



## **AGENDA**

### **EAST ORANGE COUNTY WATER DISTRICT**

### **ADMINISTRATION & FINANCE COMMITTEE AGENDA**

**Thursday, May 15, 2025  
9:00 A.M.**

**Call meeting to order – Chair Sears**

**Public Communications to the Committee**

**Additional items arising after posting of agenda**

1. Monthly Financial Statements - Handout  
Recommendation: Informational.
2. Monthly Disbursements  
Recommendation: Informational.
3. Annual Budget Presentation FY 25-26  
Recommendation: Committee recommend the Board approve annual budget for FY 25-26

**Adjournment**

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the East Orange County Water District Administrative & Finance Committee in connection with a matter subject to discussion or consideration at an open meeting of the Administrative & Finance Committee are available for public inspection in the District's office, 185 McPherson Road, Orange, California ("District Office"). If such writings are distributed to members of the Committee less than 72 hours prior to the meeting, they will be available via phone or email request to Ms. Sylvia Prado at (714) 538-5815 or [sprado@eocwd.com](mailto:sprado@eocwd.com).



# MEMO

**TO:** ADMINISTRATION AND FINANCE COMMITTEE  
**FROM:** GENERAL MANAGER *[Signature]*  
**SUBJECT:** MONTHLY FINANCIAL STATEMENTS  
**DATE** MAY 15, 2025

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## Background

Monthly Financial Statements for Wholesale Zone, Retail Zone, and ID1 (wastewater) for March 2024.

## Recommendation

Informational.

**Attachment(s):** WZ, RZ and ID1 Financial Statements - Handout



# MEMO

**TO:** ADMINISTRATION AND FINANCE COMMITTEE  
**FROM:** GENERAL MANAGER *[Signature]*  
**SUBJECT:** MONTHLY DISBURSEMENTS  
**DATE** MAY 15, 2025

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## Background

Monthly disbursements.

## Recommendation

Informational.

Attachment(s): Monthly disbursements report

**East Orange County Water District**

**Summary of Disbursements  
May 15, 2025**

**CHECK PAYMENTS:**

Wholesale Zone, Retail Zone, and ID1 Bill Payments \$ 339,588.82

**WIRE PAYMENTS:**

MWDOC - Payment for EOCWD Feeder No. 2 \$ 29,172.78

Webster Bank - Annual Payment - Installment Purchase Loan \$ 1,097,478.00

TOTAL OF CHECK PAYMENTS & WIRES \$ 1,466,239.60

**PAYROLL 4/2/2025**

Direct Deposit \$ 51,144.94

Payroll Taxes \$ 29,766.07

EFT - CalPERS \$ 16,432.34

\$ 97,343.34

**PAYROLL 4/16/2025**

Direct Deposit \$ 49,025.86

Payroll Taxes \$ 28,984.16

EFT - CalPERS \$ 16,030.31

\$ 94,040.33

**DIRECTOR'S PAYROLL 3/27/2025**

Printed Checks \$ 2,347.33

Payroll Taxes \$ 526.79

\$ 2,874.12

TOTAL OF PAYROLL \$ 194,257.79

**DISBURSEMENT TOTAL** \$ 1,660,497.39



## Check Disbursements April 2025

Check Date	Check No.	Payee Name	Description	Check
04/24/2025	25885	R.J. Noble Company	Manhole Adjustments	86,300.00
04/25/2025	25886	Akel Engineering, Inc.	Fire Flow Analysis	2,540.00
04/25/2025	25887	ALS Group Usa, Corp	Laboratory Analysis (water quality) - 03/04/25	3,039.00
04/25/2025	25888	Butier Engineering, Inc.	Circula Panorama Pipeline - March 2025	1,890.00
04/25/2025	25889	California Water Efficiency Partnership	CalWEP Dues 2025	919.40
04/25/2025	25890	Cintas Corporation No. 3	Uniforms	95.31
04/25/2025	25891	City Of Tustin	Const. Meter - 01/15/25 to 03/15/25 (to clean sewer sy	1,085.66
04/25/2025	25892	East Orange County Water District	Void	-
04/25/2025	25893	Foothill Sentry, Inc.	Display Color Ad April & May 2025	1,050.34
04/25/2025	25894	Hach Company	Water Quality	384.16
04/25/2025	25895	Hill Brothers Chemical Co	Chemicals for WZ Reservoir	1,412.73
04/25/2025	25896	HSG, LLC	Professional Services	3,097.40
04/25/2025	25897	Hydropro Solutions	Meter Maintenance	1,261.57
04/25/2025	25898	Main Graphics	Bi-Monthly Billing	1,541.75
04/25/2025	25899	MKN	Orange Knoll PRV	214.24
04/25/2025	25900	Omega Industrial Supply, Inc.	Small Tools	1,212.46
04/25/2025	25901	Pete's Road Service, Inc.	Vehilce & Equipment Maintenance	1,885.17
04/25/2025	25902	Tom Dodson & Associates	CEQA Support	4,745.00
04/25/2025	25903	Umpqua Bank	Credit Card Activity 03/01/25-03/31/25	8,925.61
04/25/2025	25904	Waterline Technologies, Inc.	Water Quality	750.30
04/25/2025	25905	Webb Municipal Finance, LLC	EOCWD CFD 2018-1A Formation FY 2024-25	3,000.00
04/25/2025	25906	Yo Fire	Service Lines Mainteanance	2,764.66
04/30/2025	25907		Void	-
04/30/2025	25908	George Murdoch	Travel Expense Reimbursement	902.41
<b>Total</b>				<b>\$ 129,017.17</b>



