 4. VERBAL REPORTS FROM BOARD COMMITTEES**  
Receive verbal information regarding the following committee meetings:
  - Administrative Committee Meeting – December 7, 2020
  - Operations Committee Meeting – December 8, 2020
- 5. TOTAL COMPENSATION SYSTEMS, INC. PRESENTATION OF OTHER POST-EMPLOYMENT BENEFITS (OPEB) ACTUARIAL REPORT AS OF JUNE 30, 2020**  
Action: Receive and file the COMB OPEB Actuarial Report for Fiscal Year-End June 30, 2020
- 6. BARTLETT, PRINGLE WOLF, LLP PRESENTATION OF COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) – FISCAL YEAR ENDING JUNE 30, 2020**  
Action: Receive and file the COMB Fiscal Year 2019-20 Comprehensive Annual Financial Report
- 7. CALIFORNIA STATE CONTROLLER REPORT FOR FISCAL YEAR ENDING JUNE 30, 2020**  
Action: Receive and file the California State Controller Report submitted to the California State Controller's Office for Fiscal Year Ending 2020

8. **UNEXPENDED FUNDS – FISCAL YEAR ENDING JUNE 30, 2020**  
Action: Recommend approval by motion and roll call vote of the Board
9. **RESOLUTION NO. 721 – UPDATE TO CONFLICT OF INTEREST CODE**  
Action: Recommend approval by motion and roll call vote of the Board
10. **AGREEMENT FOR ASSIGNMENT OF CLAIMS TO CALIFORNIA OFFICE OF EMERGENCY SERVICES (CALOES) – THOMAS FIRE/DEBRIS FLOW EVENT**  
Action: Recommend approval by motion and roll call vote of the Board
11. **WATERSHED SANITARY SURVEY - PROFESSIONAL SERVICES AGREEMENT**  
Action: Recommend approval by motion and roll call vote of the Board
12. **FINAL UPDATE ON SOUTH SIDE EROSION CONTROL AND REFORESTATION PROJECT AT QUIOTA CREEK CROSSING NO. 8**  
Receive information on the South Side Erosion Control and Reforestation Project at Quiota Creek Crossing No. 8
13. **GENERAL MANAGER REPORT**  
Receive information from the General Manager on topics pertaining to COMB, including but not limited to the following:
  - Administration
  - U.S. Bureau of Reclamation
  - Engineering / Operations
14. **ENGINEER'S REPORT**  
Receive information from the COMB Engineer, including but not limited to the following:
  - Climate Conditions
  - Lake Elevation / Downstream Release Update
  - Infrastructure Improvement Projects
15. **OPERATIONS DIVISION REPORT**  
Received information regarding the Operations Division, including but not limited to the following:
  - Lake Cachuma Operations
  - Operation and Maintenance Activities
16. **FISHERIES DIVISION REPORT**  
Receive information regarding Fisheries Division, including but not limited to the following:
  - LSYR Steelhead Monitoring Elements
  - Tributary Project Updates
  - Surcharge Water Accounting
  - Reporting/Outreach/Training
17. **PROGRESS REPORT ON LAKE CACHUMA OAK TREE PROGRAM**  
Receive information regarding the Lake Cachuma Oak Tree Program including but not limited to the following:
  - Maintenance and Monitoring

**18. MONTHLY CACHUMA PROJECT REPORTS**

Receive information regarding the Cachuma Project, including but not limited to the following:

- a. Cachuma Water Reports
- b. Cachuma Reservoir Current Conditions
- c. Lake Cachuma Quagga Survey

**19. 2021 COMB REGULAR BOARD MEETING CALENDAR**

Receive information regarding the time and place for 2021 COMB Regular Board meetings

**20. DIRECTORS' REQUESTS FOR AGENDA ITEMS FOR FUTURE MEETING**

**21. [CLOSED SESSION]: CONFERENCE WITH LEGAL COUNSEL: POTENTIAL LITIGATION**

- a. [Government Code Section 54956.9(d)(1)]  
Name of matter: *Kimball-Griffith L.P. v. Brenda Wren Burman, et al.*, Case No. 2:20-cv-10647  
– Request for Declaratory and Injunctive Relief

**22. RECONVENE INTO OPEN SESSION**

[Government Code Section 54957.7]  
Disclosure of actions taken in closed session, as applicable  
[Government Code Section 54957.1]

- 21a. *Kimball-Griffith L.P. v. Brenda Wren Burman, et al.*, Case No. 2:20-cv-10647 – Request for Declaratory and Injunctive Relief

**23. MEETING SCHEDULE**

- **January 25, 2021 at 1:00 PM**
- **Board Packages available on COMB website [www.cachuma-board.org](http://www.cachuma-board.org)**

**24. COMB ADJOURNMENT**

**NOTICE TO PUBLIC**

**Posting of Agenda:** This agenda was posted at COMB's offices, located at 3301 Laurel Canyon Road, Santa Barbara, California, 93105 and on COMB's website, in accordance with Government Code Section 54954.2. The agenda contains a brief general description of each item to be considered by the Governing Board. The Board reserves the right to modify the order in which agenda items are heard. Copies of staff reports or other written documents relating to each item of business are on file at the COMB offices and are available for public inspection during normal business hours. A person with a question concerning any of the agenda items may call COMB's General Manager at (805) 687-4011.

**Written materials:** In accordance with Government Code Section 54957.5, written materials relating to an item on this agenda which are distributed to the Governing Board less than 72 hours (for a regular meeting) or 24 hours (for a special meeting) will be made available for public inspection at the COMB offices during normal business hours. The written materials may also be posted on COMB's website subject to staff's ability to post the documents before the scheduled meeting.

**Public Comment:** Any member of the public may address the Board on any subject within the jurisdiction of the Board that is not scheduled for as an agenda item before the Board. The total time for this item will be limited by the President of the Board. The Board is not responsible for the content or accuracy of statements made by members of the public. No action will be taken by the Board on any Public Comment item.

**Americans with Disabilities Act:** In compliance with the Americans with Disabilities Act, if you need special assistance to review agenda materials or participate in this meeting, please contact the Cachuma Operation and Maintenance Board office at (805) 687-4011 at least 48 hours prior to the meeting to enable the Board to make reasonable arrangements.

**Note:** If you challenge in court any of the Board's decisions related to the listed agenda items you may be limited to raising only those issues you or someone else raised at any public hearing described in this notice or in written correspondence to the Governing Board prior to the public hearing.

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**MINUTES OF REGULAR MEETING  
OF  
CACHUMA OPERATION AND MAINTENANCE BOARD**

by Teleconference Call ONLY

**Monday, October 26, 2020  
1:00 PM**

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**1. CALL TO ORDER, ROLL CALL**

The meeting was called to order by Ms. Gingras at 1:01 PM.

All attendees participated telephonically pursuant to California Governor Gavin Newsom's Executive Orders N-25-20 and N-29-20.

**Directors Present:**

Polly Holcombe, Carpinteria Valley Water District  
Kristen Sneddon, City of Santa Barbara  
Lauren Hanson, Goleta Water District  
Cori Hayman, Montecito Water District

**General Counsel Present:**

William Carter, Musick, Peeler, Garrett, LLP

**Staff Present:**

Janet Gingras, General Manager	Timothy Robinson, Fisheries Division Manager
Edward Lyons, Administrative Manager/CFO	Shane King, Operations Supervisor
Joel Degner, Engineer/Operations Division Manager	Dorothy Turner, Administrative Assistant II

**Others Present:**

Bob McDonald, Carpinteria Valley Water District	Matt Young, SB County Water Agency
Kevin Walsh, SY River Water Conservation District	

**2. PUBLIC COMMENT**

There was no public comment.

**3. CONSENT AGENDA**

- a. Minutes of September 28, 2020 Regular Board Meeting
- b. Investment of Funds
  - Financial Reports
  - Investment Reports
- c. Review of Paid Claims

Ms. Gingras presented the Consent Agenda items and reviewed various revenues and expenditures. She noted several pass-through revenue amounts that were offset by corresponding expenditures, including the first period water rates obligation due to Reclamation.

Director Sneddon moved to approve the Consent Agenda items as presented. Director Hanson seconded the motion which carried with a unanimous vote of six in favor.

**Ayes:** Sneddon, Hayman, Hanson, Holcombe

**Nays:**

**Absent:**

**Abstain**

#### **4. VERBAL REPORTS FROM BOARD COMMITTEES**

- Operations Committee Meeting – October 21, 2020

Director Sneddon reported out to the Board regarding the Operations Committee meeting and noted that the committee supported moving the items forward to the Board with recommendations to approve. Both action items are to be addressed in this agenda.

#### **5. PRESENTATION ON CACHUMA PROJECT WATER RATES**

Mr. Lyons presented a comprehensive description of the manner in which water rates are calculated by Reclamation. He reviewed the method Reclamation uses to handle funds surpluses and budgetary deficits. Mr. Lyons fielded questions and comments from the Board. COMB will continue to follow up with Reclamation.

#### **6. FINANCIAL REVIEW – 1<sup>ST</sup> QUARTER FISCAL YEAR 2020-21**

Mr. Lyons presented the first quarter financial results for Fiscal Year 2020-21. He reviewed revenues and expenditures noting variances from the budget. Mr. Lyons reviewed Administration's upcoming deliverables and fielded comments and questions from the Board.

#### **7. CACHUMA PROJECT WARREN ACT TRUST FUND / RENEWAL FUND 2020-21 ANNUAL AND LONG TERM PLAN; SANTA BARBARA COUNTY BETTERMENT FUND USE OF FUNDS**

- a. Receive and file the Cachuma Project Annual and Long Term Plan
- b. Approve Program Expenditures – Warren Act Trust Fund / Renewal Fund for FY 2020-21
- c. Approve Program Expenditures – Santa Barbara County Water Agency's Betterment Fund for FY 2020-21

Mr. Lyons, as the COMB appointed member of the Warren Act Trust Fund / Renewal Fund / Betterment Fund Committee (Funds Committee), presented the actions taken by the Funds Committee for Fiscal Year 2020-21. He summarized the annual and long term plan and reviewed the proposed usage of the available funds. Mr. Lyons requested Board ratification of the plan and approval of the proposed expenditures. Following questions and discussion, Director Hanson moved to receive and file the plan and approve the expenditures. Director Sneddon seconded and the motion carried with a unanimous vote of six in favor.

**Ayes:** Sneddon, Hayman, Hanson, Holcombe

**Nays:**

**Absent:**

**Abstain**

**8. RESOLUTION NO. 719 – PROPOSED REVISED STRATEGY FOR LOWER REACH LATERAL REHABILITATION PROJECT**

Mr. Degner provided the Board with a detailed description of the proposed revised strategy for the Lower Reach Lateral project and reviewed the tabulated results of the Request for Proposals received from three contractors, noting the final choice. He advised that the project involves a cooperative effort between COMB and Carpinteria Valley Water District. Mr. Degner detailed the conduit's inherent design problems which preclude ease of shutdown for critical maintenance and noted that the proposal represents a plan to remedy those design problems and create a permanent solution for future shutdowns and maintenance. Noting that COMB would incur no additional cost for the design phase of the revised strategy due to the proposed cooperative agreement, Mr. Degner fielded questions and comments. At the Board's request, the president will sign the cooperative agreement. With that modification, Director Sneddon motioned to approve Resolution No. 719. Director Hayman seconded the motion which passed unanimously with a vote of six in favor.

**Ayes:** Sneddon, Hayman, Hanson, Holcombe

**Nays:**

**Absent:**

**Abstain**

**9. RESOLUTION NO. 720 – SOUTH COAST CONDUIT REHABILITATION PROJECTS – CONSTRUCTION CONTRACT**

Mr. Degner presented the staff memo to the Board requesting approval of a sole-source construction contract, including a contingency for emergency repair work. He provided an itemization of the costs, as bid, and detailed the sole-source justification logic. Mr. Degner fielded questions and comments from the Board. Director Sneddon put forth the motion to approve the project and resolution, followed by a second from Director Hayman. The motion carried with a unanimous vote of six in favor.

**Ayes:** Sneddon, Hayman, Hanson, Holcombe

**Nays:**

**Absent:**

**Abstain**

**10. GENERAL MANAGER REPORT**

- Administration
- U.S. Bureau of Reclamation
- Engineering / Operations

Ms. Gingras presented the General Manager report, summarizing recent actions taken by COMB staff. She highlighted the previous quarter's executed contracts, reported that COMB had been awarded additional funding from FEMA / CalOES. Further she announced that the entitlements for the 2021 Water Year were authorized at 100%. Additionally, Ms. Gingras updated the Board regarding the status of various ongoing projects, such as the Domestic Water Supply Permit process, the Lake Cachuma Watershed Sanitary Survey and Santa Barbara County's planned Lake Cachuma Bathymetric Survey scheduled for the summer of 2021.

**11. ENGINEER'S REPORT**

- Climate Conditions
- Lake Elevation / Downstream Release Update

- Infrastructure Improvement Projects / Work Plan

Mr. Degner presented the Engineer's report with a focus on analyzing current data and providing potential forecasts of climate conditions during a La Niña year. He provided an estimate of the total acre feet of the downstream water rights release and noted its expected impact on lake elevation. Additionally, Mr. Degner provided a projection for deployment of the Emergency Pumping System, based on hydrology forecasts. Finally he reviewed the Infrastructure Improvement Projects briefly.

## **12. OPERATIONS DIVISION REPORT**

- Lake Cachuma Operations
- Operation and Maintenance Activities

Mr. King presented the Operations Division report, announcing the interview and subsequent hiring of a new Water Service Operator. He reviewed the Division's recent activities, including Underground Service Alerts and structure maintenance. He noted that winterizing maintenance is due to begin. Finally, Mr. King reported that COMB, in conjunction with the SCADA contractor, has replaced all cellular modems with current technology, a requirement to provide stability, security and functionality.

## **13. FISHERIES DIVISION REPORT**

- LSYR Steelhead Monitoring Elements
- Tributary Project Updates
- Surcharge Water Accounting
- Reporting/Outreach/Training

Mr. Robinson presented the Fisheries Division report, providing additional information on the downstream water rights release as well as updates on trapping and snorkel survey activities mandated by the Biological Opinion during releases. Other updates included tributary projects, the Hilton Creek Watering and Emergency Backup Systems, a Surcharge Water Accounting summary and the production of the 2020 Annual Monitoring Report and Annual Monitoring Summary.

## **14. PROGRESS REPORT ON LAKE CACHUMA OAK TREE PROGRAM**

- Maintenance and Monitoring

Mr. Robinson presented the staff memo detailing Oak Tree program activities. He advised that the recent heat wave necessitated increased irrigation and also reported that the crew had been collecting ripe acorns from both Valley and Live Oak trees for germination. Finally, Mr. Robinson noted that deer cages had been removed from trees no longer at risk of decimation by deer and had been stored for future re-use.

## **15. MONTHLY CACHUMA PROJECT REPORTS**

- a. Cachuma Water Reports
- b. Cachuma Reservoir Current Conditions
- c. Lake Cachuma Quagga Survey

Ms. Gingras presented the Cachuma Project reports. She noted that these reports represented the final month of the water year and advised that the data contained nothing unusual.



**16. BOARD DISCUSSION ON PROCESS TO RETURN TO IN-PERSON MEETINGS**

Ms. Gingras introduced the staff memo regarding a return to in-person meetings and opened the discussion. Board members expressed concern for staff safety, adding that while visuals are helpful, the current method of holding meetings is acceptable. COMB’s pathway to resuming in-person meetings will follow State and County guidelines.

**17. DIRECTORS’ REQUESTS FOR AGENDA ITEMS FOR FUTURE MEETING**

There were no requests from Directors.

**18. MEETING SCHEDULE**

- **November 16, 2020 at 1:00 PM**
- **Board Packages available on COMB website [www.cachuma-board.org](http://www.cachuma-board.org)**

**19. COMB ADJOURNMENT**

There being no further business, the meeting was adjourned at 3:16 PM.

Respectfully submitted,

\_\_\_\_\_  
Janet Gingras, Secretary of the Board

	<i>Approved</i>
√	<i>Unapproved</i>

**APPROVED:**

\_\_\_\_\_  
Polly Holcombe, President of the Board

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**Cachuma Operation & Maintenance Board**  
**Statement of Net Position**  
As of October 31, 2020  
**UNAUDITED FINANCIALS**

	<b>Oct 31, 2020</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Trust Funds	
1210 - Warren Act Trust Fund	\$ 150,928.72
1220 - Renewal Fund	31,175.61
<b>Total Trust Funds</b>	\$ 182,104.33
1050 - General Fund	1,051,205.36
1100 - Revolving Fund	278,118.11
<b>Total Checking/Savings</b>	1,511,427.80
Accounts Receivable	
1301 - Accounts Receivable	182,324.40
<b>Total Accounts Receivable</b>	182,324.40
Other Current Assets	
1010 - Petty Cash	500.00
1200 - LAIF	1,393,607.59
1303 - Bradbury SOD Act Assessments Receivable	207,474.00
1304 - Lauro Dam SOD Assesments Receivable	31,939.08
1400 - Prepaid Insurance	10,178.72
<b>Total Other Current Assets</b>	1,643,699.39
<b>Total Current Assets</b>	3,337,451.59
<b>Fixed Assets</b>	
1500 - Vehicles	468,728.36
1505 - Office Furniture & Equipment	306,053.41
1510 - Mobile Offices	97,803.34
1515 - Field Equipment	550,152.72
1525 - Paving	38,351.00
1550 - Accumulated Depreciation	(1,276,895.81)
<b>Total Fixed Assets</b>	184,193.02
Other Assets	
1923 - Deferred Outflow (GASB 75)	214,063.00
1910 - Long Term Bradbury SOD Act Assessments Receivable	4,271,329.07
1920 - Long Term Lauro SOD Act Assessments Receivable	772,150.06
1922 - Deferred Outflow of Resources (GASB 68)	316,545.00
<b>Total Other Assets</b>	5,574,087.13
<b>TOTAL ASSETS</b>	<b>\$ 9,095,731.74</b>

**Cachuma Operation & Maintenance Board**  
**Statement of Net Position**  
As of October 31, 2020  
**UNAUDITED FINANCIALS**

	<b>Oct 31, 2020</b>
<b>LIABILITIES &amp; NET POSITION</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2200 - Accounts Payable	\$ 17,413.80
<b>Total Accounts Payable</b>	17,413.80
<b>Other Current Liabilities</b>	
2505 - Accrued Wages	11,794.50
2550 - Vacation/Sick	183,338.51
2561 - Bradbury Dam SOD Act	207,473.99
2563 - Lauro Dam SOD Act	31,939.08
2565 - Accrued Interest SOD Act	52,227.00
2567 - Loan Payable Current EPFP	339,170.66
2590 - Deferred Revenue	182,104.33
2594 - Deferred Revenue - Assessments	586,250.29
<b>Total Other Current Liabilities</b>	1,594,298.36
<b>Total Current Liabilities</b>	1,611,712.16
<b>Long Term Liabilities</b>	
2602 - Long Term SOD Act Liability-Bradbury	4,271,319.07
2603 - Long Term SOD Act Liability - Lauro	772,150.06
2604 - OPEB Long Term Liability	5,565,697.00
2610 - Net Pension Liability (GASB 68)	1,893,141.00
2611 - Deferred Inflow of Resources (GASB 68)	143,105.00
<b>Total Long Term Liabilities</b>	12,645,412.13
<b>Total Liabilities</b>	14,257,124.29
<b>Net Position</b>	
3000 - Opening Balance Net Position	(5,296,580.05)
3901 - Retained Net Assets	(845,623.12)
<b>Net Income</b>	980,810.62
<b>Total Net Position</b>	(5,161,392.55)
<b>TOTAL LIABILITIES &amp; NET POSITION</b>	<b>\$ 9,095,731.74</b>

**Cachuma Operation & Maintenance Board**  
**Statement of Revenues and Expenditures**  
 Budget vs. Actuals July 2020 - June 2021

	Fisheries				Operations				TOTAL			
	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget
<b>Revenue</b>												
<b>3000 REVENUE</b>												
3001 · O&M Budget (Qtrly Assessments)	\$ 427,470.00	\$ 1,001,522.00	\$ (574,052.00)	42.68%	\$ 1,660,997.00	\$ 3,806,921.00	\$ (2,145,924.00)	43.63%	\$ 2,088,467.00	\$ 4,808,443.00	\$ (2,719,976.00)	43.43%
3006 · Warren Act	0.00	62,780.00	-62,780.00	0.0%	0.00				0.00	62,780.00	-62,780.00	0.0%
3007 · Renewal Fund	0.00	203,298.00	-203,298.00	0.0%	0.00				0.00	203,298.00	-203,298.00	0.0%
3009 · EPFP Loan (Qtrly Assessments)	0.00				115,862.55				115,862.55	0.00	115,862.55	100.0%
3010 · Interest Income	0.00				2,953.00				2,953.00	0.00	2,953.00	100.0%
3014 · Non-Member Agency Revenue	15,000.00				0.00				15,000.00	0.00	15,000.00	100.0%
3035 · Cachuma Project Betterment Fund	0.00	90,000.00	-90,000.00	0.0%	0.00				0.00	90,000.00	-90,000.00	0.0%
<b>Total 3000 REVENUE</b>	<b>\$ 442,470.00</b>	<b>\$ 1,357,600.00</b>	<b>\$ (915,130.00)</b>	<b>32.59%</b>	<b>\$ 1,779,812.55</b>	<b>\$ 3,806,921.00</b>	<b>\$ (2,027,108.45)</b>	<b>46.75%</b>	<b>\$ 2,222,282.55</b>	<b>\$ 5,164,521.00</b>	<b>\$ (2,942,238.45)</b>	<b>43.03%</b>
<b>Expense</b>												
<b>3100 · LABOR - OPERATIONS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 271,868.83</b>	<b>\$ 1,010,140.00</b>	<b>\$ (738,271.17)</b>	<b>26.91%</b>	<b>\$ 271,868.83</b>	<b>\$ 1,010,140.00</b>	<b>\$ (738,271.17)</b>	<b>26.91%</b>
<b>3200 VEH &amp; EQUIPMENT</b>												
3201 · Vehicle/Equip Mtce	0.00				8,385.32	35,000.00	-26,614.68	23.9%	8,385.32	35,000.00	-26,614.68	24.0%
3202 · Fixed Capital	0.00				0.00	25,000.00	-25,000.00	0.0%	0.00	25,000.00	-25,000.00	0.0%
3203 · Equipment Rental	0.00				0.00	5,000.00	-5,000.00	0.0%	0.00	5,000.00	-5,000.00	0.0%
3204 · Miscellaneous	0.00				383.81	10,000.00	-9,616.19	3.84%	383.81	10,000.00	-9,616.19	3.84%
<b>Total 3200 VEH &amp; EQUIPMENT</b>	<b>0.00</b>				<b>8,715.13</b>	<b>75,000.00</b>	<b>-66,284.87</b>	<b>11.62%</b>	<b>8,742.13</b>	<b>75,000.00</b>	<b>-66,257.87</b>	<b>11.66%</b>
<b>3300 · CONTRACT LABOR</b>												
3301 · Conduit, Meter, Valve & Misc	0.00				6,821.72	20,000.00	-13,178.28	34.11%	6,821.72	20,000.00	-13,178.28	34.11%
3302 · Buildings & Roads	0.00				3,447.34	20,000.00	-16,552.66	17.24%	3,447.34	20,000.00	-16,552.66	17.24%
3303 · Reservoirs	0.00				9,746.12	60,000.00	-50,253.88	16.24%	9,746.12	60,000.00	-50,253.88	16.24%
3304 · Engineering, Misc Services	0.00				6,560.00	30,000.00	-23,440.00	21.87%	6,560.00	30,000.00	-23,440.00	21.87%
<b>Total 3300 · CONTRACT LABOR</b>	<b>0.00</b>				<b>26,575.18</b>	<b>130,000.00</b>	<b>-103,424.82</b>	<b>20.44%</b>	<b>26,575.18</b>	<b>130,000.00</b>	<b>-103,424.82</b>	<b>20.44%</b>
<b>3400 · MATERIALS &amp; SUPPLIES</b>												
3401 · Conduit, Meter, Valve & Misc	0.00				7,840.34	65,000.00	-57,159.66	12.06%	7,840.34	65,000.00	-57,159.66	12.06%
3402 · Buildings & Roads	0.00				1,616.82	8,000.00	-6,383.18	20.21%	1,616.82	8,000.00	-6,383.18	20.21%
3403 · Reservoirs	0.00				0.00	5,000.00	-5,000.00	0.0%	0.00	5,000.00	-5,000.00	0.0%
<b>Total 3400 · MATERIALS &amp; SUPPLIES</b>	<b>0.00</b>				<b>9,457.16</b>	<b>78,000.00</b>	<b>-68,542.84</b>	<b>12.13%</b>	<b>9,457.16</b>	<b>78,000.00</b>	<b>-68,542.84</b>	<b>12.13%</b>
<b>3500 · OTHER EXPENSES</b>												
3501 · Utilities	0.00				1,875.44	7,000.00	-5,124.56	26.79%	1,875.44	7,000.00	-5,124.56	26.79%
3502 · Uniforms	0.00				460.17	5,000.00	-4,539.83	9.2%	460.17	5,000.00	-4,539.83	9.2%
3503 · Communications	0.00				3,531.84	15,800.00	-12,268.16	22.35%	3,531.84	15,800.00	-12,268.16	22.35%
3504 · USA & Other Services	0.00				625.65	4,000.00	-3,374.35	15.64%	625.65	4,000.00	-3,374.35	15.64%
3505 · Miscellaneous	0.00				3,542.60	11,200.00	-7,657.40	31.63%	3,542.60	11,200.00	-7,657.40	31.63%
3506 · Training	0.00				589.98	3,000.00	-2,410.02	19.67%	589.98	3,000.00	-2,410.02	19.67%
<b>Total 3500 · OTHER EXPENSES</b>	<b>0.00</b>				<b>10,625.68</b>	<b>46,000.00</b>	<b>-35,374.32</b>	<b>23.1%</b>	<b>10,625.68</b>	<b>46,000.00</b>	<b>-35,374.32</b>	<b>23.1%</b>
<b>4100 · LABOR - FISHERIES</b>	<b>242,135.17</b>	<b>729,413.00</b>	<b>-487,277.83</b>	<b>33.2%</b>	<b>0.00</b>				<b>242,135.17</b>	<b>729,413.00</b>	<b>-487,277.83</b>	<b>33.2%</b>
<b>4200 · VEHICLES &amp; EQUIP - FISHERIES</b>												
4270 · Vehicle/Equip Mtce	6,639.52	30,000.00	-23,360.48	22.13%	0.00				6,639.52	30,000.00	-23,360.48	22.1%
4280 · Fixed Capital	2,221.03	15,000.00	-12,778.97	14.81%	0.00				2,221.03	15,000.00	-12,778.97	14.81%
4290 · Miscellaneous	0.00	2,500.00	-2,500.00	0.0%	0.00				0.00	2,500.00	-2,500.00	0.0%
<b>Total 4200 · VEHICLES &amp; EQUIP - FISHERIES</b>	<b>8,860.55</b>	<b>47,500.00</b>	<b>-38,639.45</b>	<b>18.65%</b>	<b>0.00</b>				<b>8,860.55</b>	<b>47,500.00</b>	<b>-38,639.45</b>	<b>18.71%</b>
<b>4220 · CONTRACT LABOR - FISHERIES</b>												
4221 · Meters & Valves	1,247.45	3,000.00	-1,752.55	41.58%	0.00				1,247.45	3,000.00	-1,752.55	41.58%

**Cachuma Operation & Maintenance Board**  
**Statement of Revenues and Expenditures**  
 Budget vs. Actuals July 2020 - June 2021

	Fisheries				Operations				TOTAL			
	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget
4222 · Fish Projects Maintenance	0.00	20,000.00	-20,000.00	0.0%	0.00				0.00	20,000.00	-20,000.00	0.0%
<b>Total 4220 · CONTRACT LABOR - FISHERIES</b>	<b>1,247.45</b>	<b>23,000.00</b>	<b>-21,752.55</b>	<b>5.42%</b>	<b>0.00</b>				<b>1,247.45</b>	<b>23,000.00</b>	<b>-21,752.55</b>	<b>5.42%</b>
<b>4300 · MATERIALS/SUPPLIES - FISHERIES</b>												
4390 · Miscellaneous	632.41	7,000.00	-6,367.59	9.03%	0.00				632.41	7,000.00	-6,367.59	9.03%
<b>Total 4300 · MATERIALS/SUPPLIES - FISHERIES</b>	<b>632.41</b>	<b>7,000.00</b>	<b>-6,367.59</b>	<b>9.03%</b>	<b>0.00</b>				<b>632.41</b>	<b>7,000.00</b>	<b>-6,367.59</b>	<b>9.03%</b>
<b>4500 · OTHER EXPENSES - FISHERIES</b>												
4502 · Uniforms	420.16	3,500.00	-3,079.84	12.01%	0.00				420.16	3,500.00	-3,079.84	12.01%
<b>Total 4500 · OTHER EXPENSES - FISHERIES</b>	<b>420.16</b>	<b>3,500.00</b>	<b>-3,079.84</b>	<b>12.01%</b>	<b>0.00</b>				<b>420.16</b>	<b>3,500.00</b>	<b>-3,079.84</b>	<b>12.01%</b>
<b>4999 · GENERAL &amp; ADMINISTRATIVE</b>												
5000 · Director Fees	0.00				2,518.10	12,400.00	-9,881.90	20.31%	2,518.10	12,400.00	-9,881.90	20.31%
5001 · Director Mileage	0.00				16.37	600.00	-583.63	2.73%	16.37	600.00	-583.63	2.73%
5100 · Legal	0.00				14,394.55	75,000.00	-60,605.45	19.19%	14,394.55	75,000.00	-60,605.45	19.19%
5101 · Audit	0.00				1,644.50	22,750.00	-21,105.50	7.23%	1,644.50	22,750.00	-21,105.50	7.23%
5150 · Unemployment Tax	0.00				0.00	5,000.00	-5,000.00	0.0%	0.00	5,000.00	-5,000.00	0.0%
5200 · Liability Insurance	0.00				31,188.59	33,326.00	-2,137.41	93.59%	31,188.59	33,326.00	-2,137.41	93.59%
5310 · Postage/Office Exp	0.00				2,302.11	5,000.00	-2,697.89	46.04%	2,302.11	5,000.00	-2,697.89	46.04%
5311 · Office Equip/Leases	0.00				1,932.29	9,700.00	-7,767.71	19.92%	1,932.29	9,700.00	-7,767.71	19.92%
5312 · Misc Admin Expenses	0.00				3,023.03	14,000.00	-10,976.97	21.59%	3,023.03	14,000.00	-10,976.97	21.59%
5313 · Communications	0.00				1,922.44	6,500.00	-4,577.56	29.58%	1,922.44	6,500.00	-4,577.56	29.58%
5314 · Utilities	0.00				3,393.17	9,737.00	-6,343.83	34.85%	3,393.17	9,737.00	-6,343.83	34.85%
5315 · Membership Dues	0.00				9,493.65	9,700.00	-206.35	97.87%	9,493.65	9,700.00	-206.35	97.87%
5316 · Admin Fixed Assets	0.00				1,804.43	3,000.00	-1,195.57	60.15%	1,804.43	3,000.00	-1,195.57	60.15%
5318 · Computer Consultant	0.00				5,551.42	16,500.00	-10,948.58	33.65%	5,551.42	16,500.00	-10,948.58	33.65%
5325 · Emp Training/Subscriptions	0.00				0.00	2,000.00	-2,000.00	0.0%	0.00	2,000.00	-2,000.00	0.0%
5330 · Admin Travel/Conferences	0.00				0.00	2,000.00	-2,000.00	0.0%	0.00	2,000.00	-2,000.00	0.0%
5331 · Public Information	0.00				780.00	3,500.00	-2,720.00	22.29%	780.00	3,500.00	-2,720.00	22.29%
<b>Total 4999 · GENERAL &amp; ADMINISTRATIVE</b>	<b>0.00</b>				<b>79,964.65</b>	<b>230,713.00</b>	<b>-150,748.35</b>	<b>34.66%</b>	<b>79,964.65</b>	<b>230,713.00</b>	<b>-150,748.35</b>	<b>34.66%</b>
<b>5299 · ADMIN LABOR</b>	<b>0.00</b>				<b>201,101.96</b>	<b>602,068.00</b>	<b>-400,966.04</b>	<b>33.4%</b>	<b>201,101.96</b>	<b>602,068.00</b>	<b>-400,966.04</b>	<b>33.4%</b>
<b>5400 · GENERAL &amp; ADMIN - FISHERIES</b>												
5407 · Legal - FD	3,007.25	25,000.00	-21,992.75	12.03%	0.00				3,007.25	25,000.00	-21,992.75	12.03%
5410 · Postage / Office Supplies	1,208.91	4,000.00	-2,791.09	30.22%	0.00				1,208.91	4,000.00	-2,791.09	30.22%
5411 · Office Equipment / Leases	1,040.49	6,518.00	-5,477.51	15.96%	0.00				1,040.49	6,518.00	-5,477.51	15.96%
5412 · Misc. Admin Expense	1,333.89	7,500.00	-6,166.11	17.79%	0.00				1,333.89	7,500.00	-6,166.11	17.79%
5413 · Communications	1,035.17	4,455.00	-3,419.83	23.24%	0.00				1,035.17	4,455.00	-3,419.83	23.24%
5414 · Utilities	1,827.08	5,243.00	-3,415.92	34.85%	0.00				1,827.08	5,243.00	-3,415.92	34.85%
5415 · Membership Dues	5,217.35	6,200.00	-982.65	84.15%	0.00				5,217.35	6,200.00	-982.65	84.15%
5416 · Admin Fixed Assets	970.60	3,000.00	-2,029.40	32.35%	0.00				970.60	3,000.00	-2,029.40	32.35%
5418 · Computer Consultant	2,990.23	9,000.00	-6,009.77	33.23%	0.00				2,990.23	9,000.00	-6,009.77	33.23%
5425 · Employee Education/Subscription	0.00	2,500.00	-2,500.00	0.0%	0.00				0.00	2,500.00	-2,500.00	0.0%
5426 · Director Fees	1,355.90	6,700.00	-5,344.10	20.24%	0.00				1,355.90	6,700.00	-5,344.10	20.24%
5427 · Director Mileage	8.82	300.00	-291.18	2.94%	0.00				8.82	300.00	-291.18	2.94%
5430 · Travel	0.00	2,500.00	-2,500.00	0.0%	0.00				0.00	2,500.00	-2,500.00	0.0%
5431 · Public Information	420.00	1,500.00	-1,080.00	28.0%	0.00				420.00	1,500.00	-1,080.00	28.0%
5441 · Audit	885.50	12,250.00	-11,364.50	7.23%	0.00				885.50	12,250.00	-11,364.50	7.23%
5443 · Liab & Property Ins	16,793.86	17,745.00	-951.14	94.64%	0.00				16,793.86	17,745.00	-951.14	94.64%
<b>Total 5400 · GENERAL &amp; ADMIN - FISHERIES</b>	<b>38,095.05</b>	<b>114,411.00</b>	<b>-76,315.95</b>	<b>33.3%</b>	<b>0.00</b>				<b>38,095.05</b>	<b>114,411.00</b>	<b>-76,315.95</b>	<b>33.3%</b>

**Cachuma Operation & Maintenance Board**  
**Statement of Revenues and Expenditures**  
 Budget vs. Actuals July 2020 - June 2021

	Fisheries				Operations				TOTAL			
	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Oct 20	Budget	\$ Over / (Under) Budget	% of Budget
5499 - ADMIN LABOR-FISHERIES	76,619.25	247,776.00	-171,156.75	30.92%	0.00				76,619.25	247,776.00	-171,156.75	30.92%
5510 - Integrated Reg. Water Mgt Plan	0.00				0.00	5,000.00	-5,000.00	0.0%	0.00	5,000.00	-5,000.00	0.0%
<b>6000 - SPECIAL PROJECTS</b>												
6062 - SCADA	0.00				10,192.73	150,000.00	-139,807.27	6.8%	10,192.73	150,000.00	-139,807.27	6.8%
6090 - COMB Office Building	0.00				16,920.00	300,000.00	-283,080.00	5.64%	16,920.00	300,000.00	-283,080.00	5.64%
6096 - SCC Structure Rehabilitation	0.00				82,720.99	440,000.00	-357,279.01	18.8%	82,720.99	440,000.00	-357,279.01	18.8%
6097 - GIS and Mapping	0.00				925.00	10,000.00	-9,075.00	9.25%	925.00	10,000.00	-9,075.00	9.25%
6100 - Watershed Sanitary Survey	0.00				0.00	70,000.00	-70,000.00	0.0%	0.00	70,000.00	-70,000.00	0.0%
6105 - ROW Management Program	0.00				355.66	20,000.00	-19,644.34	1.78%	355.66	20,000.00	-19,644.34	1.78%
6120 - Lake Cachuma Secured Pipeline	0.00				69,608.99	300,000.00	-230,391.01	23.2%	69,608.99	300,000.00	-230,391.01	23.2%
6136 - SCC Isolation Valve Evaluation	0.00				0.00	190,000.00	-190,000.00	0.0%	0.00	190,000.00	-190,000.00	0.0%
6137 - SCC Lower Reach Lateral Structu	0.00				8,718.75	150,000.00	-141,281.25	5.81%	8,718.75	150,000.00	-141,281.25	5.81%
6138 - Cachuma Watershed Mgmt Study	0.00				14,331.37				14,331.37	0.00	14,331.37	100.0%
<b>Total 6000 - SPECIAL PROJECTS</b>	0.00				203,773.49	1,630,000.00	-1,426,226.51	12.5%	203,773.49	1,630,000.00	-1,426,226.51	12.5%
<b>6200 - FISHERIES ACTIVITIES</b>	23,044.24	175,000.00	-151,955.76	13.17%	0.00				23,044.24	175,000.00	-151,955.76	13.17%
<b>6300 - HABITAT ENHANCEMENT</b>												
6303 - Tributary Projects Support	0.00	10,000.00	-10,000.00	0.0%	0.00				0.00	10,000.00	-10,000.00	0.0%
6315 - Quiota Creek Crossing 8	32,782.92	0.00	32,782.92	100.0%	0.00				32,782.92	0.00	32,782.92	100.0%
<b>Total 6300 - HABITAT ENHANCEMENT</b>	32,782.92	10,000.00	22,782.92	327.83%	0.00				32,782.92	10,000.00	22,782.92	327.83%
<b>7007 - INTEREST EXPENSE-EPFP</b>	0.00				5,498.65	0.00	5,498.65	100.0%	5,498.65	0.00	5,498.65	100.0%
<b>Total Expense</b>	<b>\$ 423,837.20</b>	<b>\$ 1,357,600.00</b>	<b>\$ (933,762.80)</b>	<b>31.2%</b>	<b>\$ 817,634.73</b>	<b>\$ 3,806,921.00</b>	<b>\$ (2,989,286.27)</b>	<b>21.5%</b>	<b>\$ 1,241,471.93</b>	<b>\$ 5,164,521.00</b>	<b>\$ (3,923,049.07)</b>	<b>24.0%</b>
<b>Net Surplus / Deficit</b>	<b>\$ 18,632.80</b>	<b>\$ -</b>	<b>\$ 18,632.80</b>	<b>100.0%</b>	<b>\$ 962,177.82</b>	<b>\$ -</b>	<b>\$ (962,177.82)</b>	<b>100.0%</b>	<b>\$ 980,810.62</b>	<b>\$ -</b>	<b>\$ 980,810.62</b>	<b>100.0%</b>

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# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Janet Gingras

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**SUBJECT:** Investment Report – October 31, 2020

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### **RECOMMENDATION**

The Board of Directors receive and file the Cachuma Operation and Maintenance Board Investment Report as of October 31, 2020.

### **DISCUSSION**

Cash and investment programs are maintained in accordance with California Government Code Section 53600 et seq. and COMB's adopted investment policy. These policies ensure proper control and safeguards are maintained throughout the financial transaction process. Pursuant to State law, the COMB Board adopts a detailed investment policy through a Board resolution on an annual basis.

Reports on COMB's investment portfolio and cash position are developed and presented to the COMB Board on a monthly basis, in conformity with the California Government Code.

#### Unrestricted Cash

Unrestricted cash exceeding current operating needs is invested in LAIF to generate interest income. The average monthly effective yield rate, as of October 2020, is reported at 0.620%.

See Table 1 below for a summary of balances held in unrestricted accounts.

TABLE 1			
Unrestricted Reserve Funds		Date	Principal
Local Agency Investment Fund (LAIF)			
Previous Balance		09/30/2020	\$ 1,390,654.59
(+) Deposits/Credits			2,953.00
(-) Checks/Withdrawals			-
Statement Balance		10/31/2020	\$ 1,393,607.59

#### Restricted Cash

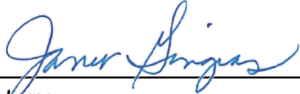
The Cachuma Project Warren Act Trust Fund (Trust Fund) and Cachuma Project Master Contract Renewal Fund (Renewal Fund) are two separate funds that have been established through contracts with the U.S. Bureau of Reclamation (Reclamation). The Trust Fund and the Renewal Fund require annual and five-year plans which are used to inform the Funds Committee in making decisions on expenditures for betterment of the Cachuma Project.

See Table 2 below for a summary of balances held in restricted accounts.

TABLE 2			
Restricted Reserve Funds		Date	Principal
American Riviera Bank Renewal Account			
	Previous Balance	09/30/2020	\$ 10,215.61
	(+) Deposits/Credits		20,960.00
	(-) Checks/Withdrawals		-
	Statement Balance	10/31/2020	\$ 31,175.61
American Riviera Bank Warren Act Trust Fund			
	Previous Balance	09/30/2020	\$ 134,545.72
	(+) Deposits/Credits		16,383.00
	(-) Checks/Withdrawals		-
	Statement Balance	10/31/2020	\$ 150,928.72

**STATEMENT**

The above statement of investment activity for the month of October 2020, complies with legal requirements for investment policy of government agencies, AB 1073. I hereby certify that it constitutes a complete and accurate summary of all American Riviera Bank and LAIF investments of this agency for the period indicated.

  
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 Secretary

**Cachuma Operation & Maintenance Board**  
**Statement of Net Position**  
As of November 30, 2020  
**UNAUDITED FINANCIALS**

	<b>Nov 30, 20</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
<b>Trust Funds</b>	
1210 · Warren Act Trust Fund	\$ 73,148.72
1220 · Renewal Fund	117,694.58
<b>Total Trust Funds</b>	\$ 190,843.30
1050 · General Fund	1,053,303.15
1100 · Revolving Fund	136,762.12
<b>Total Checking/Savings</b>	1,380,908.57
<b>Accounts Receivable</b>	
1301 · Accounts Receivable	207,617.14
<b>Total Accounts Receivable</b>	207,617.14
<b>Other Current Assets</b>	
1010 · Petty Cash	500.00
1200 · LAIF	1,393,607.59
1303 · Bradbury SOD Act Assessments Receivable	207,474.00
1304 · Lauro Dam SOD Assesment Receivable	31,939.08
1400 · Prepaid Insurance	10,178.72
<b>Total Other Current Assets</b>	1,643,699.39
<b>Total Current Assets</b>	3,232,225.10
<b>Fixed Assets</b>	
1500 · Vehicles	468,728.36
1505 · Office Furniture & Equipment	306,053.41
1510 · Mobile Offices	97,803.34
1515 · Field Equipment	550,152.72
1525 · Paving	38,351.00
1550 · Accumulated Depreciation	(1,276,895.81)
<b>Total Fixed Assets</b>	184,193.02
<b>Other Assets</b>	
1923 · Deferred Outflow (GASB 75)	886,927.00
1910 · Long Term Bradbury SOD Act Assessments Receivable	4,271,329.07
1920 · Long Term Lauro SOD Act Assessments Receivable	772,150.06
1922 · Deferred Outflow of Resources (GASB 68)	336,263.00
<b>Total Other Assets</b>	6,266,669.13
<b>TOTAL ASSETS</b>	<b>\$ 9,683,087.25</b>

**Cachuma Operation & Maintenance Board**  
**Statement of Net Position**  
As of November 30, 2020  
**UNAUDITED FINANCIALS**

	<b>Nov 30, 20</b>
<b>LIABILITIES &amp; NET POSITION</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
2200 · Accounts Payable	\$ 8,578.33
<b>Total Accounts Payable</b>	8,578.33
<b>Other Current Liabilities</b>	
2505 · Accrued Wages	11,794.50
2550 · Vacation/Sick	183,338.51
2561 · Bradbury Dam SOD Act	207,473.99
2563 · Lauro Dam SOD Act	31,939.08
2565 · Accrued Interest SOD Act	52,227.00
2567 · Loan Payable Current EPFP	301,791.83
2590 · Deferred Revenue	190,843.30
2594 · Deferred Revenue - Assessments	586,250.29
<b>Total Other Current Liabilities</b>	1,565,658.50
<b>Total Current Liabilities</b>	1,574,236.83
<b>Long Term Liabilities</b>	
2602 · Long Term SOD Act Liability-Bradbury	4,271,319.07
2603 · Long Term SOD Act Liability - Lauro	772,150.06
2604 · OPEB Long Term Liability	5,565,697.00
2610 · Net Pension Liability (GASB 68)	1,893,141.00
2611 · Deferred Inflow of Resources (GASB 68)	802,348.00
<b>Total Long Term Liabilities</b>	13,304,655.13
<b>Total Liabilities</b>	14,878,891.96
<b>Net Position</b>	
3000 · Opening Balance Net Position	(5,296,580.05)
3901 · Retained Net Assets	(812,284.12)
<b>Net Income</b>	913,059.46
<b>Total Net Position</b>	(5,195,804.71)
<b>TOTAL LIABILITIES &amp; NET POSITION</b>	<b>\$ 9,683,087.25</b>

**Cachuma Operation & Maintenance Board**  
**Statement of Revenues and Expenditures**  
 Budget vs. Actuals July 2020 - June 2021

	Fisheries				Operations				TOTAL			
	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget
<b>Revenue</b>												
<b>3000 REVENUE</b>												
3001 · O&M Budget (Qtrly Assessments)	\$ 427,470.00	\$ 1,001,522.00	\$ (574,052.00)	42.68%	\$ 1,660,997.00	\$ 3,806,921.00	\$ (2,145,924.00)	43.63%	\$ 2,088,467.00	\$ 4,808,443.00	\$ (2,719,976.00)	43.43%
3006 · Warren Act	77,780.00	62,780.00	15,000.00	123.89%	0.00				77,780.00	62,780.00	15,000.00	123.89%
3007 · Renewal Fund	95,819.03	203,298.00	-107,478.97	47.13%	0.00				95,819.03	203,298.00	-107,478.97	47.13%
3009 · EPFP Loan (Qtrly Assessments)	0.00				115,862.55	0.00	115,862.55	100.0%	115,862.55	0.00	115,862.55	100.0%
3010 · Interest Income	0.00				2,953.00	0.00	2,953.00	100.0%	2,953.00	0.00	2,953.00	100.0%
3014 · Non-Member Agency Revenue	15,000.00	0.00	15,000.00	100.0%	0.00				15,000.00	0.00	15,000.00	100.0%
3035 · Cachuma Project Betterment Fund	0.00	90,000.00	-90,000.00	0.0%	0.00				0.00	90,000.00	-90,000.00	0.0%
<b>Total 3000 REVENUE</b>	\$ 616,069.03	\$ 1,357,600.00	\$ (741,530.97)	45.38%	\$ 1,779,812.55	\$ 3,806,921.00	\$ (2,027,108.45)	46.75%	\$ 2,395,881.58	\$ 5,164,521.00	\$ (2,768,639.42)	46.39%
<b>Expense</b>												
<b>3100 · LABOR - OPERATIONS</b>	\$ -	\$ -	\$ -	0.0%	\$ 331,372.81	\$ 1,010,140.00	\$ (678,767.19)	32.81%	\$ 331,372.81	\$ 1,010,140.00	\$ (678,767.19)	32.81%
<b>3200 VEH &amp; EQUIPMENT</b>												
3201 · Vehicle/Equip Mtce	0.00				9,423.47	35,000.00	-25,576.53	26.92%	9,423.47	35,000.00	-25,576.53	26.92%
3202 · Fixed Capital	0.00				0.00	25,000.00	-25,000.00	0.0%	0.00	25,000.00	-25,000.00	0.0%
3203 · Equipment Rental	0.00				335.00	5,000.00	-4,665.00	6.7%	335.00	5,000.00	-4,665.00	6.7%
3204 · Miscellaneous	0.00				519.88	10,000.00	-9,480.12	5.2%	519.88	10,000.00	-9,480.12	5.2%
<b>Total 3200 VEH &amp; EQUIPMENT</b>	0.00				10,278.35	75,000.00	-64,721.65	13.7%	10,278.35	75,000.00	-64,721.65	13.7%
<b>3300 · CONTRACT LABOR</b>												
3301 · Conduit, Meter, Valve & Misc	0.00				8,106.37	20,000.00	-11,893.63	40.53%	8,106.37	20,000.00	-11,893.63	40.53%
3302 · Buildings & Roads	0.00				3,447.34	20,000.00	-16,552.66	17.24%	3,447.34	20,000.00	-16,552.66	17.24%
3303 · Reservoirs	0.00				11,052.19	60,000.00	-48,947.81	18.42%	11,052.19	60,000.00	-48,947.81	18.42%
3304 · Engineering, Misc Services	0.00				6,560.00	30,000.00	-23,440.00	21.87%	6,560.00	30,000.00	-23,440.00	21.87%
<b>Total 3300 · CONTRACT LABOR</b>	0.00				29,165.90	130,000.00	-100,834.10	22.44%	29,165.90	130,000.00	-100,834.10	22.44%
<b>3400 · MATERIALS &amp; SUPPLIES</b>												
3401 · Conduit, Meter, Valve & Misc	0.00				10,779.71	65,000.00	-54,220.29	16.58%	10,779.71	65,000.00	-54,220.29	16.58%
3402 · Buildings & Roads	0.00				1,791.82	8,000.00	-6,208.18	22.4%	1,791.82	8,000.00	-6,208.18	22.4%
3403 · Reservoirs	0.00				83.57	5,000.00	-4,916.43	1.67%	83.57	5,000.00	-4,916.43	1.67%
<b>Total 3400 · MATERIALS &amp; SUPPLIES</b>	0.00				12,655.10	78,000.00	-65,344.90	16.22%	12,655.10	78,000.00	-65,344.90	16.22%
<b>3500 · OTHER EXPENSES</b>												
3501 · Utilities	0.00				2,333.53	7,000.00	-4,666.47	33.34%	2,333.53	7,000.00	-4,666.47	33.34%
3502 · Uniforms	0.00				2,074.84	5,000.00	-2,925.16	41.5%	2,074.84	5,000.00	-2,925.16	41.5%
3503 · Communications	0.00				4,337.07	15,800.00	-11,462.93	27.45%	4,337.07	15,800.00	-11,462.93	27.45%
3504 · USA & Other Services	0.00				813.85	4,000.00	-3,186.15	20.35%	813.85	4,000.00	-3,186.15	20.35%
3505 · Miscellaneous	0.00				3,995.00	11,200.00	-7,205.00	35.67%	3,995.00	11,200.00	-7,205.00	35.67%
3506 · Training	0.00				589.98	3,000.00	-2,410.02	19.67%	589.98	3,000.00	-2,410.02	19.67%
<b>Total 3500 · OTHER EXPENSES</b>	0.00				14,144.27	46,000.00	-31,855.73	30.75%	14,144.27	46,000.00	-31,855.73	30.75%
<b>4100 · LABOR - FISHERIES</b>	292,841.98	729,413.00	-436,571.02	40.15%	0.00				292,841.98	729,413.00	-436,571.02	40.15%
<b>4200 · VEHICLES &amp; EQUIP - FISHERIES</b>												
4270 · Vehicle/Equip Mtce	8,004.84	30,000.00	-21,995.16	26.68%	0.00				8,004.84	30,000.00	-21,995.16	26.68%
4280 · Fixed Capital	2,221.03	15,000.00	-12,778.97	14.81%	0.00				2,221.03	15,000.00	-12,778.97	14.81%
4290 · Miscellaneous	0.00	2,500.00	-2,500.00	0.0%	0.00				0.00	2,500.00	-2,500.00	0.0%
<b>Total 4200 · VEHICLES &amp; EQUIP - FISHERIES</b>	10,225.87	47,500.00	-37,274.13	21.53%	0.00				10,225.87	47,500.00	-37,274.13	21.53%

**Cachuma Operation & Maintenance Board**  
**Statement of Revenues and Expenditures**  
 Budget vs. Actuals July 2020 - June 2021

	Fisheries				Operations				TOTAL			
	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget
<b>4220 · CONTRACT LABOR - FISHERIES</b>												
4221 · Meters & Valves	1,247.45	3,000.00	-1,752.55	41.58%	0.00				1,247.45	3,000.00	-1,752.55	41.58%
4222 · Fish Projects Maintenance	5,324.33	20,000.00	-14,675.67	26.62%	0.00				5,324.33	20,000.00	-14,675.67	26.62%
<b>Total 4220 · CONTRACT LABOR - FISHERIES</b>	<b>6,571.78</b>	<b>23,000.00</b>	<b>-16,428.22</b>	<b>28.57%</b>	<b>0.00</b>				<b>6,571.78</b>	<b>23,000.00</b>	<b>-16,428.22</b>	<b>28.57%</b>
<b>4300 · MATERIALS/SUPPLIES - FISHERIES</b>												
4390 · Miscellaneous	652.02	7,000.00	-6,347.98	9.32%	0.00				652.02	7,000.00	-6,347.98	9.32%
<b>Total 4300 · MATERIALS/SUPPLIES - FISHERIES</b>	<b>652.02</b>	<b>7,000.00</b>	<b>-6,347.98</b>	<b>9.32%</b>	<b>0.00</b>				<b>652.02</b>	<b>7,000.00</b>	<b>-6,347.98</b>	<b>9.32%</b>
<b>4500 · OTHER EXPENSES - FISHERIES</b>												
4502 · Uniforms	779.28	3,500.00	-2,720.72	22.27%	0.00				779.28	3,500.00	-2,720.72	22.27%
<b>Total 4500 · OTHER EXPENSES - FISHERIES</b>	<b>779.28</b>	<b>3,500.00</b>	<b>-2,720.72</b>	<b>22.27%</b>	<b>0.00</b>				<b>779.28</b>	<b>3,500.00</b>	<b>-2,720.72</b>	<b>22.27%</b>
<b>4999 · GENERAL &amp; ADMINISTRATIVE</b>												
5000 · Director Fees	0.00				2,518.10	12,400.00	-9,881.90	20.31%	2,518.10	12,400.00	-9,881.90	20.31%
5001 · Director Mileage	0.00				16.37	600.00	-583.63	2.73%	16.37	600.00	-583.63	2.73%
5100 · Legal	0.00				14,394.55	75,000.00	-60,605.45	19.19%	14,394.55	75,000.00	-60,605.45	19.19%
5101 · Audit	0.00				9,457.50	22,750.00	-13,292.50	41.57%	9,457.50	22,750.00	-13,292.50	41.57%
5150 · Unemployment Tax	0.00				0.00	5,000.00	-5,000.00	0.0%	0.00	5,000.00	-5,000.00	0.0%
5200 · Liability Insurance	0.00				31,188.59	33,326.00	-2,137.41	93.59%	31,188.59	33,326.00	-2,137.41	93.59%
5310 · Postage/Office Exp	0.00				2,977.35	5,000.00	-2,022.65	59.55%	2,977.35	5,000.00	-2,022.65	59.55%
5311 · Office Equip/Leases	0.00				3,916.67	9,700.00	-5,783.33	40.38%	3,916.67	9,700.00	-5,783.33	40.38%
5312 · Misc Admin Expenses	0.00				6,349.48	14,000.00	-7,650.52	45.35%	6,349.48	14,000.00	-7,650.52	45.35%
5313 · Communications	0.00				2,342.12	6,500.00	-4,157.88	36.03%	2,342.12	6,500.00	-4,157.88	36.03%
5314 · Utilities	0.00				3,393.17	9,737.00	-6,343.83	34.85%	3,393.17	9,737.00	-6,343.83	34.85%
5315 · Membership Dues	0.00				9,688.65	9,700.00	-11.35	99.88%	9,688.65	9,700.00	-11.35	99.88%
5316 · Admin Fixed Assets	0.00				2,224.65	3,000.00	-775.35	74.16%	2,224.65	3,000.00	-775.35	74.16%
5318 · Computer Consultant	0.00				6,822.53	16,500.00	-9,677.47	41.35%	6,822.53	16,500.00	-9,677.47	41.35%
5325 · Emp Training/Subscriptions	0.00				0.00	2,000.00	-2,000.00	0.0%	0.00	2,000.00	-2,000.00	0.0%
5330 · Admin Travel/Conferences	0.00				0.00	2,000.00	-2,000.00	0.0%	0.00	2,000.00	-2,000.00	0.0%
5331 · Public Information	0.00				975.00	3,500.00	-2,525.00	27.86%	975.00	3,500.00	-2,525.00	27.86%
<b>Total 4999 · GENERAL &amp; ADMINISTRATIVE</b>	<b>0.00</b>				<b>96,264.73</b>	<b>230,713.00</b>	<b>-134,448.27</b>	<b>41.73%</b>	<b>96,264.73</b>	<b>230,713.00</b>	<b>-134,448.27</b>	<b>41.73%</b>
<b>5299 · ADMIN LABOR</b>	<b>0.00</b>				<b>243,147.57</b>	<b>602,068.00</b>	<b>-358,920.43</b>	<b>40.39%</b>	<b>243,147.57</b>	<b>602,068.00</b>	<b>-358,920.43</b>	<b>40.39%</b>
<b>5400 · GENERAL &amp; ADMIN - FISHERIES</b>												
5407 · Legal - FD	3,007.25	25,000.00	-21,992.75	12.03%	0.00				3,007.25	25,000.00	-21,992.75	12.03%
5410 · Postage / Office Supplies	1,579.40	4,000.00	-2,420.60	39.49%	0.00				1,579.40	4,000.00	-2,420.60	39.49%
5411 · Office Equipment / Leases	1,288.03	6,518.00	-5,229.97	19.76%	0.00				1,288.03	6,518.00	-5,229.97	19.76%
5412 · Misc. Admin Expense	1,611.44	7,500.00	-5,888.56	21.49%	0.00				1,611.44	7,500.00	-5,888.56	21.49%
5413 · Communications	1,261.16	4,455.00	-3,193.84	28.31%	0.00				1,261.16	4,455.00	-3,193.84	28.31%
5414 · Utilities	1,827.08	5,243.00	-3,415.92	34.85%	0.00				1,827.08	5,243.00	-3,415.92	34.85%
5415 · Membership Dues	5,217.35	6,200.00	-982.65	84.15%	0.00				5,217.35	6,200.00	-982.65	84.15%
5416 · Admin Fixed Assets	1,196.87	3,000.00	-1,803.13	39.9%	0.00				1,196.87	3,000.00	-1,803.13	39.9%
5418 · Computer Consultant	3,674.67	9,000.00	-5,325.33	40.83%	0.00				3,674.67	9,000.00	-5,325.33	40.83%
5425 · Employee Education/Subscription	0.00	2,500.00	-2,500.00	0.0%	0.00				0.00	2,500.00	-2,500.00	0.0%
5426 · Director Fees	1,355.90	6,700.00	-5,344.10	20.24%	0.00				1,355.90	6,700.00	-5,344.10	20.24%
5427 · Director Mileage	0.00	300.00	-300.00	0.0%	0.00				0.00	300.00	-300.00	0.0%
5430 · Travel	8.82	2,500.00	-2,491.18	0.35%	0.00				8.82	2,500.00	-2,491.18	0.35%

**Cachuma Operation & Maintenance Board**  
**Statement of Revenues and Expenditures**  
 Budget vs. Actuals July 2020 - June 2021

	Fisheries				Operations				TOTAL			
	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget	Jul - Nov 20	Budget	\$ Over / (Under) Budget	% of Budget
5431 · Public Information	630.00	1,500.00	-870.00	42.0%	0.00				630.00	1,500.00	-870.00	42.0%
5441 · Audit	5,092.50	12,250.00	-7,157.50	41.57%	0.00				5,092.50	12,250.00	-7,157.50	41.57%
5443 · Liab & Property Ins	16,793.86	17,745.00	-951.14	94.64%	0.00				16,793.86	17,745.00	-951.14	94.64%
<b>Total 5400 · GENERAL &amp; ADMIN - FISHERIES</b>	<b>44,544.33</b>	<b>114,411.00</b>	<b>-69,866.67</b>	<b>38.93%</b>	<b>0.00</b>				<b>44,544.33</b>	<b>114,411.00</b>	<b>-69,866.67</b>	<b>38.93%</b>
5499 · ADMIN LABOR-FISHERIES	93,671.50	247,776.00	-154,104.50	37.81%	0.00				93,671.50	247,776.00	-154,104.50	37.81%
5510 · Integrated Reg. Water Mgt Plan	0.00				0.00	5,000.00	-5,000.00	0.0%	0.00	5,000.00	-5,000.00	0.0%
<b>6000 · SPECIAL PROJECTS</b>												
6062 · SCADA	0.00				15,790.74	150,000.00	-134,209.26	10.53%	15,790.74	150,000.00	-134,209.26	10.53%
6090 · COMB Office Building	0.00				17,414.25	300,000.00	-282,585.75	5.81%	17,414.25	300,000.00	-282,585.75	5.81%
6096 · SCC Structure Rehabilitation	0.00				82,720.99	440,000.00	-357,279.01	18.8%	82,720.99	440,000.00	-357,279.01	18.8%
6097 · GIS and Mapping	0.00				4,475.00	10,000.00	-5,525.00	44.75%	4,475.00	10,000.00	-5,525.00	44.75%
6100 · Watershed Sanitary Survey	0.00				0.00	70,000.00	-70,000.00	0.0%	0.00	70,000.00	-70,000.00	0.0%
6105 · ROW Management Program	0.00				355.66	20,000.00	-19,644.34	1.78%	355.66	20,000.00	-19,644.34	1.78%
6120 · Lake Cachuma Secured Pipeline	0.00				83,908.99	300,000.00	-216,091.01	27.97%	83,908.99	300,000.00	-216,091.01	27.97%
6136 · SCC Isolation Valve Evaluation	0.00				0.00	190,000.00	-190,000.00	0.0%	0.00	190,000.00	-190,000.00	0.0%
6137 · SCC Lower Reach Lateral Structu	0.00				9,273.00	150,000.00	-140,727.00	6.18%	9,273.00	150,000.00	-140,727.00	6.18%
6138 · Cachuma Watershed Mgmt Study	0.00				14,331.37				14,331.37	0.00	14,331.37	100.0%
<b>Total 6000 · SPECIAL PROJECTS</b>	<b>0.00</b>				<b>228,270.00</b>	<b>1,630,000.00</b>	<b>-1,401,730.00</b>	<b>14.0%</b>	<b>228,270.00</b>	<b>1,630,000.00</b>	<b>-1,401,730.00</b>	<b>14.0%</b>
<b>6200 · FISHERIES ACTIVITIES</b>												
6201 · FMP Implementation	14,120.69	35,000.00	-20,879.31	40.35%	0.00				14,120.69	35,000.00	-20,879.31	40.35%
6202 · GIS and Mapping	3,550.00	10,000.00	-6,450.00	35.5%	0.00				3,550.00	10,000.00	-6,450.00	35.5%
6205 · USGS Stream Gauge Program	7,891.12	105,000.00	-97,108.88	7.52%	0.00				7,891.12	105,000.00	-97,108.88	7.52%
6207 · Oak Tree Restoration Program	1,561.37	25,000.00	-23,438.63	6.25%	0.00				1,561.37	25,000.00	-23,438.63	6.25%
<b>Total 6200 · FISHERIES ACTIVITIES</b>	<b>27,123.18</b>	<b>175,000.00</b>	<b>-147,876.82</b>	<b>15.5%</b>	<b>0.00</b>				<b>27,123.18</b>	<b>175,000.00</b>	<b>-147,876.82</b>	<b>15.5%</b>
<b>6300 · HABITAT ENHANCEMENT</b>												
6303 · Tributary Projects Support	0.00	10,000.00	-10,000.00	0.0%	0.00				0.00	10,000.00	-10,000.00	0.0%
6315 · Quiota Creek Crossing 8	34,515.67	0.00	34,515.67	100.0%	0.00				34,515.67	0.00	34,515.67	100.0%
<b>Total 6300 · HABITAT ENHANCEMENT</b>	<b>34,515.67</b>	<b>10,000.00</b>	<b>24,515.67</b>	<b>345.16%</b>	<b>0.00</b>				<b>34,515.67</b>	<b>10,000.00</b>	<b>24,515.67</b>	<b>345.16%</b>
7007 · INTEREST EXPENSE-EPPF	0.00				6,597.78	0.00	6,597.78	100.0%	6,597.78	0.00	6,597.78	100.0%
<b>Total Expense</b>	<b>\$ 510,925.61</b>	<b>\$ 1,357,600.00</b>	<b>\$ (846,674.39)</b>	<b>37.63%</b>	<b>\$ 971,896.51</b>	<b>\$ 3,806,921.00</b>	<b>\$ (2,835,024.49)</b>	<b>25.53%</b>	<b>\$ 1,482,822.12</b>	<b>\$ 5,164,521.00</b>	<b>\$ (3,681,698.88)</b>	<b>28.71%</b>
<b>Net Surplus / Deficit</b>	<b>\$ 105,143.42</b>	<b>\$ -</b>	<b>\$ 105,143.42</b>	<b>100.0%</b>	<b>\$ 807,916.04</b>	<b>\$ -</b>	<b>\$ 807,916.04</b>	<b>100.0%</b>	<b>\$ 913,059.46</b>	<b>\$ -</b>	<b>\$ 913,059.46</b>	<b>100.0%</b>

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# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Janet Gingras

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**SUBJECT:** Investment Report – November 30, 2020

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### **RECOMMENDATION**

The Board of Directors receive and file the Cachuma Operation and Maintenance Board Investment Report as of November 30, 2020.