**Check Disbursements  
May 2025**

<b>Check Date</b>	<b>Check No.</b>	<b>Payee Name</b>	<b>Description</b>	<b>Check Amount</b>
05/06/2025	25909	Aecom Technical Services, Inc.	Peters Canyon (6MG) Reservoir Monitoring 24-26	6,763.01
05/06/2025	25910	Ayala Engineering	Irvine Blvd Emergency - Frame & Cover Replacement	5,500.00
05/06/2025	25911	B & J Tree Service	Weed Abatement - Newport Reservoir	5,600.00
05/06/2025	25912	Cintas Corporation No. 3	Uniforms	190.62
05/06/2025	25913	City Of Orange	Vehicle Maintenance	625.56
05/06/2025	25914	City Of Orange-Water	02/24/25-04/22/25 Water Usage for 185 N. & 210 N. McPherson	558.43
05/06/2025	25915	Cornerstone Land Surveying, Inc.	Vista Panorama Pump Station	6,000.00
05/06/2025	25916	County Of Orange	Encroachment Permit	500.97
05/06/2025	25917	County Of Orange	Communication Charges - 04/01/25 - 06/30/25	1,030.77
05/06/2025	25918	Dopudja & Wells Consulting Inc.	Master Plan Update - January - March 2025	38,215.00
05/06/2025	25919	ehs International, Inc.	Employee Training	2,145.00
05/06/2025	25920	Generator Services Co, Inc.	Rental Generator - 04/01/25-04/30/25 150KVA	1,349.76
05/06/2025	25921	Golden Bell Products, Inc.	Insecticide Manholes	41,313.50
05/06/2025	25922	Great America Networks, Inc	Office Phones 05/01/2025-05/30/2025	352.91
05/06/2025	25923	Haaker Equipment Company	Equipment Maintenance	1,927.86
05/06/2025	25924	Hach Company	Water Quality	1,995.28
05/06/2025	25925	Hill Brothers Chemical Co	Chemicals for WZ Reservoir	2,961.70
05/06/2025	25926	JAN-PRO Franchise Development of Sout	Monthly Janitorial Service - May 2025	823.05
05/06/2025	25927	John's Salt Service, Inc.	Generator Maintenance	3,072.68
05/06/2025	25928	Morrow Meadows Corp	Vista Panorama - Temp Power for Generator	4,150.03
05/06/2025	25929	Pascal & Ludwig Constructors, Inc.	Equipment Maintenance	3,133.20
05/06/2025	25930	Plumbers Depot, Inc.	Small Tools	1,019.59
05/06/2025	25931	Southern California Edison	Electric Services - Alexander Ln - 12/23/24- 04/23/25	58,551.13
05/06/2025	25932	Spectrum Business	Office Internet- 04/15/25-05/14/25	409.99
05/06/2025	25933	Standard Insurance Company	Life Insurance Premium 05/01/25-05/31/25	820.41
05/06/2025	25934	Total Exterminating, Inc.	Rodent Control - Peter's Canyon Res	285.00
05/06/2025	25935	Ultra Welding, Inc.	Repair Ethelbee Vault Lids	1,350.00
05/06/2025	25936	W.M. Lyles Co.	On-Call SCADA Integration Support Services	3,051.00
05/06/2025	25937	Waterline Technologies, Inc.	Water Quality	793.00
05/06/2025	25938	West Yost & Associates, Inc.	Professional Services 03/08/25 to 04/04/25 - On-Call Engineering	4,584.00
05/06/2025	25939	Westerly Meter Service Co. LLC	Meter Maintenance	955.00
05/06/2025	25940	Xerox Corporation	Copier - Monthly Maintenance	147.53
05/09/2025	25941	East Orange County Water District	Payment to WZ for Imported Water - March 2025	10,395.67
<b>Total \$</b>				<b>210,571.65</b>

East Orange County Water District  
Employee Payroll\*  
Month of March 2025

	Check Date	Check Amount	Payable To
Auto Deposit	4/2/2025	\$ 7,678.21	General Manager
Auto Deposit	4/2/2025	\$ 4,444.63	Engineering Manager
Auto Deposit	4/2/2025	\$ 4,573.76	Operations Manager
Auto Deposit	4/2/2025	\$ 3,900.72	GIS Manager
Auto Deposit	4/2/2025	\$ 4,997.64	Wastewater Collections Supervisor
Auto Deposit	4/2/2025	\$ 3,133.53	Water Distribution Lead Operator
Auto Deposit	4/2/2025	\$ 3,154.02	Water Distribution Operator I
Auto Deposit	4/2/2025	\$ 2,350.37	Wastewater Collections Operator II
Auto Deposit	4/2/2025	\$ 3,242.76	Wastewater Collections Lead Operator
Auto Deposit	4/2/2025	\$ 2,034.59	Wastewater Collections Operator I
Auto Deposit	4/2/2025	\$ 1,776.74	Water Distribution Operator I
Auto Deposit	4/2/2025	\$ 3,460.53	Office Manager
Auto Deposit	4/2/2025	\$ 2,569.23	Administrative Assistant II
Auto Deposit	4/2/2025	\$ 2,129.17	Administrative Assistant II
Auto Deposit	4/2/2025	\$ 1,699.04	Part Time Administrative Assistant
		<u>\$ 51,144.94</u>	Sub Total
Auto Deposit	4/16/2025	\$ 6,878.19	General Manager
Auto Deposit	4/16/2025	\$ 4,444.63	Engineering Manager
Auto Deposit	4/16/2025	\$ 5,033.47	Operations Manager
Auto Deposit	4/16/2025	\$ 3,900.74	GIS Manager
Auto Deposit	4/16/2025	\$ 3,899.87	Wastewater Collections Supervisor
Auto Deposit	4/16/2025	\$ 2,236.75	Water Distribution Lead Operator
Auto Deposit	4/16/2025	\$ 3,424.51	Water Distribution Operator I
Auto Deposit	4/16/2025		Wastewater Collections Operator II
Auto Deposit	4/16/2025	\$ 2,350.37	Wastewater Collections Operator II
Auto Deposit	4/16/2025	\$ 3,274.53	Wastewater Collections Lead Operator
Auto Deposit	4/16/2025	\$ 2,384.09	Wastewater Collections Operator I
Auto Deposit	4/16/2025	\$ 1,776.73	Water Distribution Operator I
Auto Deposit	4/16/2025	\$ 3,317.87	Office Manager
Auto Deposit	4/16/2025	\$ 2,534.05	Administrative Assistant II
Auto Deposit	4/16/2025	\$ 1,840.48	Administrative Assistant II
Auto Deposit	4/16/2025	\$ 1,729.58	Part Time Administrative Assistant
		<u>\$ 49,025.86</u>	Sub Total
	4/2/2025	\$ 29,766.07	ADP Taxes
	4/2/2025	\$ 2,599.80	Employee CalPERS Electronic Funds Transfer
	4/2/2025	\$ 3,769.70	Employer CalPERS Electronic Funds Transfer
	4/2/2025	\$ 3,165.33	Employee CalPERS PEPRA Electronic Funds Transfer
	4/2/2025	\$ 3,117.07	Employer CalPERS PEPRA Electronic Funds Transfer
	4/2/2025	\$ 3,780.44	CalPERS PERS 457 - Voya
		<u>\$46,198.41</u>	Total Transfers
	4/16/2025	\$ 28,984.16	ADP Taxes
	4/16/2025	\$ 2,605.06	Employee CalPERS Electronic Funds Transfer
	4/16/2025	\$ 3,777.33	Employer CalPERS Electronic Funds Transfer
	4/16/2025	\$ 3,122.45	Employee CalPERS PEPRA Electronic Funds Transfer
	4/16/2025	\$ 3,074.83	Employer CalPERS PEPRA Electronic Funds Transfer
	4/16/2025	\$ 3,450.64	CalPERS PERS 457 - Voya
		<u>\$45,014.47</u>	Total Transfers
		<u><b>\$191,383.67</b></u>	<b>Grand Total Payroll</b>

\*Note: Payroll is processed by ADP (Automatic Data Processing)

East Orange County Water District  
Citizens Business Bank  
Prior Month's Checks To Ratify  
Directors' Payroll\*

**Payment for meeting activity in the month of March 2025**

Date	Check No.	Amount	Payable To
4/24/2025	489	\$ 319.03	Board Director
4/24/2025	490 - VOID	\$ -	-
4/24/2025	491	\$ 484.84	Board Director
4/24/2025	492	\$ 638.05	Board Director
4/24/2025	493	\$ 905.41	Board Director
		\$ 2,347.33	Total Payroll Checks
		\$ -	
		\$526.79	ADP taxes
		<b><u><u>\$2,874.12</u></u></b>	<b>Grand Total Payroll</b>

\*Note: Payroll is processed by ADP (Automatic Data Processing)



# MEMO

**TO:** ADMINISTRATION AND FINANCE COMMITTEE  
**FROM:** GENERAL MANAGER *[Signature]*  
**SUBJECT:** ANNUAL BUDGET  
**DATE** MAY 15, 2025

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## Background

District staff have spent the last few months preparing the annual budget for fiscal year 2025-26. No major changes to the annual budget are proposed for the coming year. Attached is the draft budget for your review. Staff will summarize the budget for the committee.

## Recommendation

That the Committee recommend the Board approve the annual budget for fiscal year 2025-26.

Attachment(s): FY 25-26 Draft Budget



# *Fiscal Year 2025-2026 Proposed Budget*



## District Schedule A: Proposed Budget Summary

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
1 Sewer Service Fees	3,420,582	3,869,100	3,834,941	4,295,100	426,000	11%
2 Wholesale Water Fixed Charges	550,894	588,900	588,949	630,200	41,300	7%
3 Retail Water Variable Charges	1,201,739	1,354,400	1,481,346	1,794,900	440,500	33%
4 Retail Water Fixed Charges	1,495,469	1,607,500	1,601,086	1,721,100	113,600	7%
5 MET / MWDOC Pass-Through Charges	7,349,141	7,590,300	6,385,210	3,988,700	(3,601,600)	-47%
6 Property Tax Receipts	2,257,277	2,240,900	2,281,928	2,326,700	85,800	4%
7 Interest Revenue	1,420,979	1,234,500	1,502,892	1,882,000	647,500	52%
8 Other Revenue	963,474	277,200	1,609,136	441,500	164,300	59%
<b>9 Total Revenue</b>	<b>18,659,554</b>	<b>18,762,800</b>	<b>19,285,487</b>	<b>17,080,200</b>	<b>(1,682,600)</b>	<b>-9%</b>
10 Retail Water Supply	1,037,024	687,300	1,288,454	959,400	272,100	40%
11 Wholesale Pass-Through Supply	7,348,418	7,590,300	6,385,210	3,988,700	(3,601,600)	-47%
12 Staffing Resources	2,782,586	3,172,300	2,983,542	3,342,900	170,600	5%
13 Operations & Maintenance	952,456	942,050	1,172,147	1,533,800	591,750	63%
14 General & Administrative	1,075,532	1,255,300	1,282,903	1,316,300	61,000	5%
<b>15 Total Expense</b>	<b>13,196,015</b>	<b>13,647,250</b>	<b>13,112,256</b>	<b>11,141,100</b>	<b>(2,506,150)</b>	<b>-18%</b>
<b>16 Net Income / (Loss) from Operations</b>	<b>5,463,539</b>	<b>5,115,550</b>	<b>6,173,231</b>	<b>5,939,100</b>	<b>823,550</b>	<b>16%</b>
17 Grant Funding Receipts	-	1,000,000	925,124	1,000,000	-	0%
18 Capital Improvement Program	(15,884,587)	(12,509,000)	(6,386,333)	(6,035,000)	6,474,000	-52%
19 CalPERS Unfunded Additional Payments	-	(34,920)	-	-	34,920	-100%
20 Internal Loan Borrowing	-	2,000,000	4,000,000	-	(2,000,000)	-100%
21 Internal Loan Lending	-	(2,000,000)	(4,000,000)	-	2,000,000	-100%
22 Internal Loan Receipts	-	-	269,709	334,815	334,815	NA
23 Internal Loan Payments	-	-	(269,709)	(334,815)	(334,815)	NA
24 Debt Service	(453,633)	(1,295,000)	(1,334,982)	(1,403,430)	(108,430)	8%
<b>25 Net Change in Cash</b>	<b>(10,874,680)</b>	<b>(7,723,370)</b>	<b>(622,959)</b>	<b>(499,330)</b>	<b>7,224,040</b>	<b>-94%</b>
<b>Ending Cash Balances</b>						
26 Unrestricted			22,468,156	22,985,051		
27 Restricted - CFD (Parcel Assessment)			59,064	63,739		
28 Restricted - Grant Funding			-	-		
29 Restricted - Capacity Fees			1,427,347	1,427,347		
30 Restricted - ID1 Transfer Funds			26,594,678	25,573,778		
31 Restricted - Internal Loan Proceeds			-	-		
32 Restricted - Loan Proceeds			-	-		
<b>33 Total Ending Cash Balances</b>			<b>\$ 50,549,245</b>	<b>\$ 50,049,915</b>		
<b>District Policy Target Reserves</b>						
34 Operating			5,128,665	5,924,550		
35 Capital			34,760,433	33,739,533		
36 Rate Stabilization			1,765,275	1,898,225		
<b>37 Over / (Under) Policy Target Reserves</b>			<b>8,894,872</b>	<b>8,487,607</b>		