### **DISCUSSION**

Cash and investment programs are maintained in accordance with California Government Code Section 53600 et seq. and COMB's adopted investment policy. These policies ensure proper control and safeguards are maintained throughout the financial transaction process. Pursuant to State law, the COMB Board adopts a detailed investment policy through a Board resolution on an annual basis.

Reports on COMB's investment portfolio and cash position are developed and presented to the COMB Board on a monthly basis, in conformity with the California Government Code.

#### Unrestricted Cash

Unrestricted cash exceeding current operating needs is invested in LAIF to generate interest income. The average monthly effective yield rate, as of November 2020, is reported at 0.576%.

See Table 1 below for a summary of balances held in unrestricted accounts.

TABLE 1			
Unrestricted Reserve Funds		Date	Principal
Local Agency Investment Fund (LAIF)			
Previous Balance		10/31/2020	\$ 1,393,607.59
(+) Deposits/Credits			-
(-) Checks/Withdrawals			-
Statement Balance		11/30/2020	\$ 1,393,607.59

#### Restricted Cash


The Cachuma Project Warren Act Trust Fund (Trust Fund) and Cachuma Project Master Contract Renewal Fund (Renewal Fund) are two separate funds that have been established through contracts with the U.S. Bureau of Reclamation (Reclamation). The Trust Fund and the Renewal Fund require annual and five-year plans which are used to inform the Funds Committee in making decisions on expenditures for betterment of the Cachuma Project.

See Table 2 below for a summary of balances held in restricted accounts.

TABLE 2			
Restricted Reserve Funds		Date	Principal
American Riviera Bank Renewal Account			
	Previous Balance	10/31/2020	\$ 31,175.61
	(+) Deposits/Credits		160,097.00
	(-) Checks/Withdrawals		- 95,819.03
	Statement Balance	11/30/2020	\$ 94,453.58
American Riviera Bank Warren Act Trust Fund			
	Previous Balance	10/31/2020	\$ 150,928.72
	(+) Deposits/Credits		-
	(-) Checks/Withdrawals		- 77,780.00
	Statement Balance	11/30/2020	\$ 73,148.72

**STATEMENT**

The above statement of investment activity for the month of November 2020, complies with legal requirements for investment policy of government agencies, AB 1073. I hereby certify that it constitutes a complete and accurate summary of all American Riviera Bank and LAIF investments of this agency for the period indicated.

  
 \_\_\_\_\_  
 Secretary

## Cachuma Operation &amp; Maintenance Board

## Paid Claims

As of October 31, 2020

Date	Num	Name	Memo	Amount
<b>1050 - General Fund</b>				
10/06/2020	28013	ACWA/Joint Powers Insurance Authority	Auto & General Liability Deposit Premium 10/1/20-10/1/21	-42,627.00
10/06/2020	28014	AT&T	Long Distance 8/28-9/27/20	-36.26
10/06/2020	28015	CIO Solutions, LP	Configuration of Polycom Boardroom IP Conference Phone	-141.45
10/06/2020	28016	City of Santa-Barbara	Trash / Recycling September 2020	-304.75
10/06/2020	28017	Cox Communications Santa Barbara	Business Internet October 2020	-140.00
10/06/2020	28018	Culligan of Sylmar	RO Rental October 2020	-29.95
10/06/2020	28019	Frontier Communications	Phone Service - Alarm, Fax, Modem, Board Room	-194.12
10/06/2020	28020	Frontier Communications	Phone Service - North Portal	-62.09
10/06/2020	28021	Harrison Hardware	Supplies (Fisheries)	-195.31
10/06/2020	28022	Home Depot Credit Services	Storage Shelving Upgrade and Structure Maintenance Tools (Ops)	-1,781.53
10/06/2020	28023	Jifco, Inc.	South Coast Conduit Rehab AVAR - BO Schedule F - Materials	-46,310.95
10/06/2020	28024	Musick, Peeler & Garrett LLP	General Counsel (Ops & Fisheries)	-1,819.05
10/06/2020	28025	VOID	Void	0.00
10/06/2020	28026	Paychex, Inc. (Payroll)	Payroll & Payroll Tax Services 9/4, 9/18 & 10/2/20	-298.30
10/06/2020	28027	Southern California Edison	Electricity - Main & Outlying Stations	-1,522.84
10/06/2020	28028	Sparkletts	Operations Safety	-55.83
10/06/2020	28029	Staples Business Credit	Office Supplies (Ops & Fisheries)	-889.83
10/06/2020	28030	Total Compensation Systems, Inc.	GASB75 OPEB Valuation - Installment 2 of 2	-1,485.00
10/06/2020	28031	Underground Service Alert of So. Calif.	Ticket Charges & Database Fee	-143.65
10/06/2020	28032	Wright Express Fleet Services	Fleet Fuel September 2020	-2,676.29
10/06/2020	28033	Zac Gonzalez Landscaping & Tree Care	Landscape Maintenance September 2020	-480.00
10/16/2020	28034	ACWA-Joint Powers Insurance Authority	Workers Compensation Program 7/1/20-9/30/20	-8,944.30
10/16/2020	28035	Assoc. of California Water Agencies	2021 Annual Agency Dues	-12,905.00
10/16/2020	28036	Association of Ca Water Agencies/JPIA	November Health Benefits Premium	-29,208.30
10/16/2020	28037	Bend Genetics, LLC	Lake Cachuma Water Quality Sampling	-80.00
10/16/2020	28038	Boyd & Associates	Alarm Monitoring October 2020	-82.50
10/16/2020	28039	Coastal Copy, LP	Copier Maintenance - Kyocera Taskalfas 3253ci & 6052ci	-398.29
10/16/2020	28040	Core and Main, LP	South Coast Conduit Rehab - Materials (Ops)	-431.01
10/16/2020	28041	Cori Hayman	Director Meeting Fees September 2020	-300.00
10/16/2020	28042	Eurofins Eaton Analytical, LLC	Lake Cachuma Water Quality - Sampling	-1,290.00
10/16/2020	28043	Impulse Advanced Communications	Phone Service - Main Office	-452.43
10/16/2020	28044	Kristen Sneddon	Director Meeting Fees September 2020	-450.00
10/16/2020	28045	Lash Construction, Inc.	Lauro Yard - Road Base	-75.41
10/16/2020	28046	Lauren W. Hanson	Director Meeting Fees September 2020	-150.00
10/16/2020	28047	Manzanita Nursery	South Side Erosion Control QC 8 - Reforestation Oak Seedlings	-344.80
10/16/2020	28048	MarBorg Industries	Portable Facilities	-387.92
10/16/2020	28049	Polly Holcombe	Director Meeting Fees September 2020	-256.00
10/16/2020	28050	Southern California Edison	Electricity - Outlying Stations	-37.49
10/16/2020	28051	Total Barricade Service, Inc.	Right-of-Way Vault Structure Maintenance - Traffic Control	-3,000.00
10/16/2020	28052	Trenchalk Network Services, Inc.	Network Support Billing 9/01/20-9/30/20	-2,622.80
10/16/2020	28053	Verizon Wireless	Wireless Service - Cell Phones, Modems & iPads (Ops)	-675.30
10/27/2020	102720A	American Riviera Bank (ARB)	EPFP Loan Payment 1 of 2	-28,123.75
10/27/2020	102720B	American Riviera Bank (ARB)	EPFP Loan Payment 2 of 2	-10,354.21
10/28/2020	28054	American Riviera Bank - Card Service	Office Supplies, Website Hosting, Business Cards, Operations & Fisheries Materials	-2,855.14
10/28/2020	28055	California Special Districts Association	2021 CSDA Membership Renewal	-1,482.00
10/28/2020	28056	Cushman Contracting Corp.	EPFP Pumping System - Pay Req #78	-3,500.00
10/28/2020	28057	DMV Renewal	2020-21 Trailer ID Fees	-54.00
10/28/2020	28058	ECHO Communications	Message Service September - November 2020	-204.00
10/28/2020	28059	Eurofins Eaton Analytical, LLC	Lake Cachuma Water Quality - Sampling	-1,000.00
10/28/2020	28060	Federal Express	Shipping (Ops & Fisheries)	-311.06
10/28/2020	28061	Flowers & Associates, Inc.	South Coast Conduit Lower Reach Lateral Structures - Engineering Services	-3,843.50
10/28/2020	28062	HDR Engineering, Inc.	FMP Implementation and South Side Erosion Control Support - Engineering Services	-1,025.24
10/28/2020	28063	Ian's Tire & Auto Repair	Chevy Silverado 2500 - Tire Replacement (Fisheries)	-516.80
10/28/2020	28064	J&C Services	Office Cleaning Service - Weekly 9/11/20-10/01/20	-600.00
10/28/2020	28065	Musick, Peeler & Garrett LLP	General Counsel September 2020	-6,256.00
10/28/2020	28066	O'Reilly Automotive, Inc.	Miscellaneous Automotive Supplies (Ops & Fisheries)	-44.79
10/28/2020	28067	PG&E	Electricity - North Portal & Tecolote Tunnel	-383.58
10/28/2020	28068	Powell Garage	2012 Chevy Silverado - Oil & Filter (Fisheries)	-103.68
10/28/2020	28069	Staples Business Credit	Office Supplies (Ops & Fisheries)	-235.52

**Cachuma Operation & Maintenance Board**

**Paid Claims**

As of October 31, 2020

<b>Date</b>	<b>Num</b>	<b>Name</b>	<b>Memo</b>	<b>Amount</b>
10/28/2020	28070	The Gas Company	Gas - Main Office	-13.44
10/28/2020	28071	Total Barricade Service, Inc.	Right-of-Way Vault Structure Maintenance - Traffic Control	-3,560.00
10/28/2020	28072	Wells Fargo Vendor Fin Serv	Copier Leases Kyocera	-737.03
10/28/2020	28073	Winema Industrial & Safety Supply	Generator Gas Calibration	-360.54
10/28/2020	28074	Woodard & Curran	Lake Cachuma Water Quality Study - Professional Services	-14,331.37
Total 1050 - General Fund				<u>-243,181.40</u>
<b>TOTAL</b>				<b><u>-243,181.40</u></b>

**DIRECTORS**

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## Cachuma Operation &amp; Maintenance Board

## Paid Claims

As of November 30, 2020

Date	Num	Name	Memo	Amount
<b>1050 - General Fund</b>				
11/05/2020	28075	Aqua-Flo Supply	Oak Tree Restoration Program - Water Truck Supplies (Fisheries)	-218.00
11/05/2020	28076	Aqua-Flo Supply	Oak Tree Restoration Program - Water Truck Supplies (Fisheries)	-343.25
11/05/2020	28077	Aspect Engineering Group	SCADA Upgrade - PLC 3&8	-5,865.00
11/05/2020	28078	AT&T	Long Distance 9/28-10/27/20	-36.44
11/05/2020	28079	Cabela's LLC/Bass Pro LLC	Waders (Fisheries)	-109.89
11/05/2020	28080	City of Santa-Barbara	Trash / Recycling October 2020	-304.75
11/05/2020	28081	Cori Hayman	Director Meeting Fees October 2020	-150.00
11/05/2020	28082	Cox Communications Santa Barbara	Business Internet November 2020	-140.00
11/05/2020	28083	Culligan of Sylmar	RO Rental November 2020	-29.95
11/05/2020	28084	Employee Relations, Inc.	Background Check (Ops)	-184.22
11/05/2020	28085	Environmental Systems Research Inst.	ArcGIS Desktop Upgrade 1/11/21-1/10/22	-1,500.00
11/05/2020	28086	Flowers & Associates, Inc.	South Coast Conduit Lower Reach Lateral Structures - Engineering Services	-1,048.50
11/05/2020	28087	Frontier Communications	Phone Service - Alarm, Fax, Modem, Board Room	-195.21
11/05/2020	28088	Frontier Communications	Phone Service - North Portal	-62.54
11/05/2020	28089	Harrison Hardware	Oak Tree Restoration Program and South Side Erosion QCX8 (Fisheries)	-397.49
11/05/2020	28090	Home Depot Credit Services	Structure Maintenance Tools, Scada and Oak Tree Program (Ops & Fisheries)	-1,037.70
11/05/2020	28091	Instrument & Valve Services Company	Calibration of Equipment	-1,918.36
11/05/2020	28092	J&C Services	Office Cleaning Service - Weekly 10/09/20-10/30/20	-600.00
11/05/2020	28093	Kristen Sneddon	Director Meeting Fees October 2020	-300.00
11/05/2020	28094	Lauren W. Hanson	Director Meeting Fees October 2020	-150.00
11/05/2020	28095	Pacific Coast Jiffy Lube	2015 Chevy Silverado - Oil Change, wiper blade, air filter	-193.71
11/05/2020	28096	Paychex, Inc. (Payroll)	Payroll & Payroll Tax Services 10/16 & 10/30/20	-200.20
11/05/2020	28097	Polly Holcombe	Director Meeting Fees October 2020	-256.00
11/05/2020	28098	Powell Garage	2013 International Water Truck - Axle leak repair (Fisheries)	-367.15
11/05/2020	28099	Quinn Company	North Portal Emergency Generator Repair	-585.00
11/05/2020	28100	Southern California Edison	Electricity - Main & Outlying Stations	-1,115.06
11/05/2020	28101	Sparkletts	Operations Safety	-62.32
11/05/2020	28102	Tri-County Locksmiths, Inc	Duplicate keys (Ops)	-80.81
11/05/2020	28103	Underground Service Alert of So. Calif.	Ticket Charges & Database Fee	-188.20
11/05/2020	28104	Wright Express Fleet Services	Fleet Fuel October 2020	-1,790.25
11/05/2020	28105	Zac Gonzalez Landscaping & Tree Care	Landscape Maintenance October 2020	-480.00
11/18/2020	28106	All Around Landscape Supply	Supplies (Ops)	-33.28
11/18/2020	28107	Anderson Process	Lauro Debris Pump (Ops)	-1,730.50
11/18/2020	28108	Aqua-Flo Supply	Supplies (Ops)	-87.74
11/18/2020	28109	Aspect Engineering Group	SCADA Upgrade - PLC 3, 6 & 9 Upgrade	-5,560.00
11/18/2020	28110	Bartlett, Pringle & Wolf, LLP	CAFR & Single Audit Services	-12,020.00
11/18/2020	28111	Bend Genetics, LLC	Lake Cachuma Water Quality Sampling	-80.00
11/18/2020	28112	California Special Districts Association	2021 CSDA Local Membership Renewal	-300.00
11/18/2020	28113	Carpinteria Valley Lumber Company	Supplies (Ops)	-3.75
11/18/2020	28114	Coastal Copy, LP	Copier Maintenance - Kyocera Taskalfa 3253ci & 6052ci	-307.07
11/18/2020	28115	County of Santa-Barbara	Waste Dumping Fee (Ops)	-64.48
11/18/2020	28116	Environmental Systems Research Inst.	ArcGIS Desktop Maintenance 1/11/21-1/10/22	-5,600.00
11/18/2020	28117	Farwest Corrosion Control Co.	Laurel Canyon Control Cathodic Protection Test System	-1,284.65
11/18/2020	28118	Federal Express	Shipping (Ops)	-276.07
11/18/2020	28119	Grainger	Vehicle Maintenance (Ops)	-136.07
11/18/2020	28120	Impulse Advanced Communications	Phone Service - Main Office	-452.43
11/18/2020	28121	Makai Ocean Engineering, Inc.	Lake Cachuma Secured Pipeline Project - Professional Services	-10,800.00
11/18/2020	28122	MarBorg Industries	Portable Facilities - Outlying Stations (Ops)	-387.92
11/18/2020	28123	Otis Elevator Company	North Portal Elevator Maintenance - Service 10/1/20-3/31/20	-3,062.34
11/18/2020	28124	Perry Ford	Vehicle Maintenance (Fisheries)	-630.91
11/18/2020	28125	Premiere Global Services	Conference Calls September & October 2020	-53.24
11/18/2020	28126	Sansum Clinic-Occupational Medicine	Pre-Employment Physical (Ops)	-269.00
11/18/2020	28127	Southern California Edison	Electricity - Outlying Stations (Ops)	-36.97
11/18/2020	28128	Sun Coast Rentals	Mini Excavator (Ops)	-335.00
11/18/2020	28129	Tri-Co Reprographics	Plans for Trailer Replacement	-14.25
11/18/2020	28130	Turenchalk Network Services, Inc.	Network Support 10/01/20-10/31/20	-1,955.55
11/18/2020	28131	UPS	Shipping (Fisheries)	-6.90
11/18/2020	28132	Verizon Wireless	Wireless Service - Cell Phones, Modems & iPads (Ops)	-775.24
11/18/2020	28133	Southern California Edison	Electricity - Outlying Stations (Ops)	-37.49
11/25/2020	112520A	American Riviera Bank (ARB)	EPFP Loan Payment 2 of 2	-10,354.21
11/25/2020	112520B	American Riviera Bank (ARB)	EPFP Loan Payment 1 of 2	-28,123.75
11/30/2020	28134	American Riviera Bank - Card Service	Uniforms, Stamps, Website Hosting, Supplies, Protective Gear, Photo Scanner (Ops & Fisheries)	-3,589.65
11/30/2020	28135	Association of Ca Water Agencies/JPIA	December Health Benefits Premium	-29,208.30
11/30/2020	28136	Cabela's LLC/Bass Pro LLC	Waders (Fisheries)	-378.73
11/30/2020	28137	Carpinteria Valley Lumber Company	Supplies (Ops)	-79.82
11/30/2020	28138	CMRS-FP	Pre-paid Postage	-300.00
11/30/2020	28139	Cushman Contracting Corp.	EPFP Pumping System - Pay Req #79	-3,500.00
11/30/2020	28140	Eurofins Eaton Analytical, LLC	Lake Cachuma Water Quality - Sampling	-950.00
11/30/2020	28141	Flowers & Associates, Inc.	South Coast Conduit Lower Reach Lateral Structures - Engineering Services	-554.25
11/30/2020	28142	Harrison Hardware	Supplies (Fisheries)	-780.25
11/30/2020	28143	Paychex, Inc. (Payroll)	Payroll & Payroll Tax Services 11/10 & 11/24	-193.00
11/30/2020	28144	PG&E	Electricity - Tecolote Tunnel	-32.26
11/30/2020	28145	PG&E	Electricity - North Portal	-426.35

Cachuma Operation & Maintenance Board

**Paid Claims**

As of November 30, 2020

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
11/30/2020	28146	Staples Business Credit	Office Supplies (Ops & Fisheries)	-610.28
11/30/2020	28147	State Board of Equalization	Annual Water Rights Fee - Bradbury & Lauro 7/1/20-6/30/21	-64,422.74
11/30/2020	28148	SWRCB Fees	Annual Waste Water Discharge Permit Fee - Ortega Reservoir 7/1/20-6/30/21	-2,811.00
11/30/2020	28149	Wells Fargo Vendor Fin Serv	Copier Leases - Kyocera Taskalfa 6052 & 3253	-400.21
11/30/2020	28150	Zac Gonzalez Landscaping & Tree Care	Landscape Maintenance November 2020	-480.00
Total 1050 - General Fund				<u>-213,405.65</u>
<b>TOTAL</b>				<b><u>-213,405.65</u></b>

**DIRECTORS**

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# CACHUMA OPERATION & MAINTENANCE BOARD

## Administrative Committee Meeting

by Teleconference Call ONLY  
Teleconference Call-in Number: 1 (888) 899-7789  
Passcode: 804443#

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Monday, December 7, 2020  
1:00 PM

### AGENDA

Chair: Director Holcombe  
Member: Director Hanson

1. Call to Order
2. Public Comment (*Public may address the Committee on any subject matter not on the agenda and within the Committee's jurisdiction*)
3. Total Compensation Systems, Inc. Presentation of Other Post-Employment Benefits (OPEB) Actuarial Report as of June 30, 2020 (*for information and possible recommendation*)
4. Bartlett, Pringle Wolf, LLP Presentation of Draft Comprehensive Annual Financial Report (CAFR) – Fiscal Year Ending June 30, 2020 (*for information and possible recommendation*)
5. California State Controllers Report – Fiscal Year Ending June 30, 2020 (*for information and possible recommendation*)
6. Unexpended Funds - Fiscal Year Ending June 30, 2020 (*for information and possible recommendation*)
7. Update to the Conflict of Interest Code (*for information and possible recommendation*)
8. Adjournment

#### NOTICE TO THE PUBLIC

**Public Comment:** The public is welcome to attend the meeting via teleconference call only. A public comment period will be included at the meeting where any member of the public may address the Committee on any subject within the Committee's jurisdiction. The total time for this item will be limited by the Chair.

**Americans with Disabilities Act:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Cachuma Operation & Maintenance Board (COMB) at 687-4011 at least 48 hours prior to the meeting to enable staff to make reasonable arrangements.

[This Agenda was posted at COMB offices, 3301 Laurel Canyon Road, Santa Barbara, CA and Noticed and Delivered in Accordance with Section 54954.1 and .2 of the Government Code.]

# CACHUMA OPERATION & MAINTENANCE BOARD

## Operations Committee Meeting

by Teleconference Call ONLY  
Teleconference Call-in Number: 1 (888) 899-7789  
Passcode: 804443#

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Tuesday, December 8, 2020  
10:00 am

### AGENDA

Chair: Director Sneddon  
Member: Director Holcombe

1. Call to Order
2. Public Comment (*Public may address the Committee on any subject matter not on the agenda and within the Committee's jurisdiction*)
3. Lake Cachuma Watershed Sanitary Survey (*for information and possible recommendation*)
4. Engineering / Operations Projects Update (*for information and possible recommendation*)
  - Lake Cachuma Water Quality Activities
  - Secured Pipeline Project
  - Isolation Valve Designs
  - SCADA PLC Replacement Project
  - Sheffield Culvert Replacement Project
  - DDW Permit Process
  - Lake Elevation - Downstream Releases
5. Adjournment

#### NOTICE TO THE PUBLIC

**Public Comment:** The public is welcome to attend and observe the meeting. A public comment period will be included at the meeting where any member of the public may address the Committee on any subject within the Committee's jurisdiction. The total time for this item will be limited by the Chair.

**Americans with Disabilities Act:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Cachuma Operation & Maintenance Board (COMB) at 687-4011 at least 48 hours prior to the meeting to enable staff to make reasonable arrangements.

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# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Edward Lyons
Approved by:	Janet Gingras

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**SUBJECT:** Total Compensation Systems, Inc. Presentation of Other Post-Employment Benefits (OPEB) Actuarial Report as of June 30, 2020

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**RECOMMENDATION:**

The Board of Directors receive a presentation from Total Compensation Systems, Inc. regarding COMB's Other Post-Employment Benefits (OPEB) Actuarial Report (Measurement Date: June 30, 2020).

**SUMMARY:**

The Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, adopted in 2015, replaced the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*. The primary objective of GASB 75 is to improve accounting, transparency and financial reporting by state and local governments for postemployment benefits other than pensions. The provisions contained in GASB 75 are effective for fiscal years ending June 30, 2018.

COMB engaged Total Compensation Systems, Inc. to determine the liabilities associated with its current retiree health program as of June 30, 2020.

**BACKGROUND:**

As part of the benefits package offered to new employees, COMB provides post-retirement health insurance benefits for retired employees. COMB has established a two tier system as outlined below:

**TIER 1**

**For employees hired prior to February 1, 2014**

COMB provides post-retirement health care benefits to retired employees and their spouses/registered domestic partners. Under the Plan, a "retired employee" is a former employee of COMB who (i) performed a minimum of twelve (12) years of continuous service for COMB; (ii) is receiving a monthly retirement benefit from the Public Employees Retirement System (PERS); and (iii) was employed by COMB immediately prior to becoming eligible to receive benefits under PERS.

The Public Employees' Pension Reform Act (PEPRA) became law in January 2013. Since that time, all retirees reaching Medicare eligible age must enroll in Medicare whereby Medicare becomes primary and their current health insurance coverage through ACWA/JPIA becomes secondary.

For purposes of calculating the 12-years of continuous service requirement, effective, July 1, 2013, an employee of COMB shall be credited with all of his or her years of service performed for PERS-covered employers other than COMB, regardless of whether such employment was continuous, provided the most

recent such employment did not end more than six (6) months prior to the employee's commencement of final employment with COMB.

After the death of the retired employee, COMB will continue to pay the full cost of the insurance premiums for the surviving spouse or registered domestic partner, until such time as the surviving spouse or domestic partner dies, remarries or re-registers with another registered domestic partner, or becomes covered under another group health plan.

## **TIER 2**

### **For employees hired after February 1, 2014**

In an effort to reduce OPEB costs while still maintaining competitive employment benefits, COMB established a two tier retiree Health Benefit Program for agency paid post-retirement Health Benefits Coverage wherein the following will apply:

#### 50 % Premium Coverage

- Twelve years of continuous service with COMB (or PERS covered service)
- Are receiving a monthly retirement benefit from Cal PERS and whose final employment immediately prior to receiving the PERS monthly benefit was with COMB
- COMB will provide health insurance coverage for eligible retiree only - dependent coverage must be purchased separately
- Upon retiree reaching Medicare eligible age, COMB will provide supplemental health insurance coverage for retiree only
- A monthly retiree contribution premium may be established by the Board at any time
- An additional 6.25% per year pro-rated agency contribution will apply from years thirteen through twenty

#### 100 % Premium Coverage

- Twenty years of continuous service with COMB (or PERS covered service)
- Are receiving a monthly retirement benefit from Cal PERS and whose final employment immediately prior to receiving the PERS monthly benefit was with COMB
- COMB will provide health insurance coverage for eligible retiree only - dependent coverage must be purchased separately
- Upon retiree reaching Medicare eligible age, COMB will provide supplemental health insurance coverage for retiree only
- A monthly retiree contribution premium may be established by the Board at any time

For purposes of calculating the 12-years of continuous service requirement, effective, July 1, 2013, an employee of COMB shall be credited with all of his or her years of service performed for PERS-covered employers other than COMB, regardless of whether such employment was continuous, provided the most recent such employment did not end more than six (6) months prior to the employee's commencement of final employment with COMB.

### **DISCUSSION:**

GASB has determined that OPEB plans are conceptually similar to pensions, and has largely replicated the guidance from GASB 67/68 in GASB 74/75. Statement No. 75 requires governments to recognize an OPEB liability on the face of the financial statements and to present more extensive note disclosures and Required Supplementary Information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government.

Also, Statement No. 75 changes the way in which the discount rate for a Plan that is being prefunded is calculated. The new RSI includes a schedule showing the causes of increases and decreases in the Total OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution

requirements. The impact of new accounting standards, the annual expense and OPEB liability for plans funded on a pay-as-you-go basis will be more volatile because the discount rate used to develop the normal costs and actuarial accrued liability is based on a 20 year general obligation bond index.

***NOL Using Alternative Trend Assumptions***

The following table presents the Net OPEB Liability with a healthcare cost trend rate of one percentage-point lower or one percentage-point higher than assumed in the valuation:

	<b>Trend 1% Lower</b>	<b>Healthcare Cost Trend Rate (4.0%)</b>	<b>Trend 1% Higher</b>
Net OPEB Liability	\$4,739,547	\$5,565,697	\$6,609,837

***Sensitivity of the Net OPEB Liability to Changes in the Discount Rate***

The following presents the net OPEB liability as of the measurement date, calculated using the discount rate of 2.20 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	<b>Discount Rate 1% Lower</b>	<b>Valuation Discount Rate (2.2%)</b>	<b>Discount Rate 1% Higher</b>
Net OPEB Liability	\$6,482,732	\$5,565,697	\$4,824,997

Another factor impacting the Total OPEB Liability is the use of the implicit rate subsidy. The implicit rate subsidy is often described as follows: It is a common practice for employers to permit retired employees (and their spouses or dependents) to continue in the employer’s group health insurance plan (which also covers active employees) by paying the group premium charged to active employees once eligibility for employer paid benefits is exhausted. This practice creates an OPEB liability based on the theory that retirees have higher utilization of health care benefits than active employees. Unless the premium rate for retirees is set to fully recover their health costs, the premium for active employees is implicitly overstated to subsidize utilization by retirees. Similarly, unless the premium rate for retirees is set to fully recover their health costs, the premium for retirees is understated. This difference creates an implicit rate subsidy. This rate subsidy is considered a benefit that should be included in OPEB valuations. The OPEB obligation normally includes the cost of the implicit rate subsidy for the years in which the retiree is paying the active employee insurance costs for continued coverage. When the retiree is eligible for Medicare, the actual cost of coverage is much closer to the premium cost. Therefore, there is no OPEB liability assumed for Medicare-eligible retirees paying 100 percent of the premium. The implicit rate subsidy used in this study represents an additional 62.4% of the current actual premiums.

A significant change from GASB 45 is the requirement to recognize the Net OPEB liability on the balance sheet and the OPEB expense in the income statement. This information was previously reported in the footnotes of the financial statements. Governments that do not provide OPEB through a trust are required to recognize the Total OPEB liability in the financial statements.

For governments that administer the OPEB plan through a trust, the OPEB liability is recognized net of the amount of the OPEB plan’s fiduciary net position or assets. GASB 75 also requires the economic and demographic assumptions used in the calculation to be in conformance with the Actuarial Standard of Practice issued by the Actuarial Standards Board. These assumptions include investment returns, inflation, salary increases, mortality rate, and retirement and disability projections.

**FISCAL IMPACTS:**

The audited financial statements for FY 2019-20 will reflect a Net other post-employment benefit obligation of \$5,565,697 based on the OPEB Actuarial Report prepared for COMB. (*Measurement Date of June 30, 2020*).

**COMMITTEE STATUS:**

The Administrative Committee received a presentation from Total Compensation Systems, Inc. regarding COMB's Other Post-Employment Benefits (OPEB) Actuarial Report (Measurement Date: June 30, 2020) and forwards to the Board of Directors to receive and file.

**LIST OF EXHIBITS:**

1. Total Compensation Systems, Inc. – Presentation
2. COMB OPEB Actuarial Report

# Cachuma Operation and Maintenance Board

December 14, 2020

## Retiree Health Benefits under GASB 74/75

June 30, 2020 Actuarial Valuation

# Presentation Outline

- Current Benefit Structure
- Current Valuation Results
- Future Expectations

# Current Benefits

- 100% of Medical, Dental, and Vision Premiums paid by COMB for retiree's lifetime
  - Requires retirement with 12 years of service
  - If hired after February 1, 2014, only 50% of the premium is paid by COMB with 12 years of service, grading to 100% at 20 years of service
  - Dependents are covered if hired prior to February 1, 2014; single coverage only if hired after

# Valuation Terminology

- **“Full Valuation”**

- Process under which we collect data for active and retired employees and then apply actuarial assumptions and methods to estimate the present value of the future benefits promised to them

- **Total OPEB Liability (TOL)**

- Represents what COMB “owes” due to its promise to provide future benefits
- Grows each year as benefits are earned and with interest; shrinks as benefits are paid

- **Fiduciary Net Position (FNP)**

- The amount of assets that COMB has set aside in an irrevocable trust for the exclusive use of paying retiree health benefits
- Grows or shrinks each year based on investment return, contributions to the trust, and benefit payments from the trust

- **Net OPEB Liability (NOL)**

- The TOL minus the FNP, in other words, what COMB “owes” that is in excess of what it has already set aside



# June 30, 2020 Valuation Results Comparison with Prior Valuation

\$ in millions	TOL	FNP	NOL
Balance at June 30, 2019	\$5.4	\$0.0	\$5.4
Total One-Year Change	<u>\$0.2</u>	<u>\$0.0</u>	<u>\$0.2</u>
Balance at June 30, 2020	\$5.6	\$0.0	\$5.6

- \$100,000 increase due to normal operation of the plan
  - Includes benefits earned and interest growth for the year offset by benefits paid
- (\$700,000) decrease due to Experience Gain
  - Represents the difference between the measured TOL and the expected TOL based on the prior valuation
  - Due to a variety of causes – largest factor was a decrease in per capita medical costs
- \$800,000 increase due to Changes in Assumptions
  - Mostly due to a decrease in interest rates from 3.5% to 2.2%

# Looking to June 30, 2021 & Beyond

- Anticipate performing a roll-forward valuation
  - GASB 75 requires full valuation to be performed every two years
  - In-between years can be addressed through a streamlined approach known as a “roll-forward” valuation
- Liability will continue to grow over time as new benefits earned and interest charges outpace annual benefit payments

**Thank you!**

**Questions?**

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**Cachuma Operation and Maintenance Board**  
**Actuarial Study of**  
**Retiree Health Liabilities Under GASB 74/75**  
**Valuation Date: June 30, 2020**  
**Measurement Date: June 30, 2020**  
**For Fiscal Year-End: June 30, 2020**

*Prepared by:*  
*Total Compensation Systems, Inc.*

*Date: October 14, 2020*

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**Cachuma Operation and Maintenance Board**  
**Actuarial Study of Retiree Health Liabilities**

**PART I: EXECUTIVE SUMMARY**

**A. Introduction**

This report was produced by Total Compensation Systems, Inc. for Cachuma Operation and Maintenance Board to determine the liabilities associated with its current retiree health program as of a June 30, 2020 measurement date and to provide the necessary information to determine accounting entries for the fiscal year ending June 30, 2020. This report may not be suitable for other purposes such as determining employer contributions or assessing the potential impact of changes in plan design.

Different users of this report will likely be interested in different sections of information contained within. We anticipate that the following portions may be of most interest depending on the reader:

- A high level comparison of key results from the current year to the prior year is shown on this page.
- The values we anticipate will be disclosed in the June 30, 2020 year-end financials are shown on pages 2 and 3.
- Additional accounting information is shown on page 12 and Appendices C and D.
- Description and details of measured valuation liabilities can be found beginning on page 10.
- Guidance regarding the next actuarial valuation for the June 30, 2021 measurement date is provided on page 13.

**B. Key Results**

COMB uses an Actuarial Measurement Date that is the same as its Fiscal Year-End. This means that these actuarial results measured as of June 30, 2020 will be used directly for the June 30, 2020 Fiscal Year-End.

<b>Key Results</b>	<b>Current Year</b>	<b>Prior Year</b>
	<i>June 30, 2020 Measurement Date for June 30, 2020 Fiscal Year-End</i>	<i>June 30, 2019 Measurement Date for June 30, 2019 Fiscal Year-End</i>
Total OPEB Liability (TOL)	\$5,565,697	\$5,384,212
Fiduciary Net Position (FNP)	\$0	\$0
Net OPEB Liability (NOL)	\$5,565,697	\$5,384,212
Service Cost ( <i>for year following</i> )	\$227,626	\$99,286
Estimated Pay-as-you-go Cost ( <i>for year following</i> )	\$162,409	\$209,622
GASB 75 OPEB Expense ( <i>for year ending</i> )	\$320,353	\$289,713

Refer to results section beginning on page 10 or the glossary on page 26 for descriptions of the above items.

<b>Key Assumptions</b>	<b>Current Year</b>	<b>Prior Year</b>
	<i>June 30, 2020 Measurement Date for June 30, 2020 Fiscal Year-End</i>	<i>June 30, 2019 Measurement Date for June 30, 2019 Fiscal Year-End</i>
Valuation Interest Rate	2.20%	3.50%
Expected Rate of Return on Assets	N/A	N/A
Long-Term Medical Trend Rate	4.00%	4.00%
Projected Payroll Growth	2.75%	2.75%

# Total Compensation Systems, Inc.

## C. Summary of GASB 75 Accounting Results

### 1. Changes in Net OPEB Liability

The following table shows the reconciliation of the June 30, 2019 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2020 NOL. A more detailed version of this table can be found on page 12.

	<i>TOL</i>	<i>FNP</i>	<i>NOL</i>
<b>Balance at June 30, 2019 Measurement Date</b>	<b>\$5,384,212</b>	<b>\$0</b>	<b>\$5,384,212</b>
Service Cost	\$99,286	\$0	\$99,286
Interest on TOL / Return on FNP	\$186,517	\$0	\$186,517
Employer Contributions	\$0	\$209,622	(\$209,622)
Benefit Payments	(\$209,622)	(\$209,622)	\$0
Administrative Expenses	\$0	\$0	\$0
Experience (Gains)/Losses	(\$730,130)	\$0	(\$730,130)
Changes in Assumptions	\$835,434	\$0	\$835,434
Other	\$0	\$0	\$0
Net Change during 2019-20	\$181,485	\$0	\$181,485
<b>Actual Balance at June 30, 2020 Measurement Date</b>	<b>\$5,565,697</b>	<b>\$0</b>	<b>\$5,565,697</b>

### 2. Deferred Inflows and Outflows

Changes in the NOL arising from certain sources are recognized on a deferred basis. The following tables show the balance of each deferral item as of the measurement date and the scheduled future recognition. A reconciliation of these balances can be found on page 12 while the complete deferral history is shown beginning on page 23.

<b>Balances at June 30, 2020 Fiscal Year-End</b>	<i>Deferred Outflows</i>	<i>Deferred Inflows</i>
Differences between expected and actual experience	\$0	(\$659,243)
Changes in assumptions	\$944,060	\$0
Differences between projected and actual return on assets	\$0	\$0
<b>Total</b>	<b>\$944,060</b>	<b>(\$659,243)</b>

<b>To be recognized fiscal year ending June 30:</b>	<i>Deferred Outflows</i>	<i>Deferred Inflows</i>
2021	\$105,437	(\$70,887)
2022	\$105,437	(\$70,887)
2023	\$105,437	(\$70,887)
2024	\$105,437	(\$70,887)
2025	\$105,437	(\$70,887)
Thereafter	\$416,875	(\$304,808)
<b>Total</b>	<b>\$944,060</b>	<b>(\$659,243)</b>



## Total Compensation Systems, Inc.

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### 3. OPEB Expense

Under GASB 74 and 75, OPEB expense includes service cost, interest cost, administrative expenses, and change in TOL due to plan changes, adjusted for deferred inflows and outflows. OPEB expense can also be derived as change in net position, adjusted for employer contributions, which can be found on page 12.

<b>To be recognized fiscal year ending June 30, 2020</b>	<i>Expense Component</i>
Service Cost	\$99,286
Interest Cost	\$186,517
Expected Return on Assets	\$0
Administrative Expenses	\$0
Recognition of Experience (Gain)/Loss Deferrals	(\$70,887)
Recognition of Assumption Change Deferrals	\$105,437
Recognition of Investment (Gain)/Loss Deferrals	\$0
Employee Contributions	\$0
Changes in Benefit Terms	\$0
<b>Net OPEB Expense for fiscal year ending June 30, 2020</b>	<b>\$320,353</b>

\* May include a slight rounding error.

### 4. Adjustments

We are unaware of any adjustments that need to be made.

### 5. Trend and Interest Rate Sensitivities

The following presents what the Net OPEB Liability would be if it were calculated using a discount rate assumption or a healthcare trend rate assumption one percent higher or lower than the current assumption.

<b>Net OPEB Liability at June 30, 2020 Measurement Date</b>	<i>Discount Rate</i>	<i>Healthcare Trend Rate</i>
1% Decrease in Assumption	\$6,483,732	\$4,739,547
Current Assumption	\$5,565,697	\$5,565,697
1% Increase in Assumption	\$4,824,997	\$6,609,837

# Total Compensation Systems, Inc.

## D. Description of Retiree Benefits

Following is a description of the current retiree benefit plan:

	<b><u>All Employees Hired Before 2/1/14</u></b>
Benefit types provided	Medical, dental and vision
Duration of Benefits	Lifetime
Required Service	12 continuous years including service with other CalPERS agencies
Minimum Age	50
Dependent Coverage	Yes
Agency Contribution %	100%
Agency Cap	None
	<b><u>All Employees Hired Beginning 2/1/14</u></b>
Benefit types provided	Medical, dental and vision
Duration of Benefits	Lifetime
Required Service	12 continuous years including service with other CalPERS agencies
Minimum Age	50
Dependent Coverage	No
Agency Contribution %	50% at 12 years plus 6.25% per year to 100% at 20 years
Agency Cap	None

## E. Summary of Valuation Data

This report is based on census data provided to us as of June, 2020. Distributions of participants by age and service can be found on page 17.

	<b>Current Year</b> <i>June 30, 2020 Valuation Date</i> <i>June 30, 2020 Measurement Date</i>	<b>Prior Year</b> <i>June 30, 2018 Valuation Date</i> <i>June 30, 2019 Measurement Date</i>
<b>Active Employees eligible for future benefits</b>		
Count	14	13
Average Age	44.1	43.0
Average Years of Service	7.0	7.2
<b>Retirees currently receiving benefits</b>		
Count	9	9
Average Age	67.2	64.7

We were not provided with information about any terminated, vested employees.

## Total Compensation Systems, Inc.

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### F. Certification

The actuarial information in this report is intended solely to assist COMB in complying with Governmental Accounting Standards Board Accounting Statements 74 and 75 and, unless otherwise stated, fully and fairly discloses actuarial information required for compliance. Nothing in this report should be construed as an accounting opinion, accounting advice or legal advice. TCS recommends that third parties retain their own actuary or other qualified professionals when reviewing this report. TCS's work is prepared solely for the use and benefit of COMB. Release of this report may be subject to provisions of the Agreement between COMB and TCS. No third party recipient of this report product should rely on the report for any purpose other than accounting compliance. Any other use of this report is unauthorized without first consulting with TCS.

This report is for fiscal year July 1, 2019 to June 30, 2020, using a measurement date of June 30, 2020. The calculations in this report have been made based on our understanding of plan provisions and actual practice at the time we were provided the required information. We relied on information provided by COMB. Much or all of this information was unaudited at the time of our evaluation. We reviewed the information provided for reasonableness, but this review should not be viewed as fulfilling any audit requirements. We relied on the following materials to complete this study:

- We used paper reports and digital files containing participant demographic data from COMB personnel records.
- We used relevant sections of collective bargaining agreements provided by COMB.

All costs, liabilities, and other estimates are based on actuarial assumptions and methods that comply with all applicable Actuarial Standards of Practice (ASOPs). Each assumption is deemed to be reasonable by itself, taking into account plan experience and reasonable future expectations and in combination represent our estimate of anticipated experience of the Plan.

This report contains estimates of the Plan's financial condition and future results only as of a single date. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. This valuation cannot predict the Plan's future condition nor guarantee its future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. Determining results using alternative assumptions (except for the alternate discount and trend rates shown in this report) is outside the scope of our engagement.

Future actuarial measurements may differ significantly from those presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the measurement methodology (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. We were not asked to perform analyses to estimate the potential range of such future measurements.

The signing actuary is independent of COMB and any plan sponsor. TCS does not intend to benefit from and assumes no duty or liability to other parties who receive this report. TCS is not aware of any relationship that would impair the objectivity of the opinion.

On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, this report is complete and has been prepared in accordance with generally accepted actuarial principles and practices and all applicable Actuarial Standards of Practice. I meet the Qualifications Standards of the American Academy of

## Total Compensation Systems, Inc.

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Actuaries to render the actuarial opinion contained herein.

Respectfully submitted,



Will Kane, FSA, EA  
Actuary  
Total Compensation Systems, Inc.  
(805) 496-1700

## PART II: LIABILITIES AND COSTS FOR RETIREE BENEFITS

### A. Introduction.

We calculated the actuarial present value of projected benefit payments (APVPBP) separately for each participant. We determined eligibility for retiree benefits based on information supplied by COMB. We then selected assumptions that, based on plan provisions and our training and experience, represent our best prediction of future plan experience. For each participant, we applied the appropriate assumption factors based on the participant's age, sex, length of service, and employee classification.

The actuarial assumptions used for this study are summarized beginning on page 14.

### B. Liability for Retiree Benefits.

For each participant, we projected future premium costs using an assumed trend rate (see Appendix C). We multiplied each year's benefit payments by the probability that benefits will be paid; i.e. based on the probability that the participant is living, has not terminated employment, has retired and remains eligible. The probability that benefit will be paid is zero if the participant is not eligible. The participant is not eligible if s/he has not met minimum service, minimum age or, if applicable, maximum age requirements.

The product of each year's benefit payments and the probability the benefit will be paid equals the expected cost for that year. We multiplied the above expected cost figures by the probability that the retiree would elect coverage. A retiree may not elect to be covered if retiree health coverage is available less expensively from another source (e.g. Medicare risk contract) or the retiree is covered under a spouse's plan. Finally, we discounted the expected cost for each year to the measurement date June 30, 2020 at 2.20% interest.

For any *current retirees*, the approach used was similar. The major difference is that the probability of payment for current retirees depends only on mortality and age restrictions (i.e. for retired employees the probability of being retired and of not being terminated are always both 100%).

The value generated from the process described above is called the actuarial present value of projected benefit payments (APVPBP). We added APVPBP for each participant to get the total APVPBP for all participants which is the estimated present value of all future retiree health benefits for all **current** participants. The APVPBP is the amount on June 30, 2020 that, if all actuarial assumptions are exactly right, would be sufficient to expense all promised benefits until the last participant dies or reaches the maximum eligibility age. However, for most actuarial and accounting purposes, the APVPBP is not used directly but is instead apportioned over the lifetime of each participant as described in the following sections.

## Total Compensation Systems, Inc.

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### C. Actuarial Accrual

Accounting principles provide that the cost of retiree benefits should be “accrued” over employees' working lifetime. For this reason, the Governmental Accounting Standards Board (GASB) issued in June of 2015 Accounting Standards 74 and 75 for retiree health benefits. These standards apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees), whether they pay directly or indirectly (via an “implicit rate subsidy”).

To actuarially accrue retiree health benefits requires determining the amount to expense each year so that the liability accumulated at retirement is, on average, sufficient (with interest) to cover all retiree health expenditures without the need for additional expenses. There are many different ways to determine the annual accrual amount. The calculation method used is called an “actuarial cost method” and uses the APVPBP to develop expense and liability figures. Furthermore, the APVPBP should be accrued over the working lifetime of employees.

In order to accrue the APVPBP over the working lifetime of employees, actuarial cost methods apportion the APVPBP into two parts: the portions attributable to service rendered prior to the measurement date (the past service liability or Total OPEB Liability (TOL) under GASB 74 and 75) and to service after the measurement date but prior to retirement (the future service liability or present value of future service costs). Of the future service liability, the portion attributable to the single year immediately following the measurement date is known as the normal cost or Service Cost under GASB 74 and 75.

The service cost can be thought of as the value of the benefit earned each year if benefits are accrued during the working lifetime of employees. The actuarial cost method mandated by GASB 75 is the “entry age actuarial cost method”. Under the entry age actuarial cost method, the actuary determines the service cost as the annual amount needing to be expensed from hire until retirement to fully accrue the cost of retiree health benefits. Under GASB 75, the service cost is calculated to be a level percentage of each employee’s projected pay.

### D. Actuarial Assumptions

The APVPBP and service cost are determined using several key assumptions:

- The current *cost of retiree health benefits* (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the service cost.
- The “*trend*” rate at which retiree health benefits are expected to increase over time. A higher trend rate increases the service cost. A “cap” on COMB contributions can reduce trend to zero once the cap is reached thereby dramatically reducing service costs.
- *Mortality rates* varying by age and sex (and sometimes retirement or disability status). If employees die prior to retirement, past contributions are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination or reduction. Although higher mortality rates reduce service costs, the mortality assumption is not likely to vary from employer to employer.
- *Employment termination rates* have the same effect as mortality inasmuch as higher termination rates reduce service costs. Employment termination can vary considerably between public agencies.
- The *service requirement* reflects years of service required to earn full or partial retiree benefits. While a longer service requirement reduces costs, cost reductions are not usually substantial unless the service period exceeds 20 years of service.

## Total Compensation Systems, Inc.

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- **Retirement rates** determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Retirement rates also depend on the amount of pension benefits available. Higher retirement rates increase service costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between public agencies for each employee type.
- **Participation rates** indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.
- The **discount rate** estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets for funded plans. The rate used for a funded plan is the **real** rate of return expected for plan assets plus the long term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20 year General Obligation municipal bonds rated AA or higher. For partially funded plans, the discount rate is a blend of the funded and unfunded rates.

### E. Total OPEB Liability

The assumptions listed above are not exhaustive, but are the most common assumptions used in actuarial cost calculations. If all actuarial assumptions are exactly met and an employer expensed the service cost every year for all past and current employees and retirees, a sizeable liability would have accumulated (after adding interest and subtracting retiree benefit costs). The liability that would have accumulated is called the Total OPEB Liability (TOL). The excess of TOL over the value of plan assets is called the Net OPEB Liability (NOL). Under GASB 74 and 75, in order for assets to count toward offsetting the TOL, the assets have to be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

Changes in the TOL can arise in several ways - e.g., as a result of plan changes or changes in actuarial assumptions. Change in the TOL can also arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience. GASB 75 allows certain changes in the TOL to be deferred (i.e. deferred inflows and outflows of resources).

Under GASB 74 and 75, a portion of actuarial gains and losses can be deferred as follows:

- Investment gains and losses are deferred five years.
- Experience gains and losses are deferred over the Expected Average Remaining Service Lives (EARSL) of plan participants. In calculating the EARSL, terminated employees (primarily retirees) are considered to have a working lifetime of zero. This often makes the EARSL quite short.
- Liability changes resulting from changes in economic and demographic assumptions are also deferred based on the EARSL.
- Liability changes resulting from plan changes, for example, cannot be deferred.

# Total Compensation Systems, Inc.

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## F. Valuation Results

This section details the measured values of the concepts described on the previous pages.

### 1. Actuarial Present Value of Projected Benefit Payments (APVPBP)

#### Actuarial Present Value of Projected Benefit Payments as of June 30, 2020 Valuation Date

	<i>Total</i>
Active: Pre-65 Benefit	\$916,396
Post-65 Benefit	\$3,718,494
Subtotal	\$4,634,890
Retiree: Pre-65 Benefit	\$334,051
Post-65 Benefit	\$3,178,257
Subtotal	\$3,512,308
Grand Total	\$8,147,198
Subtotal Pre-65 Benefit	\$1,250,447
Subtotal Post-65 Benefit	\$6,896,751

### 2. Service Cost

The service cost represents the value of the benefit earned during a single year of employment. It is the APVPBP spread over the expected working lifetime of the employee and divided into annual segments. We applied an "entry age" actuarial cost method to determine funding rates for active employees. The table below summarizes the calculated service cost.

#### Service Cost Valuation Year Beginning July 1, 2020

	<i>Total</i>
# of Eligible Employees	14
<b>First Year Service Cost</b>	
Pre-65 Benefit	\$43,932
Post-65 Benefit	\$183,694
Total	\$227,626

Accruing retiree health benefit costs using service costs levels out the cost of retiree health benefits over time and more fairly reflects the value of benefits "earned" each year by employees. While the service cost for each employee is targeted to remain level as a percentage of covered payroll, the service cost as a dollar amount would increase each year based on covered payroll. Additionally, the overall service cost may grow or shrink based on changes in the demographic makeup of the employees from year to year.



## Total Compensation Systems, Inc.

### 3. Total OPEB Liability and Net OPEB Liability

If actuarial assumptions are borne out by experience, COMB will fully accrue retiree benefits by expensing an amount each year that equals the service cost. If no accruals had taken place in the past, there would be a shortfall of many years' accruals, accumulated interest and forfeitures for terminated or deceased employees. This shortfall is called the Total OPEB Liability. We calculated the Total OPEB Liability (TOL) as the APVPBP minus the present value of future service costs. To the extent that benefits are funded through a GASB 74 qualifying trust, the trust's Fiduciary Net Position (FNP) is subtracted to get the NOL. The FNP is the value of assets adjusted for any applicable payables and receivables as shown in the table on page 15.

#### **Total OPEB Liability and Net OPEB Liability as of June 30, 2020 Valuation Date**

	<i>Total</i>
Active: Pre-65 Benefit	\$367,017
Active: Post-65 Benefit	\$1,686,372
Subtotal	<u>\$2,053,389</u>
Retiree: Pre-65 Benefit	\$334,051
Retiree: Post-65 Benefit	\$3,178,257
Subtotal	<u>\$3,512,308</u>
Subtotal: Pre-65 Benefit	<u>\$701,068</u>
Subtotal: Post-65 Benefit	<u>\$4,864,629</u>
Total OPEB Liability (TOL)	\$5,565,697
Fiduciary Net Position as of June 30, 2020	\$0
Net OPEB Liability (NOL)	<u>\$5,565,697</u>

### 4. "Pay As You Go" Projection of Retiree Benefit Payments

We used the actuarial assumptions shown in Appendix C to project COMB's ten year retiree benefit outlay, including any implicit rate subsidy. Because these cost estimates reflect average assumptions applied to a relatively small number of participants, estimates for individual years are **certtain** to be *in*accurate. However, these estimates show the size of cash outflow.

The following table shows a projection of annual amounts needed to pay the COMB's share of retiree health costs, including any implicit rate subsidy.

<i>Year Beginning</i>	
<i>July 1</i>	<i>Total</i>
2020	\$162,409
2021	\$172,946
2022	\$185,653
2023	\$199,555
2024	\$191,751
2025	\$202,660
2026	\$213,770
2027	\$226,669
2028	\$227,720
2029	<u>\$240,072</u>

## Total Compensation Systems, Inc.

### G. Additional Reconciliation of GASB 75 Results

The following table shows the reconciliation of the June 30, 2019 Net OPEB Liability (NOL) in the prior valuation to the June 30, 2020 NOL. For some plans, it will provide additional detail and transparency beyond that shown in the table on Page 2.

	<i>TOL</i>	<i>FNP</i>	<i>NOL</i>
<b>Balance at June 30, 2019</b>	<b>\$5,384,212</b>	<b>\$0</b>	<b>\$5,384,212</b>
Service Cost	\$99,286	\$0	\$99,286
Interest on Total OPEB Liability	\$186,517	\$0	\$186,517
Expected Investment Income	\$0	\$0	\$0
Administrative Expenses	\$0	\$0	\$0
Employee Contributions	\$0	\$0	\$0
Employer Contributions to Trust	\$0	\$0	\$0
Employer Contributions as Benefit Payments	\$0	\$209,622	(\$209,622)
Benefit Payments from Trust	\$0	\$0	\$0
Expected Benefit Payments from Employer	(\$209,622)	(\$209,622)	\$0
<b>Expected Balance at June 30, 2020</b>	<b>\$5,460,393</b>	<b>\$0</b>	<b>\$5,460,393</b>
Experience (Gains)/Losses	(\$730,130)	\$0	(\$730,130)
Changes in Assumptions	\$835,434	\$0	\$835,434
Changes in Benefit Terms	\$0	\$0	\$0
Investment Gains/(Losses)	\$0	\$0	\$0
Other	\$0	\$0	\$0
Net Change during 2020	\$181,485	\$0	\$181,485
<b>Actual Balance at June 30, 2020*</b>	<b>\$5,565,697</b>	<b>\$0</b>	<b>\$5,565,697</b>

\* May include a slight rounding error.

Changes in the NOL arising from certain sources are recognized on a deferred basis. The deferral history for COMB is shown beginning on page 23. The following table summarizes the beginning and ending balances for each deferral item. The current year expense reflects the change in deferral balances for the measurement year.

### Deferred Inflow/Outflow Balances Fiscal Year Ending June 30, 2020

	<i>Beginning Balance</i>	<i>Change Due to New Deferrals</i>	<i>Change Due to Recognition</i>	<i>Ending Balance</i>
Experience (Gains)/Losses	\$0	(\$730,130)	\$70,887	(\$659,243)
Assumption Changes	\$214,063	\$835,434	(\$105,437)	\$944,060
Investment (Gains)/Losses	\$0	\$0	\$0	\$0
Deferred Balances	\$214,063	\$105,304	(\$34,550)	\$284,817

The following table shows the reconciliation of Net Position (NOL less the balance of any deferred inflows or outflows). When adjusted for contributions, the change in Net Position is equal to the OPEB expense shown previously on page 3.

### OPEB Expense Fiscal Year Ending June 30, 2020

	<i>Beginning Net Position</i>	<i>Ending Net Position</i>	<i>Change</i>
Net OPEB Liability (NOL)	\$5,384,212	\$5,565,697	\$181,485
Deferred Balances	\$214,063	\$284,817	\$70,754
Net Position	\$5,170,149	\$5,280,880	\$110,731
Adjust Out Employer Contributions			\$209,622
OPEB Expense			\$320,353

# Total Compensation Systems, Inc.

## H. Procedures for Future Valuations

GASB 74/75 require annual measurements of liability with a full actuarial valuation required every two years. This means that for the measurement date one year following a full actuarial valuation, a streamlined “roll-forward” valuation may be performed in place of a full valuation. The following outlines the key differences between full and roll-forward valuations.

	Full Actuarial Valuation	Roll-Forward Valuation
Collect New Census Data	Yes	No
Reflect Updates to Plan Design	Yes	No
Update Actuarial Assumptions	Yes	Typically Not
Update Valuation Interest Rate	Yes	Yes
Actual Assets as of Measurement Date	Yes	Yes
Timing	4-6 weeks after information is received	1-2 weeks after information is received
Fees	Full	Reduced
Information Needed from Employer	Moderate	Minimal
Required Frequency	At least every two years	Each year, unless a full valuation is performed

The majority of employers use an alternating cycle of a full valuation one year followed by a roll-forward valuation the next year. However, a full valuation may be required or preferred under certain circumstances. Following are examples of actions that could cause the employer to consider a full valuation instead of a roll-forward valuation.

- The employer considers or puts in place an early retirement incentive program.
- The employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- The employer desires the measured liability to incorporate more recent census data or assumptions.
- The employer forms a qualifying trust or changes its investment policy.
- The employer adds or terminates a group of participants that constitutes a significant part of the covered group.

We anticipate that the next valuation we perform for COMB will be a roll-forward valuation with a measurement date of June 30, 2021 which will be used for the fiscal year ending June 30, 2021. Please let us know if COMB would like to discuss whether another full valuation would be preferable based on any of the examples listed above.

**PART III: ACTUARIAL ASSUMPTIONS AND METHODS**

Following is a summary of actuarial assumptions and methods used in this study. COMB should carefully review these assumptions and methods to make sure they reflect COMB 's assessment of its underlying experience. It is important for COMB to understand that the appropriateness of all selected actuarial assumptions and methods are COMB's responsibility. Unless otherwise disclosed in this report, TCS believes that all methods and assumptions are within a reasonable range based on the provisions of GASB 74 and 75, applicable actuarial standards of practice, COMB's actual historical experience, and TCS's judgment based on experience and training.

**A. ACTUARIAL METHODS AND ASSUMPTIONS:**

*ACTUARIAL COST METHOD:* GASB 74 and 75 require use of the entry age actuarial cost method.

Entry age is based on the age at hire for eligible employees. The attribution period is determined as the difference between the expected retirement age and the age at hire. The APVPBP and present value of future service costs are determined on a participant by participant basis and then aggregated.

*SUBSTANTIVE PLAN:* As required under GASB 74 and 75, we based the valuation on the substantive plan. The formulation of the substantive plan was based on a review of written plan documents as well as historical information provided by COMB regarding practices with respect to employer and employee contributions and other relevant factors.

## Total Compensation Systems, Inc.

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### **B. ECONOMIC ASSUMPTIONS:**

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

*INFLATION:* We assumed 2.75% per year used for pension purposes. Actuarial standards require using the same rate for OPEB that is used for pension.

*INVESTMENT RETURN / DISCOUNT RATE:* We assumed 2.20% per year net of expenses. This is based on the Bond Buyer 20 Bond Index.

*TREND:* We assumed 4.00% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

*PAYROLL INCREASE:* We assumed 2.75% per year. Since benefits do not depend on salary (as they do for pensions), using an aggregate payroll assumption for the purpose of calculating the service cost results in a negligible error.

*FIDUCIARY NET POSITION (FNP):* The following table shows the beginning and ending FNP numbers that were provided by COMB.

#### **Fiduciary Net Position as of June 30, 2020**

	<i>06/30/2019</i>	<i>06/30/2020</i>
Cash and Equivalents	\$0	\$0
Contributions Receivable	\$0	\$0
Total Investments	\$0	\$0
Capital Assets	\$0	\$0
Total Assets	\$0	\$0
Benefits Payable	\$0	\$0
Fiduciary Net Position	\$0	\$0

## Total Compensation Systems, Inc.

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### **C. NON-ECONOMIC ASSUMPTIONS:**

Economic assumptions are set under the guidance of Actuarial Standard of Practice 35 (ASOP 35). See Appendix C, Paragraph 52 for more information.

#### **MORTALITY**

<i>Participant Type</i>	<i>Mortality Tables</i>
Miscellaneous	2017 CalPERS Mortality for Miscellaneous and Schools Employees

#### **RETIREMENT RATES**

<i>Employee Type</i>	<i>Retirement Rate Tables</i>
All Participants	Hired prior to January 1, 2013: 2017 CalPERS 2.0% @55 Rates for Miscellaneous Employees Hired on or after January 1, 2013: 2017 CalPERS 2.0% @62 Rates for Miscellaneous Employees

#### **COSTS FOR RETIREE COVERAGE**

Retiree liabilities are based on actual retiree premium plus an implicit rate subsidy of 62.4% of non-Medicare medical premium. Liabilities for active participants are based on the first year costs shown below, which include the implicit rate subsidy. Subsequent years' costs are based on first year costs adjusted for trend and limited by any COMB contribution caps.

<i>Participant Type</i>	<i>Future Retirees Pre-65</i>	<i>Future Retirees Post-65</i>
All Participants	Not Grandfathered: \$14,930 Grandfathered: \$26,874	Not Grandfathered: \$8,154 Grandfathered: \$14,677

#### **PARTICIPATION RATES**

<i>Employee Type</i>	<i>&lt;65 Non-Medicare Participation %</i>	<i>65+ Medicare Participation %</i>
All Participants	Not Grandfathered: 95% Grandfathered: 100%	Not Grandfathered: 95% Grandfathered: 100%

#### **TURNOVER**

<i>Employee Type</i>	<i>Turnover Rate Tables</i>
Miscellaneous	2017 CalPERS Turnover for Miscellaneous Employees

#### **SPOUSE PREVALENCE**

To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.

#### **SPOUSE AGES**

To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.

#### **AGING FACTORS**

We used aging factors from "Health Care Costs - From Birth to Death" prepared by Dale Yamamoto and published in 2013 by the Society of Actuaries as part of the Health Care Cost Institute's Independent Report Series - Report 2013-1.

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## PART IV: APPENDICES

### APPENDIX A: DEMOGRAPHIC DATA BY AGE

#### **ELIGIBLE ACTIVE EMPLOYEES BY AGE AND SERVICE**

	<i>Total</i>	<i>Under 5 Years of Service</i>	<i>5 – 9 Years of Service</i>	<i>10 – 14 Years of Service</i>	<i>15 – 19 Years of Service</i>	<i>20 – 24 Years of Service</i>	<i>25 – 29 Years of Service</i>	<i>30 – 34 Years of Service</i>	<i>Over 34 Years of Service</i>
Under 25	0								
25 – 29	2	2							
30 – 34	3	3							
35 – 39	1	1							
40 – 44	3	1		1	1				
45 – 49	0								
50 – 54	2	1				1			
55 – 59	0								
60 – 64	2			2					
65 and older	1	1							
<b>Total</b>	<b>14</b>	<b>9</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### **ELIGIBLE RETIREES BY AGE AND EMPLOYEE CLASS**

<i>Age</i>	<i>Total</i>
Under 50	0
50 – 54	0
55 – 59	1
60 – 64	2
65 – 69	3
70 – 74	3
75 – 79	0
80 – 84	0
85 – 89	0
90 and older	0
<b>Total</b>	<b>9</b>

### APPENDIX B: ADMINISTRATIVE BEST PRACTICES

It is outside the scope of this report to make specific recommendations of actions COMB should take to manage the liability created by the current retiree health program. The following items are intended only to allow COMB to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of COMB's practices, it is possible that COMB is already complying with some or all of these suggestions.

- We suggest that COMB maintain an inventory of all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, COMB should determine whether the benefit is material and subject to GASB 74 and/or 75.
- Under GASB 75, it is important to isolate the cost of retiree health benefits. COMB should have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – *even on a retiree-pay-all basis* – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, COMB should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.
- COMB should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for COMB-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.
- Several assumptions were made in estimating costs and liabilities under COMB's retiree health program. Further studies may be desired to validate any assumptions where there is any doubt that the assumption is appropriate. (See Part III of this report for a summary of assumptions.) For example, COMB should maintain a retiree database that includes – in addition to date of birth, gender and employee classification – retirement date and (if applicable) dependent date of birth, relationship and gender. It will also be helpful for COMB to maintain employment termination information – namely, the number of OPEB-eligible employees in each employee class that terminate employment each year for reasons other than death, disability or retirement.



# Total Compensation Systems, Inc.

## APPENDIX C: GASB 74/75 ACCOUNTING ENTRIES AND DISCLOSURES

This report does not necessarily include the entire accounting values. As mentioned earlier, there are certain deferred items that are employer-specific. COMB should consult with its auditor if there are any questions about what, if any, adjustments may be appropriate.

GASB 74/75 include a large number of items that should be included in the Note Disclosures and Required Supplementary Information (RSI) Schedules. Many of these items are outside the scope of the actuarial valuation. However, following is information to assist COMB in complying with GASB 74/75 disclosure requirements:

**Paragraph 50:**            **Information about the OPEB Plan**

Most of the information about the OPEB plan should be supplied by COMB. Following is information to help fulfill Paragraph 50 reporting requirements.

50.c: Following is a table of plan participants

	Number of Participants
Inactive Employees Currently Receiving Benefit Payments	9
Inactive Employees Entitled to But Not Yet Receiving Benefit Payments*	0
Participating Active Employees	14
Total Number of participants	23

\*We were not provided with information about any terminated, vested employees

**Paragraph 51:**            **Significant Assumptions and Other Inputs**

Shown in Appendix C.

**Paragraph 52:**            **Information Related to Assumptions and Other Inputs**

The following information is intended to assist COMB in complying with the requirements of Paragraph 52.

52.b: Mortality Assumptions Following are the tables the mortality assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

Mortality Table	2017 CalPERS Mortality for Miscellaneous and Schools Employees
Disclosure	The mortality assumptions are based on the 2017 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

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Mortality Table	2017 CalPERS Retiree Mortality for All Employees
Disclosure	The mortality assumptions are based on the 2017 CalPERS Retiree Mortality for All Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

52.c: Experience Studies Following are the tables the retirement and turnover assumptions are based upon. Inasmuch as these tables are based on appropriate populations, and that these tables are used for pension purposes, we believe these tables to be the most appropriate for the valuation.

### Retirement Tables

Retirement Table	2017 CalPERS 2.0% @55 Rates for Miscellaneous Employees
Disclosure	The retirement assumptions are based on the 2017 CalPERS 2.0% @55 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

Retirement Table	2017 CalPERS 2.0% @62 Rates for Miscellaneous Employees
Disclosure	The retirement assumptions are based on the 2017 CalPERS 2.0% @62 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

### Turnover Tables

Turnover Table	2017 CalPERS Turnover for Miscellaneous Employees
Disclosure	The turnover assumptions are based on the 2017 CalPERS Turnover for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.

For other assumptions, we use actual plan provisions and plan data.

52.d: The alternative measurement method was not used in this valuation.

52.e: NOL using alternative trend assumptions The following table shows the Net OPEB Liability with a healthcare cost trend rate 1% higher and 1% lower than assumed in the valuation.

	Trend 1% Lower	Valuation Trend	Trend 1% Higher
Net OPEB Liability	\$4,739,547	\$5,565,697	\$6,609,837

### Paragraph 53:

#### Discount Rate

The following information is intended to assist COMB to comply with Paragraph 53

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requirements.

53.a: A discount rate of 2.20% was used in the valuation. The interest rate used in the prior valuation was 3.50%.

53.b: We assumed that all contributions are from the employer.

53.c: There are no plan assets.

53.d: The interest assumption reflects a municipal bond rate. We used the Bond Buyer 20 Index at June 30, 2020 and rounded the rate resulting in a rate of 2.20%.

53.e: Not applicable.

53.f: There are no plan assets.

53.g: The following table shows the Net OPEB liability with a discount rate 1% higher and 1% lower than assumed in the valuation.

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB Liability	\$6,483,732	\$5,565,697	\$4,824,997

### **Paragraph 55: Changes in the Net OPEB Liability**

Please see reconciliation on pages 2 or 12.

### **Paragraph 56: Additional Net OPEB Liability Information**

The following information is intended to assist COMB to comply with Paragraph 56 requirements.

56.a: The valuation date is June 30, 2020.

The measurement date is June 30, 2020.

56.b: We are not aware of a special funding arrangement.

56.c: The interest assumption changed from 3.50% to 2.20%. Assumed rates of retirement, termination, and mortality have been updated to align with those currently being used by the statewide pension systems.

56.d: There were no changes in benefit terms since the prior measurement date.

56.e: Not applicable

56.f: To be determined by the employer

56.g: To be determined by the employer

56.h: Other than contributions after the measurement, all deferred inflow and outflow balances are shown on page 12 and in Appendix D

56.i: Future recognition of deferred inflows and outflows is shown in Appendix D

### **Paragraph 57: Required Supplementary Information**

57.a: Please see reconciliation on pages 2 or 12. Please see the notes for Paragraph 244 below for more information.

57.b: These items are provided on pages 2 and 12 for the current valuation, except for covered payroll, which should be determined based on appropriate methods.

57.c: We have not been asked to calculate an actuarially determined contribution amount.

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We assume COMB contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 28 years.

57.d: We are not aware that there are any statutorily or contractually established contribution requirements.

**Paragraph 58:**                    **Actuarially Determined Contributions**

We have not been asked to calculate an actuarially determined contribution amount. We assume COMB contributes on an ad hoc basis, but in an amount sufficient to fully fund the obligation over a period not to exceed 28 years.

**Paragraph 244:**                **Transition Option**

Prior periods were not restated due to the fact that prior valuations were not rerun in accordance with GASB 75. It was determined that the time and expense necessary to rerun prior valuations and to restate prior financial statements was not justified.

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## APPENDIX D: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

### EXPERIENCE GAINS AND LOSSES

<b>Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Experience Gains and Losses (Measurement Periods)</b>											
Measurement Period	Experience (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2019	2020	Amounts to be Recognized in OPEB Expense after 2020	2021	2022	2023	2024	2025	Thereafter
2019-20	(\$730,130)	10.3	\$0	(\$70,887)	(\$659,243)	(\$70,887)	(\$70,887)	(\$70,887)	(\$70,887)	(\$70,887)	(\$304,808)
<b>Net Increase (Decrease) in OPEB Expense</b>			<b>\$0</b>	<b>(\$70,887)</b>	<b>(\$659,243)</b>	<b>(\$70,887)</b>	<b>(\$70,887)</b>	<b>(\$70,887)</b>	<b>(\$70,887)</b>	<b>(\$70,887)</b>	<b>(\$304,808)</b>

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### CHANGES OF ASSUMPTIONS

#### Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Changes of Assumptions (Measurement Periods)

Measurement Period	Changes of Assumptions	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2019	Amounts to be Recognized in OPEB Expense after 2020								
				2020	2021	2022	2023	2024	2025	Thereafter		
2018-19	\$238,389	9.8	\$24,326	\$24,326	\$189,737	\$24,326	\$24,326	\$24,326	\$24,326	\$24,326	\$24,326	\$68,107
2019-20	\$835,434	10.3	\$0	\$81,111	\$754,323	\$81,111	\$81,111	\$81,111	\$81,111	\$81,111	\$81,111	\$348,768
Net Increase (Decrease) in OPEB Expense			<b>\$24,326</b>	<b>\$105,437</b>	<b>\$944,060</b>	<b>\$105,437</b>	<b>\$105,437</b>	<b>\$105,437</b>	<b>\$105,437</b>	<b>\$105,437</b>	<b>\$105,437</b>	<b>\$416,875</b>

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## INVESTMENT GAINS AND LOSSES

### Increase (Decrease) in OPEB Expense Arising from the Recognition of Effects of Investment Gains and Losses (Measurement Periods)

Measurement Period	Investment (Gain)/Loss	Original Recognition Period (Years)	Amounts Recognized in OPEB Expense through 2019	2020	Amounts to be Recognized in OPEB Expense after 2020	2021	2022	2023	2024	2025	Thereafter
2019-20	\$0	0	\$0	\$0	\$0						
<b>Net Increase (Decrease) in OPEB Expense</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## APPENDIX E: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

Note: The following definitions are intended to help a *non-actuary* understand concepts related to retiree health valuations. Therefore, the definitions may not be actuarially accurate.

<u>Actuarial Cost Method:</u>	A mathematical model for allocating OPEB costs by year of service. The only actuarial cost method allowed under GASB 74/75 is the entry age actuarial cost method.
<u>Actuarial Present Value of Projected Benefit Payments:</u>	The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation or measurement date.
<u>Deferred Inflows/Outflows of Resources:</u>	A portion of certain items that can be deferred to future periods or that weren't reflected in the valuation. The former includes investment gains/losses, actuarial gains/losses, and gains/losses due to changes in actuarial assumptions or methods. The latter includes contributions made to a trust subsequent to the measurement date but before the statement date.
<u>Discount Rate:</u>	Assumed investment return net of all investment expenses. Generally, a higher assumed interest rate leads to lower service costs and total OPEB liability.
<u>Fiduciary Net Position:</u>	Net assets (liability) of a qualifying OPEB "plan" (i.e. qualifying irrevocable trust or equivalent arrangement).
<u>Implicit Rate Subsidy:</u>	The estimated amount by which retiree rates are understated in situations where, for rating purposes, retirees are combined with active employees and the employer is expected, in the long run, to pay the underlying cost of retiree benefits.
<u>Measurement Date:</u>	The date at which assets and liabilities are determined in order to estimate TOL and NOL.
<u>Mortality Rate:</u>	Assumed proportion of people who die each year. Mortality rates always vary by age and often by sex. A mortality table should always be selected that is based on a similar "population" to the one being studied.
<u>Net OPEB Liability (NOL):</u>	The Total OPEB Liability minus the Fiduciary Net Position.
<u>OPEB Benefits:</u>	Other Post Employment Benefits. Generally, medical, dental, prescription drug, life, long-term care or other postemployment benefits that are not pension benefits.
<u>OPEB Expense:</u>	This is the amount employers must recognize as an expense each year. The annual OPEB expense is equal to the Service Cost plus interest on the Total OPEB Liability (TOL) plus change in TOL due to plan changes minus projected investment income; all adjusted to reflect deferred inflows and outflows of resources.
<u>Participation Rate:</u>	The proportion of retirees who elect to receive retiree benefits. A lower participation rate results in lower service cost and a TOL. The participation rate often is related to retiree contributions.



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<u>Pay As You Go Cost:</u>	The projected benefit payments to retirees in a given year as estimated by the actuarial valuation. Actual benefit payments are likely to differ from these estimated amounts. For OPEB plans that do not pre-fund through an irrevocable trust, the Pay As You Go Cost serves as an estimated amount to budget for annual OPEB payments.
<u>Retirement Rate:</u>	The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with the service requirement to reflect both age and length of service). The more likely employees are to retire early, the higher service costs and actuarial accrued liability will be.
<u>Service Cost:</u>	The annual dollar value of the “earned” portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.
<u>Service Requirement:</u>	The proportion of retiree benefits payable under the OPEB plan, based on length of service and, sometimes, age. A shorter service requirement increases service costs and TOL.
<u>Total OPEB Liability (TOL):</u>	The amount of the actuarial present value of projected benefit payments attributable to participants’ past service based on the actuarial cost method used.
<u>Trend Rate:</u>	The rate at which the employer’s share of the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher service costs and TOL.
<u>Turnover Rate:</u>	The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce service costs and TOL.
<u>Valuation Date:</u>	The date as of which the OPEB obligation is determined by means of an actuarial valuation. Under GASB 74 and 75, the valuation date does not have to coincide with the statement date, but can’t be more than 30 months prior.

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# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 7, 2020
Submitted by:	Edward Lyons
Approved by:	Janet Gingras

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**SUBJECT:**      **Comprehensive Annual Financial Report as of June 30, 2020**

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**RECOMMENDATION:**

The Board of Directors receive a presentation and file the Comprehensive Annual Financial Report as of June 30, 2020, the Letter of Required Communications and the Single Audit Report as of June 30, 2020.

**SUMMARY:**

Annually, in compliance with the Governmental Accounting Standards Board (GASB), COMB issues an independently audited financial report to communicate detailed information about its financial condition and operating results over the past fiscal year. For fiscal year ending June 30, 2020, staff developed a Comprehensive Annual Financial Report (CAFR). For review and consideration, attached is the CAFR and the Letter of Required Communications prepared by COMB's Auditor, Bartlett, Pringle & Wolf, LLP (BPW). The auditors have rendered an unmodified (clean) opinion, concluding there are no management concerns or reportable conditions affiliated with the audit.

Additionally, COMB Federal grant expenditures were approximately \$1.6 million during fiscal year 2019-20, which required a single audit to be performed in compliance with the Federal Single Audit Act of 1984 and the Single Audit Act Amendment of 1996. BPW issued an unmodified (clean) opinion on COMB's compliance for each major federal program.

The substantive portions of the Comprehensive Annual Financial Report and the Notes to the Financial Statement will be brought to your attention during the presentation.

**COMMITTEE STATUS:**

The Administrative Committee received a presentation and forwards the Comprehensive Annual Financial Report as of June 30, 2020, the Letter of Required Communications and the Single Audit Report as of June 30, 2020 to the Board of Directors with a recommendation to receive and file.

**LIST OF EXHIBITS:**

1. Comprehensive Annual Financial Report as of June 30, 2020
2. Letter of Required Communications
3. Single Audit Report as of June 30, 2020

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# Cachuma Operation & Maintenance Board

# CAFR



## *Comprehensive Annual Financial Report*

*For the Fiscal Years Ended*

*June 30, 2020 and 2019*



A California Joint Powers Authority Item #6

Exhibit #1

Page 1

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Cachuma Operation and Maintenance Board  
Santa Barbara, California

Comprehensive Annual Financial Report

For the Fiscal Years Ended  
June 30, 2020 and 2019

Staff Contributors:

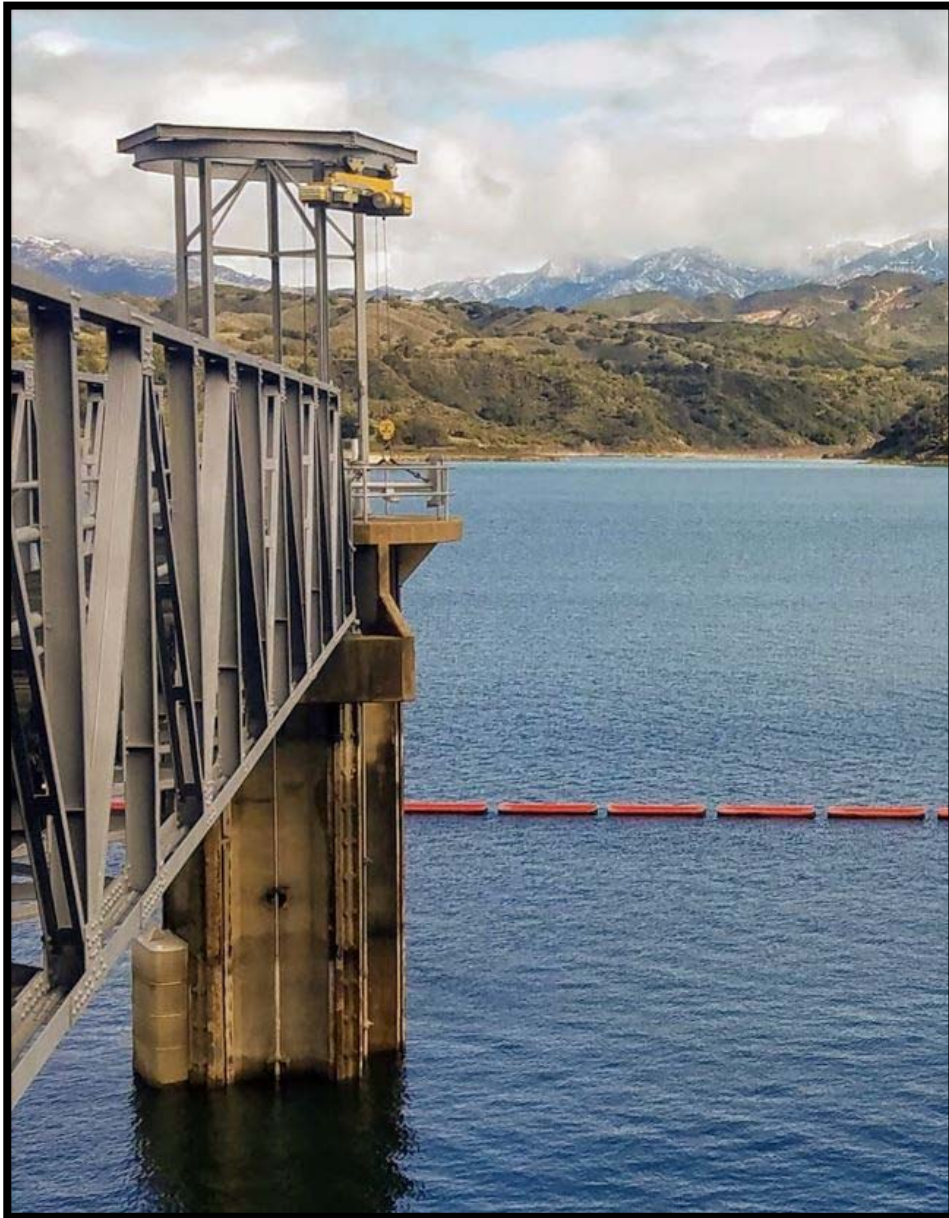
Janet Gingras, General Manager  
Edward Lyons, Administrative Manager / CFO  
Dorothy Turner, Administrative Assistant II  
Perri Wolfe, Administrative Analyst

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## Our Mission

*To provide a reliable source of water to our member agencies  
in an efficient and cost effective manner  
for the betterment of our community.*



Lake Cachuma, North Portal Intake Tower

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**Cachuma Operation and  
Maintenance Board**

**BOARD OF DIRECTORS  
AS OF JUNE 30, 2020**

<b>NAME</b>	<b>TITLE</b>	<b>MEMBER AGENCY</b>
Polly Holcombe	President	Carpinteria Valley Water District
Kristen Sneddon	Vice President	City of Santa Barbara
Lauren Hanson	Director	Goleta Water District
Cori Hayman	Director	Montecito Water District

**GENERAL MANAGER**

Janet L. Gingras

**DIVISION MANAGERS**

Edward Lyons, Administrative Manager / CFO

Joel Degner, Engineer / Operations Division Manager

Tim Robinson, Fisheries Division Manager

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**INTRODUCTORY  
SECTION**

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*Cachuma Operation & Maintenance Board*

December 10, 2020

Honorable Members of the Board of Directors  
Cachuma Operation and Maintenance Board

The Comprehensive Annual Financial Report (CAFR) of the Cachuma Operation and Maintenance Board (COMB) for Fiscal Years ended June 30, 2020 and 2019 is presented as prepared by COMB's Administrative Division.

The report is presented to provide the COMB Board, its Member Agencies, stakeholders and the community detailed information about the financial condition and operating results of COMB as measured by the financial activity of COMB. COMB staff worked collectively through our auditors and followed guidelines set forth by the Governmental Accounting Standards Board to prepare this report. The CAFR is presented in conformity with generally accepted accounting principles (GAAP).

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

Bartlett Pringle Wolf, LLP (BPW), certified public accountants, have issued an unmodified ("clean") opinion on COMB's financial statements for years ended June 30, 2020 and 2019.

The independent auditor's report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This introduction and the MD&A are complementary reports, which together are intended to provide a comprehensive view of the COMB's finances and operations.

**Profile of COMB**

The Cachuma Project was constructed in the early 1950s by the United States Department of the Interior, U.S. Bureau of Reclamation under contract with the Santa Barbara County Water Agency on behalf of the Cachuma Project Member Units. The current Cachuma Project Member Units are the Carpinteria Valley Water District, City of Santa Barbara, Goleta Water District, Montecito Water District, and Santa Ynez River Water Conservation District-Improvement District No. 1.

The Cachuma Project Member Units entered into contracts with the Santa Barbara County Water Agency for the purpose of receiving water from the Cachuma Project for use and benefit of the Member Units. Over the past sixty years, the Project has been the principal water supply for the Santa Ynez Valley and the South Coast Communities, delivering water to approximately 200,000 people.

Cachuma Operation and Maintenance Board is a California Joint Powers Authority (JPA) formed in 1956 by the Cachuma Member Units pursuant to an agreement with the U.S. Bureau of Reclamation (Reclamation). The agreement transferred to COMB the responsibility to repair, replace, operate and maintain all Cachuma Project facilities exclusive of Bradbury Dam.

Since 1956, the JPA membership has changed. The current Member Agencies of COMB are the Goleta Water District, the City of Santa Barbara, Montecito Water District and the Carpinteria Valley Water District. The Santa Ynez River Conservation District, ID No. 1 (ID No.1), an original member of the JPA, notified the COMB Board of its intent to unilaterally withdraw from COMB on May 27, 2016. A Separation Agreement was entered into by ID No. 1 and COMB, and was approved by all parties effective August 28, 2018.

**Officials of COMB**

COMB operates under the general direction of four elected officials who are appointed by their individual representative water agencies/councils to serve on the COMB Board of Directors. The Board engages an external General Counsel for legal matters and a Certified Public Accounting Firm for external audit review. The Board directly employs a General Manager to oversee administration and day-to-day operations of all divisions. An executive team performs under the direction of the General Manager and consists of three managers responsible for effective operation of the Administrative Division, the Operations Division, the Fisheries Division and Engineering.

The Board of Directors is responsible for governance and policy creation, and provides direction for implementation of those policies to the General Manager.

**Overview****Transferred Project Works Contract**

On February 24, 1956, the U.S. Bureau of Reclamation, the original Cachuma Project Member Units, and the Santa Barbara County Water Agency entered into a contract that provided for the transfer of Operation and Maintenance (O&M) of Transferred Project works to the original Member Units. The O&M contract has been amended by amendatory contracts since that time, one of which was executed with COMB as the contractor. In March 2003, Reclamation entered into a new contract with the Cachuma Operation and Maintenance Board for the operation and care of the transferred project works including the Tecolote Tunnel and the South Coast Conduit system. The contract remains in effect through September 30, 2020. COMB initiated the contract renewal process with Reclamation during fiscal year 2019-20. Shortly after the end of the fiscal year and before the contract expiration date, Reclamation and COMB executed a three-year amendatory contract to allow for the completion of a long-term agreement.

COMB is responsible for diversion of water to the South Coast through the Tecolote Tunnel, and operation and maintenance of the South Coast Conduit pipeline, flow control valves, meters, and instrumentation at control stations, and turnouts along the South Coast Conduit and at four regulating reservoirs. COMB coordinates closely with the Bureau of Reclamation and Member Agencies' staff to ensure that water supplies meet daily demands. COMB staff reads meters and accounts for Project water deliveries on a monthly basis, and performs repairs and preventive maintenance on Project facilities and equipment. COMB safeguards Project lands and rights-of-way on the South Coast as the contractor for Reclamation. COMB is responsible for issuing Project water production and use reports, operations reports, fisheries reports, and financial and investment reports which track operation and maintenance expenditures.

**National Marine Fisheries Service****Biological Opinion and Fish Management Plan**

The United States Bureau of Reclamation currently operates and maintains Bradbury Dam and associated water transport and delivery structures, collectively known as the Cachuma Project on and near the Santa Ynez River for several local water agencies. The Santa Ynez River is about 900 square miles in watershed area with Bradbury Dam located approximately 48 miles from the Pacific Ocean.

The National Marine Fisheries Services (NMFS) is the United States federal agency that oversees protection of Southern California steelhead (*Oncorhynchus mykiss*, *O. mykiss*). The Cachuma Project Biological Opinion (BO) and the Lower Santa Ynez River Fish Management Plan (FMP) were issued in 2000 for implementation of steelhead management actions developed over many years of study by the Cachuma Project Member Units. The BO addresses the effects of the proposed Cachuma Project operations on steelhead and its designated critical habitat in accordance with Section 7 of the Endangered Species Act of 1973.

**National Marine Fisheries Service  
Biological Opinion and Fish Management Plan (Continued)**

The goal is to provide physical projects and management strategies that will protect, enhance, restore and create new habitat for spawning and rearing of endangered steelhead, while keeping a balance between fish management, other ecological needs, and the delivery of adequate water supplies to customers of local water agencies and groundwater recharge.

On behalf of the U. S. Bureau of Reclamation, COMB is responsible for implementation of the 2000 Biological Opinion and Fish Management Plan related to the Cachuma Project on the Santa Ynez River. These activities include ongoing scientific studies along the river, monitoring and recording changing conditions, and implementation of fish passage improvements as outlined in the 2000 Biological Opinion. In addition, a consensus based, long-term Fish Management Program was developed which provides protection for steelhead/rainbow trout downstream of Bradbury Dam through a combination of water releases from Bradbury Dam through the Hilton Creek watering system, and the removal or modification of numerous fish passage barriers to steelhead on tributaries to the mainstem Santa Ynez River. By implementing these actions, stakeholders in the Cachuma Project have created significant additional habitat for steelhead within the Santa Ynez River watershed.

**Drought Response and Management**

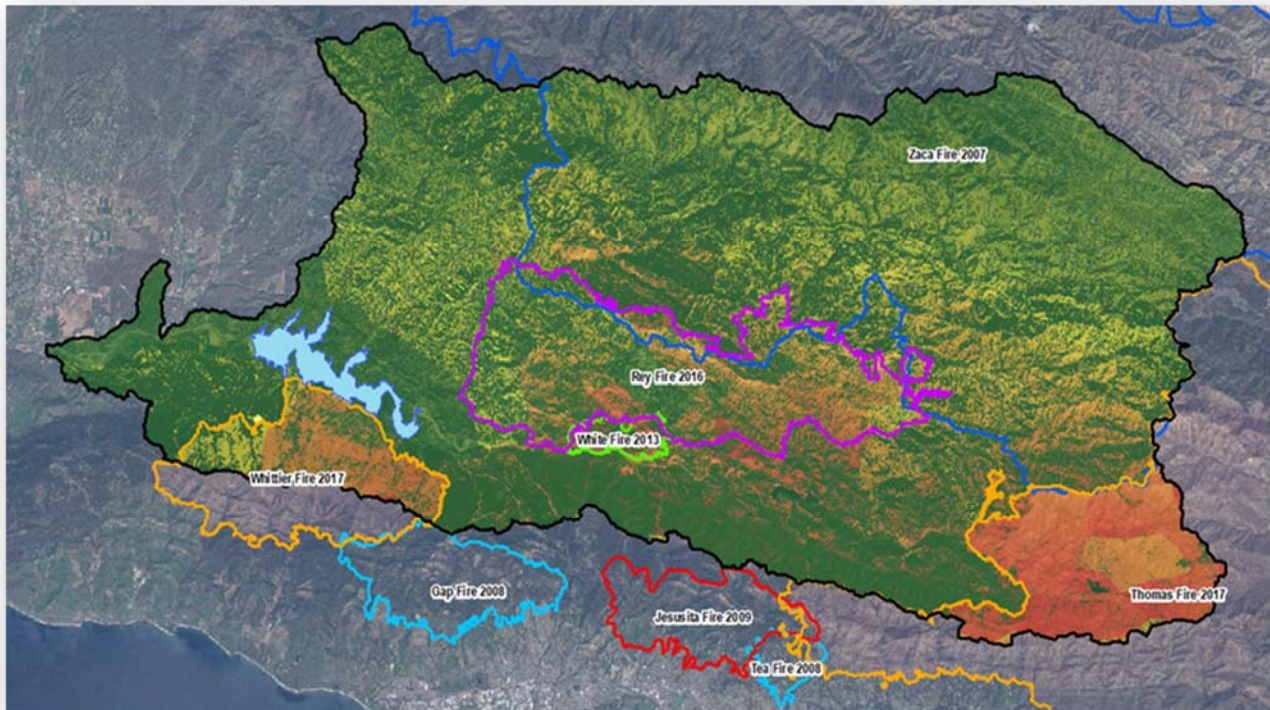
Efficient use of water has long been a priority within the Cachuma Project Service Area. Water purveyors are dependent on local water supplies, and have experienced periodic droughts including 1989-91, and the recent multi-year drought which commenced in 2012. During a drought period, the COMB Member Agencies dramatically increase their conservation efforts in order to minimize the impact of water shortages on the community. Drought conditions can last many years. The reductions in Cachuma Project water supplies have a major impact on water supply management for the COMB Member Agencies.

During the drought that began in 2012, COMB was responsible for the implementation of the Emergency Pumping Facility Project (EPFP), which allowed water to be pumped and conveyed during the time when lake levels were extremely low and unable to flow via gravity into the Tecolote Tunnel. After an all-time low of 7% reservoir capacity during 2016, Lake Cachuma rebounded to approximately 73% capacity during the February 2019 storms and subsequent inflows.

In March 2019, the United States Drought Monitor removed drought conditions from Santa Barbara County. However, the COMB Member Agencies continue to face a water supply shortage until such time that their respective groundwater basins have been recharged and supplemental water obligations are repaid.

**Drought Response and Management (Continued)**

Additionally, the period from 2012 to 2016 was the driest on record for precipitation and runoff in the Santa Ynez River watershed above Bradbury Dam. The watershed was adversely affected by a series of wildfires that resulted from the dry weather conditions. These were: the Zaca Fire (2007), White Fire (2010), Rey Fire (2016), Whittier Fire (2017), and Thomas Fire (2017). These five fires burned approximately 180,000 acres, or two-thirds of the watershed.



In the spring of 2019, a sequence of storms brought above average rainfall to the watershed, raising water storage to a high level of 80.9% reservoir capacity (May 30, 2019). As the reservoir and watershed continue to recover, COMB has launched the following two separate initiatives to analyze the impact to the watershed and improve water quality and water storage in Lake Cachuma with the goal of reducing the impact of future events.

Lake Cachuma Emergency Pumping Facility Secured Pipeline Project is a more permanent version of previous Emergency Pumping Facilities (EPF), having a bottom-mounted permanent pipeline component. The EPF Secured Pipeline Project will make available the use of an additional 20,500 acre-feet of reservoir water and imported water until sufficient inflow to the lake occurs and the reservoir level returns to a normal operating condition for gravity feed.

**Drought Response and Management (Continued)**

A similar facility was temporarily installed and operated in the 1957-1958 and 1990-1991, and the occasional need for such a facility was envisioned when the reservoir was originally designed and constructed in 1953 by the U.S. Department of the Interior, Bureau of Reclamation.

Lake Cachuma Water Quality and Sediment Management Study - The two-year study, which was completed in fiscal year 2019-20, established management actions to address raw surface water quality and sedimentation today, and in the future. The study encompassed not only fire impacts, but also the identification and characterization of issues, development of mitigation and control projects, and management actions that included sampling and data collection, in-lake treatment, erosion control, and watershed management. The study also focused on the impact of drought on fluctuating lake levels, water supply, and water quality. The study was developed in coordination with COMB's Member Agencies.

**Coronavirus (COVID-19)**

On January 30, 2020, the World Health Organization declared the novel coronavirus outbreak, COVID-19, a "Public Health Emergency of International Concern" and on March 10, 2020, declared it a pandemic. Immediately following the declaration, COMB and its member agencies increased their regional coordination and communication to ensure safe and secure water service to the region.

Public water supplies remain safe to drink due to numerous robust treatment processes used by local water agencies. California's comprehensive and safe drinking water standards require a multistep treatment process that includes filtration and disinfection. This process removes and kills viruses, including coronaviruses such as COVID-19, as well as bacteria and other pathogens. According to the Environmental Protection Agency (EPA), the World Health Organization (WHO), and the Centers for Disease Control and Prevention (CDC) the COVID-19 virus has not been detected in drinking water supplies, and based on current evidence, the risk to water supplies remains low.

COMB coordinates closely with the Santa Barbara County Health Department and follows all guidelines by the California Department of Public Health (CDPH) and Centers for Disease Control and Prevention (CDC). Additionally, COMB has recently updated its emergency response plans and is well prepared to maintain operations in the event of a crisis. COMB's top priority is to keep its employees, member agency staff, contractors and vendors safe and healthy so we can continue to serve our community.

**Local Economy**

Santa Barbara County is located approximately 100 miles north of Los Angeles and 300 miles south of San Francisco. The largest employment sectors include services, wholesale and retail trade, public administration, farming and manufacturing. The mild climate, picturesque coastline, scenic mountains, and numerous parks and beaches make Santa Barbara County a popular tourist and recreational area. The County spans over 2,700 square miles and includes an estimated population of 451,840.

### Local Economy (Continued)

At the beginning of calendar year 2020, the actions taken around the world to help mitigate the spread of the coronavirus included restrictions on travel, and quarantines in certain areas, and forced closures of certain types of public places and businesses. The coronavirus, and actions taken to mitigate it, have and are expected to continue to have an adverse impact on national and regional economies and the financial markets.

Locally in Santa Barbara, businesses and residents were also negatively impacted by various economic shutdowns and restrictions. The County's average unemployment rate during fiscal year 2019-20 increased from 3.9% to 6.1%. The June 2020 County unemployment rate of 11.6% was well below the State rate of 15.1% and above the national unemployment rate of 11.2%.

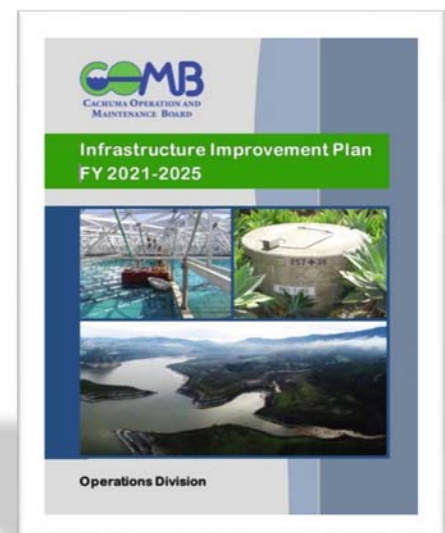
Countywide estimated retail sales decreased 5.7% to 7.45 billion for fiscal year 2019-20. The Leisure and Hospitality sector was also greatly impacted by the coronavirus outbreak. Overall, countywide estimated room sales decreased by 19% to \$417.1 million. Countywide estimated Transient Occupancy Tax (TOT) revenue decreased by 18.9% to \$49.2 million and countywide hotel demand and room rates decreased by 81% and 47% respectively with a hotel occupancy rate of 15%.

The real estate market however continued its upward trend, but with moderated growth in price increases. The countywide median home prices increased 6.76% to \$639,450. In the southern portion of Santa Barbara County, median home prices have increased slightly to \$1,120,000.

### Financial Planning

The Cachuma Operation and Maintenance Board operates under an annual budget which is adopted by the Board of Directors in accordance with established short and long term financial plans. The Government Finance Officers Association recommends that all governmental entities use some form of strategic planning to provide a long-term perspective for service delivery and budgeting. COMB has developed a comprehensive five-year Infrastructure Improvement Plan (IIP) that is used as an internal guideline for forecasting, budgeting and long term financial planning. COMB has updated the plan for FY 2021-25.

The IIP formalizes the strategy for implementation of capital projects and programs needed to carry out the goals and policy objectives of the Board. The IIP is organized and structured to identify and prioritize rehabilitation projects necessary to protect, improve, and sustain a reliable source of water conveyed from the Cachuma Project to the South Coast communities of Santa Barbara County.



**Financial Planning (Continued)**

COMB staff actively pursues outside funding sources for all infrastructure improvement projects. Outside funding sources, such as grants, are used to finance only those improvement projects that are consistent with the Five-Year Infrastructure Improvement Project Plans and COMB priorities, and whose operating and maintenance costs have been included in future operating budget forecasts.

Board policy requires that all projects to be approved through Committee and by the Board prior to commencement.

**FY 2019-20 Accomplishments**

During fiscal year 2019-20, COMB continued to focus its efforts on water supply reliability, infrastructure improvements, environmental stewardship, policies and financial responsibility, and improving workforce capabilities. Outlined below are highlights of accomplishments during this past fiscal year.

**Engineering Division**South Coast Conduit Pipeline (SCC) Rehabilitation and Protection Measures

- Completed the Sycamore Canyon Slope Stabilization project that was funded through a FEMA Public Assistance Program Grant. Staff provided construction management for the project, which was completed on schedule and within budget. Staff submitted a project completion report to FEMA and CalOES for final closeout and reimbursement of project costs.
- Completed emergency protection measures for the South Coast Conduit in San Jose Creek and prepared a project completion report for the U.S. Army Corps of Engineers and Regional Water Quality Control Board.
- Completed Schedule D and E of the South Coast Conduit Air Vacuum Air Release/Blow Off (AVAR/BO) Rehabilitation project that involved 11 structures rehabilitated in a 72-hour shutdown window.

Lake Cachuma Secured Pipeline Project

- Contracted and coordinated with an external engineering firm to prepare the design specifications for the secured pipeline project at Lake Cachuma.
- Received a Notice of Funding Opportunity of \$750,000 from the United States Bureau of Reclamation WaterSMART Drought Response Program to be applied towards future construction costs.



### Engineering Division (Continued)

#### Lake Cachuma Water Quality and Sediment Management Study

- Managed a two-year study on behalf of, and in coordination with, the COMB Member Agencies for addressing raw surface water quality and sedimentation issues at Lake Cachuma.
- Provided technical assistance to two separate environmental and water resources engineering firms that were engaged to complete the study.
- Installed, calibrated and maintained a solar-powered water quality monitoring-buoy at the Lake Cachuma North Portal Intake Tower to provide real-time data on water quality.
- Upgraded and calibrated the water quality YSI Sonde to take profiles including chlorophyll a and phycocyanin concentrations.
- Performed supplemental water quality sampling at Lake Cachuma. Incorporated water quality profiling at the Lake Cachuma North Portal Intake Tower and provided data to the South Coast water treatment plant's technical staff as part of a monthly sampling program.

#### America's Water Infrastructure Act Compliance

- Prepared a Risk and Resilience Assessment and Emergency Response Plan for the Cachuma Project system in coordination with the COMB Member Agencies.
- Developed a Supervisory Control and Data Acquisition (SCADA) Master Plan to manage system upgrades.
- Developed a Cybersecurity Response Plan to improve the resiliency of the COMB IT network and computer system.
- Created a Power Outage Plan to prepare for unexpected power outages.

#### Planning and Reporting

- Updated the COMB Infrastructure Improvement Plan for FY 2021-2025.
- Continued advancement of COMB's internal water accounting model to automate and improve monthly water accounting reports.
- Enhanced the Lake Cachuma elevation projection model for water supply and conveyance planning purposes.
- Updated Geographic Information Systems (GIS) mapping of the South Coast Conduit (SCC) incorporating elevations based on drawings to allow evaluation of depth of cover at key locations (slopes/creek crossings). Revised SCC alignment based on potholing conducted within the easement of the South Coast Conduit.
- Digitized historical collection of Manager's Report of Operations (MROs) from the 1950s until present.

## Engineering Division (Continued)

### Planning and Reporting (Continued)

- Created a digital reconstruction of the original 1954 bathymetry survey and presented results and techniques to the Environmental Systems Research Institute (ESRI) User Conference.

### Staff Development

- Completed AWWA Utility Risk and Resilience Certification Program.
- Engineer / Operations Division Manager passed the Water Distribution Operator Certification (Level 3) offered by the State Water Resources Control Board's Division of Drinking Water.
- Program Analyst passed the Water Distribution Operator Certification (Level 2) offered by the State Water Resources Control Board's Division of Drinking Water.

## Operations Division

### Infrastructure Improvement Projects

- Provided construction management for the Sycamore Canyon Slope Stabilization project. Project was completed on schedule and within budget.
- Successfully performed the Schedule D shutdown of the South Coast Conduit Air Vacuum Air Release/Blow Off (AVAR/BO) Rehabilitation project in the Montecito area. External contractor rehabilitated 8 structures in the Montecito area with construction management performed by COMB staff.
- Successfully performed the Schedule E shutdown of the South Coast Conduit Air Vacuum Air Release/Blow Off (AVAR/BO) Rehabilitation project in the Summerland area. External contractor rehabilitated three AVAR-BO structures with construction management performed by COMB staff.
- Provided construction management of external contractor to install rock slope protection at Lake Cachuma North Portal access road.
- Provided construction management of an external contractor for the completion of San Jose Emergency repair project. Project was completed on schedule and within budget.
- Assisted external consultant with the replacement of two outdated programmable logic controller (PLC) systems at Lauro Control Station and Cater Treatment Plant.
- Installed, maintained, and calibrated a solar-powered water quality monitoring-buoy at the Lake Cachuma North Portal Intake Tower.
- Monitored external contractor engaged to connect Glen Annie Turnout (GATO) meters and Programmable Logic Controllers (PLC) to the emergency backup generator to maintain power during outages.

## Operations Division (Continued)

### Structure Maintenance and Inspection

- Operated and maintained the South Coast Conduit, which consists of 26.5 mile of pipeline with a combined 124 blow off and air vent structures, 43 turnout structures, 20 meters and 4 regulating reservoirs.
- Participated in the Routine Operation & Maintenance inspection with US Bureau of Reclamation Engineering staff and completed three recommendations following inspections (coated Lauro influent line, installed air vent at Barger Pass turnout and raised air vent at 230+51).
- Received and reviewed 1,253 Underground Service Alerts (Dig Alerts) and took appropriate action as necessary.
- Performed a leakby test on Toro Canyon Isolation Valve to verify function.
- Performed weekly inspections of major facilities.
- Performed routine dam inspections and instrumentation reports (all reservoirs).
- Performed monthly North Portal elevator maintenance with external contractors.
- Performed monthly water quality sampling.
- Revegetated and planted native plants and trees at San Jose Creek and Sycamore Canyon project sites.
- Removed vegetation at all structure sites to ensure defensible space as required by the Santa Barbara County Fire Marshal.
- Performed North and South reach structure maintenance as part of the annual Operating Division work plan.
- Monitored numerous construction projects adjacent to and within the United States Bureau of Reclamation right-of-way to ensure the protection of the South Coast Conduit.

### Staff Recruitment and Development

- Hired a new Operations Supervisor and Water Service Worker.
- Attended US Bureau of Reclamation dam tender training.
- Attended Confined Space Training provided through the ACWA/JPIA Safety Program.
- Two staff members completed course work for the Water Service Worker certification program. Exams were postponed due to the COVID-19 pandemic.
- Conducted staff safety meetings.

## Fisheries Division

### NMFS Biological Opinion (BiOp) and Fish Management Plan

- Conducted all 2000 BiOp compliance monitoring in the LSYR basin and its tributaries including Lake Cachuma water quality monitoring.
- Conducted all monitoring, analyses and reporting as requested by US Bureau of Reclamation in compliance with the State Water Board Order WR 2019-0148.
- Completed the Water Year (WY) 2017, WY2018 and WY2019 Annual Monitoring Reports and Summaries.
- Wrote and successfully implemented the WY2019 Migrant Trapping Plan to stay within Incidental Take Limits as stipulated in the 2000 BiOp.
- Conducted all WY2020 Fish Passage Supplementation monitoring and reporting.
- Collaborated with California Department of Fish and Wildlife on their DIDSON Fish Migration Program in Salsipuedes Creek during the *O. mykiss* migration season.
- Completed all Hilton Creek Gravel Augmentation implementation and reporting for the last of a 2-year program.
- Carefully monitored Hilton Creek during any high flow, delivery system maintenance or interruption of flow events and provided reports to the United States Bureau of Reclamation.
- Completed construction of the Quiota Creek Crossing 8 Fish Passage Enhancement Project, the last identified fish passage project within the Quiota Creek drainage along South Refugio Road.
- Completed all reporting and reimbursements for the Quiota Creek Crossing 8 Fish Passage Enhancement Project.
- Applied for and received a grant award from the National Fish and Wildlife Foundation for the South Side Erosion Control and Reforestation Project at Quiota Creek Crossing 8.
- Deployed a new state of the art YSI Sonde for water quality monitoring.
- Worked closely with the United States Bureau of Reclamation on all requested testing, modifications or operations of the Bradbury Dam, Hilton Creek Watering System and Hilton Creek Emergency Backup System to safeguard the fishery downstream of the dam.

### Oak Tree Program

- Planted 311 mitigation oak trees near Lake Cachuma as part of the surcharge operation at the Dam.
- Completed the 2018 Annual Oak Tree Survey and reported the status of the Lake Cachuma Oak Tree Restoration Program to the Oak Tree Committee and COMB Board.

## Fisheries Division (Continued)

### Oak Tree Program (Continued)

- Maintained a rigorous watering effort of the mitigation trees in the Lake Cachuma Oak Tree Restoration Program throughout a very dry season that has shown positive results in sustaining those trees in multiple areas around the lake and below the dam.

### Staff Development

- Obtained a state of the art backpack Electro-Fisher unit and had four full-time staff complete a weeklong training course conducted by United States Fish and Wildlife Service in Electro-fishing that certifies staff in its use.
- Presented and participated in two professional conferences in Fisheries Science and GIS technologies.
- Gave an invited talk at the July meeting of the California Fish Passage Advisory Committee (FishPAC) (a group consisting of members from California Department of Transportation, California Department of Fish and Wildlife, National Marine Fisheries Service, and United States Fish and Wildlife Service) on bridge installations on South Refugio Road.
- Co-authored a paper published in California Fish and Wildlife Journal entitled "Occurrences of Steelhead Trout (*Oncorhynchus mykiss*) in southern California, 1994-2018".

## Administrative Division

### CAFR Audit and Budget Process

- Fiscal Year 2017-18 Comprehensive Annual Financial Report (CAFR) was awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.
- Fiscal Year 2018-19 Audited Financial Statements received an unmodified ("clean") opinion.
- Successfully completed a Single Audit requirement in compliance with two Federal grant awards received in Fiscal Year 2018-19. Received an unmodified ("clean") opinion.
- Expanded the FY 2020-21 Annual Operating Budget document.

### Cachuma Transferred Project Works Contract

- Initiated renewal discussions with United States Bureau of Reclamation for the Cachuma Transferred Project Works Contract.
- Executed a three-year amendatory contract shortly after the end of the fiscal year and before the contract expiration date so that a long-term agreement can be negotiated.

## Administrative Division (Continued)

### Risk Management

- Developed a Cybersecurity Response Plan to improve the resiliency of the COMB IT network and computer system.
- Recipient of ACWA/JPIA Presidents Special Recognition Award for low loss ratio in the Liability and Property Insurance programs.
- Recognized a 31% decrease in COMB's auto and general liability insurance policy premiums as compared to the past two fiscal years.
- Established operational protocols and implemented business continuity practices in response to the COVID-19 local emergency and global pandemic.

### Grant Funding

- Participated in the Santa Barbara County Integrated Regional Water Management (IRWM) 2019 Plan update, which was adopted by the County Board of Supervisors.
- Assisted with the application process for additional FEMA funding for the Sycamore Canyon Slope Stabilization project.
- Received an ACWA JPIA Wellness Grant to be used for an employee wellness program.
- Advancement of COMB's grant tracking matrix.

### Information Technology and Communications

- Advancement of IT network and infrastructure and security protocols.
- Completed an internal assessment of telephone hardware/software and long distance service costs that resulted in a 35.8% reduction in annual communication costs.
- Upgraded COMB's email platform to reduce external exposure against malware attacks and to protect the current IT infrastructure.

### Planning and Reporting

- Updated COMB's Personnel Policy and Employee Handbook.
- Developed a Cybersecurity Response Plan.
- Created COVID-19 Preparedness and Response Plan.
- Advancement of Water Accounting model.
- Advancement of Infrastructure and Habitat Improvement Project Tracking activities and costs.

**Administrative Division (Continued)****Staff Development**

- COMB staff participated in required Sexual Harassment Prevention training sponsored by ACWA/JPIA in compliance with California AB 1825, AB 2053 and AB 1661.
- COMB staff participated in required biennial hands-on first aid, cardiac-pulmonary resuscitation (CPR) and automated external defibrillator (AED) training.

**Independent Audit**

Under the terms and provisions of the Joint Powers Authority Agreement, the Cachuma Operation and Maintenance Board requires that its financial statements be audited by a Certified Public Accountant selected and approved by the Board of Directors. This requirement has been satisfied and the auditor's report is included in the financial section of this report.

**Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to COMB for its CAFR for the fiscal years ended June 30, 2019 and 2018. This was the third consecutive year COMB has achieved this prestigious award. In order to be awarded a Certificate of Achievement, COMB had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements. The Certificate of Achievement is valid for a period of one fiscal year. However, we believe our current Comprehensive Annual Financial Report meets the Certificate of Achievement for Excellence in Financial Reporting Program's requirements and we are submitting to the GFOA to determine its eligibility for a subsequent certificate.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Administration Division. I wish to thank the members of that division for their assistance in providing the data necessary to prepare this report. Recognition is also given to the COMB Board of Directors for their unfailing support for maintaining the highest standards of professionalism in governance of the Cachuma Operation and Maintenance Board. I am pleased to present this report to the Board of Directors.

Respectfully submitted,

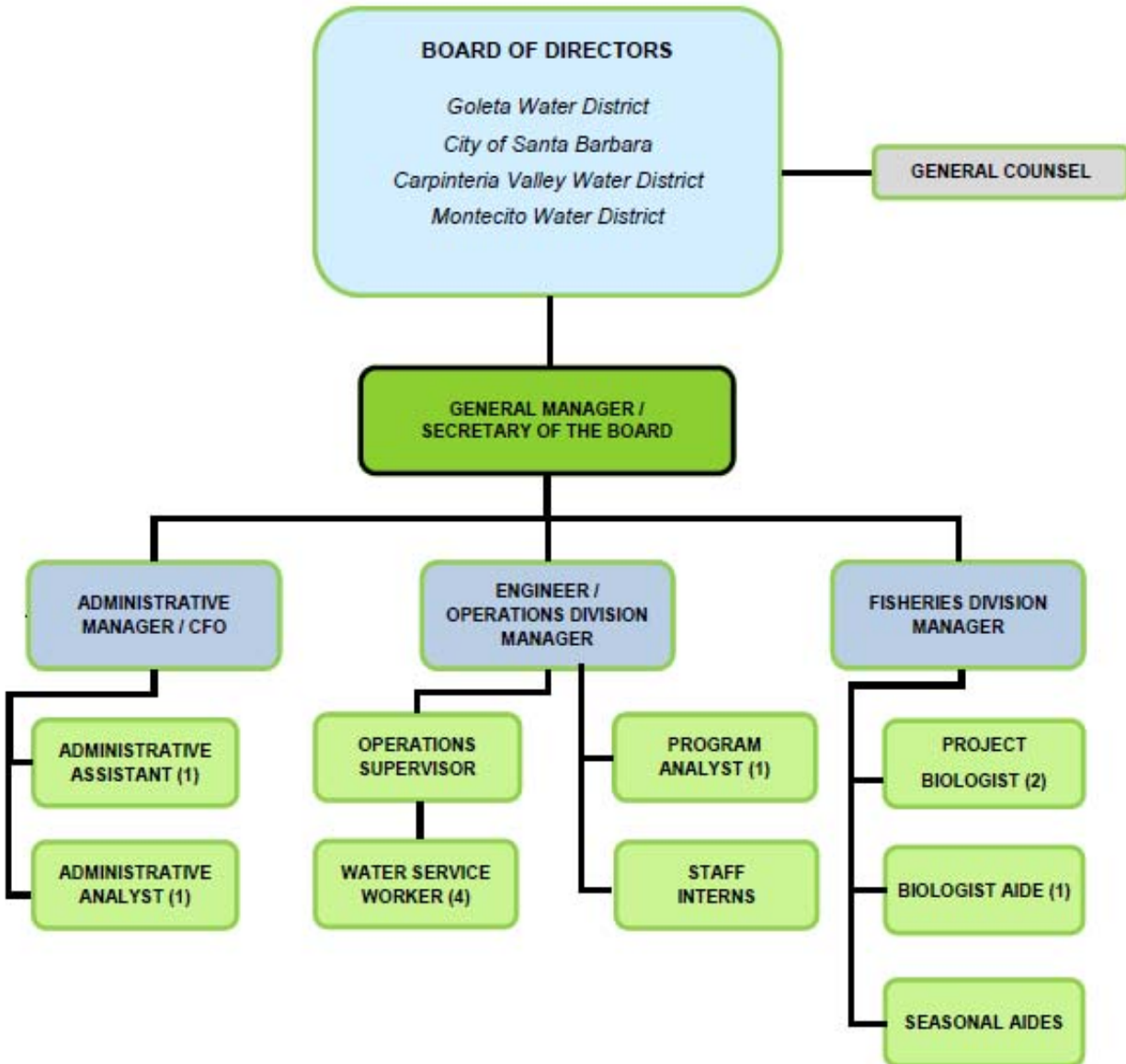


Janet Gingras  
General Manager

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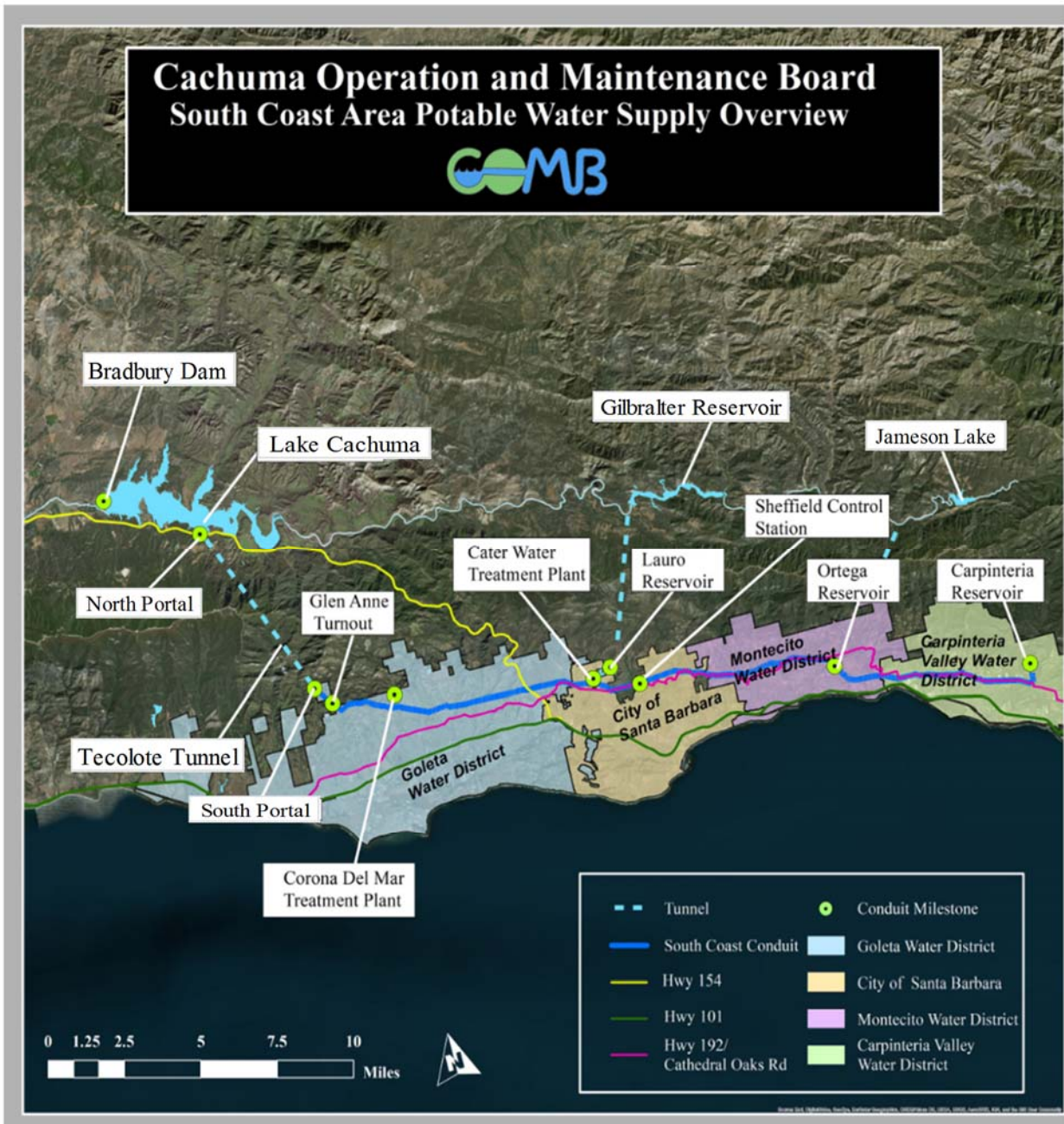


**COMB ORGANIZATIONAL CHART**



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CACHUMA PROJECT FACILITIES MAP



Water from Lake Cachuma is conveyed to the South Coast Member Units through the Tecolote Tunnel intake tower at the east end of the reservoir. The Tecolote Tunnel extends 6.4 miles through the Santa Ynez Mountains from Lake Cachuma to the western terminus of the South Coast Conduit, a concrete pipeline that extends 26 miles from the Tecolote Tunnel outlet to the Carpinteria Valley Water District. COMB is responsible for diversion of water to the South Coast through the Tecolote Tunnel, and operation and maintenance of the South Coast Conduit pipeline, flow control valves, meters, and instrumentation at control stations, and turnouts along the South Coast Conduit and at four regulating reservoirs. COMB coordinates closely with the Bureau of Reclamation and Member Units' staff to ensure that water supplies meet daily demands.