**Operating Reserve Target** - Set at 10 months of budgeted operating expenses for the wholesale and sewer systems, excluding wholesale pass-through supply expenses, and 6 months of budgeted operating expenses for the retail system.

**Capital Reserve Target** - Set at 20% of the original cost of fixed assets for the retail and wholesale systems. The capital reserve for the sewer system is a specific amount based on legally restricted funds remaining from the sewer system transfer in 2016.

**Rate Stabilization Reserve Target** - Set at \$1M for the sewer system for potential sewer spill remediations and 25% of budgeted operating revenues for the retail system. The District does not maintain a wholesale rate stabilization reserve within policy.

## District Schedule B: Proposed Operating Budget

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
<b>1 District Charges</b>						
2 Sewer Service Fees	3,420,582	3,869,100	3,834,941	4,295,100	426,000	11%
3 Wholesale Water Fixed Charges	550,894	588,900	588,949	630,200	41,300	7%
4 Retail Water Variable Charges	1,201,739	1,354,400	1,481,346	1,794,900	440,500	33%
5 Retail Water Fixed Charges	1,495,469	1,607,500	1,601,086	1,721,100	113,600	7%
<b>6 Total District Charges</b>	<b>6,668,683</b>	<b>7,419,900</b>	<b>7,506,322</b>	<b>8,441,300</b>	<b>1,021,400</b>	<b>14%</b>
<b>7 Wholesale Pass-Through Charges</b>						
8 MET / MWDOC Water Sales	6,635,584	6,675,200	5,469,220	2,923,200	(3,752,000)	-56%
9 MET / MWDOC Fixed Costs Recovery	713,557	915,100	915,990	1,065,500	150,400	16%
<b>10 Total Wholesale Pass-Through Charges</b>	<b>7,349,141</b>	<b>7,590,300</b>	<b>6,385,210</b>	<b>3,988,700</b>	<b>(3,601,600)</b>	<b>-47%</b>
<b>11 Other Revenue</b>						
12 Property Tax Receipts	2,257,277	2,240,900	2,281,928	2,326,700	85,800	4%
13 Interest Revenue	1,420,979	1,234,500	1,502,892	1,882,000	647,500	52%
14 Excess Groundwater Sales	-	-	466,640	-	-	NA
15 Developer Fees and Charges	738,760	50,000	908,685	200,000	150,000	300%
16 Miscellaneous Revenue	224,714	227,200	233,811	241,500	14,300	6%
<b>17 Total Other Revenue</b>	<b>4,641,730</b>	<b>3,752,600</b>	<b>5,393,956</b>	<b>4,650,200</b>	<b>897,600</b>	<b>24%</b>
<b>18 Total Revenue</b>	<b>18,659,554</b>	<b>18,762,800</b>	<b>19,285,487</b>	<b>17,080,200</b>	<b>(1,682,600)</b>	<b>-9%</b>
<b>19 Retail Water Supply</b>						
20 Retail Fixed Costs Allocation	95,206	120,500	119,796	139,400	18,900	16%
21 Retail Water Purchases from Wholesale	882,316	-	159,060	204,700	204,700	NA
22 OCWD Replenishment Assessments	16,411	518,300	782,260	469,300	(49,000)	-9%
23 Groundwater Energy	43,090	48,500	227,338	146,000	97,500	201%
<b>24 Total Retail Water Supply</b>	<b>1,037,024</b>	<b>687,300</b>	<b>1,288,454</b>	<b>959,400</b>	<b>272,100</b>	<b>40%</b>
<b>25 Wholesale Pass-Through Supply</b>						
26 MET / MWDOC Water Purchases	6,634,861	6,675,200	5,469,220	2,923,200	(3,752,000)	-56%
27 MET / MWDOC Fixed Costs	713,557	915,100	915,990	1,065,500	150,400	16%
<b>28 Total Wholesale Pass-Through Supply</b>	<b>7,348,418</b>	<b>7,590,300</b>	<b>6,385,210</b>	<b>3,988,700</b>	<b>(3,601,600)</b>	<b>-47%</b>
<b>29 Staffing Resources</b>						
30 Employee Compensation	2,144,755	2,395,500	2,262,218	2,470,700	75,200	3%
31 Health and Retirement Benefits	637,831	760,700	697,837	837,200	76,500	10%
32 CalPERS Unfunded Minimum Payments	-	16,100	23,488	35,000	18,900	117%
<b>33 Total Staffing Resources</b>	<b>2,782,586</b>	<b>3,172,300</b>	<b>2,983,542</b>	<b>3,342,900</b>	<b>170,600</b>	<b>5%</b>
<b>34 Operations &amp; Maintenance</b>						
35 Water System Maintenance	350,488	379,750	552,405	816,600	436,850	115%
36 Water Quality	84,282	104,500	163,810	147,100	42,600	41%
37 Sewer System Maintenance	155,141	175,000	156,719	192,400	17,400	10%
38 System Fees and Permits	58,585	63,200	62,914	64,800	1,600	3%
39 Vehicle and Equipment	303,959	219,600	236,298	312,900	93,300	42%
<b>40 Total Operations &amp; Maintenance</b>	<b>952,456</b>	<b>942,050</b>	<b>1,172,147</b>	<b>1,533,800</b>	<b>591,750</b>	<b>63%</b>
<b>41 General &amp; Administrative</b>						
42 Professional Services	514,527	597,900	558,057	600,000	2,100	0%
43 District Office Expenses	177,505	189,300	220,875	242,100	52,800	28%
44 District Insurance	93,081	118,600	112,149	123,400	4,800	4%
45 Dues and Memberships	52,371	56,900	61,600	64,100	7,200	13%
46 Community Outreach and Noticing	65,563	60,200	76,942	79,400	19,200	32%
47 Board of Directors	47,822	121,200	122,729	64,700	(56,500)	-47%
48 Education, Training and Travel	10,152	19,900	18,955	19,600	(300)	-2%
49 Miscellaneous Expense	114,509	91,300	111,596	123,000	31,700	35%
<b>50 Total General &amp; Administrative</b>	<b>1,075,532</b>	<b>1,255,300</b>	<b>1,282,903</b>	<b>1,316,300</b>	<b>61,000</b>	<b>5%</b>
<b>51 Total Expense</b>	<b>13,196,015</b>	<b>13,647,250</b>	<b>13,112,256</b>	<b>11,141,100</b>	<b>(2,506,150)</b>	<b>-18%</b>
<b>52 Net Income / (Loss) from Operations</b>	<b>5,463,539</b>	<b>5,115,550</b>	<b>6,173,231</b>	<b>5,939,100</b>	<b>823,550</b>	<b>16%</b>