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Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
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Reporting

Presented to

**Cachuma Operation and Maintenance  
Board, California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morrill*

Executive Director/CEO

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**FINANCIAL  
SECTION**

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**Financial Section**  
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## INDEPENDENT AUDITOR'S REPORT

### **To the Board of Directors of Cachuma Operation and Maintenance Board**

#### **Report on the Financial Statements**

We have audited the accompanying statement of net position of Cachuma Operation and Maintenance Board ("COMB") as of June 30, 2020 and 2019 and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended and the related notes to the financial statements, which collectively comprise COMB's basic financial statements as listed in the table of contents.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America as well as the accounting systems prescribed by the State Controller's Office and state regulations governing special districts; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the net financial position of the Cachuma Operation and Maintenance Board, as of June 30, 2020 and 2019, and the changes in net position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis on pages 22 through 37, the California Public Employees' Retirement System - Schedule of Cachuma Operation and Maintenance Board's Proportionate Share of the Net Pension Liability on page 79, California Public Employees' Retirement System - Schedule of Cachuma Operation and Maintenance Board's Contributions on page 80, and Other Post-Employment Benefits (OPEB) Plan – Schedule of Changes in the Net OPEB Liability and Related Ratios on page 81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise COMB's basic financial statements. The supplemental schedule of operation and maintenance, general and administrative and other maintenance expense on pages 82 through 83 is presented for the purpose of additional analysis and is not a required part of the basic financial statements.

The supplemental schedule of operation and maintenance, general and administrative and other maintenance expense is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule of operation and maintenance, general and administrative and other maintenance expense is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise COMB's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2020 on our consideration of COMB's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering COMB's internal control over financial reporting and compliance.

*Bartlett, Pringh + Wolf, LLP*  
Santa Barbara, California  
December 10, 2020

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## Management's Discussion and Analysis

### FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

This section presents management's analysis of the financial condition and activities of the Cachuma Operation and Maintenance Board (COMB) for the fiscal years ended June 30, 2020 and 2019. This information should be read in conjunction with the financial statements and the additional information included herewith.

### OVERVIEW OF THE FINANCIAL STATEMENTS

COMB operates as a proprietary fund-type. All proprietary fund-types use a flow of economic resources measurement focus. Under this measurement focus, all assets, deferred outflows, liabilities and deferred inflows associated with the operation of these funds are included on the Statement of Net Position and where appropriate, total net position (i.e., fund equity) are segregated into invested in capital and unrestricted net position. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in total net position.

All proprietary fund-types utilize the accrual basis of accounting. Under this method, revenues are recognized when earned, regardless of when received, and expenses are recognized at the time the related liabilities are incurred, regardless of when paid.

### Summary of Organization and Business

COMB is a Joint Powers Authority and public entity in the County of Santa Barbara, organized and existing in accordance with Government Code Section 6500 et seq., and operating pursuant to the 1996 Amended and Restated Agreement for the Establishment of a Board of Control, dated May 23, 1996 ("Amended and Restated Agreement"), as amended by an Amendment to the Amended and Restated Agreement made effective September 16, 2003 and a Second Amendment to the Amended and Restated Agreement made effective November 20, 2018 (collectively the "Joint Powers Agreement" or "JPA"). The Cachuma Project Member Units entered into the Joint Powers Agreement to exercise their common power to provide for the rights to, the facilities of, and the operation, maintenance and use of the United States, Department of the Interior, Bureau of Reclamation project known as the Cachuma Project, including storage, treatment, transport and appurtenant facilities, and all necessary tangible and intangible property and rights. In particular, the Member Units expressed their desire to create COMB for the purpose of providing authority for the financing of "costs" for the capture, development, treatment, storage, transport and delivery of water; and for repayment of notes, bonds, loans, warrants, and revenue bonds as may be issued to finance facilities, operations or services. In September 2010, the Cachuma Operation and Maintenance Board approved a budget adjustment effective January 2011 to transfer from Cachuma Conservation and Release Board (CCRB) the implementation of the Santa Ynez River Fisheries Program as required by the 2000 Biological Opinion.

**Management’s Discussion and Analysis**

**OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**

**Summary of Organization and Business (Continued)**

COMB currently has a staff of 15 full time employees. Of these, four are employed in an administrative capacity and eleven are in field operations.

COMB is presently composed of four Member Agencies, all of which are public agencies: the Carpinteria Valley Water District, the Goleta Water District, the Montecito Water District, and the City of Santa Barbara. A founding Member Unit of COMB, the Summerland Water District, reorganized with the Montecito Water District, with Montecito Water District as the successor agency. Another founding Member Unit of COMB, the Santa Ynez River Water Conservation District, assigned its Member Unit water contract to the Santa Ynez River Water Conservation District, Improvement District No. 1.

On May 27, 2016, Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1) notified the COMB Board of its stated intent to withdraw from the Agreement. A Separation Agreement was entered into by ID No. 1, COMB, and the remaining COMB Member Agencies and was approved by all parties effective August 28, 2018. ID No. 1 continues to be a member of the Cachuma Project, which carries certain benefits and obligations associated with the Project as outlined in various agreements.

Under the Joint Powers Agreement, each of the four Member Agencies appoints a representative to the COMB Board of Directors. The following table shows number of votes each has on the Board of Directors:

Member Unit	Board Representation
Carpinteria Valley WD	1 vote
Goleta Water District	2 votes
Montecito Water District	1 vote
City of Santa Barbara	2 votes
Total	6 votes

Votes representing a majority of the number of votes authorized under the Joint Powers Agreement are required for the approval of any decision, other than adjournment, which requires action of the Board of Directors. In addition, the affirmative vote of at least three representatives to the Board of Directors is necessary for the approval of such a decision.

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## Management's Discussion and Analysis

### OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

#### Summary of Organization and Business (Continued)

The unanimous consent of the representatives of all the Member Agencies is required for COMB to take action on the following matters:

1. Approval of a Cachuma Project Master Contract amendment, renewal or extension;
2. A matter involving water rights of any party;
3. Acquisition of significant facilities from the United States;
4. Issuance of bonds, loans or other forms of indebtedness in excess of one million (\$1,000,000) dollars.

A decision of COMB authorizing a capital expenditure in excess of one million dollars or incurring an indebtedness or obligation in excess of one million dollars is not effective unless it has been ratified by a resolution approved by all of the Member Agencies.

#### Operating Assessments

Current operations of COMB are funded by assessment of the Member Agencies, with the assessments based on the Member Agencies' Cachuma Project entitlement percentages. The four COMB Member Agencies also fund the operation and maintenance portion of the annual budget as well as the cost of special projects for other Cachuma Project storage and conveyance facilities that serve the South Coast of Santa Barbara County. These facilities include the Tecolote Tunnel, the South Coast Conduit (SCC), and four dams and reservoirs (Glen Annie, Lauro, Ortega and Carpinteria). During the fiscal year ended June 30, 2020, COMB conducted and/or completed a number of special studies and projects using revenue provided by these assessments. These projects included storage of key components of the Emergency Pumping Facility, improvements to the South Coast Conduit; and rehabilitation and betterment of control stations, valves and structures.

In September 2010, the Cachuma Operation and Maintenance Board approved a budget adjustment effective January 2011 to transfer from Cachuma Conservation and Release Board (CCRB) the implementation of the Santa Ynez River Fisheries Program as required by the 2000 Biological Opinion. All four Member Agencies fund the general and administrative portion of the annual budget as well as the cost of special projects. All four Member Agencies also fund the Santa Ynez River Fisheries Program and related activities. Pursuant to the Separation Agreement between COMB and ID No. 1, starting in Fiscal Year 2017-18 and going forward, certain actual expenditures incurred by COMB will be collected from ID No. 1 through an invoice issued quarterly to it by COMB.



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## Management's Discussion and Analysis

### OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

#### Grant Program

COMB has developed a grant program by utilizing a team of staff members to write proposals, administer grants and carry out grant contracts. They have applied for and received various federal and state contracts for habitat enhancement, fisheries projects within the Lower Santa Ynez River drainage and South Coast pipeline improvement projects. The utilization of these grants has assisted the Member Agencies in accomplishing required fisheries restoration and habitat improvement projects as well as vital infrastructure improvement projects.

In fiscal year 2018-19, the COMB Fisheries Division applied for and received a federal grant award from the California Department of Fish and Wildlife Fisheries Restoration Grant Program (CDFW-FRGP) for \$1,010,700. Funds were applied towards the fish passage improvement at Crossing Number 8 on Quiota Creek, a tributary to the lower Santa Ynez River. Construction was completed during the fiscal year 2019-20. This fish passage improvement project will provide improved access to the perennial reaches of Quiota Creek and restore habitat to enhance conditions for steelhead.

In fiscal year 2019-20, the COMB Fisheries Division applied for and received a grant award from the National Fish and Wildlife Foundation for \$43,973. Funds will be applied towards the South Side Erosion and Restoration Project at Quiota Creek Crossing Number 8. The project is scheduled to commence early fiscal year 2020-21.

In fiscal year 2019-20, the COMB Engineering Division submitted a request to CalOES and FEMA for Final Close Out and Reimbursement following the completion of the Sycamore Canyon Slope Stabilization Project. FEMA approved the request seeking full reimbursement project costs of \$599,493. Final reimbursement is expected to occur in fiscal year 2020-21.

Additionally, the COMB Engineering Division submitted and received a notification of funding opportunity from the US Bureau of Reclamation USBR WaterSmart Drought Response Program for \$750,000. Funds will be applied towards the construction of the Lake Cachuma Emergency Pumping Facility – Secured Pipeline Project. The engineering and design for the project will be completed during Fiscal Year 2020-21.

## Management's Discussion and Analysis

### COMB Committees

COMB has five standing committees: the Administrative Committee (financial, personnel and legal matters), the Operations Committee, the Fisheries Committee, the Public Outreach Committee, and the Lake Cachuma Oak Tree Committee. Each committee is composed of two Board members and one alternate Board member. Appointments to the committees are made by the President of the Board. The committees meet with staff on an as-needed basis and make recommendations to the Board of Directors with regard to capital improvements, finance, and other matters. From time-to-time, COMB utilizes ad-hoc committees, which are temporary in nature.

### FINANCIAL HIGHLIGHTS

The following table shows a condensed version of COMB's statement of net position with corresponding analysis regarding significant variations.

	Year Ended			2020-2019 Variance		2019-2018 Variance	
	June 30, 2020	June 30, 2019	June 30, 2018	Dollars Change	Percent Change	Dollars Change	Percent Change
<b>Assets:</b>							
Current Assets	\$ 2,701,308	\$ 2,343,145	\$ 3,324,583	\$ 358,163	15.3%	\$ (981,438)	-29.5%
Restricted Assets	134,356	701,834	763,180	(567,478)	-80.9%	(61,346)	-8.0%
Property, Plant & Equipment	184,192	163,783	156,918	20,409	12.5%	6,865	4.4%
Other Assets	5,043,469	5,282,882	5,515,313	(239,413)	-4.5%	(232,431)	-4.2%
<b>Total Assets</b>	<b>\$ 8,063,325</b>	<b>\$ 8,491,644</b>	<b>\$ 9,759,994</b>	<b>\$ (428,319)</b>	<b>-5.0%</b>	<b>\$ (1,268,350)</b>	<b>-13.0%</b>
<b>Deferred Outflows of Resources:</b>							
Deferred pensions	\$ 336,263	\$ 497,820	\$ 581,365	\$ (161,557)	-32.5%	\$ (83,545)	-14.4%
Deferred other post employment benefits	944,061	214,063	-	729,998	100.0%	214,063	0.0%
<b>Total Deferred Outflows of Resources</b>	<b>\$ 1,280,324</b>	<b>\$ 711,883</b>	<b>\$ 581,365</b>	<b>\$ 568,441</b>	<b>79.9%</b>	<b>\$ 130,518</b>	<b>22.5%</b>
<b>Liabilities:</b>							
Current Liabilities	\$ 2,054,127	\$ 2,352,121	\$ 3,474,523	\$ (297,994)	-12.7%	\$ (1,122,402)	-32.3%
Long-Term Liabilities	12,538,903	12,887,519	13,297,932	(348,616)	-2.7%	(410,413)	-3.1%
<b>Total Liabilities</b>	<b>14,593,030</b>	<b>15,239,640</b>	<b>16,772,455</b>	<b>(646,610)</b>	<b>-4.2%</b>	<b>(1,532,815)</b>	<b>-9.1%</b>
<b>Deferred Inflows of Resources:</b>							
Deferred pensions	\$ 143,105	\$ 141,294	\$ 149,386	\$ 1,811	1.3%	\$ (8,092)	-5.4%
Deferred other post employment benefits	716,377	-	-	716,377	100.0%	-	0.0%
<b>Total Deferred Inflows of Resources</b>	<b>\$ 859,482</b>	<b>\$ 141,294</b>	<b>\$ 149,386</b>	<b>\$ 718,188</b>	<b>508.3%</b>	<b>\$ (8,092)</b>	<b>-5.4%</b>
<b>Net Position:</b>							
Invested in Capital Assets	\$ 184,192	\$ 163,783	\$ 156,918	\$ 20,409	12.5%	\$ 6,865	4.4%
Unrestricted	(6,293,055)	(6,341,190)	(6,737,400)	48,135	0.8%	396,210	5.9%
<b>Total Net Position</b>	<b>\$ (6,108,863)</b>	<b>\$ (6,177,407)</b>	<b>\$ (6,580,482)</b>	<b>\$ 68,544</b>	<b>1.1%</b>	<b>\$ 403,075</b>	<b>6.1%</b>

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## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

#### Statement of Net Position Analysis

June 30, 2020 Comparison to June 30, 2019

Total assets reported as of June 30, 2020 decreased by \$428,319 (5.0%) as compared to June 30, 2019. The changes are noted below.

- Current assets include cash and cash equivalents, prepaid assets and accounts receivable. During fiscal year 2020, current assets increased by \$358,163 (15.3%) as compared to fiscal year 2019. The increase in current assets was attributed to an increase of \$122,943 in cash and cash equivalents and an increase in accounts receivable of \$232,824. The increase in cash and cash equivalents was primarily due to unexpended funds scheduled for return to the COMB member agencies in fiscal year 2021. The increase in accounts receivable represents an outstanding assessment receivable from a non-member agency for fiscal year 2020 and a grants receivable FEMA (DR-4308) for the Sycamore Canyon Slope Stabilization Project.
- Restricted assets include funds deposited into the Warren Act Trust Fund and the Renewal Fund. Restricted assets decreased \$567,478 (80.9%) in fiscal year 2020 due to less funds deposited into the Warren Act Trust Fund. Deposits into the Warren Act Trust Fund are variable in nature and are directly tied to the annual amount of State Water Project Water delivered to the lake on behalf of the State Water Project (SWP) participants during each calendar year. Funds are reviewed by the Funds Committee in the spring of each year for use in the upcoming fiscal year.
- The value of property, plant, and equipment increased \$20,409 (12.5%) in fiscal year 2020 primarily due to the purchase of a new COMB fleet vehicle, a water quality buoy and additional field equipment for the COMB Operations and Fisheries divisions. This increase was offset by current year depreciation expense.
- Other assets decreased in fiscal year 2020 by \$239,413 (4.5%) primarily due to a decrease in the Bradbury and Lauro SOD Act assessments receivable, as described in Note 6 - SOD Act Assessments Receivable and Contracts Payable in the Notes to the Basic Financial Statements.
- Deferred outflows and deferred inflows are related to accounting for pension liabilities associated with GASB 68. This is further detailed in Note 12 - Pension Plan, in the Notes to the Basic Financial Statements.

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## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

#### Statement of Net Position Analysis (Continued)

June 30, 2020 Comparison to June 30, 2019

Total liabilities reported as of June 30, 2020 decreased by \$646,610 (4.2%) as compared to June 30, 2019. The changes are noted below.

- Current liabilities represent the balance in accounts payable, the current portion due (within one year) of long term debt, payable to member units, accrued wages and deferred revenue account balances. Current liabilities decreased by \$297,994 (12.7%) in fiscal year 2020 as compared to fiscal year 2019. The net change in current liabilities was primarily attributable to a decrease in deferred revenue of \$567,478 and offset by an increase in the amount payable to member units of \$322,718. The balance in the deferred revenue is directly tied to the balance in the Warren Act Trust Fund and Renewal fund. Deposits into the Warren Act Trust Fund and Renewal Fund are variable in nature and are directly tied to the annual amount of State Water Project Water delivered to the lake on behalf of the State Water Project (SWP) participants during each calendar year. The balance in payable to member units can fluctuate due to current year unexpended funds and carryover funds for project expenditures delayed or placed on hold.
- Long term liabilities decreased by \$348,616 (2.7%) in FY 2020 primarily due by a decrease in notes payable and SOD Act contract payable resulting from loan repayments of \$690,374. This amount was offset to the recognition of an additional GASB 75 OPEB liability of \$181,485 and net pension liability of \$160,273. Note 13 – Other Post-employment Benefits (OPEB) contains detailed information regarding accounting under GASB 75. Note 12 – Pension Plan contains detailed information regarding accounting under GASB 68.

Total net position reported as of June 30, 2020 increased by 68,544 (1.1%) as compared to June 30, 2019. The changes are noted below.

- The invested in capital assets increased \$20,409 in fiscal year 2020 primarily due to a change in the value of property, plant and equipment as previously described.
- Unrestricted net position increased \$48,135 in fiscal year 2020. Unrestricted net position remains in a deficit position due to previous years' recognition of the GASB 68 pension liability and GASB 74 OPEB liability.

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## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

#### Statement of Net Position Analysis

June 30, 2019 Comparison to June 30, 2018

Total assets reported as of June 30, 2019 decreased by \$1,268,350 (13.0%) as compared to June 30, 2018. The changes are noted below.

- Current assets include cash and cash equivalents, prepaid assets and accounts receivable. During fiscal year 2019, current assets decreased by \$981,438 (29.5%) as compared to fiscal year 2018. The decrease in current assets was attributed to a decrease of \$738,453 in cash and cash equivalents and a decrease in accounts receivable of \$247,179. The decrease in cash and cash equivalents was primarily due to prior year unexpended funds that were returned to the COMB member agencies during the fiscal year. The decrease in accounts receivable resulted from the collection of an outstanding assessment receivable from a non-member agency as well as and the reimbursement of claims under FEMA (DR-4353) Thomas Fire and Debris Flow disaster.
- Restricted assets include funds deposited into the Warren Act Trust Fund and the Renewal Fund. Restricted assets decreased \$61,346 (8.0%) in fiscal year 2019 due to less funds deposited into the Warren Act Trust Fund. Deposits into the Warren Act Trust Fund are variable in nature and are directly tied to the annual amount of State Water Project Water delivered to the lake on behalf of the State Water Project (SWP) participants during each calendar year. Funds are reviewed by the Funds Committee in the spring of each year for use in the upcoming fiscal year.
- The value of property, plant, and equipment increased \$6,865 (4.4%) in fiscal year 2019 primarily due to the purchase of a new COMB fleet vehicle and additional field equipment for the COMB Operations and Fisheries divisions. This increase was offset by current year depreciation expense.
- Other assets decreased in fiscal year 2019 by \$232,431 (4.2%) primarily due to a decrease in the Bradbury and Lauro SOD Act assessments receivable, as described in Note 6 - SOD Act Assessments Receivable and Contracts Payable in the Notes to the Basic Financial Statements.
- Deferred outflows and deferred inflows are related to accounting for pension liability associated with GASB 68. This is further detailed in Note 12 - Pension Plan, in the Notes to the Basic Financial Statements.

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**Management's Discussion and Analysis****FINANCIAL HIGHLIGHTS (Continued)****Statement of Net Position Analysis (Continued)**

June 30, 2019 Comparison to June 30, 2018

Total liabilities reported as of June 30, 2019 decreased by \$1,532,815 (9.1%) as compared to June 30, 2018. The changes are noted below.

- Current liabilities represent the balance in accounts payable, the current portion due (within one year) of long term debt, payable to member units, accrued wages and deferred revenue account balances. Current liabilities decreased by \$1,122,402 (32.3%) in fiscal year 2019 as compared to fiscal year 2018. The net change in current liabilities was primarily attributable to a decrease in the amount payable to member units of \$1,251,689 and was offset by an increase in deferred revenue by \$132,631. The balance in payable to member units liability account and deferred revenue can fluctuate due to current year unexpended funds and carryover funds for project expenditures delayed or placed on hold. The balance in the deferred revenue can also fluctuate and is directly tied to the balance in the Warren Act Trust Fund and Renewal fund.
- Long term liabilities decreased by \$410,413 (3.1%) in FY 2019 primarily due by a decrease in notes payable and SOD Act contract payable resulting from loan repayments of \$666,531. This amount was offset to the recognition of GASB 75 OPEB liability in the amount of \$232,431. Note 13 – Other Post-employment Benefits (OPEB) contains detailed information regarding accounting under GASB 75.

Total net position reported as of June 30, 2019 increased by \$403,075 (6.1%) as compared to June 30, 2018. The changes are noted below.

- The invested in capital assets increased \$6,865 in fiscal year 2019 primarily due to a change in the value of property, plant and equipment as previously described.
- Unrestricted net position increased \$396,210 in fiscal year 2019 primary due to the collection of loan assessments from member agencies related to the Emergency Pumping Facilities project. Unrestricted net position remains in a deficit position due to previous years' recognition of the GASB 68 pension liability and GASB 74 OPEB liability.

## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

The following table shows a condensed version of COMB's Statement of Revenues, Expenses, and Changes in Net Position, with corresponding analysis regarding significant variances.

	Condensed Statement of Revenues, Expenses and Changes in Net Position							
	Year Ended			2020-2019 Variance		2019-2018 Variance		
	June 30, 2020	June 30, 2019	June 30, 2018	Dollars Change	Percent Change	Dollars Change	Percent Change	
Operating Revenues (Expenses):								
Operating Revenues	\$ 6,686,085	\$ 6,827,119	\$ 3,545,146	\$ (141,034)	-2.1%	\$ 3,281,973	92.6%	
Operating Expenses, excluding Depreciation Expense	(6,482,474)	(6,283,533)	(3,795,688)	(198,941)	3.2%	(2,487,845)	65.5%	
Depreciation	(66,068)	(56,583)	(55,097)	(9,485)	16.8%	(1,486)	2.7%	
<b>Operating Income (Deficit)</b>	<b>137,543</b>	<b>487,003</b>	<b>(305,639)</b>	<b>(349,460)</b>	<b>71.8%</b>	<b>792,642</b>	<b>259.3%</b>	
Non-operating Revenues	23,405	31,476	16,551	(8,071)	-25.6%	14,925	90.2%	
Non-operating Expenses	(92,404)	(115,404)	(134,132)	23,000	-19.9%	18,728	-14.0%	
<b>Non-operating expenses</b>	<b>(68,999)</b>	<b>(83,928)</b>	<b>(117,581)</b>	<b>14,929</b>	<b>-17.8%</b>	<b>33,653</b>	<b>-28.6%</b>	
<b>Change in Net Position</b>	<b>68,544</b>	<b>403,075</b>	<b>(423,220)</b>	<b>(334,531)</b>	<b>-83.0%</b>	<b>826,295</b>	<b>-195.2%</b>	
Net Position at beginning of year	(6,177,407)	(6,580,482)	(2,217,274)	403,075	-6.1%	(4,363,208)	196.8%	
Prior period adjustment	-	-	(3,939,988)	-	0.0%	3,939,988	100.0%	
<b>Net Position at End of Year</b>	<b>\$ (6,108,863)</b>	<b>\$ (6,177,407)</b>	<b>\$ (6,580,482)</b>	<b>\$ 68,544</b>	<b>-1.1%</b>	<b>\$ 403,075</b>	<b>-6.1%</b>	

### Statement Analysis

June 30, 2020 Comparison to June 30, 2019

The net position reported as of June 30, 2020 increased by \$68,544 as compared to June 30, 2019. The changes are noted below.

- Operating revenues decreased \$141,034 (2.1%) in fiscal year 2020 as compared to fiscal year 2019. The net change in operating revenue was due to a decrease in grant revenue of \$313,236 and offset by an increase in operating assessments of \$172,155. In fiscal year 2019, COMB received grant revenues of \$1,886,408 related to the completion of two fish passage projects completed during that year. In fiscal year 2020, COMB received grant revenues of \$1,010,700 related to the completion of one fish passage project. During the fiscal year, COMB also recognized \$562,024 in grant funding from FEMA and CalOES for the Sycamore Canyon Slope Stabilization Project.

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**Management's Discussion and Analysis****FINANCIAL HIGHLIGHTS (Continued)****Statement Analysis (Continued)**

June 30, 2020 Comparison to June 30, 2019

- Operating expenses decreased \$198,941 in fiscal year 2020 as compared to fiscal year 2019. The change in operating expenses was attributed to a decrease in Quiota Creek crossing habitat enhancement of \$891,523 related to two fish passage projects completed in fiscal year 2019. COMB completed one fish passage project in fiscal year 2020. This amount was offset by an increase in special projects costs of \$576,098 related to the Sycamore Canyon Slope Stabilization Project and other infrastructure improvements projects for the South Coast Conduit, which is owned by the U.S. Bureau of Reclamation.
- Non-operating revenues decreased \$8,071 (25.6%) due to a decrease in the effective yield rate for amounts held on deposit. The average annual yield for fiscal year 2019-20 was 1.936% as compared to fiscal year 2018-19 of 2.266%.
- Non-operating expenses, which consist primarily of interest expense, decreased \$23,000 (19.9%) in FY 2020 due to decrease in notes payable and SOD Act contract payable resulting from loan repayments.
- The change in net position at end of year increased by \$68,544 in fiscal year 2020. Net Position remains in a deficit position due to previous years' recognition of the GASB 68 pension liability and GASB 74 OPEB liability.

**Statement Analysis**

June 30, 2019 Comparison to June 30, 2018

The net position reported as of June 30, 2019 increased by \$403,075 as compared to June 30, 2018. The changes are noted below.

- Operating revenues increased \$3,281,973 (92.6%) in fiscal year 2019 as compared to fiscal year 2018. The change in operating revenue was due to an increase in operating assessments of \$1,603,245 combined with an increase in grants revenue of \$1,700,142. The increase in member assessments was primarily attributable to an adjustment recorded in fiscal year 2018 for unexpended funds assessed and held by COMB for project expenditures delayed or placed on hold due to the drought. These funds were returned to the Member Agencies in fiscal year 2019. In fiscal year 2019, COMB received grant revenues of \$1,886,408 related to the completion of two fish passage projects completed during that year. COMB did not complete any fish passage projects in fiscal year 2018.



## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

#### Statement Analysis

June 30, 2019 Comparison to June 30, 2018

- Operating expenses increased \$2,487,845 (65.5%) in fiscal year 2019 as compared to fiscal year 2018. The change in operating expenses was attributed to increase in Quiota Creek crossing habitat enhancement of \$1,791,037 related to two fish passage projects completed in fiscal year 2019. Additionally, in fiscal year 2019, COMB completed maintenance and improvement to the South Coast Conduit and appurtenant facilities, which is owned by the US Bureau of Reclamation resulting in an additional expense of \$561,976 as compared to prior year.
- Non-operating revenues increased \$14,925 (90.2%) due to an increase in the effective yield rate for amounts held on deposit. The average annual yield for fiscal year 2018-19 was 2.266% as compared to fiscal year 2017-18 of 1.376%.
- Non-operating expenses, which consist primarily of interest expense, decreased \$18,728 (14.0%) in FY 2019 due to decrease in notes payable and SOD Act contract payable resulting from loan repayments.
- The change in net position at end of year increased by \$403,075 in fiscal year 2019 mainly due to the collection of loan assessments from member agencies related to the Emergency Pumping Facilities project.

#### Capital Assets

The following table provides a summary of COMB's capital assets and changes from the prior year.

	Capital Assets						
	Year Ended			2020-2019 Variance		2019-2018 Variance	
	June 30, 2020	June 30, 2019	June 30, 2018	Dollars Change	Percent Change	Dollars Change	Percent Change
Vehicles	\$ 468,728	\$ 475,733	\$ 445,724	\$ (7,005)	-1.5%	\$ 30,009	6.7%
Office Furniture and Equipment	306,053	355,186	443,923	(49,133)	-13.8%	(88,737)	-20.0%
Field Equipment	550,153	537,804	594,001	12,349	2.3%	(56,197)	-9.5%
Mobile Offices Used for Facilities	97,803	97,803	97,803	-	0.0%	-	0.0%
Resurfacing	38,351	38,351	38,351	-	0.0%	-	0.0%
<b>Total Capital Assets</b>	<b>1,461,088</b>	<b>1,504,877</b>	<b>1,619,802</b>	<b>(43,789)</b>	<b>-2.9%</b>	<b>(114,925)</b>	<b>-7.1%</b>
Accumulated Depreciation	(1,276,896)	(1,341,094)	(1,462,884)	64,198	-4.8%	121,790	-8.3%
<b>Net Capital Assets</b>	<b>\$ 184,192</b>	<b>\$ 163,783</b>	<b>\$ 156,918</b>	<b>\$ 20,409</b>	<b>12.5%</b>	<b>\$ 6,865</b>	<b>4.4%</b>

Note 9 - Capital Assets, in the Notes to Basic Financial Statements, contains additional information on COMB's capital assets.

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## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

#### Debt Administration

##### Series 2004A Refinance Bonds

COMB and the Cachuma Project Authority (CPA) merged in 1996, with COMB as the successor agency. With this merger, COMB assumed responsibility for the oversight and payment of the Series 1993 CPA revenue bonds. However, the bonds are not recorded on the books of COMB because, under Joint Participation Agreements between COMB and three Agencies, these Agencies are obligated to make the bond principal and interest payments on behalf of COMB. The Series 1993 bonds were refinanced by COMB in the first quarter of fiscal year 2004/05. Note 14 – Commitments and Contingencies – 1993 Cachuma Project Bonds, in the Notes to Basic Financial Statements, contains additional information on the Series 2004A Refinance Bonds

##### Safety of Dams Repayment Contracts

Under the terms and conditions of a repayment contract executed in 2002, COMB is responsible for payment to the United States for fifteen percent (15%) of the total amount of Safety of Dams (SOD) Act funds expended by the United States for structural stability and related work at Bradbury Dam.

The debt total under the contract as executed is approximately \$6,791,000 plus interest and is to be repaid through annual payments over a 50-year period. COMB assesses the Member Agencies annually to collect the revenue for the payment due that year, with the assessments calculated in accordance with each Member Agencies' Cachuma Project entitlement percentages.

The funds expended by Reclamation through June 30, 2013 on the Lauro Dam rehabilitation project as identified in the re-payment schedule for this project are approximately \$6,731,580. The fifteen percent obligation plus interest during construction equates to approximately \$1,009,737 for the Lauro SOD Act repayment debt which appears in the long term liability account. All work activities related to the Lauro SOD Act rehabilitation project have been completed as of June 30, 2012.

Work activities during the current fiscal year related to the completion of the Bradbury Dam SOD Act rehabilitation were relatively minor and produced an inconsequential increase to the overall debt obligation. Note 6 – SOD Act Assessments Receivable and Contracts Payable, in the Notes to Basic Financial Statements, contains additional information on the Safety of Dams Repayment Contracts.

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## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

#### Debt Administration (Continued)

##### American Riviera Bank Emergency Pumping Facility Project Notes Payable

During fiscal year ending 2015, COMB contracted for the construction of the Emergency Pumping Facilities Project (Project) to provide continued delivery of water from Lake Cachuma to the COMB Member Agencies until sufficient inflow occurs and the reservoir level returns to normal operating conditions. In order to implement this large-scale project, three of the four COMB Member agencies agreed to finance their proportionate share through a commercial financing arrangement with the Bank of Santa Barbara, which merged with American Riviera Bank during 2016.

The note consisted of two separate financing facilities: 1) A revolving line of credit (\$1.2 million) for a period of 24 months followed by a fixed 60 months of principal and interest, 2) A non-revolving line of credit (\$2.0 million) for a period of 24 months followed by a fixed 60 months of principal and interest. The districts participating in the financing included Goleta Water District, Montecito Water District, and Carpinteria Valley Water District. The City of Santa Barbara did not participate in the financing and chose to fund the project through quarterly assessments. Santa Ynez River Water Conservation District, Improvement District No. 1 was indemnified by the four South Coast Member Agencies and therefore not responsible for any project costs. COMB secured financing for the project. The three districts participating in the debt obligation provided the guarantee for repayment of their allocated percentage. In addition, the districts are held solely liable for any interest rate increase caused by a downgrade of their individual credit rating. The original financing terms included the conversion from lines of credit to a sixty-month repayment loan as of July 25, 2016. Carpinteria Valley Water District paid their obligation in full during fiscal year 2017.

Note 7 – Notes Payable, in the Notes to Basic Financial Statements, contains additional information on the American Riviera Bank Emergency Pumping Facility Project Notes Payable.

#### Pension Plan Accounting

In June 2012, the Governmental Accounting Standards Board (GASB) issued two new standards that substantially changed the accounting and financial reporting of public employee pension plans and the state and local governments that participate in such plans. GASB Statement No. 67, *Financial Reporting for Pension Plans* revises existing guidance for the financial reports of most governmental pension plans.

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## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

#### Pension Plan Accounting (Continued)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. GASB Statement No. 67 is applicable to CalPERS and effective for financial statements for fiscal years beginning after June 15, 2013. GASB Statement No. 68 is applicable to employers and effective for financial statements for fiscal years beginning after June 15, 2014.

GASB Statement No. 68 requires employers to recognize a liability as employees earn their pension benefits. To the extent that a long-term obligation to provide pension benefits (total pension liability) is larger than the value of the assets available in the plan (fiduciary net position) to pay pension benefits, the employers must report a net pension liability on the employer's accrual-based financial statements for the first time.

A cost-sharing multiple-employer plan (cost-sharing plan) is one in which the participating employers pool their assets and their obligations to provide defined pension benefits, such as employers participating in risk pools. Under the new GASB standards, each participating cost-sharing employer is required to report its proportionate share of the collective net pension liability, pension expense, and deferred outflows/deferred inflows of resources in their financial statements. Note 12 – Pension Plan, in the Notes to Basic Financial Statements, contains detailed information regarding these balances.

#### Other Postemployment Benefits

In June 2015, GASB issued two new standards that changed the accounting and financial reporting of postemployment benefits other than pensions. GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pensions* amended GASB Statement No. 43. GASB 74 became effective for financial statements for fiscal years beginning after June 15, 2016. GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* amended GASB Statement No. 45. GASB 75 became effective for financial statements for fiscal years beginning after June 15, 2017.

Under GASB Statement No. 75, government employers that sponsor OPEB plans will recognize a net OPEB liability in their statement of net position which is the difference between the total OPEB liability (actuarial accrued liability using the entry age actuarial cost method) and fiduciary net position (plan assets at fair value).

## Management's Discussion and Analysis

### FINANCIAL HIGHLIGHTS (Continued)

#### Other Postemployment Benefits (Continued)

Agencies that provide OPEB to employees without the use of a trust are required to report the total OPEB liability for all employees statement of net position. In addition, the annual required contribution (ARC) is to be replaced with OPEB expense and follows the same calculation as required under GASB Statement No. 68. Under GASB Statement No. 75, actuarial valuations are required every two years.

The new standards also require government agencies that offer OPEB plans to provide additional and detailed disclosures and supplementary information about OPEB liabilities and related assumptions to allow for better assessments of reasonableness of OPEB measurements. Note 13 – Other Post-employment Benefits (OPEB), in the Notes to Basic Financial Statements, contains detailed information regarding these balances.



Cachuma Operation and Maintenance Board Meeting Room

## Basic Financial Statements

## STATEMENT OF NET POSITION

June 30, 2020 and 2019

**ASSETS**

	<u>2020</u>	<u>2019</u>
Current Assets		
Cash (Note 3)	\$ 582,693	\$ 533,255
Investments, cash equivalents (Note 3)	1,385,505	1,312,000
Restricted Assets (Note 4)	134,356	701,834
Assessment receivable	302,764	250,694
Grant receivable	180,754	-
Prepaid insurance	10,179	14,765
Current portion of SOD Act assessments receivable (Note 6)	<u>239,413</u>	<u>232,431</u>
Total current assets	<u>2,835,664</u>	<u>3,044,979</u>
Capital Assets (Note 9)		
Vehicles	468,728	475,733
Office furniture and equipment	306,053	355,186
Field equipment	550,153	537,804
Modular administrative offices	97,803	97,803
Resurfacing	<u>38,351</u>	<u>38,351</u>
Subtotal	1,461,088	1,504,877
Less: accumulated depreciation	<u>(1,276,896)</u>	<u>(1,341,094)</u>
Capital assets, net	<u>184,192</u>	<u>163,783</u>
Other Assets		
Long-term assessments receivable SOD Act (Note 6)	<u>5,043,469</u>	<u>5,282,882</u>
Total other assets	<u>5,043,469</u>	<u>5,282,882</u>
Total noncurrent assets	<u>5,227,661</u>	<u>5,446,665</u>
Total assets	<u>8,063,325</u>	<u>8,491,644</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Deferred pensions (Note 12)	336,263	497,820
Deferred other post employment benefits (Note 13)	<u>944,061</u>	<u>214,063</u>
Total deferred outflows of resources	<u>1,280,324</u>	<u>711,883</u>
Total assets and deferred outflows of resources	<u>\$ 9,343,649</u>	<u>\$ 9,203,527</u>

*See accompanying notes*

## Basic Financial Statements

## STATEMENT OF NET POSITION

June 30, 2020 and 2019

**LIABILITIES**

	<u>2020</u>	<u>2019</u>
Current Liabilities		
Accounts payable	\$ 227,384	\$ 300,430
Accrued vacation and sick leave benefits	183,339	182,133
Payable to member agencies	766,421	443,703
Unearned revenue	134,355	701,833
Accrued interest	52,227	57,465
Current portion of notes payable (Note 7)	450,988	434,126
Current portion of SOD Act contract payable (Note 6)	239,413	232,431
Total current liabilities	<u>2,054,127</u>	<u>2,352,121</u>
Long-Term Liabilities		
Net other post employment benefit liability (Note 13)	5,565,697	5,384,212
Notes payable (Note 7)	36,596	487,557
Net pension liability (Note 12)	1,893,141	1,732,868
SOD Act contract payable, net of current portion (Note 6)	5,043,469	5,282,882
Total long-term liabilities	<u>12,538,903</u>	<u>12,887,519</u>
Commitments and Contingencies (Note 14)		
Total liabilities	<u>14,593,030</u>	<u>15,239,640</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred pensions (Note 12)	143,105	141,294
Deferred other post employment benefits (Note 13)	716,377	-
Total deferred inflows of resources	<u>859,482</u>	<u>141,294</u>

**NET POSITION**

Net investment in capital assets	184,192	163,783
Unrestricted:		
Accumulated deficit	(6,293,055)	(6,341,190)
Total net position	<u>\$ (6,108,863)</u>	<u>\$ (6,177,407)</u>

See accompanying notes

## Basic Financial Statements

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Operating Revenues		
Operating assessments from member agencies	\$ 4,390,673	\$ 4,273,688
Operating assessment from non-member agency	55,170	-
Grant revenue	1,573,172	1,886,408
Warren Act Trust Fund (Note 4)	576,293	569,521
Cachuma Project Betterment Fund (Note 5)	90,000	90,000
Other revenues	777	7,502
Total operating revenues	<u>6,686,085</u>	<u>6,827,119</u>
Operating Expenses		
Operation and maintenance division:		
Operation and maintenance	1,416,525	1,046,011
General and administrative	852,836	859,378
Emergency pumping facility project	162,204	109,939
Special projects	1,583,949	1,007,851
Fisheries division:		
Operation and maintenance	707,309	720,535
General and administrative	429,373	281,969
Fishery related projects	129,122	148,608
Quiota Creek crossing habitat enhancement	1,199,457	2,090,980
Other habitat enhancement	1,699	18,262
Depreciation	66,068	56,583
Total operating expenses	<u>6,548,542</u>	<u>6,340,116</u>
Net Operating Gain (Loss)	<u>137,543</u>	<u>487,003</u>
Non-Operating Revenues (Expenses)		
Interest income	23,405	31,476
Interest expense	(92,038)	(115,404)
Loss on sale of capital asset	(366)	-
Total non-operating expenses	<u>(68,999)</u>	<u>(83,928)</u>
Change in net position	68,544	403,075
Net Position, beginning of year	<u>(6,177,407)</u>	<u>(6,580,482)</u>
Net Position, end of year	<u>\$ (6,108,863)</u>	<u>\$ (6,177,407)</u>

See accompanying notes



## Basic Financial Statements

### STATEMENT OF CASH FLOWS For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<u>Cash Flows from Operating Activities</u>		
Cash received from member agencies	\$ 4,626,204	\$ 4,623,046
Cash received from non member agency	-	-
Cash received from other sources	777	7,502
Cash received from grantor	1,392,418	2,007,674
Cash received from Cachuma Betterment Fund	90,000	90,000
Cash received from Renewal and Warren Act Funds	576,293	569,521
Cash payments to suppliers for operations	(4,307,009)	(5,942,647)
Cash payments to employees	(1,428,862)	(1,297,384)
Net cash provided by operating activities	<u>949,821</u>	<u>57,712</u>
<u>Cash Flows from Noncapital Financing Activities</u>		
Increase (decrease) in restricted assets	(567,478)	(61,346)
(Increase) decrease in deferred revenue	567,478	61,346
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>
<u>Cash Flows from Capital and Related Financing Activities</u>		
Acquisition of capital assets	(86,477)	(63,449)
Principle payments on notes payable	(434,099)	(417,994)
Interest payments on notes payable	(27,636)	(76,622)
Interest payments on SOD Act contract payable	(69,640)	(43,741)
Principle payments on SOD Act contract payable	(232,431)	(225,836)
Net cash flows used by capital and related financing activities	<u>(850,283)</u>	<u>(827,642)</u>
<u>Cash Flows From Investing Activities</u>		
Interest received	23,405	31,476
Sale (purchase) of investments	(73,505)	715,904
Net cash flows provided (used) by investing activities	<u>(50,100)</u>	<u>747,380</u>
Net increase (decrease) in cash	49,438	(22,550)
Cash and Cash Equivalents - Beginning of Year	<u>533,255</u>	<u>555,805</u>
Cash and Cash Equivalents - End of Year	<u>\$ 582,693</u>	<u>\$ 533,255</u>

*See accompanying notes*

## Basic Financial Statements

## STATEMENT OF CASH FLOWS

For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<u>Reconciliation of net operating gain to net cash provided by operating activities</u>		
Net operating gain	\$ 137,543	\$ 487,003
Adjustments to reconcile net operating gain to net cash provided by operating activities:		
Depreciation expense	66,068	56,583
Loss of sale of capital asset	(366)	-
Changes in operating assets and liabilities		
Assessments receivable	(52,070)	123,522
Grant receivable	(180,754)	121,266
Prepaid insurance	4,586	4,791
Current portion of SOD Act assessment receivable	232,431	225,836
Accounts payable	(73,046)	(53,133)
Payable to member units	322,718	(1,057,712)
Accrued vacation and sick leave benefits	1,206	32,048
OPEB liability	181,485	305,245
Net pension liability	160,273	(49,127)
Deferred outflows of resources - OPEB	(729,998)	(214,063)
Deferred inflow of resources - OPEB	716,377	-
Deferred outflows of resources - pension	161,557	83,545
Deferred inflows of resources - pension	1,811	(8,092)
Net cash provided by operating activities	<u>\$ 949,821</u>	<u>\$ 57,712</u>

See accompanying notes

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## Notes to the Basic Financial Statements

### Note 1 – Organization

The Cachuma Operation and Maintenance Board (COMB) is a joint powers agency organized to operate and maintain the water delivery system of the Cachuma Project located in Santa Barbara County. COMB's member agencies (Member Agencies) consist of four water purveyors as follows: Carpinteria Valley Water District, City of Santa Barbara, and Goleta Water District, Montecito Water District.

On May 27, 2016, Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1) notified the COMB Board of its stated intent to withdraw from the Agreement. A Separation Agreement was entered into by ID No. 1, COMB, and the remaining COMB Member Agencies and was approved by all parties effective August 28, 2018. ID No. 1 continues to be a member of the Cachuma Project which carries certain benefits and obligations associated with the Project as outlined in various agreements.

The Member Agencies entered into a Joint Exercise of Powers Agreement to exercise their common power to provide for the rights to, the facilities of, and the operation, maintenance and use of the United States, Department of the Interior, Bureau of Reclamation project known as the Cachuma Project, including storage, treatment, transport and appurtenant facilities, and all necessary tangible and intangible property rights. In September 2010, the Cachuma Operation and Maintenance Board approved a budget adjustment effective January 2011 to transfer from CCRB the implementation activities of the Santa Ynez River Fisheries Program as required by the 2000 Biological Opinion.

### Note 2 – Summary of Significant Accounting Policies

#### A) Basis of Accounting

COMB operates as a proprietary fund type. All proprietary fund types are accounted for on a flow of economic resources measurement focus. Under this measurement focus, all assets and liabilities associated with the operation of these funds are included in the statement of net position. Where appropriate, net total position are segregated into net position invested in capital assets and unrestricted position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

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## Notes to the Basic Financial Statements

### Note 2 – Summary of Significant Accounting Policies (Continued)

#### A) Basis of Accounting (Continued)

All proprietary fund types utilize the accrual basis of accounting. Under this method, revenues are recognized at the time the related liabilities are incurred regardless of when paid.

COMB distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with COMB's principal ongoing operations. The principal operating revenues of COMB are assessments of the Member Agencies and grant monies received. Operating expenses for COMB include maintenance and administrative expenses, depreciation on capital assets and litigation costs. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The financial statements of COMB have been prepared in conformity with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting financial reporting principles.

#### B) Cash and Cash Equivalents

For purposes of the statement of cash flows, cash includes demand deposits and money market accounts, but does not include restricted cash or funds invested in the Local Agency Investment Fund (LAIF).

#### C) Capital Assets

Property and equipment are stated at cost. COMB's capitalization threshold is \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is generally 5 years. Title to the assets of the Cachuma Project is with the United States of America; the assets are not recorded as assets of COMB. Costs relating to capital improvements, rehabilitation, betterment, maintenance and modifications are therefore reported as expenditures when incurred by COMB.

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**Notes to the Basic Financial Statements****Note 2 – Summary of Significant Accounting Policies (Continued)**D) Investments

Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

E) Accrued Vacation and Sick Pay

Employees are entitled to certain compensated absences based on their length of employment. With minor exceptions, compensated absences vest and accumulate and are accrued when they are earned.

F) Unspent Operating Assessments

The operating assessments represent amounts received from COMB's Member Agencies to fund current operations. To the extent that revenues exceed expenses in a given year, they are constructively returned to the Member Agencies in subsequent years.

G) Other Post-Employment Benefits (OPEB)

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

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

Valuation Date:	June 30, 2020
Measurement Date:	June 30, 2020
Measurement Period:	July 1, 2019 – June 30, 2020

## Notes to the Basic Financial Statements

### Note 2 – Summary of Significant Accounting Policies (Continued)

#### H) Pension Plan

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

The following timeframes are used for pension reporting:

Valuation Date:	June 30, 2018
Measurement Date:	June 30, 2019
Measurement Period:	July 1, 2018 – June 30, 2019

#### I) Net Position

Net position represents the difference between assets, deferred outflows, liabilities and deferred inflows is classified into three components as follows:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds.

Restricted – This component of net position consists of constraints placed on net asset use through external constraints imposed by creditors, grantors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets." Unrestricted, reserved net position represents unrestricted assets which are segregated by the Board of Directors for specific future uses.

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**Notes to the Basic Financial Statements****Note 2 – Summary of Significant Accounting Policies (Continued)**I) Net Position (Continued)

When an expense is incurred for purposes for which both unrestricted and restricted resources are available for use, it is COMB's policy to apply restricted assets first, then unrestricted resources.

J) Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. COMB's principal areas that include estimates are the liabilities and related receivables for Safety of Dams Act construction in process, useful lives of capitalized assets and the liability for other postemployment benefits. It is at least reasonably possible that the significant estimates used will change within the next year.

K) Unearned Revenue

Deferred revenue consists of the unspent Renewal Fund and Warren Act Trust fund money that is restricted for Lake Cachuma projects. Each year, the Fund Committees decide how to spend these funds and revenue is recognized when the money is spent. See Note 4 for disclosures on restricted cash.

L) Implementation of New Governmental Accounting Standards Board (GASB) Statements

For the year ended June 30, 2020, COMB implemented the following Governmental Accounting Standards Board (GASB) Statements:

## Notes to the Basic Financial Statements

### Note 2 – Summary of Significant Accounting Policies (Continued)

#### L) Implementation of New Governmental Accounting Standards Board (GASB) Statements (Continued)

Statement No. 90	"Majority Equity Interests - an amendment of GASB Statement No. 14 and No. 61"	The requirements of this statement are effective for periods beginning after June 15, 2019. (FY 19/20)
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The adoption of this statement did not have a material impact on COMB.

#### M) Future Governmental Accounting Standards Board (GASB) Statements

The Governmental Accounting Standards Board Statements listed below will be implemented in future financial statements. These statements will be evaluated by COMB to determine if they will have a material impact to the financial statements once effective.

Statement No. 84	"Fiduciary Activities"	The requirements of this statement are effective for periods beginning after December 15, 2019. (FY 20/21)
Statement No. 87	"Leases"	The requirements of this statement are effective for periods beginning after June 15, 2020. (FY 21/22)
Statement No. 89	"Accounting for Interest Cost Incurred Before the End of a Construction Period"	The requirements of this statement are effective for periods beginning after December 15, 2020. (FY 21/22)



## Notes to the Basic Financial Statements

### Note 3 – Cash and Investments

#### Investments Authorized by COMB's Investment Policy

Under the provisions of COMB's investment policy, the agency may invest in state or national banks, state or federal saving and loan associations, the State of California Local Agency Investment Fund (LAIF), or may invest as provided in the California Government Code.

#### Investment in Local Agency Investment Fund (LAIF)

LAIF is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the COMB's investment in this pool is reported in the accompanying financial statements at amounts based on the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on the amortized cost basis. LAIF invests some of its portfolio in derivatives. Detailed information on derivative investments held by this pool is not readily available. Investments in LAIF are not rated by a national rating agency.

#### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. COMB did not have any investments with fair values that are considered to be highly sensitive to changes in interest rates.

#### Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, COMB will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of COMB and are held by either the counter-party or the counter-party's trust department or agent but not in COMB's name.

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**Notes to the Basic Financial Statements****Note 3 – Cash and Investments (Continued)**Custodial Credit Risk (Continued)

All cash is entirely insured or collateralized. The California Government Code requires California banks and savings and loans associations to secure COMB's deposits by pledging government securities, which equal at least 110% of COMB's deposits. California law also permits financial institutions to secure COMB's deposits by the pledging of first trust deed mortgage notes in excess of 150% of the COMB's deposits. COMB may waive collateral requirements for deposits that are fully insured by the Federal Deposit Insurance Corporation (FDIC).

None of COMB's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. COMB's investment in the Local Agency Investment Fund is not rated.

Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, COMB was not exposed to concentration of credit risk.

Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, COMB was not exposed to foreign currency risk.

### Notes to the Basic Financial Statements

#### Note 3 – Cash and Investments (Continued)

Cash and investments as of June 30, 2020 and 2019 consist of the following:

	2020	
	Carrying Amount	Fair Value
Cash in banks and on hand	\$ 717,049	\$ 717,049
Local Agency Investment Fund (LAIF)	1,385,505	1,385,505
Total cash and investments, at fair value	<u>\$ 2,102,554</u>	<u>\$ 2,102,554</u>
	2019	
	Carrying Amount	Fair Value
Cash in banks and on hand	\$ 1,235,089	\$ 1,235,089
Local Agency Investment Fund (LAIF)	1,312,000	1,312,000
Total cash and investments, at fair value	<u>\$ 2,547,089</u>	<u>\$ 2,547,089</u>

#### Investment in Local Agency Investment Fund (LAIF)

COMB is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of COMB's investment in this pool is reported in the accompanying basic financial statements at the amounts based upon COMB's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The amortized cost approximates fair value. LAIF invests some of its portfolio in derivatives. Detailed information on derivative investments held by this pool is not readily available. Investments in LAIF are not rated by a national rating agency.

#### Note 4 – Restricted Assets

The Trust Fund is a requirement of the Warren Act contract between the Central Coast Water Authority (CCWA) and Reclamation for the transport of State Water Project water through Cachuma Project facilities.

## Notes to the Basic Financial Statements

### Note 4 – Restricted Assets (Continued)

A memorandum of understanding (MOU) creating the Trust Fund established a two person Fund Committee and an Advisory Committee. One member of the Fund Committee is appointed by the Member Agencies through COMB. The other member of the Fund Committee is a representative from Reclamation. CCWA and the Advisory Committee can attend the Trust Fund Committee meetings but have no vote.

The Renewal Fund is a requirement of the Cachuma Project Renewal Master Contract between Reclamation and the Santa Barbara County Water Agency. The contract provides for water service from the Cachuma Project to the five Cachuma Project Member Units. The Cachuma Project Renewal Master Contract specified that five years after adoption of the first Annual Plan, the Contractor (Santa Barbara County) shall be substituted for the Contracting Officer (Reclamation) for the Renewal Fund discussions; this change in representation began in WY2003 and Santa Barbara County has been the representative since that time.

Through COMB Board Resolution No. 249 adopted in 1997, the COMB Member Agencies agreed to merge the processes for implementation and administration of the Cachuma Project Warren Act Trust Fund and the Cachuma Project Master Contract Renewal Fund under a single committee (referred to as the “Funds Committee”). The Funds Committee composition dictates that the voting members of the Funds Committee are Reclamation, COMB and Santa Barbara County. Both the Trust Fund and the Renewal Fund require annual and five-year plans. To date, the annual and five-year plans have authorized the combined funds to be used for implementation of the Biological Opinion (BO)/Fish Management Plan (FMP). Pursuant to the Renewal Master Contract, COMB administers both the Trust Fund and the Renewal Fund accounts.

Summary of restricted cash and investments as of June 30:

	2020	2019
Trust Fund	\$ 124,140	\$ 691,618
Renewal Fund	10,216	10,216
Total Restricted Cash	<u>\$ 134,356</u>	<u>\$ 701,834</u>

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**Notes to the Basic Financial Statements****Note 5 – Cachuma Project Betterment Fund**

Since the Cachuma Project was completed in the mid-1950s, the Santa Barbara County Water Agency has collected \$100,000 per year in taxes for the betterment of the Cachuma Project. For the first 40 years, these funds were used to pay down the capital cost of constructing the Cachuma Project. The authorized uses of these funds were broadened in 1995 pursuant to the Renewal Master Contract. The County Water Agency was still obligated to provide \$100,000 annually to the Cachuma Project. However, under Article 8 (b), the funds could be used for any beneficial purpose consistent with the Water Agency Act within the Santa Ynez River watershed or the Cachuma Project service area. Each fiscal year, representatives from the Cachuma Project Member Units and the County Water Agency must mutually agree on the activities to be funded by the County Water Agency's \$100,000 contribution. To date, the Betterment Fund has been combined with the Trust Fund and Renewal Fund revenues to offset the costs of the Fisheries Program. On January 1, 2011, the balance of the Betterment fund was transferred from Cachuma Conservation Release Board to COMB to support the Fisheries Program.

**Note 6 – SOD Act Assessments Receivable and Contract Payable****Bradbury Dam**

On July 1, 2002, COMB executed a repayment contract with U.S. Bureau of Reclamation in the Department of Interior of the United States (Reclamation). Under the terms of the agreement and in accordance with the United States Safety of Dams (SOD) Act, COMB will reimburse Reclamation for fifteen percent (15%) of the total amount of SOD Act funds expended by Reclamation to preserve the structural integrity of Bradbury Dam and related Cachuma Project facilities.

COMB entered into a repayment contract with Reclamation when the project was deemed to be substantially complete. The repayment contract, as executed, calls for a repayment of 15% of a total authorized cost of \$45,276,008 or approximately \$6,791,000 plus interest, as appropriate, over a 50-year period.

### Notes to the Basic Financial Statements

#### Note 6 – SOD Act Assessments Receivable and Contract Payable (Continued)

##### Bradbury Dam (Continued)

The repayment obligation has been allocated fifty-one and three tenths percent (51.3%) to irrigation uses (Irrigation Allocation) or \$3,483,989 and forty eight and seven tenths percent (48.7%) to municipal and industrial (M&I) uses (M&I Allocation) or \$3,307,412. The Irrigation allocation bears no interest and repayment commenced in fiscal year end 2017. Interest during construction in the amount of \$325,477 was added to the M&I Allocation. During construction COMB made advances in the amount of \$1,496,148 that were applied against the M&I Allocation amounts. Accounting for advances made by COMB during construction, the balance due under the M&I Allocation contract was \$2,136,741.

COMB will assess the Member Agencies annually amounts equal to the obligation due Reclamation. The annual payment requirements at June 30, 2020 to retire the contract as of October 1, 2051, including interest payments at 5.856%, are presented in the following table. This table does not include adjustments that will be made to the Bradbury Dam repayment contract due to additional incurred costs or for payments that will be required under the Lauro Dam repayment contract.

	M&I Allocation		Irrigation Allocation	Total
	Principal	Interest		
2021	\$ 110,696	\$ 54,174	\$ 96,778	\$ 261,648
2022	117,179	47,691	96,778	261,648
2023	124,041	40,829	96,778	261,648
2024	131,305	33,565	96,778	261,648
2025	138,994	25,876	96,778	261,648
2026 - 2030	302,883	26,857	483,890	813,630
2031 - 2035	-	-	483,890	483,890
2036 - 2040	-	-	483,890	483,890
2041 - 2045	-	-	483,890	483,890
2046 - 2050	-	-	483,890	483,890
2051 - 2052	-	-	193,524	193,524
	<u>\$ 925,098</u>	<u>\$ 228,992</u>	<u>\$ 3,096,864</u>	<u>\$ 4,250,954</u>

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**Notes to the Basic Financial Statements****Note 6 – SOD Act Assessments Receivable and Contract Payable (Continued)**Bradbury Dam (Continued)

The interest expense for the Bradbury Dam SOD Act contract payable was \$54,174 and \$66,082 for the years ended June 30, 2020 and 2019, respectively.

The total cost of the Bradbury Dam SOD Act project is to be reevaluated and the repayment agreement amended as necessary by Reclamation and COMB when all phases of the work are completed. Total project costs as of June 30, 2020 were \$48,321,547, \$3,045,539 higher than the total cost authorized under the repayment contract. It is management's opinion that COMB will be responsible for reimbursing Reclamation 15% of the total construction costs in excess of the costs per the original repayment contract.

As of June 30, 2020, an additional liability of \$456,831 was recorded for construction costs incurred in excess of the original repayment agreement. This is an estimate based on management's best judgment which may be adjusted as more current information becomes available.

Reclamation can also reevaluate the ability of COMB's Member Agencies to repay the Irrigation Allocation every five years, commencing in fiscal year end 2008. No adjustment has been made to the Irrigation Allocation balance to reflect a discount due to the non-interest bearing feature of the contract.

Lauro Dam

On March 21, 2007, COMB executed a repayment contract with U.S. Bureau of Reclamation in the Department of Interior of the United States (Reclamation). Under the terms of the agreement and in accordance with the United States Safety of Dams (SOD) Act, COMB will reimburse Reclamation for fifteen percent (15%) of the total amount of SOD Act funds expended by Reclamation to preserve the structural integrity of Lauro Dam and reservoir; total costs not to exceed \$17,314,125. The primary contract for construction of the modification project was awarded by Reclamation in September 2005 and the work was deemed substantially complete in February 2007.

## Notes to the Basic Financial Statements

### Note 6 – SOD Act Assessments Receivable and Contract Payable (Continued)

#### Lauro Dam (Continued)

The total costs of the Lauro Dam SOD Act project was to be re-evaluated and repayment agreement amended as necessary. During 2017, the Reclamation completed its final accounting for the project and issued a final repayment schedule. The repayment obligation has been allocated fifty and seventy two one hundredths percent (50.72%) to irrigation uses (Irrigation Allocation) or \$512,139, and forty nine and twenty eight hundredths percent (49.28%) to municipal and industrial (M&I) uses (M&I Allocation) or \$497,598. The Irrigation allocation bears no interest

COMB will assess the South Coast Member Agencies annually amounts equal to the obligation due October 1, 2057, including interest payments at 4.556%, are presented in the following table. This table represents the final repayment contract received during fiscal year 2017.

	M&I Allocation		Irrigation Allocation	Total
	Principal	Interest		
2021	\$ 19,712	\$ 15,466	\$ 12,227	\$ 47,405
2022	20,610	14,568	12,227	47,405
2023	21,549	13,629	12,227	47,405
2024	22,531	12,647	12,227	47,405
2025	23,557	11,620	12,227	47,404
2026 - 2030	134,897	40,990	61,136	237,023
2031 - 2035	96,600	8,933	61,136	166,669
2036 - 2040	-	-	61,136	61,136
2041 - 2045	-	-	61,136	61,136
2046 - 2050	-	-	61,136	61,136
2051 - 2055	-	-	61,136	61,136
2056 - 2058	-	-	36,682	36,682
	<u>\$ 339,456</u>	<u>\$ 117,853</u>	<u>\$ 464,633</u>	<u>\$ 921,942</u>

The interest expense for the Lauro Dam SOD Act contract payable was \$15,466 and \$17,146 for the years ended June 30, 2020 and 2019, respectively.

Management deems the assessments receivable related to the Bradbury and Lauro Dams SOD Act projects to be fully collectable.



### Notes to the Basic Financial Statements

#### Note 6 – SOD Act Assessments Receivable and Contract Payable (Continued)

The total SOD Act liability at June 30, 2020 and 2019 is composed of the following:

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Bradbury Dam repayment contract:		
M&I principal	\$ 925,098	\$ 1,029,669
Irrigation principal	<u>3,096,864</u>	<u>3,193,644</u>
Total Bradbury Dam repayment contract excluding interest	4,021,962	4,223,313
Bradbury Dam liability for 15% of additional costs incurred over repayment contract	<u>456,831</u>	<u>456,831</u>
Total Bradbury Dam SOD Act liability	4,478,793	4,680,144
Lauro Dam repayment contract:		
M&I principal	339,456	358,308
Irrigation principal	<u>464,633</u>	<u>476,861</u>
Total Lauro SOD Act liability	<u>804,089</u>	<u>835,169</u>
Total SOD Act Liability	5,282,882	5,515,313
Less current portion	<u>(239,413)</u>	<u>(232,431)</u>
Long-term portion of SOD Act liability	<u>\$ 5,043,469</u>	<u>\$ 5,282,882</u>

## Notes to the Basic Financial Statements

### Note 7 – Notes Payable

On July 25, 2014, COMB entered into two notes payable agreements with American Riviera Bank for a total of \$3,200,000 to finance the Emergency Pumping Facilities Project on behalf of Goleta Water District, Carpinteria Valley Water District, and Montecito Water District (participating member agencies). Per the agreement, COMB may draw upon these funds similar to a line of credit until July 25, 2016, at which time a repayment schedule will be provided for the balance of funds drawn. As of June 30, 2016 and 2015, the total outstanding balance on the notes payable was \$2,601,317.

Beginning on August 25, 2014 and until July 25, 2016, COMB was required to make monthly interest payments on the unpaid balance at an initial interest rate of 3.00%. At the end of the straight line of credit period, COMB will make principal and interest payments based on the repayment schedule that will be provided for the balance of funds drawn. The interest rate for the repayment schedule will be established based on the Prime rate as of July 25, 2016.

COMB will make payments on behalf of the participating member agencies and will assess Goleta Water District, Carpinteria Valley Water District and Montecito Water District each member units' share of the debt service payment quarterly.

The loans were guaranteed by the participating member agencies as follows:

	<u>Amount</u>	<u>Allocation</u>
Goleta Water District	\$ 2,016,000	63%
Carpinteria Valley Water District	608,000	19%
Montecito Water District	576,000	18%
	<u>\$ 3,200,000</u>	<u>100%</u>

As a condition of notes payable, at least \$2 million dollars of the notes was required to be spent on capital infrastructure of the Emergency Pumping Facilities Project. In addition, COMB is also required to maintain a deposit relationship at American Riviera Bank. The participating member agencies are required at all times during the loan to set and maintain member unit customer water rates at a level sufficient to pay all outstanding annual member agency debt service and to set aside such debt service revenues in a special district reserve account maintained at a rate of 1.25 to 1 of annual debt service reserve for each dollar outstanding debt service payments due in any particular year.

## Notes to the Basic Financial Statements

### Note 7 – Notes Payable (Continued)

On July 25, 2016, the draw down period on the notes payable ended and COMB received repayment agreements. The combined outstanding balance on the notes was \$2,601,317 at July 25, 2016. Per the repayment agreements, the notes are due over a period of 5 years with combined monthly payments of \$47,384, including principal and interest. The interest rates on the notes are 3.5%. COMB will make payments on behalf of the participating member units and will assess Goleta Water District, Carpinteria Valley Water District and Montecito Water District each member units' share of the debt service payment quarterly.

The following table shows the allocation of the final notes payable balance by participating Member Agency.

	<u>Amount</u>	<u>Allocation</u>
Goleta Water District	\$ 1,638,830	63%
Carpinteria Valley Water District	494,250	19%
Montecito Water District	468,237	18%
	<u>\$ 2,601,317</u>	<u>100%</u>

On August 19, 2016, Carpinteria Valley Water District paid its allocation of the notes payable in full.

On September 1, 2016, American Riviera Bank issued a revised repayment schedule to incorporate Carpinteria Valley Water District's payment. The notes are due over a period of 5 years with combined monthly payments of \$38,478, including principal and interest. The interest rates on the notes are 3.75%. COMB will make payments on behalf of the participating member agencies and will assess Goleta Water District and Montecito Water District each member agencies' share of the debt service payment quarterly.

The total annual requirements to amortize the notes payable, including the allocation between Goleta Water District and Montecito Water District, as of June 30, 2020 are as follows:

### Notes to the Basic Financial Statements

#### Note 7 – Notes Payable (Continued)

	Principal	Interest	Total	Goleta Water District	Montecito Water District
2021	\$ 450,988	\$ 10,745	\$ 461,733	\$ 360,153	\$ 101,580
2022	36,596	114	36,710	28,634	8,076
	<u>\$ 487,584</u>	<u>\$ 10,859</u>	<u>\$ 498,443</u>	<u>\$ 388,787</u>	<u>\$ 109,656</u>

The interest expense for the notes payable was \$27,636 and \$43,741 for the for the years ended June 30, 2020 and 2019, respectively.

#### Note 8 – Long-Term Debt

Changes in long term debt amounts for years ended June 30, 2020 and 2019 were as follows:

	Beginning Balance 2020	Additions	Principal Payments	Adjustments	Ending Balance 2020
SOD Act Liabilities	\$ 5,515,313	\$ -	\$ (232,431)	\$ -	\$ 5,282,882
Notes payable	921,683	-	(434,099)	-	487,584
	<u>\$ 6,436,996</u>	<u>\$ -</u>	<u>\$ (666,530)</u>	<u>\$ -</u>	<u>\$ 5,770,466</u>

	Beginning Balance 2019	Additions	Principal Payments	Adjustments	Ending Balance 2019
SOD Act Liabilities	\$ 5,741,149	\$ -	\$ (225,836)	\$ -	\$ 5,515,313
Notes payable	1,339,677	-	(417,994)	-	921,683
	<u>\$ 7,080,826</u>	<u>\$ -</u>	<u>\$ (643,830)</u>	<u>\$ -</u>	<u>\$ 6,436,996</u>

### Notes to the Basic Financial Statements

#### Note 9 – Capital Assets

The following is a summary of capital assets which include property, plant and equipment at June 30, 2020 and 2019.

	Beginning			Ending
	Balance 2020	Additions	Deletions	Balance 2020
Vehicles	\$ 475,733	\$ 28,942	\$ (35,947)	\$ 468,728
Office furniture and equipment	355,186		(49,133)	306,053
Field equipment	537,804	57,535	(45,186)	550,153
Mobile offices used for facilities	97,803			97,803
Resurfacing	38,351			38,351
Total depreciable assets	<u>1,504,877</u>	<u>86,477</u>	<u>(130,266)</u>	<u>1,461,088</u>
Less: accumulated depreciation and amortization				
Vehicles	(388,037)	(38,114)	35,948	(390,203)
Office furniture and equipment	(332,520)	(8,806)	49,132	(292,194)
Field equipment	(484,383)	(19,148)	45,186	(458,345)
Mobile offices used for facilities	(97,803)			(97,803)
Resurfacing	(38,351)			(38,351)
Total accumulated depreciation and amortization	<u>(1,341,094)</u>	<u>(66,068)</u>	<u>130,266</u>	<u>(1,276,896)</u>
Net capital assets	<u>\$ 163,783</u>	<u>\$ 20,409</u>	<u>\$ -</u>	<u>\$ 184,192</u>

### Notes to the Basic Financial Statements

#### Note 9 – Capital Assets (Continued)

	Beginning			Ending
	Balance 2019	Additions	Deletions	Balance 2019
Vehicles	\$ 445,724	\$ 30,009	\$ -	\$ 475,733
Office furniture and equipment	443,923	14,863	(103,600)	355,186
Field equipment	594,001	18,576	(74,773)	537,804
Mobile offices used for facilities	97,803	-	-	97,803
Resurfacing	38,351	-	-	38,351
Total depreciable assets	1,619,802	63,448	(178,373)	1,504,877
Less: accumulated depreciation and amortization				
Vehicles	(357,428)	(30,609)	-	(388,037)
Office furniture and equipment	(426,834)	(9,293)	103,607	(332,520)
Field equipment	(542,468)	(16,681)	74,766	(484,383)
Mobile offices used for facilities	(97,803)	-	-	(97,803)
Resurfacing	(38,351)	-	-	(38,351)
Total accumulated depreciation and amortization	(1,462,884)	(56,583)	178,373	(1,341,094)
Net capital assets	\$ 156,918	\$ 6,865	\$ -	\$ 163,783

#### Note 10 – Joint Powers Insurance Authority

COMB participates in the property and liability program organized by the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA). Employees working for COMB receive the benefits of this plan through the employee services agreement. ACWA/JPIA is a Joint Powers Authority created to provide a self-insurance program to water agencies in the State of California. The ACWA/JPIA is not a component unit of COMB for financial reporting purposes, as explained below.

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**Notes to the Basic Financial Statements****Note 10 – Joint Powers Insurance Authority (Continued)**

ACWA/JPIA provides liability, property and workers' compensation insurance for approximately 300 water agencies for losses in excess of the member agencies specified self-insurance retention levels. Individual claims (and aggregate public liability and property claims) in excess of specified levels are covered by excess insurance policies purchased from commercial carriers. ACWA/JPIA is governed by a board comprised of members from participating agencies. The board controls the operations of ACWA/JPIA, including selection of management and approval of operating budgets, independent of any influence by the members beyond the representation on the board. Each member shares surpluses and deficiencies proportionately to its participation in ACWA/JPIA.

Additional information and complete financial statements for the ACWA/JPIA are available for public inspection at 5620 Birdcage Street, Suite 200, Citrus Heights, CA, between the hours of 8 a.m. and 5 p.m., Monday through Friday.

**Note 11 – Deferred Compensation Plan**

COMB offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plan, available to employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are maintained (until paid or made available to the participant or beneficiary) in a trust account held by State Street Bank and Trust and administered by Lincoln Financial Group. Participants have sole rights under the plan in an amount equal to the fair market value of the deferred for each participant. Contributions made by COMB for the employees to the plan for the years ended June 30, 2020 and 2019 were \$61,836 and \$62,803, respectively.

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## Notes to the Basic Financial Statements

### Note 12 – Pension Plan

#### Plan Description

All qualified employees are eligible to participate in COMB's Miscellaneous Employee Pension Plan, a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and local government resolution. Eligible employees hired after January 1, 2013 that are considered new members as defined by the Public Employees' Pension Reform Act (PEPRA) participate in the PEPRA Miscellaneous Plan. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at: <https://www.calpers.ca.gov/>

#### Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, as discussed above. Members with five years of total service are eligible to retire at age 50 or 52 if in the PEPRA Miscellaneous Plan with statutorily reduced benefits. An optional benefit regarding sick leave was adopted. Any unused sick leave accumulates at the time of retirement will be converted to credited service at a rate of 0.004 years of service for each day of sick leave. All members are eligible for non-duty disability benefits after 10 years of service. The system also provides for the Optional Settlement 2W Death Benefit, as well as the 1959 Survivor Benefit. The cost of living adjustments for all plans are applied as specified by the Public Employees' Retirement Law.

#### Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. COMB is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.



## Notes to the Basic Financial Statements

### Note 12 – Pension Plan (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above, and as a dollar amount for contributions toward the unfunded liability. The District's required contribution for the unfunded liability was \$112,438 and \$89,204 for the fiscal years ended June 30, 2020 and 2019, respectively.

For employees hired prior to January 1, 2013 and for all classic members as defined by PEPPRA, the District pays the a portion of the employee's contribution in addition to the employer's contribution. Effective July 2017, all employees who are "Classic" employees as defined by CalPERS will begin contributing towards their employee member contribution under a phased-in method over the next five years (1.4% annual incremental increase each July 1st) not to exceed 7%. These contributions made on behalf of employees are included in operating expenses on the statement of revenues, expenses, and changes in net position, but are not included in pension expense as disclosed below.

The Plans' provisions and benefits in effect at June 30, 2020 and 2019, are summarized as follows:

Hire date	Miscellaneous Plan	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - Minimum	52 - Minimum
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates		
2020	7.00%	7.00%
2019	7.00%	6.50%
Required employer contribution rates		
2020	10.32%	7.07%
2019	9.41%	6.84%

## Notes to the Basic Financial Statements

### Note 12 – Pension Plan (Continued)

#### Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2020, COMB reported a liability of \$1,893,141 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability for all Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. COMB's proportion of the net pension liability was based on a projection of their long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

COMB's proportionate share of the net pension liability for all Plans as of June 30, 2019 and 2018 (measurement dates) was as follows:

<u>Measurement Date June 30, 2019</u>		<u>Measurement Date June 30, 2018</u>	
Proportion – June 30, 2018	0.04598%	Proportion – June 30, 2017	0.04520%
Proportion – June 30, 2019	0.04728%	Proportion – June 30, 2018	0.04598%
Change – Increase (Decrease)	<u>0.00130%</u>	Change – Increase (Decrease)	<u>0.00078%</u>

For the years ended June 30, 2020 and 2019, COMB recognized pension expense of \$553,359 and \$217,250, respectively. COMB's contributions to the Plan for the years ended June 30, 2020 and 2019 were \$229,718 and \$190,925, respectively.

At June 30, 2020 and 2019, COMB reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

### Notes to the Basic Financial Statements

#### Note 12 – Pension Plan (Continued)

##### Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

	June 30, 2020		June 30, 2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 229,718	\$ -	\$ 190,925	\$ -
Differences between expected and actual experience		(33,098)	66,487	(22,625)
Changes in assumptions	16,415	(32,001)	196,408	(47,272)
Changes in employer's proportion	51,086		35,433	-
Difference between the employer's contributions and the employer's proportionate share of contributions		(78,006)	-	(71,397)
Net differences between projected and actual earnings on plan investments	39,044		8,567	-
Total	<u>\$ 336,263</u>	<u>\$ (143,105)</u>	<u>\$ 497,820</u>	<u>\$ (141,294)</u>

Employer contributions of \$229,718 reported at June 30, 2020 as deferred outflows of resources related to contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

## Notes to the Basic Financial Statements

### Note 12 – Pension Plan (Continued)

#### Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Fiscal Year Ended	
June 30	
2021	\$ (27,975)
2022	(25,380)
2023	10,107
2024	6,688
2025	-
Thereafter	-
	<u>\$ (36,560)</u>

Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into CalPERS. Subsequent plan amendments are amortized as level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a 30 year rolling period. If the plan's accrued liability exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30 year amortization period.

#### Actuarial Assumptions

The total pension liabilities in the June 30, 2018 and 2017 actuarial valuations (June 30, 2019 and 2018 measurement dates) were determined using the following actuarial assumptions:

## Notes to the Basic Financial Statements

### Note 12 – Pension Plan (Continued)

#### Actuarial Assumptions (Continued)

	For the Year Ended June 30,	
	2020	2019
	Miscellaneous Plan	Miscellaneous Plan
Valuation Date	June 30, 2018	June 30, 2017
Measurement Date	June 30, 2019	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method, in accordance with the requirements of GASB Statement No. 68	Entry-Age Normal Cost Method, in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.75%
Projected Salary Increase	Varies by entry age and service (1)	Varies by entry age and service (1)
Investment Rate of Return	7.15%	7.15%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

#### Change of Assumptions

Demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. Inflation rate was reduced from 2.75% to 2.50% during the measurement period ended June 30, 2018. Deferred inflows and outflows of resources for changes of assumptions represents the unamortized portion of the changes of assumptions related to prior measurement periods.

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**Notes to the Basic Financial Statements****Note 12 – Pension Plan (Continued)**Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the measurement periods ending June 30, 2019 and 2018, respectively. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), the amortization and smoothing periods recently adopted by the CalPERS Board were used. For the Plan, the crossover test was performed for a miscellaneous agent rate plan and a safety agent rate plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investment. Based on the testing of the rate plans, the tests revealed the assets would not run out. Therefore, long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF C. The crossover test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained on CalPERS' website under the GASB 68 section.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected arithmetic real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

## Notes to the Basic Financial Statements

## Note 12 – Pension Plan (Continued)

## Discount Rate (Continued)

Asset Class	Measurement Date - June 30, 2019			Measurement Date - June 30, 2018		
	Net Strategic	Real Return	Real Return	Net Strategic	Real Return	Real Return
	Allocation	Years 1 - 10(a)	Years 11+(b)	Allocation	Years 1 - 10(a)	Years 11+(b)
Global Equity	50.00%	4.80%	5.98%	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%	13.00%	3.75%	4.93%
Liquidity	1.00%	1.00%	-0.92%	1.00%	1.00%	-0.92%

(a) An expected inflation of 2.0% used for this period.

(b) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents COMB's proportionate share of the net pension liability calculated using the discount rate of 7.15% at the measurement dates June 30, 2019 and June 30, 2018 as well as what COMB's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

For the Fiscal Year Ended June 30, 2020		For the Fiscal Year Ended June 30, 2019	
1% Decrease	6.15%	1% Decrease	6.15%
Net Pension Liability	\$ 2,992,785	Net Pension Liability	\$ 2,785,058
Current Discount Rate	7.15%	Current Discount Rate	7.15%
Net Pension Liability	\$ 1,893,141	Net Pension Liability	\$ 1,732,868
1% Increase	8.15%	1% Increase	8.15%
Net Pension Liability	\$ 985,461	Net Pension Liability	\$ 864,302

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**Notes to the Basic Financial Statements****Note 12 – Pension Plan (Continued)**Pension Plan Fiduciary Net Position

Detailed information about all pension plan fiduciary net positions is available in the separately issued CalPERS financial reports.

**Note 13 – Other Post-employment Benefits (OPEB)**Plan Description

COMB offers a single-employer post-retirement health insurance benefit plan (medical, dental, and vision service) to retired employees.

For employees hired before February 1, 2014, COMB pays 100% of insurance premiums for retired employees and their spouses/registered domestic partners. Under the Plan, a “retired employee” is a former employee of COMB who (i) performed a minimum of twelve (12) years of continuous service for COMB (or CalPERS covered service); (ii) is receiving a monthly retirement benefit from the Public Employees Retirement System (PERS); and (iii) was employed by COMB immediately prior to becoming eligible to receive benefits under PERS.

For employees hired on and after February 1, 2014, COMB pays 50% of the retiree insurance premiums after 12 years of covered service, with increases in premium payments coverage at 6.25% per covered year until COMB pays 100% of the insurance premium at 20 years of covered service. Under the Plan, a “retired employee” is a former employee of COMB who (i) performed a minimum of twelve (12) years of continuous service for COMB (or CalPERS covered service); (ii) is receiving a monthly retirement benefit from the Public Employees Retirement System (PERS); and (iii) was employed by COMB immediately prior to becoming eligible to receive benefits under PERS. The spouse of a retiree is not included in this coverage.

The Public Employees’ Pension Reform Act (PEPRA) became law in January 2013. Since that time, all retirees reaching Medicare eligible age must enroll in Medicare whereby Medicare becomes primary and their current health insurance coverage through ACWA/JPIA becomes secondary. The OPEB Plan does not have a stand alone report.



**Notes to the Basic Financial Statements**

**Note 13 – Other Post-employment Benefits (OPEB) (Continued)**

Employees Covered

As of the June 30, 2020 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Participating active employees	14
Inactive employees or beneficiaries currently receiving benefits	<u>9</u>
Total	<u><u>23</u></u>

Funding Policy

COMB funds the plan on a pay as you go basis. COMB contributes up to the amount of the monthly premium for employees and dependents, plus administrative fees.

Net OPEB Liability

The District’s net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2020 based on the following actuarial methods and assumptions:

	<u>OPEB Plan</u>
Actuarial Cost Method:	Entry-Age Actuarial Cost Method in accordance with the requirements of GASB Statement No. 75
Actuarial Assumptions:	
Inflation	2.75%
Discount Rate	2.20%
Payroll Growth (1)	2.75%
Mortality Assumptions:	2017 CalPERS Active Mortality for Miscellaneous Employees
Mortality Tables	
Experience Studies:	Hired before 2013: 2017 CalPERS 2.0%@55 Rates for Miscellaneous Employees;
Retirement Tables	Hired after 2013: 2017 CalPERS 2.0%@62 Rates for Miscellaneous Employees
Experience Studies: Turnover Table	2017 CalPERS Turnover for Miscellaneous Employees
Healthcare Trend Rate	4% per year

(1) Benefits are not dependent upon salary. Rate is used in applying the level percentage of projected payroll amortization method.

## Notes to the Basic Financial Statements

### Note 13 – Other Post-employment Benefits (OPEB) (Continued)

#### Discount Rate

The discount rate used to measure the total OPEB liability was 2.2% and 3.5% for the measurement periods ending June 30, 2020 and 2019, respectively. The discount rate is the equivalent index rate for 20-year General Obligation Municipal Bonds with an average rating of A or higher. The Bond Buyer 20 Bond Index at June 30, 2020 was used.

#### Changes in the Net OPEB Asset

The changes in the net OPEB asset for the OPEB Plan are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/ (Asset) (a) - (b)
Balance at June 30, 2019 (Measurement Date June 30, 2019)	\$ 5,384,212	\$ -	\$ 5,384,212
Changes Recognized for the Measurement Period:			
Service cost	99,286	-	99,286
Interest on Total OPEB Liability	186,517	-	186,517
Contributions - Employer	-	209,622	(209,622)
Benefit Payments	(209,622)	(209,622)	-
Expected versus actual experience	(730,130)	-	(730,130)
Assumption changes	835,434	-	835,434
Net Changes	181,485	-	181,485
Balance at June 30, 2020 (Measurement Date June 30, 2020)	\$ 5,565,697	\$ -	\$ 5,565,697

#### Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2020:

1% Decrease 1.2%	Current Discount Rate 2.2%	1% Increase 3.2%
\$ 6,483,732	\$ 5,565,697	\$ 4,824,997

## Notes to the Basic Financial Statements

### Note 13 – Other Post-employment Benefits (OPEB) (Continued)

#### Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trends

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2020:

Trend 1% Lower	Valuation Trend	Trend 1% Higher
\$ 4,739,547	\$ 5,565,697	\$ 6,609,837

#### Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss. The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five year period. The remaining gains and losses are amortized over the expected average remaining service life, which was 10.3 years at measurement date June 30, 2019.

#### OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the years ended June 30, 2020 and 2019, COMB recognized OPEB expense of \$320,352 and \$289,713, respectively.

At June 30, 2020 and 2019, COMB reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Notes to the Basic Financial Statements**

**Note 13 – Other Post-employment Benefits (OPEB) (Continued)**

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB  
(Continued)

	June 30, 2020		June 30, 2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ -	\$ (57,134)	\$ -	\$ -
Differences between expected and actual experience	-	(659,243)	-	-
Changes in assumptions	944,060	-	214,063	-
Total	<u>\$ 944,060</u>	<u>\$ (716,377)</u>	<u>\$ 214,063</u>	<u>\$ -</u>

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

Fiscal Year Ended June 30	
2021	\$ 34,550
2022	34,550
2023	34,550
2024	34,550
2025	34,550
Thereafter	112,067
	<u>\$ 284,817</u>

**Note 14 – Commitments and Contingencies**

1993 Cachuma Project Authority Bonds

In 1996 COMB merged with the Cachuma Project Authority (CPA) and as a result of this merger COMB became the agency responsible for the oversight and payment of the 1993 CPA bonds. These bonds have not been recorded on the books of COMB since three of the Member Agencies are obligated under Joint Participation Agreements to make the principal and interest payments on behalf of COMB.

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## Notes to the Basic Financial Statements

### Note 14 – Commitments and Contingencies

#### 1993 Cachuma Project Authority Bonds (Continued)

On August 19, 2004, COMB refinanced the 1993 CPA bonds with the 2004 Cachuma Operation and Maintenance Board Bonds (“Bonds”) for \$4,480,000 at varying interest rates from 3.000% to 4.625% on behalf of three Member Agencies. Each of the three Member Agencies participants has entered into one or more joint participation agreements with COMB pursuant to which the Member Agency is obligated to make certain payments with respect to certain additions, betterments, extensions or improvements to such Member Agencies’ water system. Such payments will constitute revenues pledged to secure the payment of the principal of and interest on the Bonds.

As of June 30, 2020, Carpinteria and Montecito have paid off their portion of the bond obligation, leaving only ID No. 1 with an outstanding bond obligation. ID No. 1 pays their share of the required payments, including interest and principal, directly to the bond issuer. No money is passed through COMB.

#### Legal Contingencies

In the ordinary course of conducting business, various legal proceedings may be pending; however, in the opinion of COMB’s management, the ultimate disposition of these matters will have no significant impact on the financial position of the COMB.

#### Emergency Pumping Facilities Project Operating Costs (EPFP)

As a part of the construction and operating agreement, COMB is obligated to pay \$98,000 a month for operating costs to Cushman Contracting until the pumping facility is disposed. In February 2017, significant rainfall raised the water level at Lake Cachuma and the pump was subsequently demobilized and placed on standby. Monthly costs for when the pump is on stand-by are \$3,500.

COMB staff regularly monitors projected lake elevation scenarios for planning purposes. If it becomes likely that the EPFP needs to be deployed during the current fiscal year, approval for a budget augmentation will be presented to the Board.

Exact timing of EPFP remobilization is dependent on certain factors including, but not limited to, future rainfall, lake elevation and member unit demands.

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**Notes to the Basic Financial Statements****Note 14 – Commitments and Contingencies** (Continued)Global Pandemic

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restricted travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had are expected to contribute to have an adverse impact on the economics and financial markets of many countries, including the geographic area in which COMB operates.

**Note 15 – Subsequent Events**

Subsequent events have been evaluated through December 10, 2020 the date that the financial statements were available to be issued.

## Required Supplementary Information

### A COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN

AS OF JUNE 30, 2020

LAST 10 YEARS\*

#### CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

#### SCHEDULE OF CACHUMA OPERATION AND MAINTENANCE BOARD'S

#### PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.01848%	0.01798%	0.01797%	0.01766%	0.01690%	0.01800%
Proportionate share of the net pension liability	\$1,893,141	\$1,732,868	\$1,781,995	\$1,527,915	\$1,160,030	\$ 1,120,314
Covered payroll	\$1,247,498	\$1,165,740	\$1,086,753	\$ 933,496	\$1,030,191	\$ 1,021,786
Proportionate Share of the net pension liability as percentage of covered payroll	151.76%	148.65%	163.97%	163.68%	112.60%	109.64%
Plan fiduciary net position as a percentage of percentage of the total pension liability	76.84%	77.72%	76.04%	77.19%	81.67%	81.76%
Measurement date:	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Valuation date:	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013

#### Notes to Schedule:

*Benefit changes:* The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2018 valuation date.

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future year's information will be displayed up to 10 years as information becomes applicable

See accompanying notes

## Required Supplementary Information

**CACHUMA OPERATION AND MAINTENANCE BOARD  
A COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN  
AS OF JUNE 30, 2020  
LAST 10 YEARS\*  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
SCHEDULE OF CONTRIBUTIONS**

	Miscellaneous					
	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 229,718	\$ 190,925	\$ 180,892	\$ 161,108	\$ 139,831	\$ 133,619
Contributions in relation to the actuarially determined contributions	\$ 229,718	\$ 190,925	\$ 180,892	\$ 161,108	\$ 139,831	\$ 133,619
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,393,821	\$ 1,247,498	\$ 1,165,740	\$ 1,086,753	\$ 933,496	\$ 1,030,191
Contributions as a percentage of covered payroll	16.48%	15.30%	15.52%	13.30%	10.76%	12.97%

**Notes to Schedule:**

Funding valuation date:	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
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The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2019-2020 were derived from the June 30, 2017 funding valuation report.

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future year's information will be displayed up to 10 years as information becomes applicable

*See accompanying notes*



## Required Supplementary Information

**CACHUMA OPERATION AND MAINTENANCE BOARD  
OTHER POSTEMPLOYMENT BENEFIT PLAN (OPEB)  
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS  
FOR THE YEAR ENDED JUNE 30, 2020  
LAST 10 YEARS\***

	2020	2019	2018
Total OPEB liability:			
Service cost	\$ 99,286	\$ 89,531	\$ 87,135
Interest on the total OPEB liability	186,517	175,856	187,791
Expected versus actual experience	(730,130)	-	-
Changes of assumptions	835,434	238,389	-
Benefit payments	(209,622)	(198,531)	(190,895)
Net change in total OPEB liability	181,485	305,245	84,031
Total OPEB liability - beginning	5,384,212	5,078,967	4,994,936
Total OPEB liability - ending (a)	<u>\$ 5,565,697</u>	<u>\$ 5,384,212</u>	<u>\$ 5,078,967</u>
Fiduciary Net Position			
Employer contributions	\$ 209,622	\$ 198,531	\$ 190,895
Benefit payments	(209,622)	(198,531)	(190,895)
Net change in fiduciary net position	-	-	-
Total fiduciary net position - beginning	-	-	-
Total fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB asset - ending (a) - (b)	\$ 5,565,697	\$ 5,384,212	\$ 5,078,967
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Covered - employee payroll	\$ 1,393,821	\$ 1,268,927	\$ 1,257,371
Net OPEB asset as a percentage of covered payroll	399.31%	424.31%	403.94%
Valuation date	06/30/20	06/30/18	06/30/18
Measurement date	06/30/20	06/30/19	06/30/18

Notes to Schedule:

\* Historical information is required only for measurement periods for which GASB 75 is applicable. Future year's information will be displayed up to 10 years as information becomes applicable.

*See accompanying notes*

## Other Supplementary Information

SUPPLEMENTAL SCHEDULE OF OPERATION AND MAINTENANCE,  
GENERAL AND ADMINISTRATIVE AND OTHER MAINTENANCE EXPENSE

For the Years Ended June 30, 2020 and 2019

	2020	2019
Operation and Maintenance Division		
Operation and Maintenance Expense		
Salaries and benefits	\$ 1,142,555	\$ 811,351
Contract labor	97,465	67,319
Equipment	3,938	6,946
Equipment rental	520	3,796
Materials and supplies	79,232	81,675
Vehicle maintenance	52,239	31,975
Other expenses	40,576	42,949
Total operation and maintenance expense	<u>\$ 1,416,525</u>	<u>\$ 1,046,011</u>
General and Administrative Expense		
Administration salaries	\$ 333,329	\$ 322,029
Accrued wages and vacation	4,606	3,516
Directors fees and expense	9,506	8,117
Legal and audit	39,475	104,000
Liability insurance	6,160	25,987
Health insurance and workers compensation	31,122	3,173
Retirement plan contributions	324,467	295,783
Payroll tax expense	20,463	18,205
Office supplies and expense	44,460	47,585
Administrative travel and conferences	1,076	16
Membership dues	9,957	9,856
Employee training	1,935	595
Public information	1,644	892
Other expenses	24,636	19,624
Total general and administrative expense	<u>\$ 852,836</u>	<u>\$ 859,378</u>
Special Projects		
Flow meter upgrades and SCADA system	\$ 35,133	\$ 3,248
COMB building / grounds repair	7,096	6,022
Intergrated regional water management plan	6,086	5,115
SCC structure rehabilitation	391,030	523,231
SCC lower reach lateral structure	82,879	17,194
SCC Rehabilitation - Thomas Fire Debris Flow	-	15,691
GIS and mapping	6,500	11,641
Cachuma watershed management study	260,760	183,531
Repair lateral 3 structure	-	88,385
SCC Isolation Valve Evaluation	25,756	-
San Jose Creek pipe stabilization	183,223	4,077
ROW management program	10,996	21,523
Rehabilitation - San Antonio Creek	-	73,296
Sycamore Canyon slope stabilization	574,490	54,897
Total special projects	<u>\$ 1,583,949</u>	<u>\$ 1,007,851</u>

See accompanying notes

## Other Supplementary Information

SUPPLEMENTAL SCHEDULE OF OPERATION AND MAINTENANCE, GENERAL  
AND ADMINISTRATIVE AND OTHER MAINTENANCE EXPENSE (CONTINUED)

For the Years Ended June 30, 2020 and 2019

	2020	2019
Fisheries Division		
Operation and Maintenance Expense		
Salaries and benefits	\$ 639,896	\$ 668,278
Contract labor	11,791	12,645
Vehicles and equipment	41,356	29,564
Materials and supplies	11,264	7,732
Other expenses	3,002	2,316
Total operating and maintenance expense	<u>\$ 707,309</u>	<u>\$ 720,535</u>
General and Administrative Expense		
Administration salaries	\$ 303,956	\$ 171,832
Health insurance and workers compensation	16,667	24,784
Retirement plan contributions	2,216	3,268
Payroll tax expense	8,354	9,781
Office supplies and expense	21,165	25,808
Administrative travel and conferences	1,093	1,895
Membership dues	6,227	4,966
Legal and audit	50,839	10,321
Accrued wages and vacation	1,214	1,894
Liability insurance	3,317	13,993
Other expenses	14,325	13,427
Total general and administrative expense	<u>\$ 429,373</u>	<u>\$ 281,969</u>
Fishery Related Projects		
FMP implementation	\$ 10,863	\$ 26,389
GIS and mapping	3,730	4,401
USGS stream gauge program	96,171	96,227
Tri county fish team funding	-	5,000
Oak tree restoration program	18,358	16,591
Total fishery related projects	<u>\$ 129,122</u>	<u>\$ 148,608</u>
Other Habitat Enhancement		
Tributary projects support	1,699	18,262
Total other habitat enhancement	<u>\$ 1,699</u>	<u>\$ 18,262</u>

See accompanying notes

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**STATISTICAL  
SECTION**

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**STATISTICAL SECTION NARRATIVE SUMMARY**

The information in this section is not covered by the Independent Auditor’s Report, but is presented as supplemental data for the benefit of the readers of the comprehensive annual financial report. The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess a government’s economic condition.

	Page
<p><b><u>FINANCIAL TRENDS</u></b></p> <p>These schedules contain trend information to help the reader understand how COMB’s financial performance and well-being have changed over time.</p>	85-91
<p><b><u>DEBT CAPACITY</u></b></p> <p>These schedules present information to help the reader assess the affordability of COMB’s current level of outstanding debt.</p>	92
<p><b><u>ECONOMIC AND DEMOGRAPHIC INFORMATION</u></b></p> <p>These schedules offer economic and demographic indicators to help the reader understand the environment within which COMBs financial activities take place.</p>	93-94
<p><b><u>OPERATING INFORMATION</u></b></p> <p>These schedules contain service and infrastructure data to help the reader understand how the information in COMB’s financial report relates to the activities performed by COMB.</p>	95-104

## Schedule 1

Changes in Net Position and Net Position Component  
Previous Ten Fiscal Years

	2010-11	2011-12	2012-13	2013-14	2014-15
Net position, beginning of year	\$ 535,564	\$ 140,805	\$ (174,886)	\$ 281,811	\$ 372,837
Operating revenues (see schedule 2) <sup>(1)</sup>	2,776,114	7,226,322	5,492,902	5,470,764	5,889,530
Operating expenses (see schedule 3) <sup>(1)</sup>	2,666,332	7,319,732	4,718,750	5,198,460	7,698,633
Depreciation	89,659	108,686	87,680	77,213	58,123
Net operating gain (loss)	20,123	(202,096)	686,472	195,091	(1,867,226)
Non-operating revenues (expenses)					
Non-operating revenues	18,065	511	424	399	1,551
Non-operating expenses	119,395	114,106	109,419	104,464	99,228
Total non-operating revenues (expense):	(101,330)	(113,595)	(108,995)	(104,065)	(97,677)
Change in net position	(81,207)	(315,691)	577,477	91,026	(1,964,903)
Prior Period Adjustment <sup>(2), (3)</sup>	-	-	-	-	(1,357,357)
Amount constructively returned to members	(313,552)	-	(120,780)	-	-
Net position, end of year	\$ 140,805	\$ (174,886)	\$ 281,811	\$ 372,837	\$ (2,949,423)
Invested in capital assets	234,542	243,717	198,875	142,007	199,564
Unrestricted					
Designated to be constructively returned	-	-	82,936	230,830	-
Accumulated earnings (deficit)	(93,737)	(418,603)	-	-	(3,148,987)
Total Net Position	\$ 140,805	\$ (174,886)	\$ 281,811	\$ 372,837	\$ (2,949,423)

## Notes:

- (1) In September 2010, the COMB Board approved a budget adjustment effective January 2011 to transfer from Cachuma Conservation and Release Board the implementation of the Santa Ynez River Fisheries Program as required by the 2000 Biological Opinion.
- (2) In FY 2014-15, COMB implemented GASB Statement No. 68 - Accounting and Financial Reporting for Pensions resulting in a prior period adjustment to establish the Net Pension Liability at June 30, 2014. Note 12 contains further detailed explanation.
- (3) In FY 2017-18, COMB implemented GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions resulting in a prior period adjustment to adjust the Net OPEB Liability at the end of June 30, 2017. Note 13 contains further detailed explanation.

Source: COMB's Annual Audited Financial Statements



Schedule 1 (continued)**Changes in Net Position and Net Position Component  
Previous Ten Fiscal Years**

	2015-16	2016-17	2017-18	2018-19	2019-20
Net position, beginning of year	\$ (2,949,423)	\$ (1,987,863)	\$ (2,217,274)	\$ (6,580,482)	\$ (6,177,407)
Operating revenues (see schedule 2)	7,019,280	6,490,950	3,545,146	6,827,119	6,686,085
Operating expenses (see schedule 3)	5,811,811	6,534,603	3,795,688	6,283,540	6,482,474
Depreciation	72,380	65,118	55,097	56,576	66,068
Net operating gain (loss)	1,135,089	(108,771)	(305,639)	487,003	137,543
Non-operating revenues (expenses)					
Non-operating revenues	2,307	7,072	16,551	31,476	23,405
Non-operating expenses	175,836	127,712	134,132	115,404	92,404
Total non-operating revenues (expense)	(173,529)	(120,640)	(117,581)	(83,928)	(68,999)
Change in net position	961,560	(229,411)	(423,220)	403,075	68,544
Prior Period Adjustment <sup>(2), (3)</sup>	-	-	(3,939,988)	-	-
Amount constructively returned to members	-	-	-	-	-
Net position, end of year	\$ (1,987,863)	\$ (2,217,274)	\$ (6,580,482)	\$ (6,177,407)	\$ (6,108,863)
Invested in capital assets	205,908	147,311	156,918	163,783	184,192
Unrestricted					
Designated to be constructively returned	-	-	-	-	-
Accumulated earnings (deficit)	(2,193,771)	(2,364,585)	(6,737,400)	(6,341,190)	(6,293,055)
Total Net Position	\$ (1,987,863)	\$ (2,217,274)	\$ (6,580,482)	\$ (6,177,407)	\$ (6,108,863)

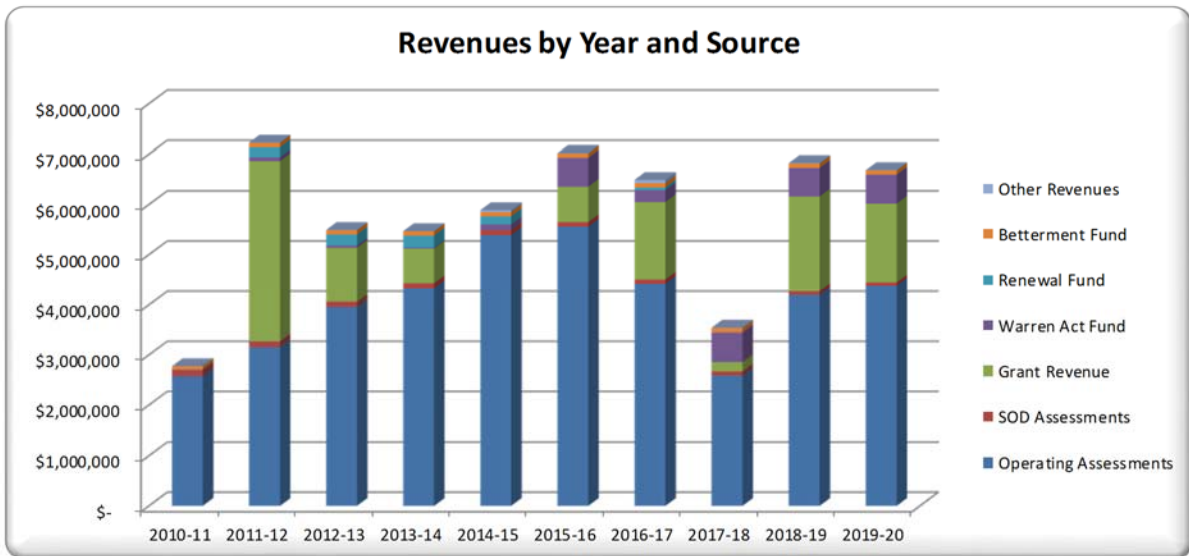
## Notes:

- (1) In September 2010, the COMB Board approved a budget adjustment effective January 2011 to transfer from Cachuma Conservation and Release Board the implementation of the Santa Ynez River Fisheries Program as required by the 2000 Biological Opinion.
- (2) In FY 2014-15, COMB implemented GASB Statement No. 68 - Accounting and Financial Reporting for Pensions resulting in a prior period adjustment to establish the Net Pension Liability at June 30, 2014. Note 12 contains further detailed explanation.
- (3) In FY 2017-18, COMB implemented GASB Statement No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions resulting in a prior period adjustment to adjust the Net OPEB Liability at the end of June 30, 2017. Note 13 contains further detailed explanation.

Source: COMB's Annual Audited Financial Statements

**Schedule 2**  
**Revenues by Source**  
**Previous Ten Fiscal Years**

Fiscal Year	Operating Assessments	SOD Assessments	Grant Revenue	Warren Act Fund	Renewal Fund	Cachuma Project Betterment Fund	Other Revenues	Total Revenues
2010-11 <sup>(1)</sup>	\$ 2,575,914	\$ 119,395	\$ -	\$ 7,231	\$ -	\$ 73,000	\$ 574	\$ 2,776,114
2011-12 <sup>(2)</sup>	3,153,353	114,106	3,595,540	76,884	191,210	90,000	5,229	7,226,322
2012-13	3,955,261	109,419	1,072,139	43,559	219,770	90,004	2,750	5,492,902
2013-14	4,325,615	104,464	689,076	16,555	242,912	90,000	2,142	5,470,764
2014-15	5,389,631	99,228	-	113,434	159,887	90,000	37,350	5,889,530
2015-16	5,556,673	93,692	705,205	571,728	-	90,000	1,982	7,019,280
2016-17	4,415,207	89,479	1,542,476	238,306	52,872	90,000	62,610	6,490,950
2017-18	2,587,215	83,228	186,266	590,019	-	90,000	8,418	3,545,146
2018-19	4,197,066	76,622	1,886,408	569,521	-	90,000	7,502	6,827,119
2019-20	4,376,204	69,640	1,573,172	576,293	-	90,000	777	6,686,085
<b>Total</b>	<b>\$ 45,756,829</b>	<b>\$ 1,210,415</b>	<b>\$ 11,250,282</b>	<b>\$ 2,803,530</b>	<b>\$ 866,651</b>	<b>\$ 883,004</b>	<b>\$ 169,329</b>	<b>\$ 62,940,040</b>
% of Total	72.7%	1.9%	17.9%	4.5%	1.4%	1.4%	0.3%	125.5%



Notes:

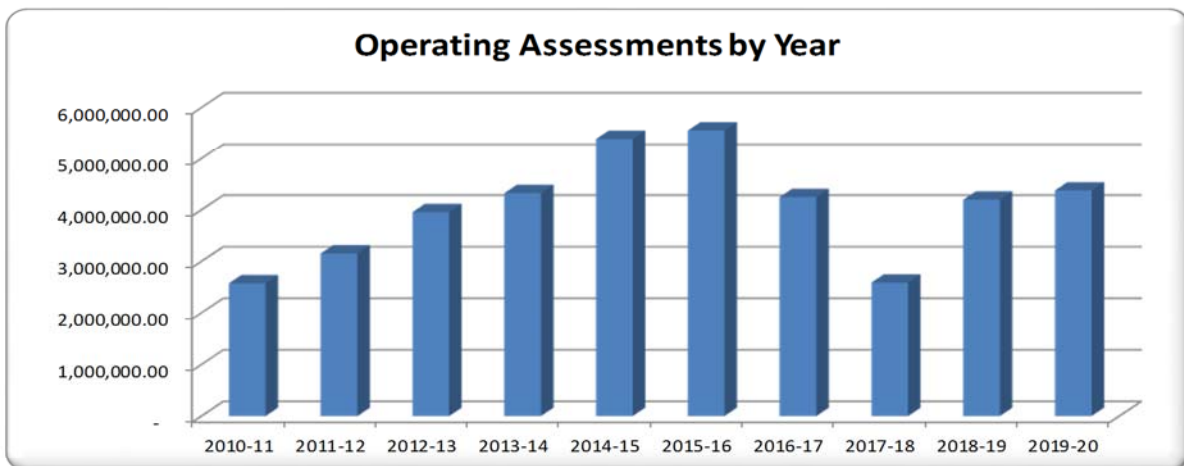
(1) In September 2010, the COMB Board approved a budget adjustment effective January 2011 to transfer from Cachuma Conservation and Release Board the implementation of the Santa Ynez River Fisheries Program as required by the 2000 Biological Opinion.

(2) FY 2011-12 Grant Revenue includes Proposition 50 grant funds affiliated with the construction of the Modified Upper Reach Reliability Project (\$2.9M) and California Department of Fish and Wildlife grant funds affiliated with Quiota Creek Project (\$700k).

Source: COMB's Annual Audited Financial Statements

**Schedule 3**  
**Operating Assessments (Unaudited) <sup>(1)</sup>**  
**Previous Ten Fiscal Years**

Fiscal Year	Goleta Water District	City of Santa Barbara	Carpinteria Valley Water	Montecito Water District	Santa Ynez River Water Conservation District ID No. 1	Total
2010-11	\$ 1,060,922	\$ 828,017	\$ 320,087	\$ 302,887	\$ 64,001	\$ 2,575,914
2011-12	1,222,340	1,068,857	379,184	358,264	124,708	3,153,353
2012-13	1,559,795	1,384,702	472,489	445,550	92,725	3,955,261
2013-14	1,701,748	1,511,073	515,719	486,273	110,802	4,325,615
2014-15 <sup>(2)</sup>	1,415,063	3,025,216	430,371	403,030	115,951	5,389,631
2015-16 <sup>(3),(4)</sup>	2,363,419	1,801,784	716,135	675,334	92,588	5,649,260
2016-17 <sup>(3),(4),(5)</sup>	1,672,907	1,192,299	903,824	479,177	151,424	4,399,631
2017-18 <sup>(5)</sup>	1,181,845	729,668	250,699	339,518	85,484	2,587,215
2018-19 <sup>(5)</sup>	1,850,921	1,323,609	452,646	529,872	40,017	4,197,066
2019-20	1,919,558	1,384,576	470,513	546,386	55,170	4,376,202



Notes:

- (1) Amounts reported exclude Safety of Dams (SOD) assessments.
- (2) In July 2014, COMB entered into two notes payable agreements with American Riviera Bank to finance the Emergency Pumping Facilities Project on behalf of Goleta Water District, Carpinteria Water District, and Montecito Water District. The City of Santa Barbara elected to fund its proportionate share (\$1.8M) of the project cost through their quarterly operating assessments.
- (3) On May 27, 2016, Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1) notified the COMB Board of its stated intent to unilaterally withdraw from the JPA Agreement. A Separation Agreement was entered into by ID No. 1, COMB and the South Coast Member Units and approved by all parties effective August 28, 2018. Pursuant to the Separation Agreement, starting in Fiscal Year 2017-18 and going forward, certain actual expenditures related to the 2000 BiOp and Oak Tree Mitigation activities incurred by COMB will be collected from ID No. 1 through an invoice issued quarterly to it by COMB.
- (4) Assessments for SYRWCD are recorded at gross amount billed for FY 2015-16, 2016-17 and 2017-18. See Note #2 above.
- (5) Amount reported is net of Unexpended Funds Credit resulting from current year unexpended funds and carryover funds for project expenditures delayed or placed on hold.

Source: COMB's Annual Approved Operating Budget

## Schedule 4

Operating Expenses  
Previous Ten Fiscal Years

	2010-11	2011-12	2012-13	2013-14	2014-15
Operating Expenses					
Operation and maintenance division					
Operation and maintenance	\$ 908,181	\$ 961,860	\$ 919,100	\$ 831,722	\$ 809,837
General and administrative	708,353	768,698	950,851	971,094	1,076,051
South Coast Conduit MURRP <sup>(1)</sup>	67,868	3,463,797	925,951	-	-
Drought Contingency Planning <sup>(2)</sup>	-	-	-	307,649	-
Emergency pumping facility project <sup>(3)</sup>	-	-	-	1,138,483	4,149,098
Special projects	374,254	379,212	88,191	68,522	425,804
Sub Total	2,058,656	5,573,567	2,884,093	3,317,470	6,460,790
Fisheries Division <sup>(4)</sup>					
Operations and maintenance	236,580	468,355	475,717	524,767	539,134
General and administrative	72,826	266,663	331,226	343,852	346,347
Fishery related projects	180,439	252,864	178,660	123,248	224,563
Quiota Creek crossing habitat enhancement	-	729,317	771,070	799,225	122,541
Other habitat enhancement	70,874	28,966	77,984	89,898	5,258
Sub Total	560,719	1,746,165	1,834,657	1,880,990	1,237,843
Jesusita Fire Damage <sup>(5)</sup>	46,957	-	-	-	-
Depreciation	89,659	108,686	87,680	77,213	58,123
Total Operating Expenses	\$ 2,755,991	\$ 7,428,418	\$ 4,806,430	\$ 5,275,673	\$ 7,756,756

## Notes:

- (1) South Coast Conduit MURRP - represents capital improvement costs associated with pipeline improvements, the replacement of rehabilitation of certain infrastructure facilities for the portion of the South Coast Conduit between the South Portal of the Tecolote Tunnel and the Corona Del Mar Treatment Plant.
- (2) Drought Contingency Planning includes costs to develop an alternate method of delivering water into the North Portal Intake Tower due to decreasing lake levels associated with a drought condition.
- (3) Emergency Pumping Facility Project (EPFP) includes costs associated with design, build, operation and maintenance of a temporary pumping barge and pipeline to convey water from the Lake during ongoing drought conditions and low lake levels. In February 2017, the EPFP was demobilized following a significant rain event which raised the lake level to over 50% capacity. Key components of the EPFP have been purchased and stored should it become necessary to remobilize in the future.
- (4) In September 2010, the COMB Board approved a budget adjustment effective January 2011 to transfer from Cachuma Conservation and Release Board the implementation of the Santa Ynez River Fisheries Program as required by the 2000 Biological Opinion.
- (5) Jesusita Fire Damage includes costs associated with the Lauro Reservoir Restoration Project following the Jesusita Fire.

Source: COMB's Annual Audited Financial Statements

Schedule 4 (Cont'd)**Operating Expenses****Previous Ten Fiscal Years**

	2015-16	2016-17	2017-18	2018-19	2019-20
Operating Expenses					
Operation and maintenance division					
Operation and maintenance	\$ 761,405	\$ 883,276	\$ 844,066	\$ 1,046,011	\$ 1,416,525
General and administrative	725,474	826,355	845,091	859,378	852,836
South Coast Conduit MURRP <sup>(1)</sup>	-	-	-	-	-
Drought Contingency Planning <sup>(2)</sup>	-	-	-	-	-
Emergency pumping facility project <sup>(3)</sup>	2,158,739	1,800,628	160,123	109,939	162,204
Special projects	172,632	185,430	441,017	1,007,851	1,583,949
Sub Total	3,818,250	3,695,689	2,290,297	3,023,179	4,015,514
Fisheries Division <sup>(4)</sup>					
Operations and maintenance	541,421	635,954	660,930	720,535	707,309
General and administrative	302,705	309,613	347,902	281,969	429,373
Fishery related projects	199,330	165,167	173,489	148,608	129,122
Quiota Creek crossing habitat enhancement	950,105	1,704,571	299,950	2,090,987	1,199,457
Other habitat enhancement	-	23,609	23,120	18,262	1,699
Sub Total	1,993,561	2,838,914	1,505,391	3,260,361	2,466,960
Jesusita Fire Damage <sup>(5)</sup>	-	-	-	-	-
Depreciation	72,380	65,118	55,097	56,576	66,068
Total Operating Expenses	\$ 5,884,191	\$ 6,599,721	\$ 3,850,785	\$ 6,340,116	\$ 6,548,542

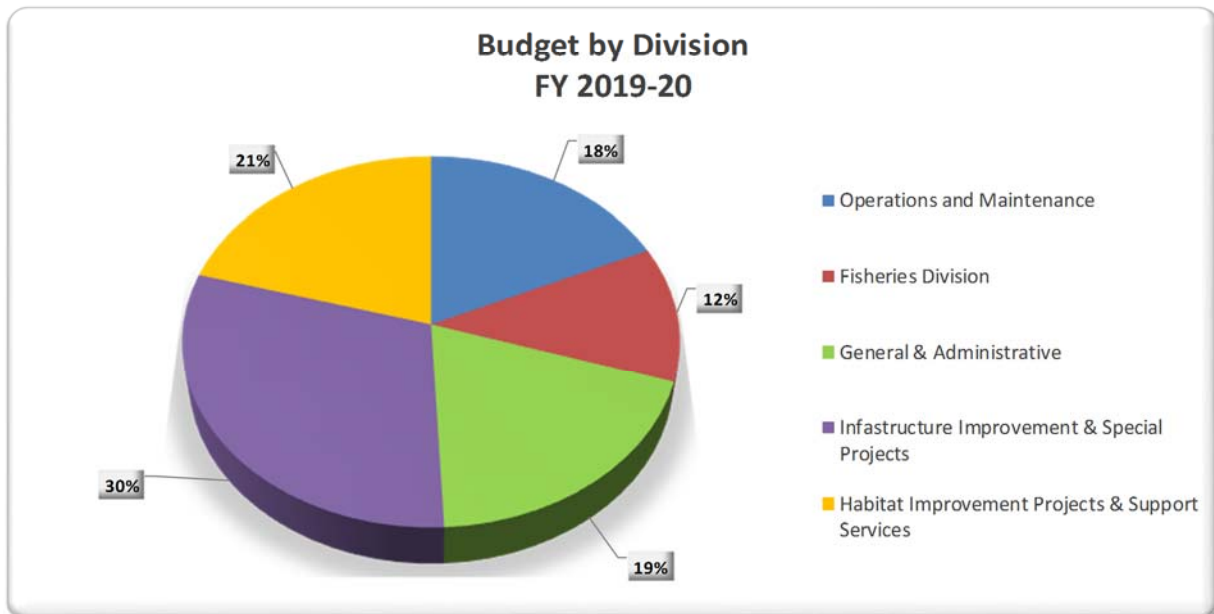
## Notes:

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- (2) Drought Contingency Planning includes costs to develop an alternate method of delivering water into the North Portal Intake Tower due to decreasing lake levels associated with a drought condition.
- (3) Emergency Pumping Facility Project (EPFP) includes costs associated with design, build, operation and maintenance of a temporary pumping barge and pipeline to convey water from the Lake during ongoing drought conditions and low lake levels. In February 2017, the EPFP was demobilized following a significant rain event which raised the lake level to over 50% capacity. Key components of the EPFP have been purchased and stored should it become necessary to remobilize in the future.
- (4) In September 2010, the COMB Board approved a budget adjustment effective January 2011 to transfer from Cachuma Conservation and Release Board the implementation of the Santa Ynez River Fisheries Program as required by the 2000 Biological Opinion.
- (5) Jesusita Fire Damage includes costs associated with the Lauro Reservoir Restoration Project following the Jesusita Fire.

Source: COMB's Annual Audited Financial Statements

**Schedule 5**  
**Budget History by Division**  
**Previous Ten Fiscal Years**

Fiscal Year	Operations and Maintenance	Fisheries Division	General and Administrative	Infrastructure Improvement & Special Projects	Habitat Improvement Projects & Support	Total
2010-11	\$ 1,035,762	\$ 658,208	\$ 1,041,126	\$ 307,500	\$ 594,000	\$ 3,636,596
2011-12	1,082,717	497,162	1,061,863	1,627,175	1,153,001	5,421,918
2012-13	1,033,944	501,193	1,103,289	3,349,500	1,167,000	7,154,926
2013-14	1,032,947	635,559	1,205,754	481,270	1,088,000	4,443,530
2014-15	1,059,736	634,641	1,315,450	5,454,000	447,000	8,910,827
2015-16	1,100,197	632,994	1,234,251	3,689,250	2,132,000	8,788,693
2016-17	1,097,375	691,118	1,082,056	2,561,250	2,283,000	7,714,799
2017-18	1,062,108	753,374	1,139,848	1,020,000	1,343,000	5,318,330
2018-19	1,101,747	763,409	1,191,679	2,116,400	2,349,996	7,523,231
2019-20	1,227,664	800,515	1,303,471	2,045,327	1,390,000	6,766,977

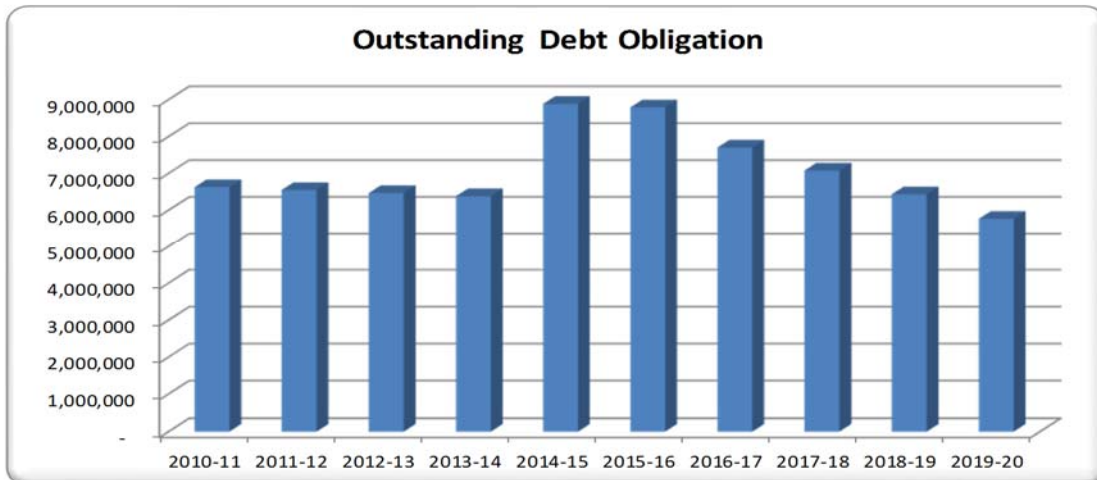


Source: COMB's Annual Approved Operating Budget

Schedule 6

Outstanding Debt  
Previous Ten Fiscal Years

Fiscal Year	Bradbury SOD Act <sup>(1)</sup>	Lauro SOD Act <sup>(2)</sup>	Note Payable EPFP <sup>(3)</sup>	Total
2010-11	\$ 5,623,582	\$ 1,004,607	\$ -	\$ 6,628,189
2011-12	5,557,254	994,463	-	6,551,717
2012-13	5,487,042	981,823	-	6,468,865
2013-14	5,412,719	968,607	-	6,381,326
2014-15	5,334,043	954,789	2,601,317	8,890,149
2015-16	5,250,760	940,342	2,601,317	8,792,419
2016-17	5,065,822	894,904	1,742,137	7,702,863
2017-18	4,875,721	865,428	1,339,678	7,080,827
2018-19	4,680,144	835,169	921,683	6,436,997
2019-20	4,478,793	804,089	487,584	5,770,466



Notes:

(1) **Bradbury SOD Act**- A repayment contract with U.S. Bureau of Reclamation (USBR) whereas COMB will reimburse USBR for fifteen (15%) of the total Safety of Funds Act funds expended to preserve the structural integrity of Bradbury Dam and related Cachuma Project facilities.

(2) **Lauro SOD Act** - A repayment contract with U.S. Bureau of Reclamation (USBR) whereas COMB will reimburse USBR for fifteen (15%) of the total Safety of Funds Act funds expended to preserve the structural integrity of Lauro Dam and reservoir.