# District

## Schedule B: FY 2026 Operating Budget Narrative

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1. **District Charges** begins the section of District revenues for customer service charges.
2. **Sewer Service Fees** include sewer service fees charged to customers within the District sewer service area. Orange County collects these fees through the tax roll and remits them to the District. The fiscal year 2026 budget considers a 12.0% rate adjustment effective July 1, 2025, as outlined in the most recent cost-of-service study.
3. **Wholesale Water Fixed Charges** includes the District wholesale reserve fund charge and readiness-to-serve charge for wholesale customers. Wholesale customers pay these charges monthly in proportion to the number of active retail meters. The fiscal year 2026 budget considers a 7.0% rate adjustment effective July 1, 2025, as outlined in the most recent cost-of-service study.
4. **Retail Water Variable Charges** include charges for volumetric water usage billed to retail customers for water service. The fiscal year 2026 budget assumes a total of 800 Acre-Feet (AF) of water sales to retail customers based on average demand over the last 10-years. In addition, a 7.5% rate adjustment will go into effect on July 1, 2025.
5. **Retail Water Fixed Charges** include meter service and capital charges to retail customers for water service. The fiscal year 2026 budget includes a 7.5% rate adjustment that will go into effect on July 1, 2025.
6. **Total District Charges** provides a total of District customer charges, excluding wholesale pass-through type charges.
7. **Wholesale Pass-Through Charges** begins the section of District revenues received from wholesale customers which directly reimburse the District for wholesale import water purchases.
8. **MET / MWDOC Water Sales** includes variable charges collected from wholesale customers for their share of import water purchases through District-owned and managed connections to the Metropolitan Water District of Southern California (MET). Volumetric charges are set at the MET fully treated water rates. Currently, the treated rate stands at \$1,395 / AF and will increase to \$1,528 / AF on January 1, 2026. The fiscal year 2026 budget estimates 2,000 AF of water delivered to wholesale customers; however, wholesale customer demands have experienced major fluctuations in recent years. Charges collected directly reimburse the District for MET water purchases which are billed to the District through the Municipal Water District of Orange County (MWDOC).
9. **MET / MWDOC Fixed Costs Recovery** includes fixed monthly charges to wholesale customers for their share of import water fixed costs. The MET readiness to serve charge, MET capacity charge, and MWDOC retail service connection charges are pro-rated and passed through to wholesale customers each month. The MET readiness to serve charge is increasing to \$43,886 per month on July 1, 2025, and \$45,769 per month on January 1, 2026. The MET capacity charge currently stands at \$18,733 per month and will decrease to \$16,129 per month on January 1, 2026. The MWDOC retail service connection charge is based on the total count of wholesale customer retail meters, budgeted at 20,869 meters. This charge increases to \$15.25 per meter on July 1, 2025, from the current rate of \$14.75 per meter.

# District

## Schedule B: FY 2026 Operating Budget Narrative

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10. **Total Wholesale Pass-Through Charges** provides a total of revenues from wholesale customers that directly reimburse the District for wholesale import water purchases.
11. **Other Revenue** begins the section of District revenues received from other sources outside of rate revenues and wholesale pass-through charges.
12. **Property Tax Receipts** include the ad valorem property tax revenue received through the County of Orange. The fiscal year 2026 budget is based on the projected fiscal year 2025 results with a 2% increase.
13. **Interest Revenue** include earnings on District cash and investments. The fiscal year 2026 budget is based on 4.0% interest earnings on projected cash holdings throughout the year.
14. **Excess Groundwater Sales** include groundwater sales to external agencies from well production. During fiscal year 2025 the District was able to utilize well production beyond District demands to supply the City of Tustin and Golden State Water Company with excess groundwater. The fiscal year 2026 budget does not consider that these circumstances will repeat.
15. **Developer Fees and Charges** include sewer capacity charges, water system connection fees and other capital contributions from development. These revenues are difficult to predict and can experience major fluctuations from year to year based on development activity. The fiscal year 2026 budget conservatively estimates revenues of \$100K in sewer capacity charges and \$100K in wholesale system connection fees, with no activity anticipated in the retail water system service area.
16. **Miscellaneous Revenue** includes cell tower lease contract revenue, Orange County Sanitation District permit processing fees, late charges to customers, and other miscellaneous refunds and reimbursements. The fiscal year 2026 budget considers the cell tower lease contract and historical activity for other revenue sources.
17. **Total Other Revenue** provides a total of received from other sources outside of rate revenues and wholesale pass-through charges.
18. **Total Revenue** provides a total of all District revenues from operations.
19. **Retail Water Supply** begins the section of expenses for retail water supply.
20. **Retail Fixed Costs Allocation** includes water purchases fixed costs allocated to the retail water system for import water purchases through the wholesale water system. This includes wholesale pass through costs for the MET readiness to serve, MET capacity, and MWDOC retail service connection charges as well as the EOCWD wholesale reserve fund and readiness to serve charges, which are allocated to the retail system based on a rolling average of wholesale customer demands and meter counts. The fiscal year 2026 budget is increasing due to MET and MWDOC rate adjustments and a 7% adjustment in EOCWD wholesale rates effective July 1, 2025.
21. **Retail Water Purchases from Wholesale** includes import water purchases through the wholesale water system. The retail system pays for water used at the MET treated water rate, which stands at \$1,395 / AF and

# District

## Schedule B: FY 2026 Operating Budget Narrative

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will increase to \$1,528 / AF on January 1, 2026. The fiscal year 2026 budget estimates 140 AF of water purchases from the wholesale system, representing 17.5% of the 800 AF of budgeted retail demand.