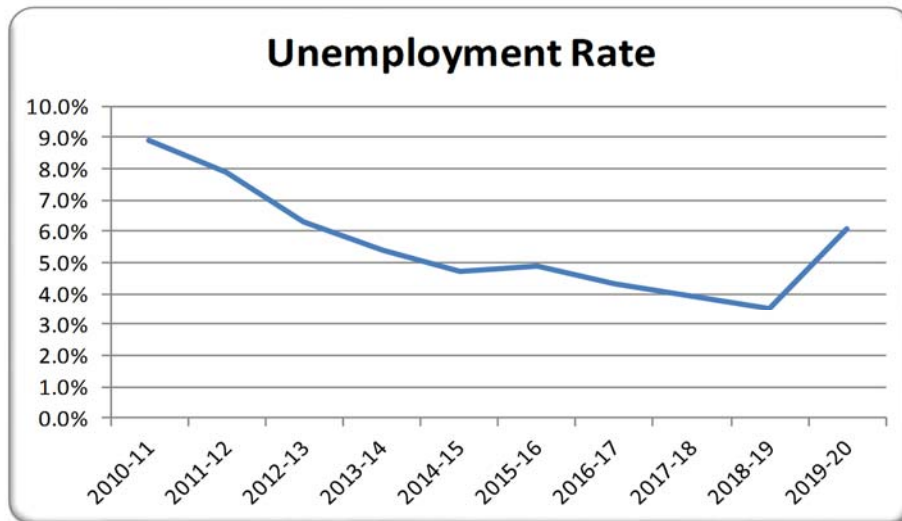
(3) **Notes Payable EPFP** - A notes payable agreement with American Riviera bank to finance the Emergency Pumping Facilities Project on behalf of Goleta Water District, Carpinteria Water District, and Montecito Water District.

Source: COMB's Annual Audited Financial Statements

Schedule 7

**Economic and Demographics Statistics  
County of Santa Barbara**

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (in thousands)</u>	<u>Personal Income (per Capita)</u>	<u>Average Unemployment Rate</u>
2010-11	426,189	\$ 19,000,000	\$ 44,581	8.9%
2011-12	427,267	19,000,000	44,469	7.9%
2012-13	429,200	19,300,000	44,967	6.3%
2013-14	433,398	20,600,000	47,531	5.4%
2014-15	437,643	21,700,000	49,584	4.7%
2015-16	446,717	22,300,000	49,920	4.9%
2016-17	450,663	24,200,000	53,699	4.3%
2017-18	453,457	25,000,000	55,132	3.9%
2018-19	454,593	26,600,000	58,514	3.5%
2019-20	451,840	28,000,000	61,969	6.1%



Source: County of Santa Barbara



Schedule 8

## Economic and Demographics Statistics

## County of Santa Barbara

Top Ten Largest Employers - FYE 2020 and FY 2010As of June 30, 2020

Company or Organization	Jobs	Percent of Total County
University of California, Santa Barbara	4,300	2.3%
County of Santa Barbara	4,255	2.3%
Cottage Health System	3,245	1.8%
Vandenberg Air Force Base	2,500	1.4%
Marian Regional Medical Center	2,170	1.2%
Chumash Casino Resort	2,000	1.1%
Santa Maria-Bonita School District	1,400	0.8%
Santa Barbara Unified School District	1,200	0.7%
Sansum Clinic	1,200	0.7%
Santa Barbara City College	1,193	0.6%
Total ten largest	23,463	12.7%
Total all other	161,127	87.3%
Total companies or organizations	184,590	100.0%

As of June 30, 2010

Company or Organization	Jobs	Percent of Total County
Vandenberg Air Force Base	6,330	3.1%
University of California, Santa Barbara	6,230	3.1%
County of Santa Barbara	4,025	2.0%
Santa Barbara Unified School District	2,500	1.2%
Santa Barbara Cottage Hospital	2,468	1.2%
Santa Barbara City College	2,281	1.1%
Santa Maria-Bonita School District	1,886	0.9%
U.S. Postal Office	1,881	0.9%
City of Santa Barbara	1,687	0.8%
Chumash Casino Resort	1,500	0.7%
Total ten largest	30,788	15.3%
Total all other	171,912	84.7%
Total companies or organizations	202,700	100.0%

Source: County of Santa Barbara

Schedule 9

Miscellaneous Statistical Information

Cachuma Operation and Maintenance Board (COMB)

Form of government	Joint Powers Authority
Date of organization	January 1, 1957
Number of Full Time Staff	15
Lake Cachuma maximum storage (acre feet)	193,305
Tecolote Tunnel (miles)	6
South Coast Conduit (SCC) pipeline (miles)	26
SCC design capacity	45 million gallons per day
Number of reservoirs	4
Number of Structures Maintained	220
Number of Meters Maintained	28

COMB Member Agencies <sup>(1)</sup>

<u>COMB Member Agency</u>	<u>COMB Board Representation</u>
Goleta Water District	2 Votes
City of Santa Barbara	2 Votes
Montecito Water District	1 Vote
Carpinteria Valley Water District	1 Vote
Total	<u>6 Votes</u>

Cachuma Project Water Entitlement <sup>(1)</sup>

<u>Cachuma Project Member Unit</u>	<u>Entitlement (%)</u>	<u>Entitlement (AFY)</u>
Goleta Water District	36.25%	9,322
City of Santa Barbara	32.19%	8,277
Carpinteria Valley Water District	10.94%	2,813
Montecito Water District	10.31%	2,651
SYRWater Conservation District, ID No. 1	10.31%	2,651
Total Cachuma Project Allocation	<u>100.00%</u>	<u>25,714</u>

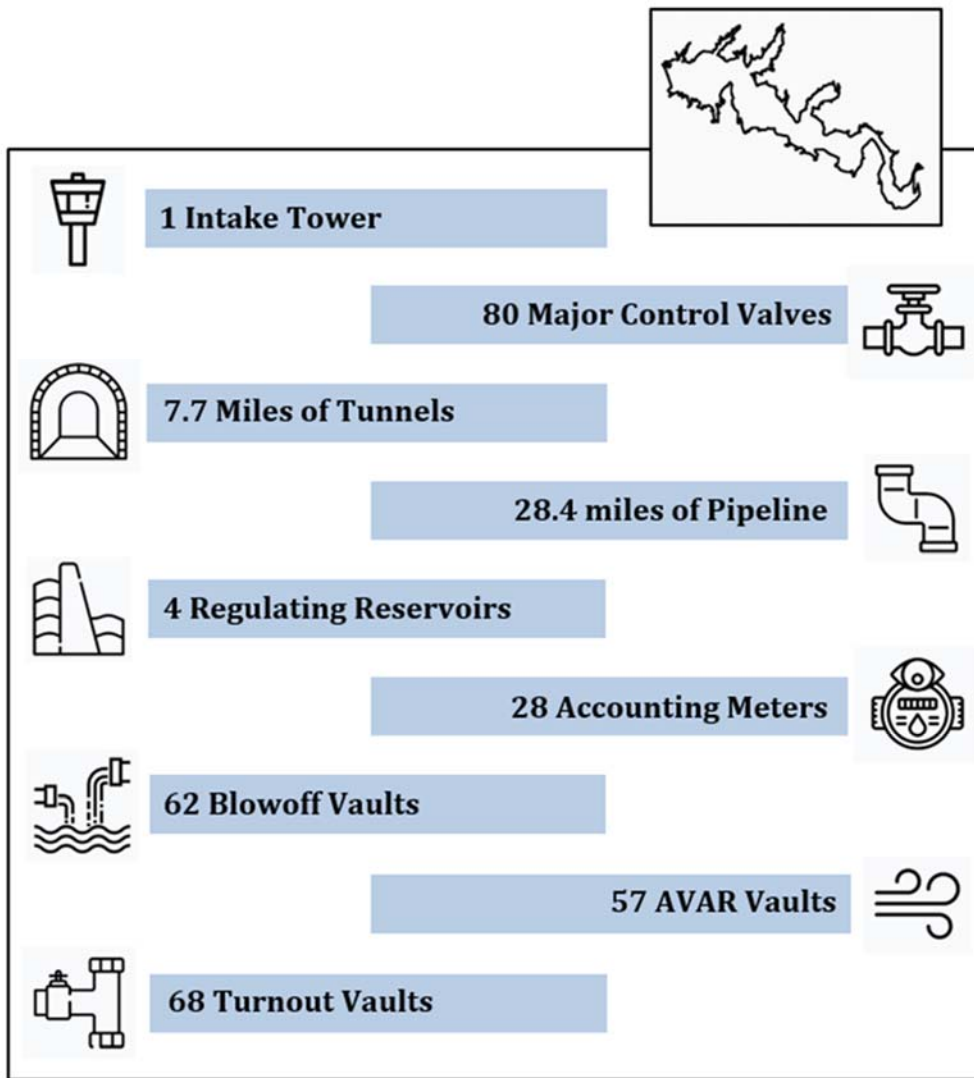
AFY - Acre feet per year

(1) On May 27, 2016, Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1) notified the COMB Board of its stated intent to unilaterally withdraw from the JPA Agreement. A Separation Agreement was entered into by ID No. 1, COMB and the COMB Member Agencies and approved by all parties effective August 28, 2018. ID No. 1 continues to be a member of the Cachuma Project which carries certain benefits and obligations associated with the Project as outlined in various agreements.

Schedule 10

**COMB Managed Assets**

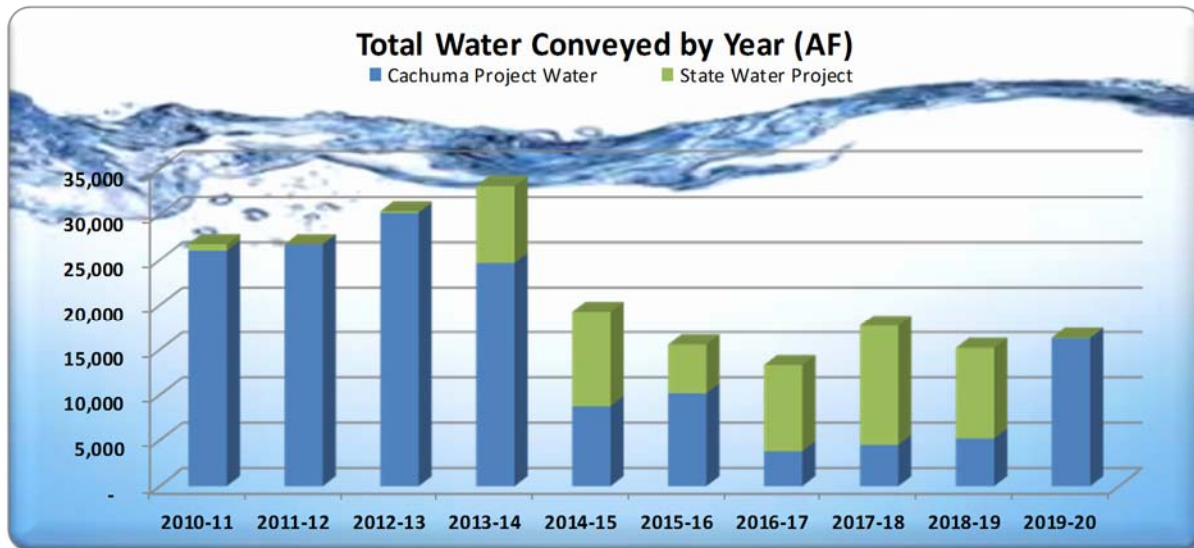
COMB, through a Transferred Project Works contract, is responsible for operating and maintaining the USBR facilities. COMB operates and maintains the Cachuma Project critical infrastructure assets that include the North Portal, Tecolote Tunnel, South Coast Conduit, Sheffield Tunnel, and Glen Anne, Lauro, Ortega, and Carpinteria Reservoir locations.



Schedule 11

**Total Water Conveyed by Source Via South Coast Conduit (Acre Feet)  
Previous Ten Fiscal Years**

Fiscal Year	Cachuma Project Deliveries <sup>(1)</sup>	State Water Project Deliveries <sup>(1),(2)</sup>	Total
2010-11	26,026	718	26,744
2011-12	26,732	-	26,732
2012-13	30,180	193	30,373
2013-14	24,674	8,483	33,157
2014-15	8,750	10,506	19,256
2015-16	10,174	5,391	15,565
2016-17	3,787	9,519	13,306
2017-18	4,484	13,204	17,688
2018-19	5,192	10,008	15,201
2019-20	16,282	52	16,334



Notes:

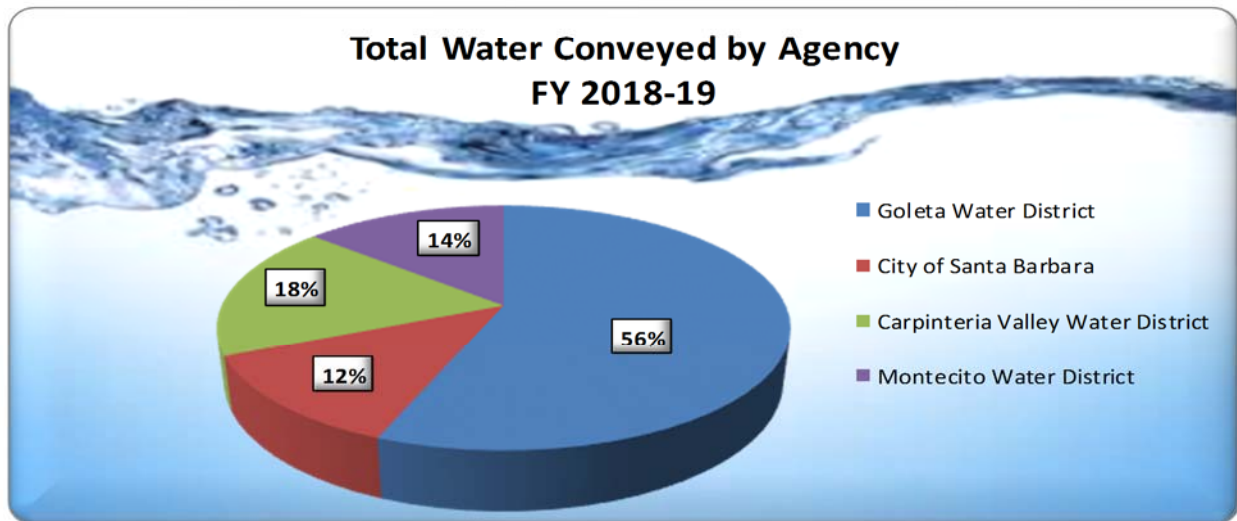
- (1) Reported in Acre Feet. One Acre Feet = 325,851 Gallons of Water
- (2) State Water Project deliveries includes both Table A Water and Supplemental Water Purchases.
- (3) Starting with Water Year 2014-15 (Oct-Sep), the annual Cachuma Project water allocation was reduced to 45% due to ongoing drought conditions and low lake level. Subsequent annual allocations were as follows: WY 2015-16 (0%), WY 2016-17 (40%), WY2017-18 (40%), WY 2018-19 and after (100%).

Source: Cachuma Monthly Water Reports

Schedule 12

**Total Water Conveyed by Agency Via South Coast Conduit (Acre Feet) <sup>(1),(2),(3)</sup>**  
**Previous Ten Fiscal Years**

Fiscal Year	Goleta Water District	City of Santa Barbara	Carpinteria Valley Water District	Montecito Water District	Total
2010-11	11,456	9,082	3,100	3,106	26,744
2011-12	11,842	8,356	3,147	3,387	26,732
2012-13	11,789	10,409	3,647	4,528	30,373
2013-14	11,593	12,655	4,335	4,574	33,157
2014-15	7,296	7,684	1,855	2,421	19,256
2015-16	5,037	6,513	1,209	2,807	15,565
2016-17	4,949	3,940	1,916	2,501	13,306
2017-18	7,782	4,108	2,533	3,264	17,688
2018-19	7,330	3,051	2,212	2,608	15,201
2019-20	9,152	2,031	2,919	2,233	16,334



Notes:

(1) Reported in Acre Feet. One Acre Feet = 325,851 Gallons of Water

(2) Includes Cachuma Project and State Water Project [Table A Water] and Supplemental Water Purchases

(3) Santa Ynez River Water Conservation District, ID No. 1 receives its Project allocation through a State Water Project exchange agreement.

(4) Starting with Water Year 2014-15 (Oct-Sep), the annual Cachuma Project water allocation was reduced to 45% due to ongoing drought conditions and low lake level. Subsequent annual allocations were as follows: WY 2015-16 (0%), WY 2016-17 (40%), WY 2017-18 (40%), WY 2018-19 and after (100%).

Source: Cachuma Monthly Water Reports

**Schedule 13**

**COMB Member Agency: Goleta Water District**  
Operating and Financial Statistics



**Historic Water Connections and Sales Revenue**

Fiscal Year	Connections	Water Sales	Water Deliveries (Acre Feet)
2009-10	16,346	\$ 16,493,699	12,971
2010-11	16,401	15,672,687	12,161
2011-12	16,295	18,668,008	12,275
2012-13	16,518	22,171,254	13,923
2013-14	16,542	24,005,806	14,884
2014-15	16,441	19,988,107	11,883
2015-16	16,474	29,771,141	10,773
2016-17	16,561	28,532,348	9,659
2017-18	16,578	33,222,142	10,799
2018-19	16,725	29,319,499	9,631

**Top Ten Largest Customers**  
**Fiscal Year 2018-19**

Customer	Water Usage (Acre Feet)	Annual Payments
Public institution	953	\$ 3,323,236
Private grower	442	875,056
Private business	214	315,496
Private business	208	416,858
Public institution	163	713,954
Private business	123	492,341
Private grower	120	253,528
Private grower	120	211,679
Private business	83	367,172
Public institution	77	388,070
<b>Total</b>	<b>2,503</b>	<b>\$ 7,357,392</b>

Source: Goleta Water District's Annual Disclosure Report

**Operating Income by Year**

Fiscal Year	Operating Revenue	Operating Expenses	Depreciation and Amortization	Operating Income	COMB Operating Assessment	
					Amount Assessed	% of Operating Revenue
2009-10	\$ 23,875,390	\$ 22,829,750	\$ 4,639,138	\$ (3,593,498)	\$ 683,652	2.9%
2010-11	22,975,387	19,107,945	4,640,497	(773,055)	1,060,922	4.6%
2011-12	27,136,533	21,051,673	4,230,480	1,854,380	1,222,340	4.5%
2012-13	31,475,922	22,431,761	4,291,712	4,752,449	1,559,795	5.0%
2013-14	33,868,570	26,209,042	4,387,462	3,272,066	1,701,748	5.0%
2014-15	29,884,003	25,897,182	4,154,508	(167,687)	1,415,063	4.7%
2015-16	38,876,872	29,820,487	4,384,529	4,671,856	2,363,419	6.1%
2016-17	37,807,585	33,407,576	4,834,866	(434,857)	1,672,907	4.4%
2017-18	43,161,166	27,750,020	5,335,807	10,075,339	1,181,845	2.7%
2018-19	39,853,124	38,045,673	5,354,910	(3,547,459)	1,850,921	4.6%

Source: Goleta Water District's Comprehensive Audited Financial Report

**Schedule 14**

**COMB Member Agency: City of Santa Barbara (Water Agency)  
Operating and Financial Statistics**



**Historic Water Connections and Sales Revenues**

Fiscal Year	Connections	Water Sales	Water Deliveries (Acre Feet)
2009-10	26,504	\$ 28,163,162	13,428
2010-11	26,761	27,181,923	13,284
2011-12	26,649	29,992,081	13,949
2012-13	26,797	32,683,467	14,366
2013-14	26,919	33,296,287	14,218
2014-15	26,921	31,512,114	10,775
2015-16	26,988	41,433,002	9,935
2016-17	27,111	46,187,721	9,009
2017-18	27,191	52,356,068	9,918
2018-19	27,280	48,959,080	9,201

**Top Ten Largest Customers  
Fiscal Year 2018-19**

Customer	Water Usage (Acre Feet)	Annual Payments
Santa Barbara Unified School	74	\$ 408,467
Dario Pini	55	313,098
Santa Barbara Housing Authority	56	298,674
City of Santa Barbara - Parks	57	269,919
Santa Barbara Cottage Hospital	40	260,606
Santa Barbara Community College	32	258,441
Hilton S.B. Beachfront Resort	53	219,473
S.B. Highlans HOA Miramonte	36	162,856
Transition House	18	150,492
Mission Linen Supply	43	145,845
<b>Total</b>	<b>464</b>	<b>\$ 2,487,871</b>

Source: City of Santa Barbara's Annual Disclosure Report

**Operating Income by Year**

Fiscal Year	Operating Revenue	Operating Expenses	Depreciation and Amortization	Operating Income	COMB Operating Assessment	
					Amount Assessed	% of Operating Revenue
2009-10	\$ 32,359,324	\$ 22,601,074	\$ 6,311,601	\$ 3,446,649	\$ 606,375	1.9%
2010-11	31,158,324	21,996,149	6,458,709	2,703,466	828,017	2.7%
2011-12	36,264,961	21,912,137	6,559,738	7,793,086	1,068,857	2.9%
2012-13	38,171,567	23,577,521	6,877,890	7,716,156	1,384,702	3.6%
2013-14	36,485,258	27,674,540	6,147,740	2,662,978	1,511,073	4.1%
2014-15	34,904,018	31,823,469	6,212,153	(3,131,604)	3,025,216	8.7%
2015-16	45,268,312	27,096,809	6,922,670	11,248,833	1,801,784	4.0%
2016-17	52,079,204	28,869,221	6,834,563	16,375,420	1,192,299	2.3%
2017-18	57,233,749	34,798,396	8,137,922	14,297,431	729,668	1.3%
2018-19	55,383,611	40,004,358	9,309,100	6,070,153	1,323,609	2.4%

Source: City of Santa Barbara's Comprehensive Annual Financial Report - Water Agency Only

**Schedule 15**

**COMB Member Agency: Carpinteria Valley Water District  
Operating and Financial Statistics**



**Historic Water Connections and Sales Revenues**

Fiscal Year	Connections	Water Sales	Water Deliveries (Acre Feet)
2009-10	4,326	\$ 10,089,936	3,825
2010-11	4,322	10,101,197	3,599
2011-12	4,339	10,575,216	3,871
2012-13	4,441	10,798,634	4,352
2013-14	4,444	11,229,175	4,551
2014-15	4,485	11,031,043	3,728
2015-16	4,501	12,023,205	3,604
2016-17	4,503	12,457,730	3,395
2017-18	4,506	12,776,055	3,870
2018-19	4,506	12,744,079	3,413

**Top Ten Largest Customers  
Fiscal Year 2018-19**

Customer	Water Usage (Acre Feet)	Annual Payments
Circle G.	137	\$ 148,158
Schaff, Victor	48	46,288
Casistas Village Home Assn.	45	286,930
Cate School	43	105,883
Villa Del Mar HOA	41	251,416
Sandpiper Village	40	253,881
City of Carpinteria	30	117,811
Van Wingerden, William	28	30,010
Norman, Francis	27	27,221
Roberts Ranch	27	25,433
Total	465	\$ 1,293,031

Source: Carpinteria Valley Water District's Annual Disclosure Report

**Operating Income by Year**

Fiscal Year	Operating Revenue	Operating Expenses	Depreciation and Amortization	Operating Income	COMB Operating Assessment	
					Amount Assessed	% of Operating Revenue
2009-10	\$ 10,431,187	\$ 7,304,093	\$ 1,965,499	\$ 1,161,595	\$ 206,603	2.0%
2010-11	10,266,100	7,913,220	1,837,807	515,073	320,087	3.1%
2011-12	11,180,994	7,995,513	1,776,993	1,408,488	379,184	3.4%
2012-13	12,004,241	7,890,100	1,691,401	2,422,740	472,489	3.9%
2013-14	12,135,216	8,721,459	1,814,851	1,598,906	515,719	4.2%
2014-15	11,208,421	8,552,192	2,014,314	641,915	430,371	3.8%
2015-16	12,418,906	9,673,251	2,040,171	705,484	716,135	5.8%
2016-17	12,651,107	8,746,861	2,076,141	1,828,105	903,824	7.1%
2017-18	13,162,286	9,635,300	2,226,888	1,300,098	250,699	1.9%
2018-19	14,043,938	10,679,194	2,422,099	942,645	452,646	3.2%

Source: Carpinteria Valley Water District's Audited Financial Report



**Schedule 16**

**COMB Member Agency: Montecito Water District  
Operating and Financial Statistics**

Historic Water Connections and Sales Revenues



Fiscal Year	Connections	Water Sales	Water Deliveries (Acre Feet)
2009-10	4558	\$ 9,429,322	5,274
2010-11	4575	8,401,945	4,715
2011-12	4577	9,345,967	5,302
2012-13	4585	10,573,025	5,945
2013-14	4597	11,260,539	5,775
2014-15	4593	6,752,280	3,331
2015-16	4601	7,652,442	3,440
2016-17	4602	7,470,909	3,127
2017-18	4604	8,925,156	3,783
2018-19	4619	8,380,077	3,424

**Top Ten Largest Customers  
Fiscal Year 2018-19**

Customer	Water Usage (Acre Feet)	Annual Payments
Resort Hotel	89	\$ 397,113
Agriculture	73	225,131
Agriculture	54	157,803
Golf Club	53	243,444
Private College	44	201,914
Golf Club	38	195,071
Agriculture	29	89,754
Resort Hotel	24	88,060
Non-potable	24	18,740
Single Family Home	22	99,185
<b>Total</b>	<b>450</b>	<b>\$ 1,716,215</b>

Source: Montecito Water District's Annual Disclosure Report

Operating Income by Year

Fiscal Year	Operating Revenue	Operating Expenses	Depreciation and Amortization	Operating Income	COMB Operating Assessment	
					Amount Assessed	% of Operating Revenue
2009-10	\$ 12,821,314	\$ 11,010,188	\$ 1,499,637	\$ 311,489	\$ 194,913	1.5%
2010-11	11,786,504	10,699,323	1,834,008	(746,827)	302,887	2.6%
2011-12	12,739,111	10,981,413	1,800,870	(43,172)	358,264	2.8%
2012-13	13,965,538	10,944,473	2,451,304	569,761	445,550	3.2%
2013-14	16,557,720	13,892,389	1,230,954	1,434,377	486,273	2.9%
2014-15	14,992,036	14,264,988	1,202,407	(475,359)	403,030	2.7%
2015-16	20,063,580	14,786,806	1,187,824	4,088,950	675,334	3.4%
2016-17	18,583,907	13,251,900	1,227,523	4,104,484	479,177	2.6%
2017-18	18,541,652	14,537,109	1,246,226	2,758,317	339,518	1.8%
2018-19	17,943,599	15,553,982	1,183,710	1,205,907	529,872	3.0%

Source: Montecito Water District's Annual Audited Financial Report

**Schedule 17**

**Non-Member Agency: Santa Ynez River Conservation  
Water District, Improvement District No. 1  
Operating and Financial Statistics**



**Historic Water Connections and Sales Revenues**

Fiscal Year	Connections	Water Sales	Water Deliveries (Acre Feet)
2009-10	2579	\$ 5,096,678	5,416
2010-11	2519	5,009,463	5,255
2011-12	2515	5,371,780	5,260
2012-13	2598	5,531,585	5,371
2013-14	2624	6,889,450	5,358
2014-15	2618	6,157,964	4,341
2015-16	2664	5,868,155	3,712
2016-17	2672	6,367,009	3,511
2017-18	2692	7,798,410	3,817
2018-19	2709	7,671,886	3,323

**Top Ten Largest Customers  
Fiscal Year 2018-19**

Customer	Water Usage (Acre Feet)	Annual Payments
Private Agriculture	115	\$ 57,861
Private Agriculture	86	46,600
Private Agriculture	82	42,337
Public Agency	56	239,342
Private Agriculture	53	27,143
Private Agriculture	24	11,271
Private Agriculture	23	10,851
Private Agriculture	17	7,529
Private Agriculture	16	7,280
Private Agriculture	14	6,841
<b>Total</b>	<b>486</b>	<b>\$ 457,055</b>

Source: Santa Ynez River Water Conservation District, ID No. 1 Annual Disclosure Report

**Operating Income by Year**

Fiscal Year	Operating Revenue	Operating Expenses	Depreciation and Amortization	Operating Income	COMB Operating Assessment	
					Amount Assessed	% of Operating Revenue
2009-10	\$ 7,894,489	\$ 7,245,293	\$ 690,573	\$ (41,377)	\$ 24,734	0.3%
2010-11	7,895,288	7,146,349	689,034	59,905	64,001	0.8%
2011-12	8,088,117	7,420,174	685,413	(17,470)	124,708	1.5%
2012-13	8,145,932	7,516,875	691,004	(61,947)	92,725	1.1%
2013-14	10,415,420	9,405,397	654,274	355,749	110,802	1.1%
2014-15	9,461,859	9,386,204	691,805	(616,150)	115,951	1.2%
2015-16	9,607,115	8,609,041	696,014	302,060	92,588	1.0%
2016-17	8,942,010	8,191,509	691,373	59,128	151,424	1.7%
2017-18	10,556,856	8,434,789	702,161	1,419,906	85,484	0.8%
2018-19	11,045,677	8,617,702	725,535	1,702,440	40,017	0.4%

Source: Santa Ynez River Water Conservation District, ID No. 1 Audited Financial Report

1) On May 27, 2016, Santa Ynez River Water Conservation District, Improvement District No. 1 (ID No. 1) notified the COMB Board of its stated intent to unilaterally withdraw from the JPA Agreement. A Separation Agreement was entered into by ID No. 1, COMB and the COMB Member Agencies and approved by all parties effective August 28, 2018. ID No. 1 continues to be a member of the Cachuma Project which carries certain benefits and obligations associated with the Project as outlined in various agreements.

Schedule 18

Schedule of Insurance <sup>(1)</sup>

Valued at June 30, 2020

Company	Policy Period	Insurance Type	Pooled Coverage Limits	Coverages
ACWA Joint Powers Authority	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability JPIA pooled layer
Safety National Casualty Corporations	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability Umbrella Policy
Market Global Reinsurance Company/Great American Insurance Company	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 10,000,000	Liability Umbrella Policy
Everest Reinsurance Company	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability Umbrella Policy
Lloyd's of London (Brit Syndicate 2987)	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability Umbrella Policy
Great American E&S Insurance Company	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability Umbrella Policy
Hallmark Specialty Insurance Company	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability Umbrella Policy
Illinois Union Insurance Company	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability Umbrella Policy
Allied World National Insurance Company	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability Umbrella Policy
General Security Indemnity Co of Arizona	10/01/19 - 10/01/20	General, E&O and Auto Liability	\$ 5,000,000	Liability Umbrella Policy
ACWA Joint Powers Authority	07/01/19 - 07/01/20	Property Insurance <sup>(2)</sup>	\$ 100,000	Liability JPIA pooled layer
Alliant Property Insurance Program	07/01/19 - 07/01/20	Property Insurance <sup>(2)</sup>	\$ 500,000,000	Liability Umbrella Policy
ACWA Joint Powers Authority	07/01/19 - 07/01/20	Excess Crime Coverage	\$ 100,000	Liability JPIA pooled layer
National Union Fire Insurance	07/01/19 - 07/01/20	Excess Crime Coverage	\$ 1,000,000	Liability Umbrella Policy
ACWA Joint Powers Authority	07/01/19 - 07/01/20	Workers' Compensation	\$ 2,000,000	Liability JPIA pooled layer
Safety National	07/01/19 - 07/01/20	Workers' Compensation	\$2,000,000 to statutory	Liability Umbrella Policy
Indian Harbor Insurance Co.	10/01/19 - 10/01/20	Cyber Liability	\$3,000,000 occ/ \$5,000,000 agg	Liability Umbrella Policy

Note:

(1) COMB participates in the property and liability program organized by the Association of California Water Agencies / Joint Powers Insurance Authority (ACWA/JPIA). ACWA/JPIA provides liability, property and workers' compensation insurance for approximately 300 water agencies for losses in excess of the member agencies specified self-insurance retention levels. Individual claims (and aggregate public liability and property claims) in excess of specified levels are covered by excess insurance policies purchased from commercial carriers.

(2) Total Insurable Value - \$2,255,273

Source: ACWA Joint Powers Authority

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## **LIST OF ACRONYMS AND ABBREVIATIONS**

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LIST OF ACRONYMS AND ABBREVIATIONS

AAL	Actuarial Accrued Liability
ACWA	Association of California Water Agencies
AF	Acre Foot
AFY	Acre Feet per Year
ARC	Annual Required Contribution
BPW	Bartlett Pringle Wolf, LLP
BO	Biological Opinion
CAFR	Comprehensive Annual Financial Report
Cal OES	California Governor's Office of Emergency Services
CalPERS	California Public Employees' Retirement System
CCRB	Cachuma Conservation and Release Board
CCWA	Central Coast Water Authority
CDFW	California Department of Fish and Wildlife
City of SB	City of Santa Barbara
COMB	Cachuma Operation and Maintenance Board
COLA	Cost of Living Adjustment
CPA	Cachuma Project Authority
CVWD	Carpinteria Valley Water District
EPFP	Emergency Pumping Facilities Project
ESRI	Environmental Systems Research Institute
FEMA	Federal Emergency Management Agency
FMP	Fish Management Plan
FY	Fiscal Year
FYE	Fiscal Year End
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic Information System
GWD	Goleta Water District
HIP	Habitat Improvement Plan

LIST OF ACRONYMS AND ABBREVIATIONS – CONT'D.

ID No. 1	Santa Ynez River Conservation Water District, ID No. 1
IIP	Infrastructure Improvement Plan
IRR	Irrigation
IRWM	Integrated Regional Water Management
IRWMP	Integrated Regional Water Management Program
JPA	Joint Power Agreement
JPIA	Joint Power Insurance Authority
LAIF	Local Agency Investment Fund
M&I	Municipal and Industrial
MDA	Management's Discussion and Analysis
MWD	Montecito Water District
MOU	Memorandum of Understanding
NFWF	National Fish and Wildlife Foundation
NMFS	National Marine Fisheries Services
NP	North Portal
OPEB	Other Post-Employment Benefits
PERF	Public Employees Retirement Fund
PEPRA	Public Employees' Pension Reform Act
ROW	Right of Way
SCADA	Supervisory Control and Data Acquisition
SCC	South Coast Conduit
SFR	Single Family Residential
SOD	Safety of Dams
SWP	State Water Project
SWRCB	State Water Resources Control Board
SYR	Santa Ynez River
TOT	Transient Occupancy Tax
UAAL	Unfunded Actuarial Accrued Liability
USGS	United States Geological Survey



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**Cachuma Operation and Maintenance Board**

**3301 Laurel Canyon Road**

**Santa Barbara, CA 93105**

**[www.cachuma-board.org](http://www.cachuma-board.org)**



December 10, 2020

Board of Directors  
Cachuma Operation and Maintenance Board  
3301 Laurel Canyon Road  
Santa Barbara, CA 93105-2017

We are pleased to present this letter related to our audit of the financial statements of Cachuma Operation and Maintenance Board (COMB) for the year ended June 30, 2020. This letter summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for Cachuma Operation and Maintenance Board's financial reporting process.

The following summarizes various matters that must be communicated to you under auditing standards generally accepted in the United States of America.

### **The Respective Responsibilities of the Auditor and Management**

Our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States have been described to you in our engagement letter dated July 1, 2018 which includes the planned scope and timing of our audit and we have discussed with you our identification of and planned audit response to significant risks of material misstatement. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

### **Significant Accounting Practices, Including Policies, Estimates and Disclosures**

#### *Preferability of Accounting Policies and Practices*

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

#### *Alternative Treatments within Generally Accepted Accounting Principles Discussed with Management*

We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period.

*Adoption of, or Change in, Accounting Policies*

Management has the ultimate responsibility for the appropriateness of the accounting policies used by COMB. COMB did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period.

*Significant or Unusual Transactions*

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

*Management's Judgments and Accounting Estimates*

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to compute and record these accounting estimates. The following describes the significant accounting estimates reflected in the COMB's June 30, 2020 financial statements:

- Estimation of the liability to the Bureau of Reclamation for the construction on Bradbury Dam under the Safety of Dams Act - The liability at June 30, 2020 is estimated by adding fifteen percent of the construction cost in excess of the original repayment contract amount to the liability under the original repayment contract, less principal payments to the Bureau of Reclamation. The final liability amount will be based on the final repayment contract amount negotiated with the Bureau of Reclamation.
- Estimation of Other Post Employment Benefit Obligations - The net OPEB liability is calculated by an actuary in accordance with the parameters of GASB 75 based on census data provided to the actuary by COMB.
- Depreciation - Depreciation for fixed assets is taken on a straight-line basis over the expected life of each fixed asset. This method meets the generally accepted accounting principles requirement of being systematic and rational.
- Net Pension Liability - In accordance with GASB Statement No. 68, each participating cost-sharing employer is required to report its proportionate share of the collective net pension liability, pension expense, and deferred

outflows/inflows of resources. CalPERS actuaries calculated these amounts in accordance with the parameters of GASB 68.

### **Audit Adjustments**

The following adjustments were posted to the original trial balance we received at the start of the audit:

- An accounting consulting adjustment to update GASB 68 related balances per CalPERS reports.
- An accounting consulting adjustment to update GASB 75 related balances based on information provided by the actuary.
- Management provided an adjustment to record the FEMA grant receivable.
- Management provided an adjustment to adjust the payable to member agencies.

### **Uncorrected Misstatements**

There were no uncorrected misstatements noted during our audit.

### **Disagreements with Management**

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

### **Consultations with Other Accountants**

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

### **Significant Issues Discussed with Management**

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

### **Difficulties Encountered in Performing the Audit**

We did not encounter any difficulties in dealing with management during the audit.

### **Certain Written Representations between Management and Our Firm**

In conjunction with the audit of the financial statements, we have been provided a letter of certain representations from management dated December 10, 2020.

Board of Directors  
Cachuma Operation and Maintenance Board  
December 10, 2020  
Page 4

**Conclusion**

This letter is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to COMB.

Very truly yours,

A handwritten signature in black ink that reads "Bartlett, Pringle & Wolf, LLP". The signature is written in a cursive, flowing style.

**BARTLETT, PRINGLE & WOLF, LLP**

*Certified Public Accountants and Consultants*

**CACHUMA OPERATION  
AND MAINTENANCE BOARD  
SINGLE AUDIT REPORTS  
FOR THE YEAR ENDED June 30, 2020**



**BARTLETT, PRINGLE & WOLF, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

# CACHUMA OPERATION AND MAINTENANCE BOARD

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**To the Board of Directors of  
Cachuma Operation and Maintenance Board:**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statement of net position and related statements of revenues, expenses, and changes in net position and cash flows of Cachuma Operation and Maintenance Board ("COMB") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise COMB's basic financial statements and have issued our report thereon dated December 10, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered COMB's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of COMB's internal control. Accordingly, we do not express an opinion on the effectiveness of COMB's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cachuma Operation and Maintenance Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering COMB's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Bartlett, Pringh + Wolf, LLP*

Santa Barbara, California  
December 10, 2020



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE; REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL  
AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**To the Board of Directors of  
Cachuma Operation and Maintenance Board:**

**Report on Compliance for Each Major Federal Program**

We have audited Cachuma Operation and Maintenance Board's ("COMB") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of COMB's major federal programs for the year ended June 30, 2020. COMB's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of COMB's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about COMB's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of COMB's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, Cachuma Operation and Maintenance Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

## **Report on Internal Control Over Compliance**

Management of COMB is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered COMB's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of COMB's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the statement of net position of COMB for the year ended June 30, 2020, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended and the related notes to the financial statements, which collectively comprise COMB's basic financial statements. We have issued our report thereon dated December 10, 2020, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Bartlett, Pringh + Wolf, LLP*

Santa Barbara, California  
December 10, 2020

**CACHUMA OPERATION AND MAINTENANCE BOARD**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Contract/ Grant Number	Federal Expenditures
US Department of Commerce Pacific Coast Salmon Recovery Pacific Salmon Treaty Program Pass Through CA Department of Fish and Wildlife Fish Passage Improvement on Crossing 8, Quiota Creek	11.438	P1850902	\$1,010,700
US Department of Homeland Security Federal Emergency Management Agency Pass Through California Governor's Office of Emergency Services Disaster Grant – Public Assistance	97.036	PA-09-CA-4308- PW-00093	<u>562,024</u>
Total Federal Awards Expended			<u>\$1,572,724</u>

**CACHUMA OPERATION AND MAINTENANCE BOARD**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2020**

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**Note 1 – Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Cachuma Operation and Maintenance Board and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). COMB's reporting entity is defined in Note 1 of the notes to COMB's basic financial statements.

**Note 2 – Program Descriptions**

US Department of Commerce Pass Through California Department of Fish and Wildlife:  
Construction project to build a bridge on Refugio Road in Santa Ynez, California at Quiota Creek Crossing No. 8.

US Department of Homeland Security Pass Through California Governor's Office of Emergency Services:

Restoration in Sycamore Canyon to stabilize slope after debris flow following the Thomas Fire.

**Note 3 – Relationship to Comprehensive Annual Financial Report**

Amounts reported in the accompanying SEFA materially agree to amounts reported within COMB's Comprehensive Annual Financial Report.

**Note 4 – Indirect Cost Rate**

No indirect costs are included in the amounts reported in the accompanying SEFA.

**CACHUMA OPERATION AND MAINTENANCE BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2020**

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**I. AUDITORS' RESULTS**

*Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified?  Yes  No
- Significant deficiencies identified?  Yes  No

Noncompliance material to financial statements noted?  Yes  No

*Federal Awards*

Internal control over major programs:

- Material weakness identified?  Yes  No
- Significant deficiencies identified?  Yes  No

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516 (a)?  Yes  No

Identification of Major Programs:

<u>Grant Number(s)</u>	<u>Name of Federal Program</u>
P1650902	Pacific Coast Salmon Recovery - Pacific Salmon Treaty Program
PA-09-CA-4308-PW-00093	Federal Emergency Management Agency

Dollar threshold used to distinguish between type A and type B programs \$ 750,000

Auditee qualified as low-risk auditee?  Yes  No



**CACHUMA OPERATION AND MAINTENANCE BOARD**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2020**

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**II. FINANCIAL STATEMENT FINDINGS**

No matters were reported.

**III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

No matters were reported.

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# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Edward Lyons
Approved by:	Janet Gingras

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**SUBJECT:** California State Controller Report for Fiscal Year Ending June 30, 2020

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**RECOMMENDATION:**

The Board of Directors receive and file the California State Controller Report for Fiscal Year ending June 30, 2020.

**SUMMARY:**

Annually, in compliance with the Government Code section 53891, Cachuma Operation and Maintenance Board is required to submit to the California State Controller's office a Special District Financial Transaction Report. The government code requires the financial transactions of each local agency to be submitted within seven months after the close of the fiscal year. The report must contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if the data is available.

The report contains basic general information about the agency, the members of the governing body, and information on agency assets and liabilities. The forms are to be submitted electronically by January 31, 2021.

**COMMITTEE STATUS:**

The Administrative Committee reviewed the California State Controller Report for Fiscal Year ending June 30, 2020 and forwards to the Board of Directors with a recommendation to receive and file.

**LIST OF EXHIBITS:**

1. California State Controller Report for Fiscal Year ending June 30, 2020

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Special District of Cachuma Operation and Maintenance Board  
Special Districts Financial Transactions Report  
General Information

Fiscal Year: 2020

District Mailing Address

Street 1   Has Address Changed?  
Street 2   
City  State  Zip   
Email

Members of the Governing Body

	First Name	M. I.	Last Name	Title
Member 1	<input type="text" value="Polly"/>	<input type="text"/>	<input type="text" value="Holcombe"/>	<input type="text" value="President"/>
Member 2	<input type="text" value="Kristen"/>	<input type="text"/>	<input type="text" value="Sneddon"/>	<input type="text" value="Vice President"/>
Member 3	<input type="text" value="Cori"/>	<input type="text"/>	<input type="text" value="Hayman"/>	<input type="text" value="Director"/>
Member	<input type="text" value="Lauren"/>	<input type="text"/>	<input type="text" value="Hanson"/>	<input type="text" value="Director"/>

District Fiscal Officers

	First Name	M. I.	Last Name	Title	Email
Official 1	<input type="text" value="Janet"/>	<input type="text"/>	<input type="text" value="Gingras"/>	<input type="text" value="General Manager"/>	<input type="text" value="jgingras@cachuma-board.org"/>
Official 2	<input type="text" value="Edward"/>	<input type="text"/>	<input type="text" value="Lyons"/>	<input type="text" value="Administrative Manager/CFO"/>	<input type="text" value="elyons@cachuma-board.org"/>
Officials	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Report Prepared By

First Name  M. I.  Last Name   
Telephone  Email

Independent Auditor

Firm Name   
First Name  M. I.  Last Name   
Telephone

1. Is this district a component unit of a City, County, or Special District (Choose one)? If "Yes", answer question 2.  Yes  No

2. Is this district a blended component unit (BCU) or a discretely presented component unit (DPCU) of a City, County, or Special District (Choose one)? Refer to the Financial Transactions Report (FTR) instructions for definitions of these terms. If the district is a BCU, answer questions 3 - 5.

BCU  DPCU

3. Is financial data of this BCU included in the financial statements or Comprehensive Annual Financial Report (CAFR) of a City, County, or Special District (Choose one)?

City  County  Special District

4. In which City, County, or Special District financial statements or CAFR is the financial data of this BCU included?

City name:

County name:

Special  
District  
name:

5. Is financial data of this BCU included in the City, County, or Special District FTR (Choose one)?  Yes  No

Special District of Cachuma Operation and Maintenance Board  
Special Districts Financial Transactions Report  
Water Enterprise Fund  
Statement of Revenues, Expenses, and Change in Fund Net Position

**Fiscal Year: 2020**

**Operating Revenues**

Water Sales Revenues

Retail Water Sales

- R01. Residential
- R02. Business
- R03. Industrial
- R04. Irrigation
- R09. Sales to Other Utilities for Resale
- R10. Interdepartmental
- R11. Other Water Sales Revenues

Water Services Revenues

- R12. Fire Prevention
- R13. Groundwater Replenishment
- R14. Connection Fees
- R15. Standby and Availability Charges
- R16. Service-Type Assessments
- R17. Other Water Services Revenues

R18.	Other Operating Revenues	666,293
R19.	<b>Total Operating Revenues</b>	<b>\$666,293</b>

**Operating Expenses**

Water Supply Expenses

- R20. Water Supply
- R21. Water Purchases
- R22. Groundwater Replenishment
- R23. Other Water Supply Expenses
- R24. Pumping
- R25. Treatment
- R26. Transmission and Distribution
- R28. Customer Accounting and Collection
- R29. Sales Promotion
- R30. Personnel Services
- R31. Contractual Services
- R32. Materials and Supplies
- R33. General and Administrative Expenses
- R34. Depreciation and Amortization Expenses
- R35. Other Operating Expenses

R30.	Personnel Services	2,550,174
R32.	Materials and Supplies	347,469
R33.	General and Administrative Expenses	495,572
R34.	Depreciation and Amortization Expenses	66,068
R35.	Other Operating Expenses	3,090,124

R36.	<b>Total Operating Expenses</b>	<b>\$6,549,407</b>
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R37.	<b>Operating Income (Loss)</b>	<b>\$-5,883,114</b>
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**Nonoperating Revenues**

- R38. Investment Earnings
- R39. Rents, Leases, and Franchises
- Taxes and Assessments
- SD40. Current Secured and Unsecured (1%)
- SD41. Voter-Approved Taxes

SD42. Pass-through Property Taxes (ABX1 26)	
SD43. Property Assessments	
SD44. Special Assessments	533,090
SD45. Special Taxes	
SD46. Prior-Year Taxes and Assessments	
SD47. Penalties and Cost of Delinquent Taxes and Assessments	
Intergovernmental – Federal	
R48. Aid for Construction	
R49. Other Intergovernmental – Federal	
Intergovernmental – State	
R50. Aid for Construction	
SD51. Homeowners Property Tax Relief	
SD52. Timber Yield	
R53. In-Lieu Taxes	
R54. Other Intergovernmental – State	1,573,172
R55. Intergovernmental – County	
R56. Intergovernmental – Other	3,912,752
R57. Gain on Disposal of Capital Assets	
R58. Other Nonoperating Revenues	24,182
R59. <b>Total Nonoperating Revenues</b>	<b>\$6,043,196</b>
<b>Nonoperating Expenses</b>	
R60. Interest Expense	92,038
R61. Loss on Disposal of Capital Assets	-500
R62. Other Nonoperating Expenses	
R63. <b>Total Nonoperating Expenses</b>	<b>\$91,538</b>
R64. <b>Income (Loss) Before Capital Contributions, Transfers, and Special and Extraordinary Items</b>	<b>\$68,544</b>
<b>Capital Contributions</b>	
R65. Federal	
R66. State	
R67. Connection Fees (Capital)	
R68. County	
R69. Other Government	
R70. Other Capital Contributions	
R71. <b>Total Capital Contributions</b>	<b>\$0</b>
R72. <b>Transfers In</b>	
R73. <b>Transfers Out</b>	
<b>Special and Extraordinary Items</b>	
R73.5 Special Item	
R73.6 Extraordinary Item	
R73.7 <b>Total Special and Extraordinary Items</b>	<b>\$0</b>
R74. <b>Change in Net Position</b>	<b>\$68,544</b>
R75. <b>Net Position (Deficit), Beginning of Fiscal Year</b>	<b>-\$6,177,407</b>
R76. <b>Adjustment</b>	
R77. Reason for Adjustment	
R78. <b>Net Position (Deficit), End of Fiscal Year</b>	<b>-\$6,108,863</b>
<b>Net Position (Deficit)</b>	

Item #7

Exhibit #1

Page 4



R79.	Net Investment in Capital Assets	184,192
R80.	Restricted	
R81.	Unrestricted	-6,293,054
R82.	<b>Total Net Position (Deficit)</b>	<b>\$-6,108,862</b>

Special District of Cachuma Operation and Maintenance Board  
Special Districts Financial Transactions Report  
Other Long-Term Debt  
Loans, Notes, and Other

Go to Report: Detail Summary of Other Long-Term Debt

**Fiscal Year: 2020**

R01. Purpose of Debt (1 of 3)	Safety of Dams Act - Bradbury	▼
R02. Nature of Revenue Pledged	<input type="text" value="None"/>	
R03. Debt Type	<input type="text" value="Loans"/>	
R04. Fund Type	<input type="text" value="Enterprise"/>	
SD05. Activity	<input type="text" value="Water Enterprise"/>	
R06. Year of Issue	<input type="text" value="2002"/>	
R07. Beginning Maturity Year	<input type="text" value="2002"/>	
R08. Ending Maturity Year	2052	
R09. Principal Authorized	6,791,000	
R10. Principal Received to Date	6,791,000	
R11. Principal Unspent		
R12. <b>Principal Outstanding, Beginning of Fiscal Year</b>	<input type="text" value="\$4,680,144"/>	
R13. Adjustment to Principal in Current Fiscal Year		
R14. Reason for Adjustment to Principal in Current Fiscal Year		
R15. Principal Received in Current Fiscal Year		
R16. Principal Paid in Current Fiscal Year	201,351	
R17. Principal Refinanced in Current Fiscal Year		
R18. <b>Principal Outstanding, End of Fiscal Year</b>	<input type="text" value="\$4,478,793"/>	
R19. Principal Outstanding, Current Portion	207,474	
R20. <b>Principal Outstanding, Noncurrent Portion</b>	<input type="text" value="\$4,271,319"/>	
R21. Interest Paid in Current Fiscal Year	54,174	
R22. Principal Delinquent, End of Fiscal Year		
R23. Interest Delinquent, End of Fiscal Year		
SD24. Principal Due but Not Presented (Time Warrants Only)		
SD25. Interest Due but Not Presented (Time Warrants Only)		

Special District of Cachuma Operation and Maintenance Board  
Special Districts Financial Transactions Report  
Other Long-Term Debt  
Loans, Notes, and Other

Go to Report: Detail Summary of Other Long-Term Debt

**Fiscal Year: 2020**

R01. Purpose of Debt (2 of 3)	Safety of Dams Act - Lauro Dam	▼
R02. Nature of Revenue Pledged	<input type="text" value="None"/>	
R03. Debt Type	<input type="text" value="Loans"/>	
R04. Fund Type	<input type="text" value="Enterprise"/>	
SD05. Activity	<input type="text" value="Water Enterprise"/>	
R06. Year of Issue	<input type="text" value="2007"/>	
R07. Beginning Maturity Year	<input type="text" value="2007"/>	
R08. Ending Maturity Year	2057	
R09. Principal Authorized	1,009,737	
R10. Principal Received to Date	1,009,737	
R11. Principal Unspent		
R12. <b>Principal Outstanding, Beginning of Fiscal Year</b>	<input type="text" value="\$835,169"/>	
R13. Adjustment to Principal in Current Fiscal Year		
R14. Reason for Adjustment to Principal in Current Fiscal Year		
R15. Principal Received in Current Fiscal Year		
R16. Principal Paid in Current Fiscal Year	31,080	
R17. Principal Refinanced in Current Fiscal Year		
R18. <b>Principal Outstanding, End of Fiscal Year</b>	<input type="text" value="\$804,089"/>	
R19. Principal Outstanding, Current Portion	31,939	
R20. <b>Principal Outstanding, Noncurrent Portion</b>	<input type="text" value="\$772,150"/>	
R21. Interest Paid in Current Fiscal Year	15,466	
R22. Principal Delinquent, End of Fiscal Year		
R23. Interest Delinquent, End of Fiscal Year		
SD24. Principal Due but Not Presented (Time Warrants Only)		
SD25. Interest Due but Not Presented (Time Warrants Only)		

Special District of Cachuma Operation and Maintenance Board  
Special Districts Financial Transactions Report  
Other Long-Term Debt  
Loans, Notes, and Other

Go to Report: Detail Summary of Other Long-Term Debt

**Fiscal Year: 2020**

R01. Purpose of Debt (3 of 3)	Emergency Pumping Facilities Project	▼
R02. Nature of Revenue Pledged	<input type="text" value="None"/>	
R03. Debt Type	<input type="text" value="Loans"/>	
R04. Fund Type	<input type="text" value="Enterprise"/>	
SD05. Activity	<input type="text" value="Water Enterprise"/>	
R06. Year of Issue	<input type="text" value="2007"/>	
R07. Beginning Maturity Year	<input type="text" value="2007"/>	
R08. Ending Maturity Year	2021	
R09. Principal Authorized	3,200,000	
R10. Principal Received to Date	3,200,000	
R11. Principal Unspent		
R12. <b>Principal Outstanding, Beginning of Fiscal Year</b>	<input type="text" value="\$921,683"/>	
R13. Adjustment to Principal in Current Fiscal Year		
R14. Reason for Adjustment to Principal in Current Fiscal Year		
R15. Principal Received in Current Fiscal Year		
R16. Principal Paid in Current Fiscal Year	434,099	
R17. Principal Refinanced in Current Fiscal Year		
R18. <b>Principal Outstanding, End of Fiscal Year</b>	<input type="text" value="\$487,584"/>	
R19. Principal Outstanding, Current Portion	450,988	
R20. <b>Principal Outstanding, Noncurrent Portion</b>	<input type="text" value="\$36,596"/>	
R21. Interest Paid in Current Fiscal Year	27,363	
R22. Principal Delinquent, End of Fiscal Year		
R23. Interest Delinquent, End of Fiscal Year		
SD24. Principal Due but Not Presented (Time Warrants Only)		
SD25. Interest Due but Not Presented (Time Warrants Only)		

Special District of Cachuma Operation and Maintenance Board  
Special Districts Financial Transactions Report  
Detail Summary of Other Long-Term Debt

Back to Form: Other Long-Term Debt

**Fiscal Year: 2020**

	<b>Year of Issue</b>	<b>Principal Outstanding, Beginning of Fiscal Year</b>	<b>Principal Received in Current Fiscal Year</b>	<b>Principal Paid in Current Fiscal Year</b>	<b>Principal Outstanding, End of Fiscal Year</b>	<b>Principal Outstanding, Current Portion</b>	<b>Principal Outstanding, Noncurrent Portion</b>	<b>Interest Paid in Current Fiscal Year</b>
<b>Enterprise</b>								
<b>Loans</b>								
Emergency Pumping Facilities Project	2007	921,683	0	434,099	487,584	450,988	36,596	27,363
Safety of Dams Act - Bradbury	2002	4,680,144	0	201,351	4,478,793	207,474	4,271,319	54,174
Safety of Dams Act - Lauro Dam	2007	835,169	0	31,080	804,089	31,939	772,150	15,466
<b>Total Enterprise Debt:</b>		\$6,436,996	\$0	\$666,530	\$5,770,466	\$690,401	\$5,080,065	\$97,003

Special District of Cachuma Operation and Maintenance Board  
 Special Districts Financial Transactions Report  
 Debt Service Reconciliation Report

Fiscal Year: 2020

	Governmental Funds	Internal Service Fund	Enterprise Funds
<b>Debt Payments from Debt Forms</b>			
R01. Long-Term Debt			
R02. Other Long-Term Debt			97,003
R03. Construction Financing			
R04. Lease Obligations			
R05. <b>Total Debt Payments from Debt Forms</b>	\$0	\$0	\$97,003
R06. <b>Debt Service</b>			92,038
R07. <b>Difference</b>	\$0	\$0	\$4,965
R08. Reason for Difference			Change in Accrued Interest

**Note:**  
 (R08) Ent-Reason for Difference: Change in Accrued Interest

Special District of Cachuma Operation and Maintenance Board  
Special Districts Financial Transactions Report  
Statement of Net Position  
Proprietary Funds

Fiscal Year: 2020

	Enterprise	Internal Service
<b>Assets</b>		
Current Assets		
Cash and Investments		
R01. Unrestricted	582,692	
R02. Restricted	134,356	
R03. Accounts Receivable (net)		
R04. Taxes Receivable		
R05. Interest Receivable (net)	5,149	
R06. Due from Other Funds		
R07. Due from Other Governments	478,358	
R08. Inventories		
R09. Prepaid Items	10,179	
R10. Other Current Assets 1		
R11. Other Current Assets 2		
R12. Total Current Assets	\$1,210,734	\$0
Noncurrent Assets		
R13. Cash and Investments, Restricted		
R14. Investments	1,385,506	
R15. Loans, Notes, and Contracts Receivable	5,282,892	
Capital Assets		
R16. Land		
R17. Buildings and Improvements	136,154	
R18. Equipment	1,324,934	
R18.5 Infrastructure		
R19. Intangible Assets – Amortizable		
R20. Construction in Progress		
R21. Intangible Assets – Nonamortizable		
R22. Other Capital Assets		
R23. Less: Accumulated Depreciation/Amortization	-1,276,896	
R23.5 Net Pension Asset		
R23.6 Net OPEB Asset		
R24. Other Noncurrent Assets 1		
R25. Other Noncurrent Assets 2		
R26. Total Noncurrent Assets	\$6,852,590	\$0
R27. Total Assets	\$8,063,324	\$0
<b>Deferred Outflows of Resources</b>		
R28. Related to Pensions	336,263	
R28.5 Related to OPEB	886,927	
R28.6 Related to Debt Refunding		
R29. Other Deferred Outflows of Resources		
R30. Total Deferred Outflows of Resources	\$1,223,190	\$0
R31. Total Assets and Deferred Outflows of Resources	Item #7 \$9,286,514	\$0

**Liabilities**

**Current Liabilities**

R32.	Accounts Payable	227,384	
R33.	Contracts and Retainage Payable		
R34.	Interest Payable	52,227	
R35.	Due to Other Funds		
R36.	Due to Other Governments	766,421	
R37.	Deposits and Advances		
R38.	Accrued Compensated Absences	183,339	
R39.	Long-Term Debt, Due Within One Year	690,401	0
R40.	Other Long-Term Liabilities, Due Within One Year		
R41.	Other Current Liabilities 1	134,355	
R42.	Other Current Liabilities 2		
R43.	<b>Total Current Liabilities</b>	<b>\$2,054,127</b>	<b>\$0</b>

**Noncurrent Liabilities**

R44.	Deposits and Advances, Net of Current Portion		
R45.	Compensated Absences, Net of Current Portion		
R46.	General Obligation Bonds		
R47.	Revenue Bonds		
R48.	Certificates of Participation		
R49.	Other Bonds		
R50.	Loans (Other Long-Term Debt)	5,080,065	
R51.	Notes (Other Long-Term Debt)		
R52.	Other (Other Long-Term Debt)		
R53.	Construction Financing – Federal		
R54.	Construction Financing – State		
R55.	Lease Principal		
R56.	Net Pension Liability	1,893,141	
R57.	Net OPEB Liability	5,565,697	
R58.	Other Noncurrent Liabilities 1		
R59.	Other Noncurrent Liabilities 2		
R60.	<b>Total Noncurrent Liabilities</b>	<b>\$12,538,903</b>	<b>\$0</b>
R61.	<b>Total Liabilities</b>	<b>\$14,593,030</b>	<b>\$0</b>

**Deferred Inflows of Resources**

R62.	Related to Pensions	143,105	
R62.5	Related to OPEB	659,243	
R62.6	Related to Debt Refunding		
R63.	Other Deferred Inflows of Resources		
R64.	<b>Total Deferred Inflows of Resources</b>	<b>\$802,348</b>	<b>\$0</b>
R65.	<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$15,395,378</b>	<b>\$0</b>
R66.	<b>Total Net Position (Deficit)</b>	<b>\$-6,108,864</b>	<b>\$0</b>

**Net Position (Deficit)**

R67.	Net Investment in Capital Assets	184,192	
R68.	Restricted		
R69.	Unrestricted	-6,293,054	
R70.	<b>Total Net Position (Deficit)</b>	<b>\$-6,108,862</b>	<b>\$0</b>
R71.	<b>Total Liabilities, Deferred Inflows of Resources, and Net Position (Deficit)</b>	<b>\$9,286,516</b>	<b>\$0</b>

Item #7



Special District of Cachuma Operation and Maintenance Board  
 Special Districts Financial Transactions Report  
 Summary

Fiscal Year: 2020

	Governmental Funds	Internal Service Fund	Enterprise Fund	Total
<b>Governmental Revenues</b>				
R01. General				
R02. Special Revenue				
R03. Debt Service				
R04. Capital Projects				
R05. Permanent				
R06. Transportation				
R07. <b>Total Governmental Revenues</b>	\$0			
<b>Internal Service Revenues</b>				
R08. Total Operating Revenues		\$0		
R09. Total Non-Operating Revenues		\$0		
R10. <b>Total Internal Service Revenues</b>		\$0		
<b>Enterprise Revenues</b>				
<b>Operating Revenues</b>				
R11. Airport				
R12. Electric				
R13. Gas				
R14. Harbor and Port				
R15. Hospital				
R16. Sewer				
R17. Solid Waste				
R18. Transit				
R19. Water			666,293	
R20. Other Enterprise				
R21. Conduit				
R22. Transportation				
R23. <b>Total Operating Revenues</b>			\$666,293	
<b>Non-Operating Revenues</b>				
R24. Airport				
R25. Electric				
R26. Gas				
R27. Harbor and Port				
R28. Hospital				
R29. Sewer				
R30. Solid Waste				
R31. Transit				
R32. Water			6,043,196	
R33. Other Enterprise				
R34. Conduit				
R35. Transportation				
R36. <b>Total Non-Operating Revenues</b>			\$6,043,196	
R36.5 <b>Total Revenues</b>	\$0	\$0	\$6,709,489	\$6,709,489

<b>Governmental Expenditures</b>			
R37.	General		
R38.	Special Revenue		
R39.	Debt Service		
R40.	Capital Projects		
R41.	Permanent		
R42.	Transportation		
R43.	<b>Total Governmental Expenditures</b>	\$0	
<b>Internal Service Expenses</b>			
R44.	Total Operating Expenses	\$0	
R45.	Total Non-Operating Expenses	\$0	
R46.	<b>Total Internal Service Expenses</b>	\$0	
<b>Enterprise Expenses</b>			
<b>Operating Expenses</b>			
R47.	Airport		
R48.	Electric		
R49.	Gas		
R50.	Harbor and Port		
R51.	Hospital		
R52.	Sewer		
R53.	Solid Waste		
R54.	Transit		
R55.	Water	6,549,407	
R56.	Other Enterprise		
R57.	Conduit		
R58.	Transportation		
R59.	<b>Total Operating Expenses</b>	\$6,549,407	
<b>Non-Operating Expenses</b>			
R60.	Airport		
R61.	Electric		
R62.	Gas		
R63.	Harbor and Port		
R64.	Hospital		
R65.	Sewer		
R66.	Solid Waste		
R67.	Transit		
R68.	Water	91,538	
R69.	Other Enterprise		
R70.	Conduit		
R71.	Transportation		
R72.	<b>Total Non-Operating Expenses</b>	\$91,538	
R72.5	<b>Total Expenditures/Expenses</b>	\$0	\$0
R72.5		\$6,640,945	\$6,640,945
R73.	Transfer In		
R74.	Transfer Out		
R75.	<b>Change in Fund Balance/Net Position</b>	\$0	\$0
R75.		\$68,544	\$68,544
R76.	<b>Fund Balance/Net Position (Deficit), Beginning of Fiscal Year</b>	\$0	\$0
R76.		\$-6,177,407	\$-6,177,407

R77. Adjustments				
R78. <b>Fund Balance/Net Position (Deficit), End of Fiscal Year</b>	\$0	\$0	\$-6,108,863	\$-6,108,863
<b>Assets</b>				
R79. Total Current Assets			1,210,734	1,210,734
R80. Total Noncurrent Assets			6,852,590	6,852,590
R81. <b>Total Assets</b>	\$0	\$0	\$8,063,324	\$8,063,324
<b>Liabilities</b>				
R82. Total Current Liabilities			2,054,127	2,054,127
R83. Total Noncurrent Liabilities			12,538,903	12,538,903
R84. <b>Total Liabilities</b>	\$0	\$0	\$14,593,030	\$14,593,030
R85. <b>Total Fund Balance/Net Position (Deficit)</b>	\$0	\$0	\$-6,108,864	\$-6,108,864

Special District of Cachuma Operation and Maintenance Board  
Special District Financial Transactions Report  
Footnotes

Fiscal Year: 2020

FORM DESC	FIELD NAME	FOOTNOTES
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Total Footnote: 0

# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Edward Lyons
Approved by:	Janet Gingras

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**SUBJECT:**      **Unexpended Funds – Fiscal Year Ending June 30, 2020**

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**RECOMMENDATION:**

The Board of Directors review the proposed calculation of unexpended funds from Fiscal Year 2019-20 and approve a disbursement of \$586,250 to the COMB Member Agencies in accordance with their contribution percentages.

**SUMMARY:**

COMB operates as a proprietary fund-type. All proprietary fund-types utilize the accrual basis of accounting. Under this method, revenues are recognized when earned, regardless of when received, and expenses are recognized at the time the related liabilities are incurred, regardless of when paid.

Unexpended funds occur when assessments (revenues) collected from the Member Agencies through the budget process exceed actual expenditures. Unexpended funds are identified through the audit process and returned to the Member Agencies using one of four methods. These methods include: 1) the issuance of checks made payable to each Member Agency; 2) constructively returning the unexpended funds by reducing the Member Agency's quarterly assessments; 3) carrying forward unexpended funds for work in process; and/or 4) reducing the projected operating budget for the following fiscal year. The Board of Directors shall take action annually to approve the methodology for return once unexpended funds are identified.

For Fiscal Year 2019-20, staff has identified unexpended funds of \$586,250 utilizing a cash basis statement of actual revenues and expenditures. This method provides a basis for recognizing unexpended assessments at the end of an accounting period. Bartlett, Pringle Wolf, LLP has reviewed the cash basis method and has indicated the approach is reasonable.

Staff is proposing to return the unexpended funds from Fiscal Year 2019-20 to the Member Agencies in accordance with their contribution percentages.

**COMMITTEE STATUS:**

The Administrative Committee reviewed the proposed calculation of unexpended funds from Fiscal Year 2019-20 and forwards to the Board of Directors with a recommendation to approve a disbursement of \$586,250 to the COMB Member Agencies in accordance with their contribution percentages.

**LIST OF EXHIBITS:**

- 1) Fiscal Year 2019-20 Unexpended Funds Reconciliation

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Cachuma Operation & Maintenance Board  
 Unexpended Funds Reconciliation (Preliminary and Draft)  
 FY 2019-20

				PRELIM		ADJUSTMENTS		ADJUSTED	
	Fisheries	Operations	TOTAL	Approved Budget	Surplus / (Deficit) Funds	EPFP Principal	Proposed Budget	Surplus / (Deficit) Funds	
	Jul '19 - Jun 20	Jul '19 - Jun 20	Jul '19 - Jun 20	FY 2019-20	FY 2019-20	Pmts	Uncollected Funds	Carry Forward	FY 2019-20
<b>Income</b>									
<b>3000 REVENUE</b>									
3001 · O&M Budget (Qtrly Assessments)	\$936,636.00	\$3,687,368.00	\$4,624,004.00	\$4,624,002.00	\$2.00	\$0.00	\$0.00	\$0.00	\$2.00
3005 · Assessments - Non Member Agency	55,169.90	0.00	55,169.90	0.00	55,169.90	0.00	-55,169.90	0.00	0.00
3006 · Warren Act	576,293.00	0.00	576,293.00	591,523.00	-15,230.00	0.00	0.00	0.00	-15,230.00
3009 · EPFP Loan (Qtrly Assessments)	0.00	463,450.18	463,450.18	0.00	463,450.18	-463,450.18	0.00	0.00	0.00
3010 · Interest Income	0.00	18,255.72	18,255.72	0.00	18,255.72	0.00	0.00	0.00	18,255.72
3020 · Misc Income	0.00	777.37	777.37	0.00	777.37	0.00	0.00	0.00	777.37
3021 · Grant Income	0.00	448.00	448.00	0.00	448.00	0.00	0.00	0.00	448.00
3035 · Cachuma Project Betterment Fund	90,000.00	0.00	90,000.00	90,000.00	0.00	0.00	0.00	0.00	0.00
3042 · Sycamore Cnyn Slope StablIn Reim	0.00	562,024.40	562,024.40	450,752.00	111,272.40	0.00	-180,754.40	0.00	-69,482.00
3043 · Grant-QC Crossing #8	1,010,700.00	0.00	1,010,700.00	1,010,700.00	0.00	0.00	0.00	0.00	0.00
3090 · Proceeds - Disp of Fixed Assset	0.00	500.00	500.00	0.00	500.00	0.00	0.00	0.00	500.00
<b>Total 3000 REVENUE</b>	<b>\$2,668,798.90</b>	<b>\$4,732,823.67</b>	<b>\$7,401,622.57</b>	<b>\$6,766,977.00</b>	<b>\$634,645.57</b>	<b>-\$463,450.18</b>	<b>-\$235,924.30</b>	<b>\$0.00</b>	<b>-\$64,728.91</b>
<b>Expense</b>									
3100 · LABOR - OPERATIONS	\$0.00	\$910,262.31	\$910,262.31	\$952,164.00	-\$41,901.69	\$0.00	\$0.00	\$0.00	-\$41,901.69
3200 VEH & EQUIPMENT	0.00	76,681.84	76,681.84	55,000.00	21,681.84	0.00	0.00	0.00	21,681.84
3300 · CONTRACT LABOR	0.00	97,465.06	97,465.06	95,000.00	2,465.06	0.00	0.00	0.00	2,465.06
3400 · MATERIALS & SUPPLIES	0.00	79,232.27	79,232.27	78,000.00	1,232.27	0.00	0.00	0.00	1,232.27
3500 · OTHER EXPENSES	0.00	40,575.42	40,575.42	47,500.00	-6,924.58	0.00	0.00	0.00	-6,924.58
4100 · LABOR - FISHERIES	699,621.21	0.00	699,621.21	704,515.00	-4,893.79	0.00	0.00	0.00	-4,893.79
4200 · VEHICLES & EQUIP - FISHERIES	70,297.36	0.00	70,297.36	57,500.00	12,797.36	0.00	0.00	0.00	12,797.36
4220 · CONTRACT LABOR - FISHERIES	11,791.37	0.00	11,791.37	28,000.00	-16,208.63	0.00	0.00	0.00	-16,208.63
4300 · MATERIALS/SUPPLIES - FISHERIES	11,264.05	0.00	11,264.05	7,000.00	4,264.05	0.00	0.00	0.00	4,264.05
4500 · OTHER EXPENSES - FISHERIES	3,002.11	0.00	3,002.11	3,500.00	-497.89	0.00	0.00	0.00	-497.89
4999 · GENERAL & ADMINISTRATIVE	0.00	140,817.66	140,817.66	249,148.00	-108,330.34	0.00	0.00	0.00	-108,330.34
5299 · ADMIN LABOR	0.00	511,282.64	511,282.64	610,984.00	-99,701.36	0.00	0.00	0.00	-99,701.36
5400 · GENERAL & ADMIN - FISHERIES	100,477.40	0.00	100,477.40	197,516.00	-97,038.60	0.00	0.00	0.00	-97,038.60
5499 · ADMIN LABOR-FISHERIES	193,106.22	0.00	193,106.22	240,823.00	-47,716.78	0.00	0.00	0.00	-47,716.78
5510 · Integrated Reg. Water Mgt Plan	0.00	6,086.15	6,086.15	5,000.00	1,086.15	0.00	0.00	0.00	1,086.15
6000 · SPECIAL PROJECTS	0.00	1,778,485.78	1,778,485.78	2,045,327.00	-266,841.22	0.00	0.00	0.00	-266,841.22
6200 · FISHERIES ACTIVITIES	129,121.36	0.00	129,121.36	194,000.00	-64,878.64	0.00	0.00	0.00	-64,878.64
6300 · HABITAT ENHANCEMENT	1,201,155.27	0.00	1,201,155.27	1,196,000.00	5,155.27	0.00	0.00	0.00	5,155.27
7007 · INTEREST EXPENSE-EPFP	0.00	27,636.16	27,636.16	0.00	27,636.16	27,636.16	0.00	0.00	55,272.32
<b>Total Expense</b>	<b>\$2,419,836.35</b>	<b>\$3,668,525.29</b>	<b>\$6,088,361.64</b>	<b>\$6,766,977.00</b>	<b>-\$678,615.36</b>	<b>\$27,636.16</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>-\$650,979.20</b>
<b>Net Income</b>	<b>\$248,962.55</b>	<b>\$1,064,298.38</b>	<b>\$1,313,260.93</b>	<b>\$0.00</b>	<b>\$1,313,260.93</b>	<b>-\$491,086.34</b>	<b>-\$235,924.30</b>	<b>\$0.00</b>	<b>\$586,250.29</b>

**Memo:**

Return of Funds to Member Agencies re: SYR ID No.1: FY 2017-18, 2018-19 (Paid 08/18/20)	125,344.09
Return of Funds to Member Agencies re: SYR ID No.1: FY 2019-20 (Paid 08/26/20)	54,827.24
Payable to Member Agencies per CAFR @ 06/30/20	\$ 766,421.62

Net Payable to Member Agencies			
Goleta Water District		40.42%	\$ 236,962.37
City of Santa Barbara		35.88%	210,346.60
Carpinteria Valley Water District		12.20%	71,522.54
Montecito Water District		11.50%	67,418.78
		100.00%	\$ 586,250.29

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# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Dorothy A. Turner
Approved by:	Janet Gingras

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**SUBJECT:** Resolution No. 721 - Adopting an Amended Conflict of Interest Code

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**RECOMMENDATION:**

The Board of Directors review the Cachuma Operation and Maintenance Board's Amended Conflict of Interest (COI) Code and approve through adoption of Resolution No. 721.

**SUMMARY:**

The Legislature of the State of California has enacted the Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, designated employees and consultants of COMB and requires all public agencies to adopt and promulgate a Conflict of Interest Code.

Pursuant to Government Code Section 87306.5, State of California, each local agency is required to review their COI Code biennially. COI Codes consist of three components:

1. Incorporation or Terms of the Code Section
2. List of Designated Positions
3. Detailed Disclosure Categories

Should there be any changes that affect the components of the Code, an agency must submit an Amended COI Code. Amended Codes must reflect the current agency structure, any amendments to the terms and properly identify all officials, consultants and employees who should file Form 700, Statement of Economic Interests. The County of Santa Barbara has made provision for electronic submission of Form 700. COMB's current COI Code does not reflect this provision.

Once the Board of Directors approve Resolution No. 721 and the amended Conflict of Interest Code, staff will submit both documents to the County of Santa Barbara. The County will accept the Amended Code and Resolution at one of the regular Board of Supervisor meetings.

COMB will update its filing of the 2020 Local Agency Biennial Notice and attest by signature of the General Manager to the accuracy and completeness of the Amended Conflict of Interest Code.

**BACKGROUND:**

COMB's Conflict of Interest Code was adopted by the Board of Directors on December 16, 1991 through Resolution No. 178 and subsequently filed with the County of Santa Barbara in January of 1992. COMB received notice from the County that the legally required biennial review of the COI Code was forthcoming and that the 2020 Local Agency Biennial Notice was required to be filed, which attests to the accuracy and completeness of its current COI Code.

Recently, COMB filed an unsigned 2020 Local Agency Biennial Notice with the County stating that the Code was under review. This allowed time for COMB to undertake the review process and propose possible amendments to the COI Code. Staff reviewed COMB's current code and compared its components to the currently required components, with the following results:

Staff review of Incorporation/Terms Component:

1. The Terms component does incorporate the Fair Political Practices Commission (FPPC) Code of Regulation Section 18730 by reference, which provides the rules for disqualification, financial interest reporting and gift limits. The regulation also requires that the COI Code designate where Form 700, Statement of Economic Interests, is to be filed.
2. The Terms component provides for paper-filed submission of Form 700 for those designated officials, consultants and employees who wish to utilize this method to file Form 700.
3. The Terms component does not provide for electronically filed submission of Form 700 for those officials, consultants and employees who wish to utilize this method to file Form 700.

*a. Staff proposes that COMB's COI Code be amended to reflect this provision.*

Staff review of List of Designated Positions Component:

1. The Designated Positions appear to be current and unchanged. *Staff proposes that no amendments are necessary to this component.*

Staff review of Detailed Disclosure Categories Component:

1. The Disclosure Categories appear to be current and unchanged. *Staff proposes that no amendments are necessary to this component.*

Included for Board review are Exhibits 1 through 3; (1) Resolution No. 721, (2) the 1992 COI Code, and (3) the Amended COI Code.

**LEGAL CONCURRENCE:**

Legal counsel has reviewed the Amended Conflict of Interest Code and Resolution No. 721.

**COMMITTEE STATUS:**

The Administrative Committee reviewed the Amended Conflict of Interest (COI) Code and forwards to the Board with a recommendation to approve through adoption of Resolution No. 721.

**LIST OF EXHIBITS:**

1. Resolution No. 721
2. 1992 Conflict of Interest Code
3. Amended Conflict of Interest Code

**RESOLUTION NO. 721**

**RESOLUTION OF THE GOVERNING BOARD OF THE  
CACHUMA OPERATION & MAINTENANCE BOARD  
ADOPTING AN AMENDED CONFLICT OF INTEREST CODE**

**WHEREAS**, the Cachuma Operation & Maintenance Board (“COMB”) is a joint powers authority and public entity, organized and existing in the County of Santa Barbara in accordance with Government Code Section 6500 *et seq.*, and operating pursuant to the 1996 Amended and Restated Agreement for the Establishment of a Board of Control to Operate and Maintain the Cachuma Project - Cachuma Operation And Maintenance Board, dated May 23, 1996 (“Amended and Restated Agreement”), as amended by an Amendment to the Amended and Restated Agreement made effective September 16, 2003, and a Second Amendment to the Amended and Restated Agreement made effective November 20, 2018 (collectively the “Joint Powers Agreement”); and

**WHEREAS**, the Member Agencies of COMB consist of the Goleta Water District, the City of Santa Barbara, the Montecito Water District, and the Carpinteria Valley Water District; and

**WHEREAS**, the Political Reform Act, Government Code section 81000, *et. seq.*, requires state and local government agencies to adopt and promulgate conflict of interest codes; and

**WHEREAS**, the Fair Political Practices Commission (“FPPC”) has adopted a regulation, 2 Cal. Code of Regulations (“CCR”) Section 18730, which contains the terms of a standard conflict of interest code, and which may be amended by the FPPC to conform to amendments in the Political Reform Act after notice and public hearing; and

**WHEREAS**, the FPPC recommends that state and local agencies incorporate 2 CCR Section 18730 by reference into their respective Conflict of Interest Codes; and

**WHEREAS**, the COMB Board adopted its Conflict of Interest Code via Resolution No. 178 on December 16, 1991; and

**WHEREAS**, it is in the best interest of COMB and the public to update its existing Conflict of Interest Code to reflect amendments to 2 CCR Section 18730 and any related appendices.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF COMB AS FOLLOWS:**

1. The terms and provisions of 2 CCR Section 18730 are hereby incorporated by reference into COMB’s existing Conflict of Interest Code.
2. COMB’s Conflict of Interest Code will be comprised of the terms and provisions of 2 CCR Section 18730 and any amendments thereto that are duly-adopted by the FPPC, the attached Appendix A (designated officials and employees), and the attached Appendix B (disclosure categories).

3. Pursuant to COMB's Conflict of Interest Code, persons occupying designated positions may file their statements online using eDisclosure, which will submit the Form 700 to the Santa Barbara County Clerk Recorder and Assessor, and will provide that such statements be made available for public inspection and reproduction (Government Code Section 81008).

4. COMB's filing official will provide access to the eDisclosure website for persons occupying designated positions who wish to file their statements online using eDisclosure.

5. Persons occupying designated positions who file using a paper Form 700 shall file the original statement with the Cachuma Operation and Maintenance Board, 3301 Laurel Canyon Road, Santa Barbara, CA, 93105.

6. COMB's filing officer shall, upon receipt of a paper Form 700 filed by the person occupying the designated position, retain a copy for COMB files and forward the original statement to the Santa Barbara County Clerk Recorder and Assessor, who will provide that statements be made available for public inspection and reproduction (Government Code Section 81008).

7. Resolution No. 721 replaces Resolution No. 178 in its entirety.

8. This Resolution shall take effect immediately.

**PASSED, APPROVED AND ADOPTED** by the Governing Board of the Cachuma Operation and Maintenance Board, this 14th day of December 2020, by the following roll call vote:

**Ayes:**

**Nays:**

**Absent:**

**Abstain:**

**APPROVED:**

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President of the Governing Board

**ATTEST:**

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Secretary of the Governing Board



Cachuma Operation & Maint. Board

Special District

**Form** Conflict of Interest Code

**CONFLICT OF INTEREST CODE  
FOR THE CACHUMA OPERATION & MAINTENANCE BOARD**

The Political Reform Act, Government Code section 81000, et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of a standard conflict of interest code. Section 18730 can be incorporated by reference and may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. The conflict of interest code of the Cachuma Operation and Maintenance Board is comprised of the terms of 2 Cal. Code of Regs. Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, the attached Appendix A (designated officials and employees), and the attached Appendix B (disclosure categories).

Designated employees shall file statements of economic interests with the Cachuma Operation & Maintenance Board. Upon receipt of the statements of the members of the Board of Directors and the General Manager, the Cachuma Operation & Maintenance Board shall make and retain a copy and forward the original of these statements to the Elections Division of the Santa Barbara County Clerk-Recorder. Statements for all other designated employees will be retained by the Cachuma Operation & Maintenance Board.

Adopted this 14th day of January, 1992.

*Robert E. Wignot*  
Signature

Robert E. Wignot, P.E.  
General Manager/Secretary

*William B. Waklitz*  
Signature

William B. Waklitz, Chair  
Santa Barbara County  
Board of Supervisors

**ATTEST:**  
Zandra Cholmondeley, Clerk  
Board of Supervisors

by *Robert Cohen*  
Deputy Clerk-Recorder

combcoi.res

## APPENDIX A

**CACHUMA OPERATION & MAINTENANCE BOARD (COMB)  
Designated Positions**

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Persons occupying the following designated positions must disclose financial interests in those categories described in Appendix B which are listed opposite the respective designated positions.

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Directors/Alternates	<u>1 - 5</u>
General Manager	<u>1 - 5</u>
Consultant*	<u>1 - 5</u>

\*Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The General Manager may determine in writing that a particular consultant, although a "designated position", is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

**APPENDIX B****CATEGORIES OF DISCLOSURE****CATEGORY 1**

Interests in real property which are located in whole or in part within the jurisdiction of the Cachuma Operation & Maintenance Board, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property, if the fair market value of the interest is \$1,000 or more.

**CATEGORY 2**

Business positions or investments in or income from persons or business entities engaged in the appraisal, acquisition, or disposal of, real property within the jurisdiction of the Cachuma Operation & Maintenance Board.

**CATEGORY 3**

Business positions or investments in and income from any source or sources of income, if:

- a) The business entities or the source or sources of income are of the type which, within the previous two years, have provided or contracted to provide, or in the future with reasonable foreseeability might provide or contract to provide services, supplies, materials, machinery or equipment to or for the use of the Cachuma Operation and Maintenance Board; and
- b) Within the previous two years, the designated employee has made, participated in making, or in any way has attempted to use his or her official position to influence the governmental decision to obtain or procure services, supplies, materials, machinery or equipment of the same or a similar type as those so provided or contracted to be provided the Cachuma Operation & Maintenance Board or if the duties of the designated employee's position make it reasonably foreseeable that he or she might engage in such activity.



CATEGORY 4

Business positions or investments in business entities and income from any source or sources of income, if:

- a) The business entities or the source or sources of income are of the type which, within the previous two years, have furnished or contracted to furnish, or in the future with reasonable foreseeability might furnish or contract to furnish services, supplies, materials, machinery or equipment as a subcontractor in any contract with the Cachuma Operation & Maintenance Board to provide services, supplies, materials, machinery or equipment to or for the use of the Cachuma Operation & Maintenance Board; and
- b) Within the previous two years, the designated employee has made, participated in making, or in any way has attempted to use his or her official position to influence the governmental decision to obtain or procure services, supplies, materials, machinery, or equipment of the same or a similar type as those so provided or contracted to be provided to the Cachuma Operation & Maintenance Board or if the duties of the designated employee's position make it reasonably foreseeable that he or she might engage in such activity.

CATEGORY 5

Business positions or investments in business entities and income from any source or sources of income, if;

- a) The business entities or the source or sources of income are of the type which are subject to the regulation or supervision of the Cachuma Operation & Maintenance Board; and
- b) The designated employee's duties involve the supervision or regulation (including, but not limited to, the issuance or granting of franchises, building permits or other use or business permits or any other land use control or regulation) of that type of business entity or source of income.

## RESOLUTION NO. 178

CONFLICT OF INTEREST CODE  
FOR THE CACHUMA OPERATION & MAINTENANCE BOARD

The Political Reform Act, Government Code section 81000, et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of a standard conflict of interest code. Section 18730 can be incorporated by reference and may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs. Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. The conflict of interest code of the Cachuma Operation and Maintenance Board is comprised of the terms of 2 Cal. Code of Regs. Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, the attached Appendix A (designated officials and employees), and the attached Appendix B (disclosure categories).

Designated employees shall file statements of economic interests with the Cachuma Operation & Maintenance Board. Upon receipt of the statements of the members of the Board of Directors and the General Manager, the Cachuma Operation & Maintenance Board shall make and retain a copy and forward the original of these statements to the Elections Division of the Santa Barbara County Clerk-Recorder. Statements for all other designated employees will be retained by the Cachuma Operation & Maintenance Board.

Adopted this 16th day of December, 1991.

AYES: Fairly, Fox, Muller, Stanton, Weedn

NOES: None

ABSENT: Mills

APPROVED:

  
\_\_\_\_\_  
Chair, Board of Directors

ATTEST:

  
\_\_\_\_\_  
Secretary

comcaf.res

**CONFLICT OF INTEREST CODE  
FOR THE CACHUMA OPERATION AND MAINTENANCE BOARD**

The Political Reform Act, Government Code section 81000, *et seq.*, requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations (“CCR”), which contains the terms of a standard conflict of interest code. Section 18730 can be incorporated by reference and may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 CCR Section 18730 and any amendments to it duly-adopted by the Fair Political Practices Commission are hereby incorporated by reference. The Conflict of Interest Code of the Cachuma Operation and Maintenance Board is comprised on the terms of 2 CCR Section 18730, and any amendments to it duly-adopted by the Fair Political Practices Commission, the attached Appendix A (designated officials and employees), and the attached Appendix B (disclosure categories).

Designated employees may file their statements online using eDisclosure, which will submit the Form 700 to the Santa Barbara County Clerk, Recorder and Assessor. Statements will be made available for public inspection and reproduction (Govt. Code Section 81008). Cachuma Operation and Maintenance Board’s filing official can provide access.

Designated employees who file using a paper Form 700 shall file statements of economic interests with the Cachuma Operation and Maintenance Board. Upon receipt of the statements of the members of the Board of Directors and the General Manager, the Cachuma Operation and Maintenance Board shall make and retain a copy and forward the original of these statements to the Santa Barbara County Clerk, Recorder and Assessor. Statements for all other designated employees will be retained by the Cachuma Operation & Maintenance Board.

Adopted this \_\_\_\_\_ Day of \_\_\_\_\_, 2020

\_\_\_\_\_  
Signature  
Janet L. Gingras, M.B.A.,  
General Manager / Secretary  
Cachuma Operation & Maintenance Board

\_\_\_\_\_  
Signature  
\_\_\_\_\_, Chair  
Print Name  
Santa Barbara County Board of Supervisors

**ATTEST:**

\_\_\_\_\_, Clerk  
Board of Supervisors

By: \_\_\_\_\_  
Deputy Clerk-Recorder

*APPENDIX A*

CACHUMA OPERATION & MAINTENANCE BOARD (COMB)  
DESIGNATED POSITIONS

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Persons occupying the following designated positions must disclose financial interests in those categories described in Appendix B which are listed opposite the respective designated positions.

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Directors / Alternates	<u>1-5</u>
General Manager	<u>1-5</u>
Consultant*	<u>1-5</u>

\*Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The General Manager may determine in writing that a particular consultant, although a “designated position”, is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manger determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

## ***APPENDIX B***

### **CATEGORIES OF DISCLOSURE**

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#### **CATEGORY 1**

Interests in real property which are located in whole or in part within the jurisdiction of the Cachuma Operation & Maintenance Board, including any leasehold, beneficial or ownership interest or option to acquire such interest in real property, if the fair market value of the interest is \$1,000 or more.

#### **CATEGORY 2**

Business positions or investments in or income from persons or business entities engaged in the appraisal, acquisition, or disposal of, real property within the jurisdiction of the Cachuma Operation & Maintenance Board.

#### **CATEGORY 3**

Business positions or investments in and income from any source or sources of income, if:

- a) The business entities or the source or sources of income are of the type which, within the previous two years, have provided or contracted to provide, or in the future with reasonable foreseeability might provide or contract to provide services, supplies, materials, machinery or equipment to or for the use of the Cachuma Operation & Maintenance Board; and
- b) Within the previous two years, the designated employee has made, participated in making, or in any way has attempted to use his or her official position to influence the governmental decision to obtain or procure services, supplies, materials, machinery or equipment of the same or a similar type as those so provided or contracted to be provided the Cachuma Operation & Maintenance Board or if the duties of the designated employee's position make it reasonably foreseeable that he or she might engage in such activity.

#### **CATEGORY 4**

Business positions or investments in business entities and income from any source or sources of income, if:

- a) The business entities or the source or sources of income are of the type which, within the previous two years, have furnished or contracted to furnish, or in the

future with reasonable foreseeability might furnish or contract to furnish services, supplies, materials, machinery or equipment as a subcontractor in any contract with the Cachuma Operation & Maintenance Board; and

- b) Within the previous two years, the designated employee has made, participated in making, or in any way has attempted to use his or her official position to influence the governmental decision to obtain or procure services, supplies, materials, machinery, or equipment of the same or a similar type as those so provided or contracted to be provided to the Cachuma Operation & Maintenance Board or if the duties of the designated employee's position make it reasonably foreseeable that he or she might engage in such activity.

#### CATEGORY 5

Business positions or investments in business entities and income from any source or sources of income, if;

- a) The business entities or the source or sources of income are of the type which are subject to the regulation or supervision of the Cachuma Operation & Maintenance Board; and
- b) The designated employee's duties involve the supervision or regulation (including, but not limited to, the issuance or granting of franchises, building permits or other use or business permits or any other land use control or regulation) of that type of business entity or source of income.

# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Janet Gingras

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**SUBJECT:**     **Agreement for Assignment of Claims to California Office of Emergency Services (CalOES) - Thomas Fire / Debris Flow Event**

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**RECOMMENDATION:**

The Board of Directors review the request from the California Attorney General's Office (AG) that the COMB Board of Directors consider the assignment of any claims it may have against third parties for damages caused by the Thomas Fire and resulting mudflows and thereafter, approve and authorize the COMB Board President to execute a Subrogation and Assignment Agreement with the California Governor's Office of Emergency Services (OES) assigning and transferring any and all such claims arising out of the Thomas Fire and Santa Barbara mudflows to CalOES.

**SUMMARY:**

The South Coast Conduit suffered damage to appurtenant structures as a result of the Thomas Fire and the subsequent mudflow event in Montecito in late 2017/early 2018. In particular, air-vent (AVAR) and blow-off (BO) structures were severed in places and covered in mud and debris, causing impairment to the operational condition of the system. In February 2018, the COMB Board of Directors adopted Resolution No. 655, which declared an emergency and authorized the General Manager to contract for performance of the emergency remedial work without competitive bid solicitation, declared the project exempt from CEQA, and authorized the filing of a Notice of Exemption with the County of Santa Barbara.

Subsequent to the issuance of the Presidential Major Disaster Declaration regarding the Thomas Fire, Governor Jerry Brown announced that the Federal Emergency Management Agency (FEMA) granted the state's request for expanded federal disaster assistance in response to the mudflow event. The Declaration ensured that FEMA funds were available for both emergency response and eligible disaster recovery costs. FEMA coordinated with CalOES to implement the Public Assistance (PA) Grant Program. In that process, COMB was reimbursed a total of \$119,696 in disaster assistance.

The attached Subrogation and Assignment Agreement, if approved and signed, will allow CalOES to pursue, through the AG, any reimbursement for those emergency funds received by COMB against any third parties responsible for the damage, and will thereby, relieve COMB of the responsibility for such an effort. It is COMB's understanding that the AG is currently seeking assignments from other agencies/entities that received such emergency funds and will thereafter seek reimbursement from those responsible third parties in a coordinated action.

**FISCAL IMPACTS:**

N/A

**LIST OF EXHIBITS:**

1. Agreement on the Subrogation and Assignment of Claims arising out of the Thomas Fire and Santa Barbara Mudflows

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AGREEMENT ON THE SUBROGATION AND ASSIGNMENT OF CLAIMS ARISING OUT  
OF THE THOMAS FIRE AND SANTA BARBARA MUDFLOWS

This Subrogation and Assignment of Claims (“Agreement”) is entered into by and among the following parties:

- i. The Cachuma Operation and Maintenance Board (“Assignor”); and
- ii. The California Governor’s Office of Emergency Services (“Assignee”).

WHEREAS, after the December 2017 Thomas Fire and the January 2018 mudflows in Santa Barbara County (collectively, the “Events”), Assignee made significant expenditures to numerous public entities to assist with public health and safety efforts and other public works to address the various damage suffered from the Events.

WHEREAS, these expenditures, including but not limited to funds originally distributed by the Federal Emergency Management Agency (“FEMA”), covered a number of different categories of costs, including repairs to public infrastructure and buildings, debris and ash removal, search and rescue efforts, and/or evacuation and shelter operations, among others.

WHEREAS, Assignor received funds from Assignee and used those funds to take necessary actions to safeguard public health and remedy harms arising from the Events.

WHEREAS, pursuant to federal and state regulations, parties that receive emergency funds from FEMA, due to the negligence of a third party, are responsible for taking “all reasonable steps to recover all costs attributable to the negligence of the third party.” 44 C.F.R., § 204.62(c); see also 19 Cal. Code Reg. § 2910. FEMA would then be entitled to reimbursement of any costs recovered from the culpable third party. 44 C.F.R., §204.62(a), (c). Accordingly, in exchange for the funds Assignor received from Assignee, it was responsible for pursuing “reasonable efforts” to recover those costs from the responsible party whose negligence contributed to the Events.

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignee and Assignor (individually a “Party” and jointly the “Parties”) agree as follows:

1. Assignor assigns and transfers to Assignee any and all claims, demands, and causes of action of whatever kind and nature that Assignor has or may later have, under any legal or equitable theory of recovery, relating to harms Assignor suffered as a result of the Events, and for which Assignor received funds from Assignee (“Assigned Claims”). By virtue of Assignee’s payments for damage and loss incurred by Assignor arising from the Events, the Assignee subrogates to Assignor’s rights on the Assigned Claims.
2. Assignee will assume any and all responsibility Assignor has under state and federal law to pursue reimbursement from any third party for expenditures by Assignee or FEMA that were made to address effects caused by the Events.

3. Assignee further agrees to indemnify and defend Assignor against any allegation that it did not adequately pursue reimbursement of any expenditures it received to address the effects of the Events from FEMA or any other federal agency.
4. Assignee shall have no obligation to pursue from any potentially responsible third party any expenditure made directly by Assignor as a result of the Events.
5. This Agreement is effective upon execution by the Parties, and may be signed in counterparts.
6. This Agreement contains the entire Agreement between the Parties, and no statement, promise, or inducement made by any Party to this Agreement that is not set forth in this Agreement shall be valid or binding, nor shall it be used in construing the terms of this Agreement as set forth herein.
7. This Agreement in all respects shall be interpreted, enforced, and governed by and under the laws of California. The terms of this Agreement shall be specifically enforceable by the Parties.
8. The undersigned representative of each of the Parties certifies that he or she is fully authorized to enter into the terms and conditions of this agreement and to legally bind such Party to all terms and conditions of this document. This agreement shall be binding upon the Parties.

#### SIGNATURES

The California Governor's Office of Emergency Services consents to the terms and conditions of this Agreement by its duly authorized representative on this \_\_\_\_ day of \_\_\_\_\_, 2020.

By: \_\_\_\_\_

The Cachuma Operation and Maintenance Board consents to the terms and conditions of this Agreement by its duly authorized representative on this \_\_\_\_ day of \_\_\_\_\_, 2020.

By: \_\_\_\_\_

President, Cachuma Operation and Maintenance Board

# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Joel Degner
Approved by:	Janet Gingras

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**SUBJECT:** 2021 Watershed Sanitary Survey Professional Services Agreement – Geosyntec Consultants

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**RECOMMENDATION:**

The Board of Directors review the proposed costs for the (2021) update to the Watershed Sanitary Survey and approve and authorize the General Manager to execute a Professional Services Agreement with Geosyntec Consultants in an amount not-to-exceed \$54,050, which will include collection of costs from the participating confirmed agencies as outlined in the budget matrix below.

**SUMMARY:**

The California Department of Public Health mandates that all surface water systems conduct a sanitary survey of their watersheds at least every five years, pursuant to Surface Water Treatment Rule Section 64665. The local watershed survey area includes the Santa Ynez River above Bradbury Dam, the West Fork of Glen Annie Canyon above Glen Annie Dam, Lauro Canyon above Lauro Dam, and the watershed above the City of Lompoc, San Miguelito - Frick Springs.

The Watershed Sanitary Survey has historically been a collaborative process between COMB, Goleta Water District, City of Santa Barbara, Montecito Water District, Carpinteria Valley Water District, Santa Ynez River Water Conservation District – Improvement District No.1, and the City of Lompoc. COMB plans to continue with the same process and collaboration as the previous surveys. In 1995, the Watershed Sanitary Survey was initiated by the Santa Barbara Water Purveyors Agency (a JPA) and ultimately performed by Summers Engineering, Inc. Since that time, updates to the survey have occurred every five years in 2000, 2005, 2010, and 2016 and have been completed by the same firm.

The 2021 update will include a summary of the original survey and updates, including progress made on each of the previously made recommendations. The consultant will make field surveys of all the watersheds and assemble water quality data from the last five years in order to evaluate current watershed status, findings, recommendations, and conclusions. For this update, impacts from recent severe wildfires including the Rey Fire (2016), Whittier Fire (2017), and Thomas Fire (2017) and resulting water quality issues will be addressed. Once completed, the Final Report will be submitted by COMB to the California State Water Resources, Division of Drinking Water to satisfy the requirements of Section 64665.

Staff submitted a Request for Proposals (RFP) to three firms with experience in watershed water quality. Two proposals were received, which were sent to technical staff from each participating agency. Each agency was given the opportunity to evaluate the proposals based on grading criteria established in the RFP including responsiveness of the proposal, specialized experience, availability of key staff, cost of services estimate, and records of performance.

Weighted scores were compiled and the lowest responsive, responsible proposer was Geosyntec Consultants. Table 1 below outlines the cost comparison and average weighted scores for the two firms who submitted proposals.

**Table 1.**

Proposers	Proposal	Direct Costs	15% Contingency	Total	Weighted Scores
<i>Geosyntec Consultants</i>	\$ 45,000	\$ 2,000	\$ 7,050	<b>\$ 54,050</b>	<b>4.3</b>
<i>Summers Engineering, Inc.</i>	\$ 61,100	\$ 4,620	\$ 10,280	<b>\$ 76,000</b>	<b>3.9</b>

\* Weighted Scores scaled from 1 (Least Qualified) to 5 (Most Qualified)

**FISCAL IMPACTS:**

Below is a matrix of costs based on historical participation.

PARTICIPATING AGENCY	LOCATION				TOTAL	Percentage
	Santa Ynez	San Miguelito	Glen Anne	Lauro		Share
Carpinteria VWD	\$ 3,124	\$ -	\$ 354	\$ 738	\$ 4,216	7.8%
Goleta WD	10,281	-	1,178	-	\$ 11,459	21.2%
Montecito WD	3,861	-	334	723	\$ 4,919	9.1%
City of SB	23,766	-	1,046	2,213	\$ 27,025	50.0%
Santa Ynez ID No.1	2,757	-	-	-	\$ 2,757	5.1%
City of Lompoc	-	3,675	-	-	\$ 3,675	6.8%
<b>Totals</b>	<b>\$ 43,788</b>	<b>\$ 3,675</b>	<b>\$ 2,912</b>	<b>\$ 3,674</b>	<b>\$ 54,050</b>	<b>100%</b>

The City of Lompoc has confirmed participation of a historical 6.8% of the cost which equates to \$3,675 and will be billed separately under terms of a purchase order. COMB also received confirmation from the Santa Ynez River Water Conservation District, ID No.1 for their participation in the survey costs of \$2,757 and will be invoiced separately. The remaining costs for the South Coast Member Agencies equates to \$47,618. The COMB Operating Budget for Fiscal Year 2020-21 contains funding for the survey.

**LEGAL CONCURRENCE:**

The watershed sanitary survey update is performed in compliance with Surface Water Treatment Rule Section 64665.

**ENVIRONMENTAL:**

The update will evaluate water quality data within the watershed.

**COMMITTEE STATUS:**

The Operations Committee reviewed the proposed costs for the update (2021) to the Watershed Sanitary Survey and forwards to the Board with a recommendation to approve and authorize the General Manager to execute a Professional Services Agreement with Geosyntec Consultants in an amount not-to-exceed \$54,050, which will include collection of costs from the participating confirmed agencies as outlined in the staff memorandum.

**LIST OF EXHIBITS:**

N/A

# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Tim Robinson
Approved by:	Janet Gingras

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**SUBJECT:** Final Report on South Side Erosion Control and Reforestation Project at Quiota Creek Crossing 8

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**RECOMMENDATION:**

The Board of Directors receive the final report on the South Side Erosion Control and Reforestation Project at Quiota Creek Crossing 8.

**SUMMARY:**

***Project Description:*** This Project will enhance the recently completed Fish Passage Improvement Project at Quiota Creek Crossing 8 by addressing erosion problems that were identified and recommended by the CDFW-FRGP grant coordinator, Mary Larson. The Project is comprised of the following: installation of a small settling basin in two intermittent drainages that currently convey fine sediments into Quiota Creek; installation of a culvert under a ranch road to reduce erosion potential; cleanout of each drainage from the settling basins to Quiota Creek; the planting of ten native Coast Live oak trees in close proximity to each of the two settling basins for reforestation; and mulching/seeding of all disturbed areas (Exhibits, Figure 1). The Project will take two weeks to complete and was done when the site and the two drainages were dry. Mary Larson recommended that we apply for a National Fish and Wildlife Foundation (NFWF) grant to cover the costs of the proposed Project.

A brief preliminary proposal was submitted to NFWF for the estimated cost of the proposed Project (\$43,973). Subsequently, COMB was invited by NFWF to submit a full proposal which occurred on 2/7/20 and NFWF then awarded the grant to COMB on 2/24/20. The COMB Board accepted the grant during the 3/23/20 Board meeting and authorized the COMB General Manager to go forward with the project through Resolution No. 705. All landowner agreements and permits for the project were secured prior to the Project. COMB issued a construction contract to Peter Lapidus Construction in the amount of \$41,530.

***Project Location:*** The nearest town is Santa Ynez. Quiota Creek Crossing 8 is located off of Hwy 246 via S. Refugio Road 4.9 miles south of Hwy 246. The South Side Erosion Control and Reforestation Project is approximately 100 yards south of Crossing 8 on the Mitchell Ranch.

***Contractor:*** Peter Lapidus Construction (PLC) was awarded the contract for \$41,530 and was issued a Notice to Proceed on 7/9/20.

***Design Engineer:*** Michael Garelo and Shaun Bevan, HDR Fisheries Design Center.

**Project Status and Timetable (as of the Board meeting date):**

Status	Time
Notice to Proceed	7/9/2020
Construction start	7/20/2020
Contract Time (to complete all work)	2 weeks
Completion Date	9/28/2020
Number of construction work days (WD*) (expected)	9
Elapsed Time (WD to the Board mtg)	9
Remaining Time (WDs to complete all work)	0
Time Elapsed (WD) to Date (%)	100%
*WD: Working Days.	

**Work Performed to Date:** PLC has completed all contracted tasks of the project which included clearing and grubbing of the site, excavation of the two settling basins, lining the inlet and outlet of each settling basin with native cobbles, reconditioning the ranch road drainage (widening and installing erosion control bars of native cobbles), installing the culvert under the ranch roach, digging 20 tree holes, seeding the area around the settling basins, spreading mulch over all disturbed areas, installing cattle exclusionary fencing around each tree planting area, site cleanup and removal of all construction equipment (Exhibits, Figures 2-6) are presented as Exhibits. COMB-FD staff planted 20 coast live oaks late 9/28/20 after the dry and hot season which successfully completed the Project (Exhibits, Figures 7-8). All final reporting was completed by the end of October and the grant reimbursement request was submitted during the first week of November which has been approved and payment is expected soon.

**Work Projected for Next Month:** The Project has been completed.

**FINANCIAL IMPACT:**

There is no direct COMB match required for the Project except for staff time to implement grant administration, legal counsel review of the landowner agreements and grant contract, biological monitoring, oversight of the project, final reporting and invoicing, and maintenance. The 20 proposed Coast Live oaks of the project will be incorporated into our routine maintenance for the mitigation trees at the Quiota Creek Crossing 8 Project which will require approximately 40 hours of staff time per year until the trees are self-sustaining (approximately in 3 years). Maintenance of the 2 settling basins will be conducted by COMB staff as needed and is estimated to be once every 3 years to be done by hand or a backhoe (only if needed). Permit fees were \$520. Total estimated COMB costs during the first year and subsequent years are outlined in Table 1.

**Table 1:** Estimated COMB costs for the project for the next 10 years.

Task	Year 1	Years 2-3	Years 4-10	Total
Legal Counsel Review	\$460			\$460
Permit Fees	\$520			\$520
Tree Planting	\$400			\$400
Tree Maintenance (40 hrs/ yr)	\$800	\$1,600	\$500	\$2,900
Settling Basin Cleaning (if needed)	\$0	\$750	\$750	\$1,500
Reporting and Invoicing	\$400	\$300	\$200	\$900
<b>Total:</b>	<b>\$2,580</b>	<b>\$2,650</b>	<b>\$1,450</b>	<b>\$6,680</b>

A summary of the revenues and estimated expenditures for the Project are presented in Table 2. Actual final expenditures are provided in Table 3.

**Table 2:** Estimated cost and available funds for the project.

	FY 2019-20
<b>Revenues</b>	
NFWF Grant Funding	\$ 43,973
Member Agency Assessments	\$ 0
Budget Assessments	\$ 0
<b>Total:</b>	<b>\$ 43,973</b>
<b>Expenditures</b>	
PLC Construction	\$ 41,530
Manzanita Nursery (oak trees)	\$ 400
Tree planting materials	\$ 300
Engineering Review and As-Built Drawings (HDR)	\$ 1,500
Operating Expenses (permits, review, inspections)	\$ -
<b>Total:</b>	<b>\$ 43,730</b>
<b>Differential</b>	<b>\$ 243</b>

**Table 3:** Final expenditures for the Project.

Estimated Project Costs / Available Funds:	\$ 43,973	\$ 12,591	\$ 56,564
	FY21	FY21	
Total Expenditure to Date:	<i>NFWF Grant</i>	<i>COMB Match</i>	TOTAL
Contract and Permit Administration:		\$3,500	\$3,500.00
Biological Monitoring:		\$1,500	\$1,500.00
Tree Planting:		\$2,000	\$2,000.00
Oversight:		\$1,500	\$1,500.00
Reporting:		\$1,500	\$1,500.00
Overhead:		\$1,500	\$1,500.00
PLC - Invoice 1:	\$41,530.00		\$41,530.00
Storrer Environmental Services (bird survey) - Invoice 1:	\$632.50		\$632.50
Oak Trees (Mazanita Nursery) - Invoice-1:	\$344.80		\$344.80
Planting Materials - Invoice 1:	\$252.99		\$252.99
RWQCB - Permit Fee - Invoice 1:	\$520.00		\$520.00
HDR (Record Drawings) - Invoice 1:		\$668.75	\$668.75
<b>Total Paid:</b>	<b>\$43,280.29</b>	<b>\$12,168.75</b>	<b>\$55,449.04</b>

**LEGAL CONCURRENCE:**

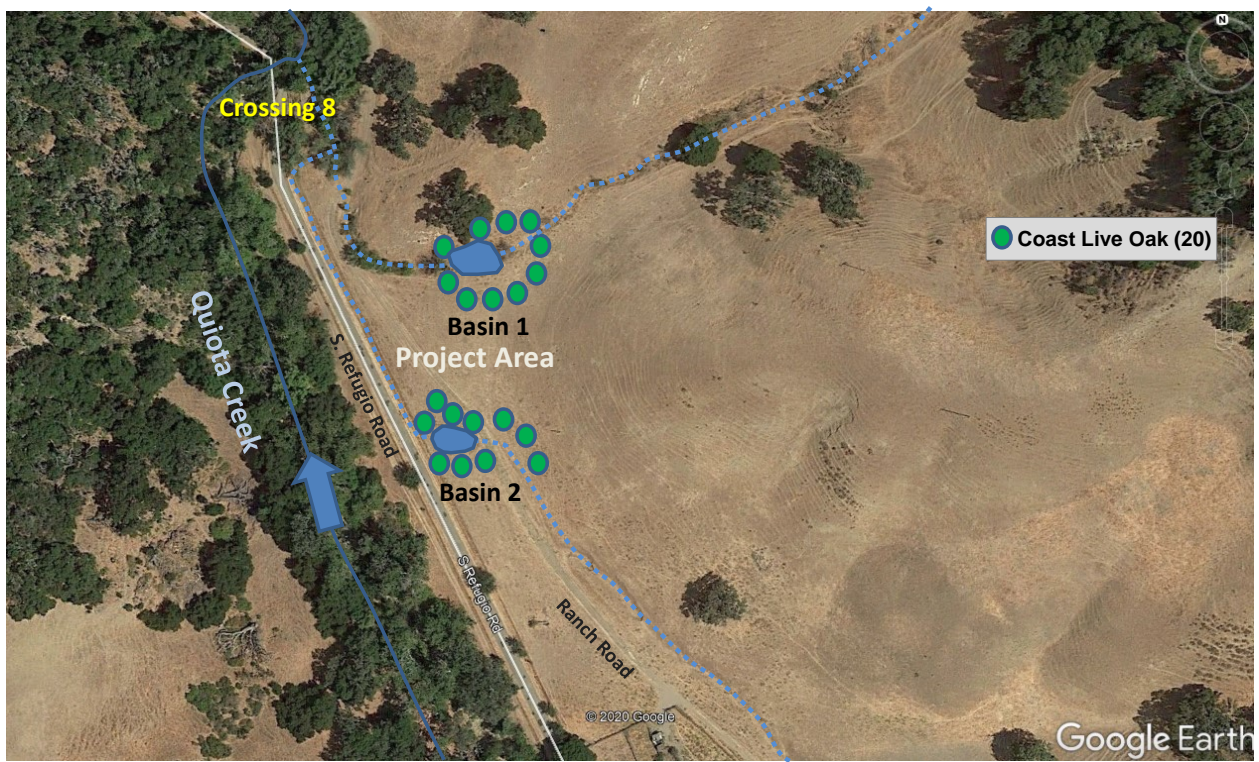
COMB legal counsel has reviewed all contract documents related to the project.

**ENVIRONMENTAL COMPLIANCE:**

All permits have been obtained and were followed.

**LIST OF EXHIBITS:**

Project photos:



**Figure 1:** Project area with project elements showing the close proximity to the Quiota Creek Crossing 8 Project.





**Figure 2:** Construction of Basin 1 showing (a) basin excavation, (b+c) placement of inlet and outlet native cobbles, and (d) near completed condition.



**Figure 3:** Construction of Basin 2 showing (a+b) basin excavation, (c) placement of inlet and outlet native cobbles, and (d) near completed condition.



**Figure 4:** Ranch road culvert installation showing (a) trenching for the culvert, (b) compacting material over the culvert, (c) placement of outlet native cobbles, and (d) near final condition.



**Figure 5:** Ranch road drainage treatment showing (a) grading of the road, (b) road side drainage ditch grading, (c) native cobble bar placement within the drainage ditch and (d) completed condition with mulch.



**Figure 6:** Disturbed areas within the Project area that were seeded and mulched.



**Figure 7:** Revegetation and reforestation within the Project area showing (a+b) mulching after seeding and (c+d) tree planting.



**Figure 8:** Final condition of the Project showing (a) Basin 1, (b) Basin 2, (c) Ranch road drain, and (d) confluence of the unnamed tributary with Quiota Creek downstream of the Crossing 8 Project Bridge.

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Mission Statement:

*“To provide a reliable source of water to our member agencies in an efficient and cost effective manner for the betterment of life in our communities.”*

December 14, 2020

**General Manager Report**

The following summary provides the Board with information and an overview of progress on current COMB activities.

Virtual Meetings

- **Santa Ynez River Flood Forecast Coordination Meeting**

Santa Barbara County Flood Control virtually hosted their annual pre-winter coordination meeting for the Santa Ynez River. Attendees included the County Flood Control (FC) and Water Agency, Reclamation technical staff from the Fresno office, the Santa Ynez River Water Conservation District (Parent District), and COMB staff. The objective of the meeting was to inform stakeholders about the Santa Ynez River system, Santa Barbara County’s real-time flood warning system, and to provide highlights of the Flood Control River Forecast modeling overview, capabilities and limitations, Cachuma Reservoir operations including critical infrastructure elevations, and a review of modified storm operations. County technical staff also presented their recession model typically used after a significant rain event to estimate Cachuma inflow and subsequent lake elevations.

Administration

- **Fiscal Year 2021-22 Preliminary Budget Process Schedule**

**Cachuma Operation & Maintenance Board**

*Preliminary Budget Process Schedule*

**Fiscal Year 2021-22**

<b>Deliverables</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>
Updates to: Infrastructure Improvement Projects, Habitat Improvement Projects, Projected COMB Managed Revenues Projected General and Administrative Expenditures Projected Operating Expenditures	X	X				
FY 2021-22 Draft Budget Document Developed		X				
Draft Budget Internal Review Process			X			
Member Agency Review Process			X			
Administrative Committee Draft Budget Review				X		
Board Draft Budget Review				X		
Update Draft Budget - Prepare Final Budget				X		
Board Adopts Final Operating Budget					X	

Personnel

- **COVID 19 Update**

In response to the COVID-19 local emergency and global pandemic, staff has established operational protocols and implemented business continuity practices to ensure the safety of our employees and the community. The protocols continue to be followed and align with the suggested protocols issued by the Santa Barbara County Public Health Department and the Centers for Disease Control (CDC) to protect employees and our community against the risk posed by COVID-19. Alternative work schedules continue to be implemented to increase work space distancing in order to reduce the chance of exposure of COVID-19 among staff members.

COMB staff has been meeting (telephonically) with Member Agency technical staff to discuss any needs warranted from potential operational disruptions due to the virus. To date, staffing needs and general operational resources have been reported to be satisfactory among the group.

- **Governors Regional Stay Home Order**

In a press conference held on Thursday, December 3<sup>rd</sup>, Governor Newsom announced the issuance of a Regional Stay Home Order which has been in effect since Sunday, December 6<sup>th</sup> for our region and will remain in effect for at least three weeks based on available ICU beds (must be higher than 15% availability). Santa Barbara County is combined with other Southern California Counties, including Imperial, Inyo, Los Angeles, Mono, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura to form one of six regions. The Tri-counties (Ventura, San Luis Obispo, and Santa Barbara) have issued a letter to state health officials and California Governor Gavin Newsom to request a separate Central Coast Region (CCR) composed of the three counties. The letter requests that the CCR be allowed to exit the regional stay home order after three weeks if the ICU capacity in the CCR exceeds 15 percent. Staff continues to practice safe business practices and established operational protocols related to the pandemic.

- **Cal/OSHA COVID Updates**

Cal/OSHA has developed additional mandatory procedures and business controls pertaining to the pandemic and workplace safety including investigation and responding to COVID-19 cases in the workplace. Staff is currently updating our internal COVID-19 Preparedness and Prevention Plan to incorporate all required protocols, practices and compliance measures.

Engineering / Operations Division

- **ACWA/JPIA Worker's Compensation, Liability, and Property Risk Assessment**

Lee Patton, Senior Risk Management Advisor with ACWA/JPIA, conducted a virtual annual risk assessment for COMB in early November. The purpose of the annual risk assessment is to evaluate each safety program (Worker's Compensation, Liability, and Property Programs) and communicate Cal/OSHA regulation changes; evaluate losses to assure that corrective action has been identified and achieved, and identify trends that might point to training needs; review work practice issues; and discuss safety training needs for specific areas where ACWA/JPIA can assist.

Staff presented Mr. Patton a copy of our recently updated internal Injury and Illness Prevention Plan (IIPP). Mr. Patton conducted a review and provided suggested formatting and pertinent details for inclusion in the plan, including referencing our COVID-19 Preparedness and Response Plan. The updates will be incorporated into the IIPP. In addition, Mr. Patton reviewed Employment Practices, Heat Illness Prevention Program, ACWA's Risk Control and Risk Transfer Manual, our Workers Compensation and Liability Program experience modifications, and our Property Program. Overall, COMB continues to practice excellent safety measures and best practices in all of our programs.

- **USBR Comprehensive Facility Review – Carpinteria Reservoir**

Approximately every six years, Reclamation performs a Comprehensive Facilities Review (CFR) on Cachuma Project facilities on the South Coast. These reviews include civil, geotechnical, seismic and mechanical engineering examinations of the dams. Comprehensive Facility Reviews are designed to gather together appropriate technical disciplines for a brief, but intensive assessment of a dam's performance history, the dam safety analyses performed to date, and the current condition of the dam and damsite. The CFR covers operation, maintenance and dam safety issues and are generally followed every three years by a periodic facility review.

For the 2021 CFR, all four dams (Glen Anne, Lauro, Ortega and Carpinteria) will be reviewed. The initial reviews for Carpinteria and Ortega dams were conducted virtually by Reclamation in early December. A site inspection of the dams is planned for March 2021 with the reports planned to be completed in June 2021.

Fisheries Division

- **Annual Monitoring Reports / Annual Monitoring Summaries**

Staff continues to work with Reclamation to complete the 2020 Annual Monitoring Summaries (AMS) and Annual Monitoring Reports (AMR) for submission to NMFS by Reclamation. The AMR documents for 2020 have been expedited, subsequent to a request from Reclamation, for review by mid-December for Reclamation's compliance with the State Board Order now in effect.

Respectfully Submitted,

*Janet Gingras*

General Manager

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# CACHUMA OPERATION AND MAINTENANCE BOARD

## MEMORANDUM

**DATE:** December 14, 2020  
**TO:** Janet Gingras, General Manager  
**FROM:** Joel Degner, Engineer/Operations Division Manager  
**RE: MONTHLY ENGINEERING REPORT**

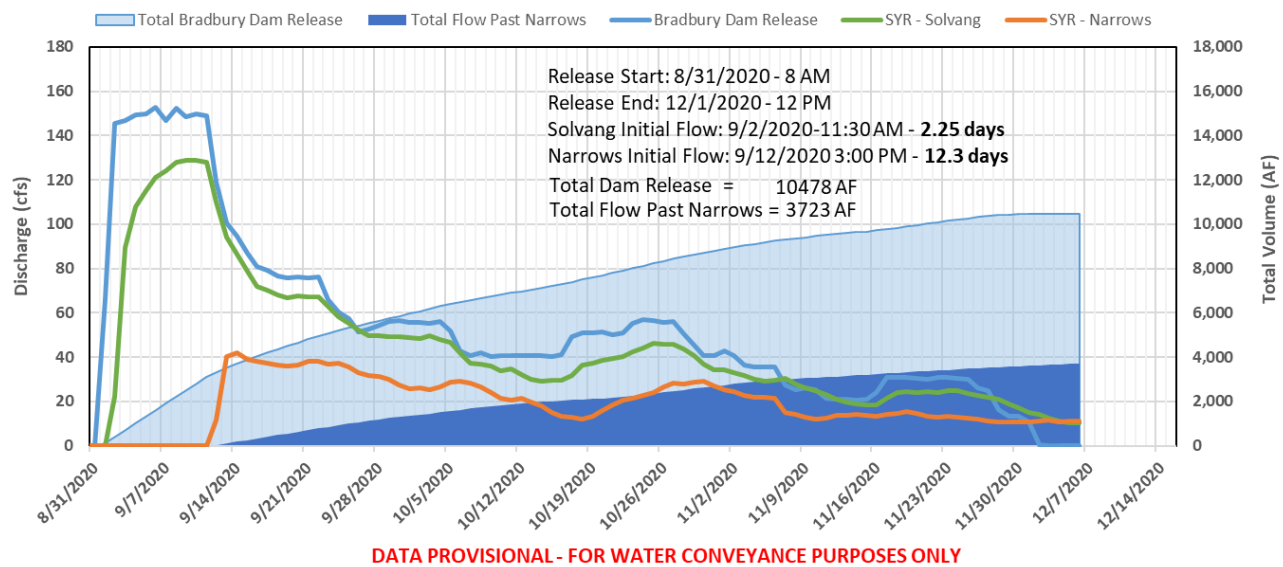
The following summary provides the Board with information and an overview of progress by engineering staff related to on-going studies and infrastructure improvement projects.

### CLIMATE CONDITIONS

The rainfall in Water Year 2020-21 is ten percent of normal for Santa Barbara County. Only 0.19 inches of rain have been recorded at Gibraltar Dam for this water year (0.31 inches at Bradbury Dam) which is one percent of the seasonal average. Santa Barbara County was classified as abnormally dry in November 2020 according to the U.S. Drought Monitor. La Niña conditions are present and the National Weather Service Climate Prediction Center predicts it is likely to continue for the winter of 2020-21 (~95% chance during January-March) and into spring 2021 (~65% chance during March-May). The 14-day forecast is showing completely dry conditions. The live fuel moisture levels at Lake Cachuma were 58 percent as of 11-18-2020 which is below the critical threshold of 60 percent. The fire season is still active and will be until sufficient rainfall occurs to increase the live fuel moisture levels.