22. **OCWD Replenishment Assessments** include replenishment assessments (RA) paid to Orange County Water District (OCWD) for groundwater production at District well sites. The fiscal year 2026 budget estimates 660 AF of groundwater production to supply 82.5% of the 800 AF of budgeted retail demand. The RA rate stands at \$688 per AF and is increasing to \$711 per AF on July 1, 2025. During fiscal year 2025, the retail system produced and sold excess groundwater to external agencies which resulted in higher than anticipated replenishment assessments. The fiscal year 2026 budget does not consider a repeat of these conditions.
23. **Groundwater Energy** includes energy costs to support the pumping of groundwater at retail well sites. With new facilities in place and excess groundwater sales during fiscal year 2025, it is hard to predict what energy costs in this category will be under normal operating circumstances. The fiscal year 2026 budget is based on a best estimate of energy costs under normal operating conditions.
24. **Total Retail Water Supply** provides a total of expenses for retail water supply.
25. **Wholesale Pass-Through Supply** begins the section of wholesale system pass-through water supply expenses from MET and MWDOC.
26. **MET / MWDOC Water Purchases** includes import water purchases through District-owned and managed connections to MET. The MET fully treated water rate stands at \$1,395 per AF and will increase to \$1,528 per AF on January 1, 2026. The fiscal year 2026 budget estimates 2,000 AF of water purchases to support wholesale customer demands; however, wholesale demands have experienced major fluctuations in recent years. These water purchases are subsequently repaid to the District through monthly billing to wholesale customers.
27. **MET / MWDOC Fixed Costs** includes fixed charges for import water costs. This category includes the MET readiness to serve charge, MET capacity charge, and MWDOC retail service connection charge. These charges are subsequently pro-rated and passed through to wholesale customers each month. The MET readiness to serve charge is increasing to \$43,886 per month on July 1, 2025, and \$45,769 per month on January 1, 2026. The MET capacity charge currently stands at \$18,733 per month and will decrease to \$16,129 per month on January 1, 2026. The MWDOC retail service connection charge is based on the total count of wholesale customer retail meters, budgeted at 20,869 meters. This charge increases to \$15.25 per meter on July 1, 2025, from the current rate of \$14.75 per meter. These fixed costs are subsequently repaid to the District through monthly billing to wholesale customers.
28. **Total Wholesale Pass-Through Supply** provides a total for wholesale system pass-through water supply expenses from MET and MWDOC.
29. **Staffing Resources** begins the section of expenses for District staffing.
30. **Employee Compensation** includes salaries, wages and other pay compensated to District staff. The fiscal year 2026 budget considers filling vacant positions and operating at full staffing, with no additional new positions. It also assumes a 2.5% merit pool and 3.8% cost of living adjustment to salary ranges, based on the

# District

## Schedule B: FY 2026 Operating Budget Narrative

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12-month average year over year change in the consumer price index for LA-Long Beach-Anaheim from March 2024 to March 2025.

31. **Employee Benefits** include health, dental and vision benefits for District personnel. The fiscal year 2026 budget expects rates for benefit plans to increase by 5% and that the two vacant positions will elect family coverage.
32. **CalPERS Retirement Unfunded Liability** includes the minimum payment to the California Public Employees Retirement System (CalPERS) to fund future CalPERS retirement benefits. The fiscal year 2026 budget is based on the District actuarial valuation reports released by CalPERS and fluctuates each year with plan investment returns and changing actuarial assumptions. As of June 30, 2024, the District pension plan is 94.5% funded.
33. **Total Staffing Resources** provides a total of expenses for District staffing.
34. **Operations & Maintenance** begins the section of expenses related to District operations.
35. **Water System Maintenance** includes the budget for repairs and maintenance of pipeline leaks, service lines, reservoir sites, meters, valves, hydrants, vaults, well sites, pumps and motors, and SCADA systems necessary to provide retail and wholesale water service to District customers. The fiscal year 2026 budget has increased due to the following budget items:
  - a. The retail system has experienced new pump station energy costs at Alexander Lane. The fiscal year 2025 projection is higher than the adopted budget due to an 8-month period billing from Southern California Edison. The District has included a \$215K budget for Alexander Lane pump station energy in fiscal year 2026. The prior year budget did not include this pump station energy.
  - b. The Newport reservoir requires v-ditch repairs, tree removal and site maintenance. The fiscal year 2026 wholesale reservoir maintenance budget has increased to \$200K from \$60K in the prior year.
  - c. The PFAS treatment plant maintenance budget has increased to \$66K based on an estimated \$100 per AF in maintenance costs (average figure estimated and provided by OCWD). OCWD will reimburse half of the plant maintenance costs, and the \$33K of reimbursements are also in this category. From the prior year, the net PFAS treatment plant maintenance budget has increased by \$31.6K. This facility is new, and the District will be gathering actual cost data for future maintenance budgeting. This budget includes funding for any unexpected needs at the plant, although this facility is still new and not expected to experience major repairs or failures.
  - d. The wholesale vaults maintenance fiscal year 2026 budget has increased by \$15K from the fiscal year 2025 budget due to plans for vault top replacements within the wholesale system.
36. **Water Quality** includes water quality testing, chemicals, and the chlorine generator rental. The fiscal year 2026 budget is based on an estimate of chemical and testing needs under normal operating conditions (no excess groundwater sales resulting in reduced activity during fiscal year 2026 compared to fiscal year 2025) with a 6% increase to chemical costs.