### LAKE ELEVATION/DOWNSTREAM RELEASE UPDATE

Lake Cachuma is currently at 65.3% capacity (727.98' as of 12/7/20). U.S. Bureau of Reclamation (Reclamation) completed releasing water for the Santa Ynez River Water Conservation District (SYRWCD) on December 1st. A total of 10,478 acre-feet was released of which 3,700 AF has flowed past the Narrows thus far according to the USGS (provisional report). Figure 2 provides the provisional data recorded at Bradbury Dam, at the Santa Ynez River at Solvang (11128500) and at the Santa Ynez River at the Narrows near Lompoc (11133000) for the downstream release.



**Figure 2. Downstream Release Data through December 7, 2020**

COMB's Member Agencies provided update projections for Lake Cachuma imports/exports in November 2020. Figure 2 provides the projected lake elevation based on these projections. In general, water demands typically decline in the winter months with the reduction of outdoor irrigation requirements. However, due to the lack of precipitation, demands are currently slightly higher than forecasted. Assuming dry year hydrology, the Emergency Pumping Facility will not be needed until the Summer/Fall of 2022. Water levels will continue to decline in the winter if no rainfall occurs and the pumps for the Hilton Creek Water System or the Hilton Creek Emergency Backup System may need to be utilized in the Spring of 2021.

Parameter	Optimistic	Realistic	Conservative
SCC Exports	80% Forecast	Forecast	120% of Forecast
CCWA Inflow	120% Forecast	Forecast	80% of Forecast
WR 89-18 Release 2021	12,000 AF	12,000 AF	12,000 AF
WR 89-18 Release 2022	8,000 AF	8,000 AF	8,000 AF

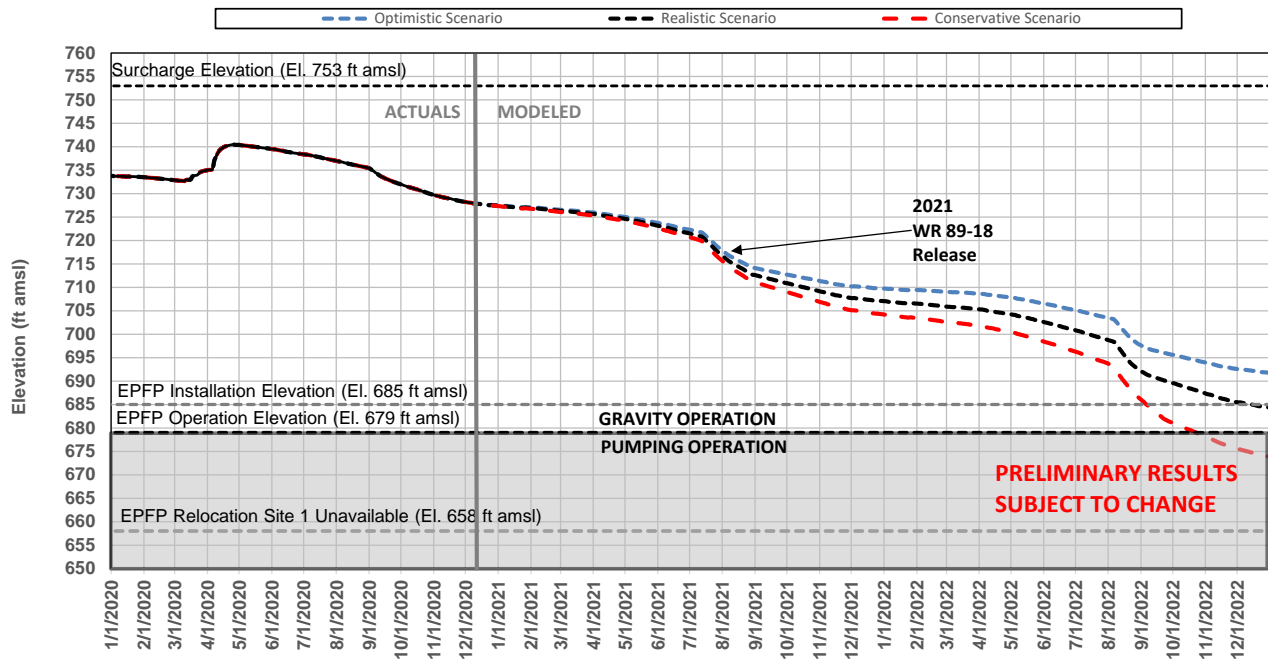


Figure 2. Lake Elevation Projection assuming Dry Year Hydrology (as of 12/7/2020)

With the lake at 65 percent capacity, it would take 70,000 acre-feet of inflow to spill Lake Cachuma. Using past year hydrology as a reference, it would take approximately 30 to 40 inches of rainfall at Gibraltar Dam to result in the 70,000 acre-feet of inflow (Figure 3).

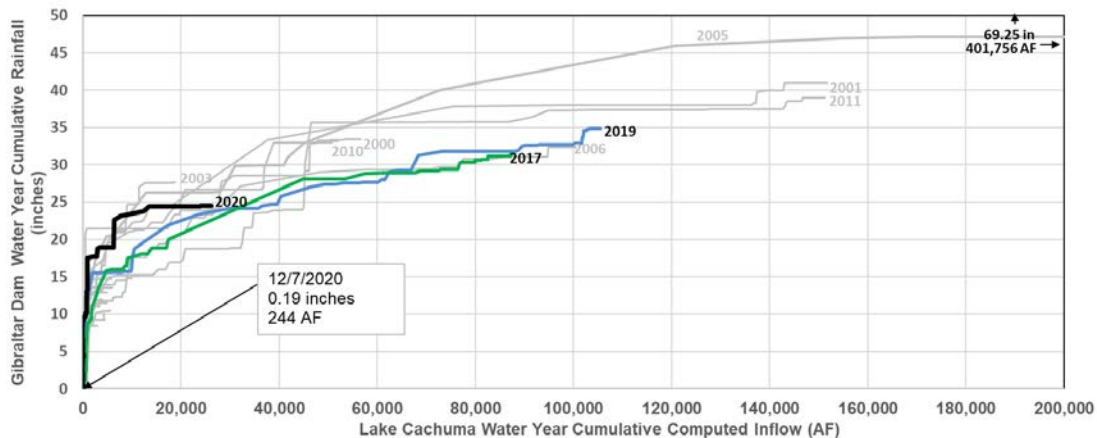


Figure 3. Comparison of Lake Cachuma Computed Inflow to Accumulated Rainfall at Gibraltar Dam

Average rainfall at Gibraltar Dam for the period of record is 26.28 inches. Current seasonal outlooks by the National Weather Service Climate Prediction Center predict below normal precipitation through the winter and spring. The probability of above average precipitation in the Southern California Coast during the Jan-Feb-Mar period is currently less than 20 percent based on the seasonal outlook.

**Table 1. Gibraltar Dam Rainfall Totals (inches)**

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Total
2020-21	0.00	0.19											<b>0.19</b>
Average	0.78	2.24	4.32	5.64	5.99	4.59	1.96	0.48	0.07	0.01	0.03	0.18	<b>26.28</b>

**INFRASTRUCTURE IMPROVEMENT PROJECTS**

Table 1 provides a summary of the status of Fiscal Year 2020-21 projects.

**Table 1. Fiscal Year 2020-2021 Infrastructure Improvement Projects**

Infrastructure Improvement Projects	Status / Phase	Complexity / Challenges	Estimated Completion Date
<b>Infrastructure Improvement Projects</b>			
SCADA System	COMB entered into a contract with Aspect Engineering to replace the 6 remaining legacy PLCs. Aspect has prioritized PLC 3, 6, and 9.	COMB SCADA system was installed in 2004 and existing hardware is obsolete and in need of replacement. PLC replacements will require coordination with COMB's Member Agencies.	PLC upgrades are planned to be completed by 2022.
COMB Building and Ground Repair	Admin and Fisheries modular office building replacement approved by the board and the design is being reviewed by COMB staff.	COMB Admin and Fisheries modular offices will be replaced in-kind to limit complexity and challenges of construction.	Buildings planned to be replaced
SCC Structure Rehabilitation : AVAR/BO Valves	Contract in place and work on structures is tentatively planned for January/February period.	COMB plans to prioritize non-shutdown related work that can be completed this winter for this fiscal year.	Non-shutdown work will likely be done Jan-March. Shutdowns needs to be coordinated with Reclamation and CVWD.
SCC Line Valves for Shutdown	Ortega Valve #1 valve will need to be replaced in Fall 2021 after MWD replaces a portion of the water main which allows the control station to be bypassed. Preliminary design of the La Mirada line valve in Carpinteria have been reviewed and provided to Reclamation and Caltrans.	During Schedule D shutdown, excessive leak by was observed from Ortega Control Station. Valve #1 at the station will need to be replaced prior to construction involving the line valve. Additional line valve(s) are needed in Carpinteria to facilitate shutdown work.	Construction planned for Winter 2020-2021
SCC Structure Rehabilitation : Lower Reach Laterals	COMB and CVWD staff exercised Laterals 1 to 6 valves to determine if isolations are possible to perform the rehabilitation without an SCC shutdown. Most the valves were operational with several frozen valves noted.	In order to facilitate shutdowns on the Lower Reach of the SCC, lateral valves need replacement. COMB is collaborating with CVWD on this project.	Initial construction planned for 2021 but will depend on collaboration with CVWD.
<b>Special Projects</b>			
Emergency Pumping Facility - Secured Pipeline Project	Makai Ocean Engineering have prepared final designs, specifications, and report. Environmental review will pick up again in January. Key components of the barge are currently being stored under contract.	The lake elevation is projected to remain above 685 until the Summer/Fall 2022.	Construction could occur in Spring/Summer of 2022 depending on lake elevations.
Watershed Sanitary Survey Update	COMB plans to contract for a Sanitary Survey to be completed in 2021. Request for approval for a contract for consulting services is presented to the board in December.	The current plan is to complete this in collaboration with COMB's member agencies, Santa Ynez, and the City of Lompoc.	Sanitary Survey is due by October 2021.
Lake Cachuma Water Quality and Sediment Management Study	The Study was completed in August 2020. COMB staff is preparing an implementation plan for the Phase 2 recommendations. COMB staff has increased frequency and locations of lake profiles to better document the lake turnover.	Additional sampling is needed to better understand nutrient and total organic sources prior to determining if additional larger actions at the lake would make sense from a cost-benefit stand point.	TBD

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## CACHUMA OPERATION AND MAINTENANCE BOARD

**DATE:** December 14, 2020  
**TO:** Janet Gingras, General Manager  
**FROM:** Shane King, Operations Supervisor  
**RE:** **MONTHLY REPORT OF OPERATIONS – November 2020**

The total flow from Lake Cachuma into the Tecolote Tunnel for November was 1,512.5 acre-feet, for an average daily flow of 50.31 acre-feet. Lake elevation was 729.70 feet at the beginning of November and 728.23 feet at the end of November. Storage decreased by 3,510 acre-feet. CCWA wheeled 75.5 acre-feet of water to Cachuma Project facilities. The City of Santa Barbara wheeled 485.06 acre-feet of water from the Gibraltar Penstock through Lauro Reservoir. The Hilton Creek Watering System was utilized and delivered 316.2 acre-feet of water to Hilton Creek for the month of November. The Water Rights 89-18 release to recharge downstream aquifers took place and the United States Bureau of Reclamation (USBR) released 1330.0 acre-feet of water to the downstream users for the month of November.

The Operations Division of the Cachuma Operation and Maintenance Board has the responsibility to operate, repair and maintain all Cachuma Project facilities from the Intake Tower at Lake Cachuma to the Carpinteria Reservoir. The Annual Work Plan sets forth all activities necessary to ensure system reliability. Consistent with the Plan, Operation and Maintenance staff performs routine maintenance on the distribution and storage system. Staff continues to improve the system, address deficiencies and identify items to be included in the Infrastructure Improvement Program of work. Operations Division is responsible for:

- Adequately regulating and maintaining the diversion of water from Lake Cachuma to the South Coast via the Tecolote Tunnel as the primary water source for 5 communities.
- Operation and maintenance of the South Coast Conduit pipeline, which consist of 26.5 miles of pipeline with a combined 124 blow off and air vent structures, 43 turnout structures and 20 meters.
- Operation and maintenance of four regulating reservoirs.

**South Coast Conduit - Structure Inventory**

Reach	Endpoints	Linear Length (ft)	Pipe Diameter	Regulating Storage Reservoirs	Meters	Air Vents	Blow-Offs	Turnouts	Open Air Vents	Valves	Valve Size	Slide Gates	Capacity / Volume (gal)
Upper	Glen Annie Turnout (S. Portal) - Cater Water Treatment Plant	64,050	48"	2	5	32	35	18	2	115	4" - 48"	7	6,017,421
Lower	Cater Water Treatment Plant - Carpinteria Reservoir	90,910	27" - 36"	2	15	26	31	42	4	144	4" - 36"	-	3,190,171

Operations staff continue to follow the implemented physical distancing measures as a response to COVID-19. Operators utilize separate vehicles and mostly completed work that could be done by one staff member or with appropriate physical distance if multiple staff are required. Routine operation and maintenance completed during the month of September were as follows:

- Staff has been on site monitoring several ongoing projects throughout the area, working closely with the construction and engineering contractors to ensure that:
  - Pipeline easements and the right-of-way remain accessible to Operations staff for possible emergencies and ongoing facility maintenance.
  - All projects are following the COMB and USBR approved plans.

- No damage occurs to the SCC during the construction process.
- Conducted 5 flow changes at the North Portal during the month of November
- Reviewed several projects for conflicts within the SCC right of way
- Received and responded to 89 USA Dig alerts
- Performed weekly inspections of major facilities, safety meetings, rodent bait (all reservoirs), toe drain and piezometer reads at Ortega (L23)
- Performed dam inspection and instrumentation reports (all reservoirs)
- Performed equipment and yard maintenance
- Performed monthly North Portal elevator maintenance with Otis
- Performed monthly water quality sampling
- Read anodes and rectifier data

In addition regular activities described above, Operations staff performed the following:

- The fish screens for the slide gates on the intake tower were cleaned and inspected. Inspection includes the condition of the sacrificial anodes, condition of the screens themselves, and to verify there is no signs of mussel/clam formations.
- The slide gates on the Intake Tower at Cachuma Lake were exercised and greased to ensure proper functionality.
- Staff exercised the valves at the San Antonio Creek Blowoff (477+30) as part of the operations annual valve exercising program. These valves serve a critical role in dewatering the northern section of the South Coast Conduit in times of emergency where there is a need to quickly and safely discharge a large amount of water in short time period. No water was release for the valve exercising.
- Operations personnel conducted two excavations to gather engineering data for future line valve projects in the Carpinteria section of the South Coast Conduit near La Mirada Drive. (see photos)
- Staff completed the annual structure maintenance program for calendar year 2020. In all, 22 structures were visited in the month of November. Structure maintenance includes the following tasks:
  - Weed abatement around the outside of the structure
  - Ensuring the structure number is visible and legible
  - Pumping out any water that may have accumulated in the structure
  - Cleaning out and disinfecting the inside of the structure
  - Exercising of valves and Air Vents
  - Cleaning off or painting over any graffiti
  - Perform visual inspection of condition of assets within structure
- Operations staff in conjunction with Carpinteria water district staff visited 6 lateral structures to gather engineering data for future rehabilitation project and to also test and document the functionality of the isolation valves for the laterals.
- Staff cleaned out the valve pits at Lauro, Sheffield, and Carpinteria sites as part of the Operations winter storm preparations. Valve pit cleaning includes cleaning out of any leaves, dirt, or debris from the pits that may clog up storm drains and lead to further damage. Also, checking the functionality of the storm drains to make sure they will flow properly during a rain event.
- Staff conducted storm preparation work at the Glen Anne reservoir, Tecolote Tunnel South Portal area, and at the Glen Anne Turnout area. This work included clearing any boulders and debris from the south portal dirt roadway, and clearing vegetation and debris from around all culvert piping and storm drains.
- Staff monitored two pothole areas on a property on Cuesta Verde to locate the SCC in order to gather engineering data for future construction work.

**Potholing the SCC near La Mirada Drive in Carpinteria**



**Fish Screen Cleaning at the intake tower**



**Potholing the SCC at Cuesta Verde property**



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# CACHUMA OPERATION AND MAINTENANCE BOARD

## BOARD MEMORANDUM

**DATE:** December 14, 2020  
**TO:** Janet Gingras, General Manager  
**FROM:** Tim Robinson, Fisheries Division Manager  
**RE: MONTHLY FISHERIES DIVISION REPORT**

### HIGHLIGHTS:

- USBR continues to deliver the required 2000 Biological Opinion target flows by gravity through the Hilton Creek Watering System (HCWS) at approximately 5.3 cfs to the Upper Release Point which is sustaining the *O. mykiss* population in the creek.
- The 2000 BiOp and Order WR 2019-0148 target flows to the Hwy 154 Bridge are being met by USBR for a Below Normal water year through releases to Hilton Creek and from the Outlet Works to the Lower Santa Ynez River (LSYR) mainstem.
- The 2020 WR 89-18 release began on 8/31/20 and ended on 11/30/20 for a duration of 92 days and 10,478 af released (SYRWCD).

In compliance with the 2000 Cachuma Project Biological Opinion (BiOp) (NMFS, 2000) and as described in the 2004 Lower Santa Ynez River Fish Management Plan (SYRTAC, 2000) and the Monitoring Program in the 2000 Revised Biological Assessment (BA), the COMB Fisheries Division (FD) staff conducts routine monitoring of steelhead/rainbow trout and their habitat on the Lower Santa Ynez River (LSYR) below Bradbury Dam. The following is a list of activities carried out by COMB-FD staff since the last COMB Board Fisheries Division Report and has been broken out by categories.

### LSYR Steelhead Monitoring Elements:

***Thermograph Network:*** The thermograph network is deployed at the beginning of April and removed at the beginning of December to record water temperatures at all designated locations within the LSYR mainstem and several tributaries. The thermograph network has been deployed since April in the LSYR mainstem and its tributaries. Thermographs are downloaded monthly and the results are summarized in the Annual Monitoring Report.

***Lake Profiles:*** Lake Cachuma water quality measurements (temperature, dissolved oxygen concentration solids and turbidity) at one meter intervals from the surface to the bottom of the lake (Lake Profile) are taken once a month at the Hilton Creek Watering System (HCWS) Intake Barge. This is considered to be near the deepest point in the lake and allows for monitoring of lake stratification, water quality conditions at the intake level for the HCWS, and lake-turnover. Due to the drought and the need to carefully monitor Lake Cachuma, lake profiles are being taken monthly throughout the year and are reported in the Annual Monitoring Summary.

***Snorkel surveys:*** Snorkel surveys for *O. mykiss* and non-native fish are conducted three times a year at the end of the spring, summer, and fall. All snorkel surveys have been completed as of 12/9/20. The results are presented in the annual monitoring report.

**WR 89-18 Release Monitoring:** BiOp required monitoring for the WR 89-18 releases (RPM 6) started prior to the release and ended two weeks after the end of the release as requested by USBR. WR 89-18 releases are conducted by the Santa Ynez River Water Conservation District (SYRWCD) in collaboration with USBR. The 2020 WR 89-18 release began on 8/31/20 and ramped up over two days to a peak release of 150 cfs (Outlet Works plus Hilton Creek releases through the HCWS). The release ended on 11/30/20 and USBR followed the 2000 BiOp designated rampdown procedure. The release lasted 92 days and 10, 478 af were leased from Lake Cachuma. This was a Below Narrows Account (BNA) release with release water flowing past the Narrows and out into the Lompoc plain to recharge the aquifer. As requested by USBR and approved by NMFS, migrant trapping was conducted at one location (within the Refugio Reach of the Lower Santa Ynez River mainstem) for the first 18 days of the release. No *O. mykiss* were caught in the trap going upstream or downstream. The pre-, during-, and post-release snorkel surveys have been completed pursuant to the terms and conditions stated in Reasonable and Prudent Measure (RPM) 6 as requested by USBR. No *O. mykiss* movement was observed within Reach 3 during the 2020 WR 89-18 release.

### **Tributary Project Updates:**

**South Side Erosion Control and Reforestation Project at Quiota Creek Crossing 8:** Funding for this project was secured through a National Fish and Wildlife Foundation (NFWF) grant for \$43,973. The COMB Board accepted the grant during the 3/23/20 Board meeting and authorized the COMB General Manager to go forward with the project through Resolution No. 705. All landowner agreements and permits for the project were secured well before construction. COMB issued a construction contract to Peter Lapidus Construction (PLC) for \$41,530. All elements of the project have been successfully completed. PLC did a great job, came in on budget, and completed their contract obligations. The final financial report for the project is provided in a separate Board memo.

### **Hilton Creek Watering System (HCWS) and Emergency Backup System (HCEBS) Repairs:**

**HCWS and HCEBS:** The HCWS and HCEBS are owned, operated, and maintained by USBR. The HCEBS was completed at the end of January 2016. USBR technical staff continues to consider improvement options for the HCWS. Currently USBR is delivering water to Hilton Creek through the HCWS by gravity flow to the Upper Release Point (URP) with no backup from the HCEBS. The HCEBS delivery pipeline across the Stilling Basin was removed 2/5/20. USBR is considering reinstalling the HCEBS delivery pipeline when the lake elevation decreases to 725 ft (currently it is at 727.94 ft as of 12/8/20). This is particularly important since USBR doesn't like to run the HCWS on gravity when the lake is below elevation 724 ft. The HCEBS can be operated by gravity flow to the URP which is a far superior water delivery method to Hilton Creek rather than relying on the HCWS pumping system.

USBR will be inspecting the HCWS pumping barge and its electrical systems during the week of 12/7/20. No date has been set for the installation of the long-standing ordered parts or any noted repairs during the current inspection.

### **Surcharge Water Accounting:**

The following table summarizes the amount of surcharge water used to date from each of the three accounts plus unallocated project yield at the end of last month (Table 1). All numbers are from the USBR's Daily Operations Report. The start time for the use of the Surcharge Water Accounts and Project Yield was 5/27/11, or the day following the last day of full surcharge and end of the last spill

event. As of May 2012, all of the fish rearing accounts have been used and USBR is now using Project Yield to meet BiOp target flows. Water Right (WR 89-18) release durations since 2013 are noted as follows: 7/15/13 - 12/2/13, 8/18/14 - 11/11/14, 8/3/15 - 9/26/15, 7/12/16 - 8/29/16, 8/21/17 - 11/8/17, and 8/6/18 – 9/12/18. There were no WR 89-18 releases in 2019 and the 2020 release is ongoing. During these releases, no fish rearing releases are debited as WR 89-18 releases are used conjunctively with fish flows under the Cachuma Project Settlement Agreement. The Adaptive Management Committee (AMC) called for two releases from the Adaptive Management Account (AMA), 35 acre-feet in October 2012 and 114 acre-feet in June 2013. The remaining amount in the AMA is 351 acre-feet. All of the Fish Passage Supplementation Account (FPSA) has been used as explained in previous reports.

**Table 1:** Summary of the surcharge water accounting and use of Project Yield as of the day after the end of the last spill event and full surcharge (5/27/11).

Accounts*	Allocation	Amount Used**	Amount Remaining
Units:	(acre-feet)	(acre-feet)	(acre-feet)
<b>Fish Passage Supplementation</b>			
<b>WY2019</b>	3,200	3,307	-107
<b>WY2020</b>	0	2,558	-2,558
<b>Adaptive Management</b>	500	149	351
<b>Fish Rearing***</b>	8,684	8,684	0
<b>Unallocated Project Yield</b>		20,215	
<b>Total:</b>	9,184	34,913	-2,314
* Originally was 9,200 af, 8,942 af in 2008 and 9,184 af in 2013.			
** Values as of 9/30/20.			
*** This water is for meeting required target flows. This is not an official account and is what remains after subtracting the other two accounts.			

**Reporting / Outreach / Training:**

**Reporting:** Staff currently is working on the WY2020 Annual Monitoring Report (the USBR report) and the Annual Monitoring Summary (the COMB report) as well as any other BiOp or Order WR 2019-0148 compliance measures as requested by USBR. All annual reports through WY2019 have been completed and submitted to NMFS or posted on the COMB webpage.

**Outreach and Training:** Outreach continues with Quiota Creek and Salsipuedes Creek watershed landowners, interested parties within the Santa Ynez Valley, and the County on a variety of fisheries related issues.

**Consultant Activity Summary:**

**HDR Fisheries Design Center** (Mike Garello and Shaun Bevan) – Conducted performance evaluations at all fish passage restoration projects completed within the last 5 years.

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# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Submitted by:	Tim Robinson and Scott Volan
Approved by:	Janet Gingras

**SUBJECT:** Progress Report on the Lake Cachuma Oak Tree Restoration Program

**RECOMMENDATION:**

For Board information only.

**SUMMARY:**

***Maintenance***

This memorandum on the Lake Cachuma Oak Tree Restoration Program reflects maintenance completed since January, 2020 to the present (1/2/20 – 12/14/20, Table 1). Labor and expenses for the entire fiscal year (July 2020 - June 2021) as well as water usage will be tracked separately and reported as necessary as recommended by the Lake Cachuma Oak Tree Committee. COMB staff continues to rely on the Fisheries Division seasonal employees to conduct the majority of oak tree work in the field. The 2015 Lakeshore Inventory was completed and reviewed by the Lake Cachuma Oak Tree Committee on 2/25/16. The 2019 Annual Inventory has been completed and Fiscal Year 2019-20 Financials has been compiled by the COMB-FD staff for the annual report and have been presented to the Lake Cachuma Oak Tree Committee on 9/3/20 and the COMB Board on 10/26/20 who approved going forward with planting another 300 oak trees during the wet season of this water year.

**Table 1:** Cachuma Oak Tree Program completed tasks since January, 2020.

	Jan 2020 <sup>2</sup>	Feb 2020 <sup>2</sup>	March 2020 <sup>2</sup>	April 2020 <sup>2</sup>	May 2020	June 2020	July 2020	Aug 2020	Sept 2020	Oct 2020	Nov 2020
<b>Year 11 Oaks</b> <b>(2019-2020)</b>	New Trees	New Trees	Weeded	Weeded	Irrigated	Irrigated		Irrigated	Irrigated		Irrigated
	Gopher Baskets	Gopher Baskets			Weeded	Weeded		Weeded	Weeded		Weeded
	Fert/Comp	Fert/Comp									
	Deer Cages	Deer Cages									
	Mulch/Irrigated	Mulch/Irrigated									
<b>Year 10 Oaks</b> <b>(2018-2019)</b>		Irrigated	Irrigated	Weeded	Weeded		Irrigated	Irrigated		Irrigated	Irrigated
			Weeded				Weeded	Weeded		Weeded	Weeded
<b>Year 9 Oaks</b> <b>(2016-2017)</b>					Weeded		Irrigated	Irrigated		Irrigated	Irrigated
							Weeded	Weeded		Weeded	Weeded
<b>Year 8 Oaks</b> <b>(2015-2016)</b>			Mulched		Weeded		Irrigated	Irrigated	Irrigated		Irrigated
					Mowed		Weeded	Weeded	Weeded		Weeded
<b>Year 7 Oaks</b> <b>(2014-2015)</b>					Mowed				Irrigated		
									Weeded		
<b>Year 6 Oaks</b> <b>(2010-2011)</b>					Mowed						
<b>Year 5 Oaks</b> <b>(2009-2010)</b>											
<b>Year 4 Oaks</b> <b>(2008-2009)</b>										Deer Cages	
<b>Year 3 Oaks</b> <b>(2007-2008)</b>										Deer Cages	
<b>Year 2 Oaks</b> <b>(2006-2007)</b>											
<b>Year 1 Oaks</b> <b>(2005-2006)</b>											

<sup>2</sup> Oak tree inventory.

Staff is making great progress in completing multiple irrigation rounds on the newer age classes of oak trees this dry season. A round of watering and weeding was completed on the Year 8, Year 9, Year 10, and Year 11 trees at the Santa Barbara County Park since the previous Board Meeting in October. Crews are currently in the process of watering and weeding the Year 10 trees at the Santa Barbara County Park.

The 2,000 gal water truck was modified with assistance from the COMB Operations Division to install shutoff values on the large front, side, and rear sprayers to address leaky valve issues (Exhibit 1). Also hatch covers over side tool storage areas were installed to prohibit tool loss while driving (Exhibit 2). These have been great improvements to the truck and the efficiency of its use.

**LIST OF EXHIBITS:**



**Exhibit 1:** Lake Cachuma Oak Tree Restoration program showing newly installed (a) front, (b) side, and rear shutoff valves on the large sprayers.



**Exhibit 2:** Lake Cachuma Oak Tree Restoration program showing (a+b) newly installed hatch covers for tool storage areas on each side of the Watering Truck.

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**WATER YEAR 20-21 CACHUMA PROJECT ALLOCATION**

**CACHUMA OPERATION AND MAINTENANCE BOARD  
WATER PRODUCTION AND WATER USE REPORT  
FOR THE MONTH OF OCTOBER 2020 AND THE WATER YEAR TO DATE (WYTD) <sup>(1)</sup>**

(All in rounded Acre Feet)

<b>CACHUMA PROJECT</b>		
<b>WATER PRODUCTION:</b>	<b>MONTH</b>	<b>WYTD</b>
Cachuma Lake (Tec. Diversion)	1,724.7	1,724.7
Tecolote Tunnel Infiltration	90.8	90.8
Cachuma Lake (County Park)	1.8	1.8
<b>Subtotal - Water Production</b>	<b>1,817.3</b>	<b>1,817.3</b>
<b>WATER DELIVERIES:</b>		
State Water Diversion	7.1	7.1
Cachuma Diversion	1,823.9	1,823.9
Storage gain/(loss) <sup>(2)</sup>	(30.8)	(30.8)
<b>Subtotal - Water Deliveries</b>	<b>1,800.1</b>	<b>1,800.1</b>
<b>Total Water Production</b>	<b>1,817.3</b>	<b>1,817.3</b>
<b>Total Water Deliveries</b>	<b>1,800.1</b>	<b>1,800.1</b>
<b>Difference = Apparent Water Loss</b>	<b>17.2</b>	<b>17.2</b>
% Apparent Water Loss	0.94%	0.94%

**SCC APPARENT WATER LOSS ALLOCATION (AWL) <sup>(3)</sup>**

	<b>GWD</b>	<b>SB CITY</b>	<b>MWD</b>	<b>CVWD</b>	<b>TOTAL</b>
<b><u>CURRENT MONTH CHARGE / (ADJUSTMENT)</u></b>					
M&I	0.0	0.0	0.0	0.0	0.0
Agriculture	0.0	0.0	0.0	0.0	0.0
Subtotal Cachuma Project	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
(+) State Water Project	0.0	0.0	0.0	0.0	0.0
<b>Total Current Month</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b><u>WATER YEAR-TO-DATE CHARGE / (ADJUSTMENT)</u></b>					
M&I	0.0	0.0	0.0	0.0	0.0
Agriculture	0.0	0.0	0.0	0.0	0.0
Subtotal Cachuma Project	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
(+) State Water Project	0.0	0.0	0.0	0.0	0.0
<b>Total AWL Charged (WYTD)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total AWL Not Charged (WYTD)</b>					<b>17.2</b>
<b>Total AWL Incurred (WYTD)</b>					<b>17.2</b>

**CACHUMA PROJECT WATER CHARGE**

	<b>GWD</b>	<b>SB CITY</b>	<b>MWD</b>	<b>CVWD</b>	<b>SYRID #1</b>	<b>TOTAL</b>
<b><u>CURRENT MONTH</u></b>						
Water Usage						
M&I	735.9	196.1	226.9	164.1	1.8	1,324.9
Agricultural	272.2	0.0	17.7	209.1	N/A	499.0
<b>Subtotal Project Water Use</b>	<b>1,008.1</b>	<b>196.1</b>	<b>244.6</b>	<b>373.3</b>	<b>1.8</b>	<b>1,823.9</b>
(+) Apparent Water Loss	0.0	0.0	0.0	0.0	N/A	0.0
(+) Evaporative Loss <sup>(4)</sup>	66.3	171.9	33.1	18.9	11.1	301.4
<b>Total Project Water Charge</b>	<b>1,074.4</b>	<b>368.0</b>	<b>277.7</b>	<b>392.2</b>	<b>12.9</b>	<b>2,125.3</b>
<b><u>WATER YEAR-TO-DATE</u></b>						
Water Usage						
M&I	735.9	196.1	226.9	164.1	1.8	1,324.9
Agricultural	272.2	0.0	17.7	209.1	N/A	499.0
<b>Subtotal Project Water Use</b>	<b>1,008.1</b>	<b>196.1</b>	<b>244.6</b>	<b>373.3</b>	<b>1.8</b>	<b>1,823.9</b>
(+) Apparent Water Loss	0.0	0.0	0.0	0.0	N/A	0.0
(+) Evaporative Loss <sup>(4)</sup>	66.3	171.9	33.1	18.9	11.1	301.4
<b>Total Project Water Charge (*)</b>	<b>1,074.4</b>	<b>368.0</b>	<b>277.7</b>	<b>392.2</b>	<b>12.9</b>	<b>2,125.3</b>

(\*) Project Water Charge is applied first to Carryover Water balance and then to Current Year Water Allocation

**WATER YEAR 20-21 CACHUMA PROJECT ALLOCATION**  
**CACHUMA OPERATION AND MAINTENANCE BOARD**  
**WATER PRODUCTION AND WATER USE REPORT**  
**FOR THE MONTH OF OCTOBER 2020 AND THE WATER YEAR TO DATE (WYTD) <sup>(1)</sup>**

(All in rounded Acre Feet)

**CACHUMA PROJECT WATER BALANCE**

	<b>GWD</b>	<b>SB CITY</b>	<b>MWD</b>	<b>CVWD</b>	<b>SYRID #1</b>	<b>TOTAL</b>
<b>Project Water Carryover - 10/1/2020</b>	8,297.4	20,298.1	4,015.7	2,410.8	1,303.6	36,325.6
Transfers/Adjustment	0.0	0.0	0.0	0.0	0.0	0.0
<b>(-) Project Water Charge (WYTD)</b>	<b>1,074.4</b>	<b>368.0</b>	<b>277.7</b>	<b>392.2</b>	<b>12.9</b>	<b>2,125.3</b>
<b>Balance Carryover Water</b>	<b>7,223.0</b>	<b>19,930.1</b>	<b>3,738.0</b>	<b>2,018.6</b>	<b>1,290.7</b>	<b>34,200.3</b>
<b>Current Year Allocation <sup>(5)</sup></b>	<b>9,322.0</b>	<b>8,277.0</b>	<b>2,651.0</b>	<b>2,813.0</b>	<b>2,651.0</b>	<b>25,714.0</b>
<b>(-) Balance of Project Water Charge (WYTD)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Net Allocation Available Before Adjustments</b>	<b>9,322.0</b>	<b>8,277.0</b>	<b>2,651.0</b>	<b>2,813.0</b>	<b>2,651.0</b>	<b>25,714.0</b>
<b><u>Adjustments to Net Allocation (WYTD)</u></b>						
Carryover Balances Spilled	0.0	0.0	0.0	0.0	0.0	0.0
Surplus	0.0	0.0	0.0	0.0	0.0	0.0
State Water Exchange <sup>(6)</sup>	25.0	17.0	17.0	11.0	(70.0)	0.0
Transfers/Adjustment - SB/La Cumbre	0.0	0.0	0.0	0.0	0.0	0.0
Transfers/Adjustment - Bishop Ranch	0.0	0.0	0.0	0.0	0.0	0.0
Transfers/Adjustment - Juncal Transfer	0.0	0.0	0.0	0.0	0.0	0.0
Transfers/Adjustment - GWD/SB Overlap	0.0	0.0	0.0	0.0	0.0	0.0
<b>Balance Current Year Allocation</b>	<b>9,347.0</b>	<b>8,294.0</b>	<b>2,668.0</b>	<b>2,824.0</b>	<b>2,581.0</b>	<b>25,714.0</b>
<b>Total Cachuma Project Water Available</b>	<b>16,570.0</b>	<b>28,224.1</b>	<b>6,406.0</b>	<b>4,842.6</b>	<b>3,871.7</b>	<b>59,914.3</b>

**Footnotes**

- (1) Water Year = October 1 through September 30; WYTD = Water Year to Date
- (2) Includes Lauro and Ortega Reservoirs only.
- (3) Based on correspondence from Michael Jackson, dated 09/15/17, which revised the approach to the assessment for unaccounted for water loss based on lake conditions
- (4) Per USBR, evaporation is applied to Cachuma Carryover and SWP water through standard contract formula effective April 1, 2017.
- (5) Per USBR, 100% allocation to Member Agencies, effective 10/1/20.
- (6) Per SWP Exchange Agrmt GWD received 25 AF; City of SB received 17 AF; MWD received 17 AF and CVWD received 11 AF from ID#1 in October 2020.
- (7) Memo only - State Water Deliveries to Lake Cachuma for October was 74 AF.

**CACHUMA OPERATION AND MAINTENANCE BOARD**  
**WATER STORAGE REPORT**

MONTH: **OCTOBER 2020**

**GLEN ANNIE RESERVOIR <sup>(1)</sup>**

Capacity at 385' elevation:	335	AF
Capacity at sill of intake at 334' elevation:	21	AF
Stage of Reservoir Elevation	<b>333.0</b>	Feet
Water in Storage	21.04	AF

**LAURO RESERVOIR**

Capacity at 549' elevation:	503	AF
Capacity at top of intake screen, 520' elevation:	106.05	AF
Stage of Reservoir Elevation	<b>546.6</b>	Feet
Water in Storage	456.57	AF

**ORTEGA RESERVOIR**

Capacity at 460' elevation:	65	AF
Capacity at outlet at elevation 440':	0	AF
Stage of Reservoir Elevation	<b>449.5</b>	Feet
Water in Storage	27.63	AF

**CARPINTERIA RESERVOIR**

Capacity at 384' elevation:	45	AF
Capacity at outlet elevation 362':	0	AF
Stage of Reservoir Elevation	<b>376.8</b>	Feet
Water in Storage	27.50	AF

**TOTAL STORAGE IN RESERVOIRS <sup>(1)</sup>**

Change in Storage	511.70	AF
	-27.92	AF

**CACHUMA RESERVOIR**

Capacity at 750' elevation: <sup>(2)</sup>	184,121	AF
Capacity at sill of tunnel 660' elevation:	24,281	AF

Stage of Reservoir Elevation	<b>729.75</b>	Feet
Water in Storage	<b>130,218</b>	AF
Surface Area	<b>2,332</b>	Acres
Evaporation	<b>923.6</b>	AF
Inflow	<b>225.9</b>	AF
Downstream Release WR8918	<b>2,613.0</b>	AF
Fish Release (Hilton Creek)	<b>336.7</b>	AF
Outlet	<b>0.0</b>	AF
Spill/Seismic Release	<b>0</b>	AF
State Water Project Water	<b>73.60</b>	AF
Change in Storage	<b>-5,352</b>	AF
Tecolote Diversion	<b>1,776.4</b>	AF

**Rainfall:    Month:    0.00                      Season:    0.00                      Percent of Normal:    0%**

(1) Glen Annie Reservoir is currently offline and excluded from Total Storage in Reservoirs amount.

(2) In 2014, flashboard installation raised Cachuma Reservoir max elevation to 753' (193,305 AF); surcharge water reserved for fish releases.





**SUMMARY OF WATER USED**  
**CACHUMA PROJECT - CONTRACT #I75R-1802**

Contract Year: 10/1/20 to: 9/30/21

Contract Entity: **Goleta Water District**  
 Update by COMB 10/31/2020

Month	Carryover Balance Prior Yr	Approved Allocation Curr Yr	CARRYOVER WATER				CURRENT YEAR ALLOCATION						
			TOTAL WATER USED			WATER USE CHARGED			WATER USE CHARGED				
			Acre-feet			Allocation			Allocation				
			M & I	Agr	Total	Evap	Used	Total	M & I	Agr	M & I	Agr	Total
Oct	8,297.4	9,322.0	735.9	272.2	1,008.1	66.3	1,008.1	1,074.4	782.2	292.2	-	-	-
Nov	-	-	-	-	-	-	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	-	-	-	-	-	-	-
Jan	-	-	-	-	-	-	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	8,297.4	9,322.0	735.9	272.2	1,008.1	66.3	1,008.1	1,074.4	782.2	292.2	-	-	-

Month	CONVERSIONS (M&I AND AG SPLIT)			
	CARRYOVER WATER		CURR YR ALLOCATION	
	M & I	Agr	M & I	Agr
Oct	-	-	-	-
Nov	-	-	-	-
Dec	-	-	-	-
Jan	-	-	-	-
Feb	-	-	-	-
Mar	-	-	-	-
Apr	-	-	-	-
May	-	-	-	-
Jun	-	-	-	-
Jul	-	-	-	-
Aug	-	-	-	-
Sep	-	-	-	-

Month	SCHEDULE AND REVISIONS			SCHEDULE AND REVISIONS		
	Total	Allocation		Allocation		Total
		M & I	Agr	M & I	Agr	
Begin Bal	8,297.4	5,795.0	2,502.4	6,732.0	2,590.0	9,322.0
ID#1 Exch (+25AF)	-	-	-	13.6	11.4	25.0
Oct	-	-	-	-	-	-
Nov	-	-	-	-	-	-
Dec	-	-	-	-	-	-
Jan	-	-	-	-	-	-
Feb	-	-	-	-	-	-
Mar	-	-	-	-	-	-
Apr	-	-	-	-	-	-
May	-	-	-	-	-	-
Jun	-	-	-	-	-	-
Jul	-	-	-	-	-	-
Aug	-	-	-	-	-	-
Sep	-	-	-	-	-	-

Month	BALANCE - CARRYOVER WATER			BALANCE - CURR YR ALLOC		
	Total	Allocation		Allocation		Total
		M & I	Agr	M & I	Agr	
Oct	7,223.0	5,012.8	2,210.2	6,745.6	2,601.4	9,347.0
Nov	-	-	-	-	-	-
Dec	-	-	-	-	-	-
Jan	-	-	-	-	-	-
Feb	-	-	-	-	-	-
Mar	-	-	-	-	-	-
Apr	-	-	-	-	-	-
May	-	-	-	-	-	-
Jun	-	-	-	-	-	-
Jul	-	-	-	-	-	-
Aug	-	-	-	-	-	-
Sep	-	-	-	-	-	-

TOTAL CACHUMA PROJECT BALANCE (CARRYOVER + CURRENT YR ALLOCATION) **16,570.0**

**SUMMARY OF WATER USED**  
**CACHUMA PROJECT - CONTRACT #I75R-1802**

Contract Year: 10/1/20 to: 9/30/21

Contract Entity: **City of Santa Barbara**  
 Update by COMB 10/31/2020

Month	Carryover Balance Prior Yr	Approved Allocation Curr Yr
Oct	20,298.1	8,277.0
Nov	-	-
Dec	-	-
Jan	-	-
Feb	-	-
Mar	-	-
Apr	-	-
May	-	-
Jun	-	-
Jul	-	-
Aug	-	-
Sep	-	-
Total	20,298.1	8,277.0

TOTAL WATER USED			WATER USE CHARGED				WATER USE CHARGED			
Acre-feet			Allocation				Allocation			
M & I	Agr	Total	Evap	Used	Total	M & I	-----	M & I	-----	Total
196.1	-	196.1	171.9	196.1	368.0	368.0	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
196.1	-	196.1	171.9	196.1	368.0	368.0	-	-	-	-

CONVERSIONS (M&I AND AG SPLIT)			
CARRYOVER WATER		CURR YR ALLOCATION	
M & I	Agr	M & I	Agr
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

SCHEDULE AND REVISIONS			SCHEDULE AND REVISIONS		
	Total	Allocation	Allocation	Allocation	Total
		M & I	-----	M & I	-----
Begin Bal	20,298.1	20,298.1	-	8,277.0	8,277.0
ID#1 Exch (+17AF)	-	-	-	17.0	17.0
Oct	-	-	-	-	-
Nov	-	-	-	-	-
Dec	-	-	-	-	-
Jan	-	-	-	-	-
Feb	-	-	-	-	-
Mar	-	-	-	-	-
Apr	-	-	-	-	-
May	-	-	-	-	-
Jun	-	-	-	-	-
Jul	-	-	-	-	-
Aug	-	-	-	-	-
Sep	-	-	-	-	-

BALANCE - CARRYOVER WATER			BALANCE - CURR YR ALLOC		
	Total	Allocation	Allocation	Allocation	Total
		M & I	-----	M & I	-----
Oct	19,930.1	19,930.1	-	8,294.0	8,294.0
Nov	-	-	-	-	-
Dec	-	-	-	-	-
Jan	-	-	-	-	-
Feb	-	-	-	-	-
Mar	-	-	-	-	-
Apr	-	-	-	-	-
May	-	-	-	-	-
Jun	-	-	-	-	-
Jul	-	-	-	-	-
Aug	-	-	-	-	-
Sep	-	-	-	-	-

TOTAL CACHUMA PROJECT BALANCE (CARRYOVER + CURRENT YR ALLOCATION) 28,224.1

**SUMMARY OF WATER USED**  
**CACHUMA PROJECT - CONTRACT #I75R-1802**

Contract Year: 10/1/20 to: 9/30/21

Contract Entity: **Montecito Water District**  
 Update by COMB 10/31/2020

Month	Carryover Balance		Approved Allocation		CARRYOVER WATER			CURRENT YEAR ALLOCATION					
	Prior Yr	Curr Yr	TOTAL WATER USED		WATER USE CHARGED			WATER USE CHARGED					
	Acre-feet		Evap			Used			Allocation		Allocation		Total
	M & I	Agr	Total	M & I	Agr	Total	M & I	Agr	M & I	Agr			
Oct	4,015.7	2,651.0	226.9	17.7	244.6	33.1	244.6	277.7	250.5	27.2	-	-	-
Nov	-	-	-	-	-	-	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	-	-	-	-	-	-	-
Jan	-	-	-	-	-	-	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	4,015.7	2,651.0	226.9	17.7	244.6	33.1	244.6	277.7	250.5	27.2	-	-	-

Month	CONVERSIONS (M&I AND AG SPLIT)			
	CARRYOVER WATER		CURR YR ALLOCATION	
	M & I	Agr	M & I	Agr
Oct	-	-	-	-
Nov	-	-	-	-
Dec	-	-	-	-
Jan	-	-	-	-
Feb	-	-	-	-
Mar	-	-	-	-
Apr	-	-	-	-
May	-	-	-	-
Jun	-	-	-	-
Jul	-	-	-	-
Aug	-	-	-	-
Sep	-	-	-	-

Month	SCHEDULE AND REVISIONS			SCHEDULE AND REVISIONS		
	Total	Allocation		Allocation		Total
		M & I	Agr	M & I	Agr	
Oct	4,015.7	2,855.8	1,159.9	2,244.0	407.0	2,651.0
Nov	-	-	-	-	-	-
Dec	-	-	-	-	-	-
Jan	-	-	-	-	-	-
Feb	-	-	-	-	-	-
Mar	-	-	-	-	-	-
Apr	-	-	-	-	-	-
May	-	-	-	-	-	-
Jun	-	-	-	-	-	-
Jul	-	-	-	-	-	-
Aug	-	-	-	-	-	-
Sep	-	-	-	-	-	-

Month	BALANCE - CARRYOVER WATER			BALANCE - CURR YR ALLOC		
	Total	Allocation		Allocation		Total
		M & I	Agr	M & I	Agr	
Oct	3,738.0	2,605.3	1,132.7	2,253.2	414.8	2,668.0
Nov	-	-	-	-	-	-
Dec	-	-	-	-	-	-
Jan	-	-	-	-	-	-
Feb	-	-	-	-	-	-
Mar	-	-	-	-	-	-
Apr	-	-	-	-	-	-
May	-	-	-	-	-	-
Jun	-	-	-	-	-	-
Jul	-	-	-	-	-	-
Aug	-	-	-	-	-	-
Sep	-	-	-	-	-	-

TOTAL CACHUMA PROJECT BALANCE (CARRYOVER + CURRENT YR ALLOCATION) 6,406.0



**SUMMARY OF WATER USED**  
**CACHUMA PROJECT - CONTRACT #I75R-1802**

Contract Year: 10/1/20 to: 9/30/21

Contract Entity: **Santa Ynez River Water Conservation District, ID#1**  
 Update by COMB 10/31/2020

Month	Carryover Balance Prior Yr	Approved Allocation Curr Yr
Oct	1,303.6	2,651.0
Nov	-	-
Dec	-	-
Jan	-	-
Feb	-	-
Mar	-	-
Apr	-	-
May	-	-
Jun	-	-
Jul	-	-
Aug	-	-
Sep	-	-
Total	1,303.6	2,651.0

TOTAL WATER USED				WATER USE CHARGED			WATER USE CHARGED			
Acre-feet				Allocation			Allocation			
M & I	Agr	Total	Evap	Used	Total	M & I	Agr	M & I	Agr	Total
1.8	-	1.8	11.1	1.8	12.9	2.1	10.7	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
1.8	-	1.8	11.1	1.8	12.9	2.1	10.7	-	-	-

CONVERSIONS (M&I AND AG SPLIT)			
CARRYOVER WATER		CURR YR ALLOCATION	
M & I	Agr	M & I	Agr
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

Month  
 Oct  
 Nov  
 Dec  
 Jan  
 Feb  
 Mar  
 Apr  
 May  
 Jun  
 Jul  
 Aug  
 Sep

SCHEDULE AND REVISIONS			SCHEDULE AND REVISIONS			
	Total	Allocation		Allocation		Total
		M & I	Agr	M & I	Agr	
Begin Bal	1,303.6	43.0	1,260.6	935.0	1,716.0	2,651.0
ID#1 Exch (-70AF)	-	-	-	(38.0)	(32.0)	(70.0)
Oct	-	-	-	-	-	-
Nov	-	-	-	-	-	-
Dec	-	-	-	-	-	-
Jan	-	-	-	-	-	-
Feb	-	-	-	-	-	-
Mar	-	-	-	-	-	-
Apr	-	-	-	-	-	-
May	-	-	-	-	-	-
Jun	-	-	-	-	-	-
Jul	-	-	-	-	-	-
Aug	-	-	-	-	-	-
Sep	-	-	-	-	-	-

Month  
 Oct  
 Nov  
 Dec  
 Jan  
 Feb  
 Mar  
 Apr  
 May  
 Jun  
 Jul  
 Aug  
 Sep

BALANCE - CARRYOVER WATER			BALANCE - CURR YR ALLOC			
County Parks Usage (AF)	Total	Allocation		Allocation		Total
		M & I	Agr	M & I	Agr	
1.8	1,290.7	40.9	1,249.9	897.0	1,684.0	2,581.0
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

TOTAL CACHUMA PROJECT BALANCE (CARRYOVER + CURRENT YR ALLOCATION) 3,871.7

**SUMMARY OF WATER USED**  
**CACHUMA PROJECT - CONTRACT #I75R-1802**

Contract Year: 10/1/20 to: 9/30/21

Contract Entity: **Santa Barbara Co. Water Agency**  
 Update by COMB 10/31/2020

Month	Carryover Balance Prior Yr	Approved Allocation Curr Yr	TOTAL WATER USED				WATER USE CHARGED			WATER USE CHARGED				
			Acre-feet				Allocation			Allocation				
			Use %	M & I	Agr	Total	Evap	Div	Total	M & I	Agr	M & I	Agr	Total
Oct	36,325.6	25,714.0	0.0	1,324.9	499.0	1,823.9	301.4	1,823.9	2,125.3	1,576.8	548.5	-	-	-
Nov	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dec	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jan	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Feb	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mar	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Apr	-	-	-	-	-	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	36,325.6	25,714.0	0.0	1,324.9	499.0	1,823.9	301.4	1,823.9	2,125.3	1,576.8	548.5	-	-	-

Month	CONVERSIONS (M&I AND AG SPLIT)			
	CARRYOVER WATER		CURR YR ALLOCATION	
	M & I	Agr	M & I	Agr
Oct	-	-	-	-
Nov	-	-	-	-
Dec	-	-	-	-
Jan	-	-	-	-
Feb	-	-	-	-
Mar	-	-	-	-
Apr	-	-	-	-
May	-	-	-	-
Jun	-	-	-	-
Jul	-	-	-	-
Aug	-	-	-	-
Sep	-	-	-	-

Month	SCHEDULE AND REVISIONS			SCHEDULE AND REVISIONS		
	Total	Allocation		Allocation		Total
		M & I	Agr	M & I	Agr	
Begin Bal	36,325.6	30,233.9	6,091.7	19,588.0	6,126.0	25,714.0
Oct	-	-	-	7.8	(7.8)	-
Nov	-	-	-	-	-	-
Dec	-	-	-	-	-	-
Jan	-	-	-	-	-	-
Feb	-	-	-	-	-	-
Mar	-	-	-	-	-	-
Apr	-	-	-	-	-	-
May	-	-	-	-	-	-
Jun	-	-	-	-	-	-
Jul	-	-	-	-	-	-
Aug	-	-	-	-	-	-
Sep	-	-	-	-	-	-

Month	BALANCE - CARRYOVER WATER			BALANCE - CURR YR ALLOC		
	County Parks Usage (AF)	Allocation		Allocation		Total
		M & I	Agr	M & I	Agr	
Oct	1.8	28,657.1	5,543.2	19,595.8	6,118.2	25,714.0
Nov	-	-	-	-	-	-
Dec	-	-	-	-	-	-
Jan	-	-	-	-	-	-
Feb	-	-	-	-	-	-
Mar	-	-	-	-	-	-
Apr	-	-	-	-	-	-
May	-	-	-	-	-	-
Jun	-	-	-	-	-	-
Jul	-	-	-	-	-	-
Aug	-	-	-	-	-	-
Sep	-	-	-	-	-	-

TOTAL CACHUMA PROJECT BALANCE (CARRYOVER + CURRENT YR ALLOCATION) **59,914.3**

# CACHUMA DAILY OPERATIONS

Month & Year: December 2020  
 Time of Observations: 0830 Evaporation Pan Factor: 66%

Day	Beginning Storage: 126,708			Surface Area	Rainfall		Evaporation		CCWA Inflow	Releases					Computed Inflow		
	Elevation	Storage	Change		inches	acre-feet	inches	acre-feet		Park Diversion	South Coast	Hilton Creek	WR 89-18	Outlet		Spillway	
	ft	acre-feet	acre-feet	acres	inches	acre-feet	inches	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet	acre-feet		
1	728.20	126,639	(69)	2,285	-		0.110	13.8	-	-	48.9	10.5	11.0		15.2		
2	728.15	126,525	(114)	2,284	-		0.120	15.1	-		48.2	10.5	1.2	4.8	(34.2)		
3	728.12	126,456	(69)	2,283	-		0.130	16.3	-		48.7	10.5		5.0	11.5		
4	728.09	126,365	(91)	2,283	-		0.120	15.1	-		49.0	10.5		5.0	(11.4)		
5	728.05	126,296	(69)	2,282	-		0.120	15.1	-		55.3	10.5		6.0	17.9		
6	728.02	126,228	(68)	2,281	-		0.140	17.6	6.9		50.0	10.5		5.0	8.2		
7	727.98	126,136	(92)	2,280	-		0.080	10.0	-		48.8	10.5		5.0	(17.7)		
8	727.94	126,045	(91)	2,279	-		0.130	16.3	-		65.6	10.5		5.0	6.4		
9	727.91	125,977	(68)	2,279	-		0.110	13.8	-		64.4	10.5		6.0	26.7		
10	727.86	125,862	(115)	2,277	-		0.110	13.8	-		66.8	10.5		5.0	(18.9)		
11																	
12																	
13																	
14																	
15																	
16																	
17																	
18																	
19																	
20																	
21																	
22																	
23																	
24																	
25																	
26																	
27																	
28																	
29																	
30																	
31																	
<b>TOTALS</b>			<b>(846)</b>		-	-	1.170	146.8	-	6.9	-	545.7	105.0	12.2	46.8	-	3.6

Park Usage

Rain Yr. Total





**Santa Barbara County Parks Division,  
Cachuma Lake Recreation Area  
Summary of Aquatic Invasive Species Vessel Inspection Program  
and Early Detection Monitoring Program: **October 2020****



<b>Cachuma Lake Recreation Area Launch Data -- October 2020</b>		
<b>Vessel Data</b>		
Total Vessels Entering Park	703	
Total Vessels Launched	681	
Total Vessels Quarantined	22	
Returning (Tagged) Boats Launched	514	75%
Kayak/Canoe Launched	167	25%
4-stroke Engines	*	
2-strokes, w/CARB star ratings	*	
2-strokes, NO emissions ratings	*	
<b>Vessel Inspection Data</b>		
Total Vessels Inspected	140	
Boats Inspected	36	
Kayaks/Canoes Inspected	87	
Simple Boats Inspected	17	
Inspections Passed	125	
Inspections Failed	15	13 B, 1 K, 1 SB
<b>Quarantine Data</b>		
Total Vessels Quarantined	22	
Quarantined 7 days	*	
Quarantined 14 days	*	
Quarantined 30 days	22	
<b>Quarantine Cause</b>		
Water on vessel*	*	
Debris on hull*	*	
Plug installed*	*	
From infected county	6	
Ballast tanks*	*	
Boat longer than 24 feet*	*	
Out-of-state	0	
Unspecified*	*	
Mandatory Quarantine All Untagged Boats	22	
<b>Demographic Data</b>		
Quarantined from infected county	6	
Quarantined from SB County	14	
Quarantined from uninfected co	2	
Quarantined from out of state	0	

Boat Launch Tags: Boats with Cachuma Lake Boat Launch Tags attach boat to trailer.

No mussel species have been located on any vessel entering Cachuma Lake as of the last day of this month.

\* These conditions are no longer being tracked.

**EARLY DETECTION MONITORING PROGRAM SUMMARY**

Summary: No Dreissenid Mussels were detected, nor Aquatic Invasive Species of any kind.  
 Inspection Site: Cachuma Lake, Santa Barbara County, California.  
 Inspection Date and Time: 2020.10.30; 10 a.m. to 12 p.m. PDT.  
 Method: 6 Sampling Stations; 36 meters/118 linear feet of line.  
 Surveyors: Santa Barbara County, Parks Division Employees.  
 Lake elevation: Max feet: 753.00, current 729.82; Max acre-feet: 193,305, current: 130,382;  
 Current capacity: 67.4%



**Santa Barbara County Parks Division,  
Cachuma Lake Recreation Area  
Summary of Aquatic Invasive Species Vessel Inspection Program  
and Early Detection Monitoring Program: **November 2020****



<b>Cachuma Lake Recreation Area Launch Data -- November 2020</b>		
<b>Vessel Data</b>		
Total Vessels Entering Park	689	
Total Vessels Launched	653	
Total Vessels Quarantined	36	
Returning (Tagged) Boats Launched	499	76%
Kayak/Canoe Launched	154	24%
4-stroke Engines	*	
2-strokes, w/CARB star ratings	*	
2-strokes, NO emissions ratings	*	
<b>Vessel Inspection Data</b>		
Total Vessels Inspected	144	
Boats Inspected	39	
Kayaks/Canoes Inspected	90	
Simple Boats Inspected	15	
Inspections Passed	116	
Inspections Failed	28	20 B, 1 K, 7 SB
<b>Quarantine Data</b>		
Total Vessels Quarantined	36	
Quarantined 7 days	*	
Quarantined 14 days	*	
Quarantined 30 days	36	
<b>Quarantine Cause</b>		
Water on vessel*	*	
Debris on hull*	*	
Plug installed*	*	
From infected county	8	
Ballast tanks*	*	
Boat longer than 24 feet*	*	
Out-of-state	0	
Unspecified*	*	
Mandatory Quarantine All Untagged Boats	36	
<b>Demographic Data</b>		
Quarantined from infected county	8	
Quarantined from SB County	25	
Quarantined from uninfected co	3	
Quarantined from out of state	0	

Boat Launch Tags: Boats with Cachuma Lake Boat Launch Tags attach boat to trailer.

No mussel species have been located on any vessel entering Cachuma Lake as of the last day of this month.

\* These conditions are no longer being tracked.

**EARLY DETECTION MONITORING PROGRAM SUMMARY**

Summary: No Dreissenid Mussels were detected, nor Aquatic Invasive Species of any kind.  
 Inspection Site: Cachuma Lake, Santa Barbara County, California.  
 Inspection Date and Time: 2020.11.19; 10 a.m. to 12 p.m. PDT.  
 Method: 4 Sampling Stations; 26 meters/85 linear feet of line.  
 Surveyors: Santa Barbara County, Parks Division Employees.  
 Lake elevation: Max feet: 753.00, current 728.94; Max acre-feet: 193,305, current: 128,339;  
 Current capacity: 66.4%

# CACHUMA OPERATION & MAINTENANCE BOARD

## BOARD MEMORANDUM

Date:	December 14, 2020
Prepared by:	Dorothy Turner
Approved by:	Janet Gingras

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**SUBJECT: 2021 COMB Regular Board Meeting Dates**

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The following table lists the scheduled Regular Board Meeting dates for Calendar Year 2021:

<b>2021 COMB Board Meeting Dates</b>	
<b>BOARD MEETING DATE</b>	<b>DAY</b>
January 25, 2021	4th Monday
February 22, 2021	4th Monday
March 22, 2021	4th Monday
April 26, 2021	4th Monday
May 24, 2021	4th Monday
June 28, 2021	4th Monday
July 26, 2021	4th Monday
August 23, 2021	4th Monday
September 27, 2021	4th Monday
October 25, 2021	4th Monday
November 15, 2021	3rd Monday
December 13, 2021	2nd Monday

\*\*November meeting will be held on the 3<sup>rd</sup> Monday, due to the Thanksgiving Holiday

\*\*\*December meeting will be on the 2<sup>nd</sup> Monday, due to the Christmas Holiday