# District

## Schedule B: FY 2026 Operating Budget Narrative

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37. **Sewer System Maintenance** includes the budget for repairs and maintenance of sewer lines, root control, insecticide, odor control, lift stations, smart covers subscriptions, and supplies necessary to provide sewer service to District customers. The fiscal year 2026 budget has increased due to a \$20K provision for unexpected sewer lift station pump repairs not included in the prior year budget.
38. **System Fees and Permits** include system permitting through the State Water Resources Control Board. The fiscal year 2026 budget is based on the fiscal year 2025 projected results with an increase for inflation.
39. **Vehicles and Equipment** includes repairs to vehicles and equipment, equipment rentals, fuel, small tools, and safety equipment. The fiscal year 2026 budget has increased due to an additional \$100K provision for unexpected sewer Vactor truck repairs not included in the prior year budget.
40. **Total Operations & Maintenance** provides a total of expenses for District operations.
41. **General & Administrative** begins the section of expenses for general and administrative activities.
42. **Professional Services** includes contract services for finance and accounting, legal, annual audit, information technology (IT), public relations, engineering, and FOG inspection. The fiscal year 2026 budget considers increases for inflation on all professional services but will realize \$28.8K in savings compared to the prior year budget for finance and accounting advisory services currently provided by Starting Line Advisory.
43. **District Office Expenses** include costs for District headquarters maintenance, headquarters utilities, supplies, software and licensing, records management, computer software, payroll processing and customer billing. The fiscal year 2026 budget is increasing due to new headquarters maintenance costs for landscaping (\$5.4K), HVAC maintenance (\$4.2K), and window cleaning (\$1.9K).
44. **District Insurance** includes the cost of general liability and auto insurance. The fiscal year 2026 budget is based on a 10% increase to the most recent insurance policy due to recent insurance industry trends.
45. **Dues and Memberships** include the cost of various association dues, industry memberships and the Orange County Local Agency Formation Commission (OC LAFCO) apportionment. The fiscal year 2026 budget is based on the known costs for recent memberships with an increase for inflation. The OC LAFCO apportionment to the District for fiscal year 2026 is set at \$25,719.
46. **Community Outreach and Noticing** include public noticing and conservation outreach around the community. The fiscal year 2026 budget is based on fiscal year 2025 projections with an increase for inflation.
47. **Board of Directors** includes director stipends, director meetings, director travel, and Board election costs during applicable years. The fiscal year 2026 budget does not include election costs.
48. **Education, Training and Travel** includes conference attendance, trainings, and travel for District staff. The fiscal year 2026 budget is based on fiscal year 2025 projections with an increase for inflation.
49. **Miscellaneous Expense** includes collection fees paid to the County for property taxes and parcel assessments, US Bank custodial fees, banking service charges, bad-debt expense (uncollectable customer

# District

## Schedule B: FY 2026 Operating Budget Narrative

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accounts) and other miscellaneous expenses. The fiscal year 2026 budget for collection fees, custodial fees and banking services is based on fiscal year 2025 projections with an increase for inflation. The fiscal year 2026 budget includes a \$15K provision for unknown miscellaneous expenses and includes bad-debt expense budgets of \$5K for retail customers and \$10K for sewer customers. The District does not budget for uncollectable accounts for wholesale customers.

50. **Total General & Administrative** provides a total of expenses for general and administrative activities.
51. **Total Expense** provides a total of all District expenses from operations.
52. **Net Income / (Loss) from Operations** highlights total District revenue less total District expenses. The fiscal year 2026 budget provides net income from operations of \$5.93 million.

## District Schedule C: Proposed Change in Reserves

	Projected 6/30/2025 Balance	Net Income / (Loss) From Operations	Capital Funding Proceeds	Capital Improvement Program	Debt Service	Internal Loan Payments	Projected 6/30/2026 Balance
<b>Cash Balances</b>							
Unrestricted	22,468,156	5,934,425		(4,014,100)	(1,403,430)	-	22,985,051
Restricted - CFD (Parcel Assessment)	59,064	4,675					63,739
Restricted - Grant Funding	-		1,000,000	(1,000,000)			-
Restricted - Capacity Fees	1,427,347			-			1,427,347
Restricted - ID1 Transfer Funds	26,594,678		-	(1,020,900)			25,573,778
Restricted - Internal Loan Proceeds	-						-
Restricted - Loan Proceeds	-						-
	-						-
<b>Total Cash Balances</b>	<b>\$ 50,549,245</b>	<b>\$ 5,939,100</b>	<b>\$ 1,000,000</b>	<b>\$ (6,035,000)</b>	<b>\$ (1,403,430)</b>	<b>\$ -</b>	<b>\$ 50,049,915</b>

## District Schedule D: Proposed Capital Budget

			A	B	C = B - A	D = E - C	E	F
ID	Project	System	FY 2025 Budget	FY 2025 (P)	Carryover Budget	Adjusted Budget	FY 2026	Status
WZ-01	Walnut Vault Replacement	Wholesale	-	-	-	-		Closed
WZ-02	Wholesale Reservoir Backup Generators	Wholesale	245,000	-	245,000	15,000	260,000	Not Started
WZ-03	Cathodic Protection Improvements	Wholesale	-	-	-	100,000	100,000	Design
WZ-04	6MG Reservoir - Pipeline and Vault Improvements	Wholesale	200,000	60,000	140,000	(80,000)	60,000	Construction
WZ-05	Wholesale Reservoir Management Systems	Wholesale	1,500,000	-	1,500,000	-	1,500,000	Design
WZ-06	Peters Canyon Reservoir Seismic Reconstruction Phase	Wholesale	-	-	-	500,000	500,000	New
WZ-10	Master Plan Update	Wholesale	150,000	32,000	118,000	(20,000)	98,000	Design
WZ-17	Valve Replacements Program	Wholesale	40,000	-	40,000	10,000	50,000	Program
WZ-18	Hydrant Replacements	Wholesale	8,000	680	7,320	42,680	50,000	Program
SS-01	Cured in Place Pipe (CIPP) Prior Years	Sewer	-	-	-	-		Closed
SS-03	Lemon Heights Dr. Lift Station Rehabilitation	Sewer	60,000	60,000	-	-		Construction
SS-05	Robotic Sewer Inspection Camera	Sewer	44,000	40,200	3,800	(3,800)		Closed
SS-06	Cured in Place Pipe (CIPP)	Sewer	300,000	-	300,000	(150,000)	150,000	Program
SS-07	Manhole Additions, Raising, Frames & Covers	Sewer	100,000	100,000	-	75,000	75,000	In Process
SS-08	Manhole Rehabilitation and Replacements	Sewer	500,000	425,000	75,000	100,000	175,000	Program
SS-09	Fallen Leaf Sewer Rehab	Sewer	100,000	1,465	98,535	(98,535)		Design
SS-10	Vehicles and Equipment - Sewer	Sewer	-	-	-	200,000	200,000	Program
SS-11	SSMP Update and Spill Response	Sewer	200,000	60,000	140,000	35,000	175,000	Design
RZ-01	Vista Panorama Reservoir Replacement	Retail	-	1,574	(1,574)	1,574		Closed
RZ-02	Barrett Reservoir Booster Pump Station Replacement	Retail	-	133,200	(133,200)	133,200		Closed
RZ-03	Springwood Drive Pipeline Improvement	Retail	100,000	-	100,000	(100,000)		Not Started
RZ-04	Brae Glen Pipeline Replacement	Retail	500,000	557,283	(57,283)	57,283		Construction
RZ-05	Orange Knoll PRV Station	Retail	75,000	214	74,786	175,214	250,000	Design
RZ-06	East Well Pump and Motor	Retail	-	-	-	-		Closed
RZ-07	East Well Electrical	Retail	150,000	-	150,000	(10,000)	140,000	Construction
RZ-08	Barrett and Hinton Service Relocations	Retail	225,000	8,598	216,402	(216,402)		Not Started
RZ-09	Circula Panorama Pipeline Replacement / Conversion	Retail	4,700,000	4,082,344	617,656	(617,656)		Closed
RZ-10	Master Plan Update	Retail	150,000	38,000	112,000	5,000	117,000	Design
RZ-11	Daniger Pump Station Upgrades	Retail	230,000	-	230,000	(155,000)	75,000	Not Started
RZ-12	St. Jude/Panorama View Pipeline	Retail	225,000	6,998	218,002	(218,002)		Not Started
RZ-13	Barrett to Cresthaven Pipeline Replacement	Retail	75,000	-	75,000	(75,000)		Not Started
RZ-14	4" Main Replace/Abandon on Hewes	Retail	100,000	-	100,000	(100,000)		Not Started
RZ-15	Advanced Metering Infrastructure	Retail	1,200,000	15,000	1,185,000	50,000	1,235,000	Design
RZ-15F	Advanced Metering Infrastructure - Grant Funding	Retail	(1,000,000)	-	(1,000,000)	-	(1,000,000)	Funding
RZ-16	Vista Panorama Pump Station Replacement	Retail	250,000	50,000	200,000	100,000	300,000	Design
RZ-17	Valve Replacements Program	Retail	75,000	915	74,085	(74,085)		Program
RZ-18	Hydrant Replacements Program	Retail	32,000	32,000	-	25,000	25,000	Program
JP-01	SCADA System Improvements	Joint Project	300,000	365,933	(65,933)	65,933		Construction
JP-02	Financial Software and Implementation	Joint Project	60,000	37,212	22,788	(22,788)		In Process
JP-03	Local Hazard Mitigation Plan, AWIA RRA & ERP	Joint Project	300,000	50,000	250,000	-	250,000	In Process
JP-04	6MG Equipment Canopy	Joint Project	75,000	-	75,000	(75,000)		Not Started
JP-05	6MG Site Additional Storage	Joint Project	20,000	-	20,000	(20,000)		Not Started
JP-06	11.5MG Spare Mixer	Joint Project	15,000	12,919	2,081	(2,081)		Closed
JP-07	District HQ Backup Generator	Joint Project	130,000	100,000	30,000	(30,000)		Construction
JP-08	Field Truck	Joint Project	75,000	75,000	-	-		Closed
JP-09	Vehicles and Equipment - Shared	Joint Project	-	-	-	-		Program
JP-10	Main Office Warehouse Replacement	Joint Project	-	-	-	250,000	250,000	New
<b>Capital Budget, Net</b>			<b>\$ 11,509,000</b>	<b>\$ 6,346,535</b>	<b>\$ 5,162,465</b>	<b>\$ (127,465)</b>	<b>\$ 5,035,000</b>	
<b>Grant Funding Receipts</b>			<b>\$ 1,000,000</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>	
<b>Capital Budget Total</b>			<b>\$ 12,509,000</b>	<b>\$ 6,346,535</b>	<b>\$ 6,162,465</b>	<b>\$ (127,465)</b>	<b>\$ 6,035,000</b>	

System Totals	FY 2025 Budget	FY 2025 (P)	Carryover Budget	Adjusted Budget	FY 2026
Wholesale	2,143,000	92,680	2,050,320	567,680	2,618,000
Retail	7,087,000	4,926,126	2,160,874	(1,018,874)	1,142,000
Sewer	1,304,000	686,665	617,335	157,665	775,000
Joint Project	975,000	641,064	333,936	166,064	500,000



# ***Budgets by Fund***

## ***Wholesale***

# Wholesale

## Schedule A: Proposed Budget Summary

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
1 Sewer Service Fees	-	-	-	-	-	NA
2 Wholesale Water Fixed Charges	550,894	588,900	588,949	630,200	41,300	7%
3 Retail Water Variable Charges	-	-	-	-	-	NA
4 Retail Water Fixed Charges	-	-	-	-	-	NA
5 MET / MWDOC Pass-Through Charges	7,349,141	7,590,300	6,385,210	3,988,700	(3,601,600)	-47%
6 Property Tax Receipts	1,129,978	1,157,100	1,152,578	1,175,700	18,600	2%
7 Interest Revenue	200,158	194,200	137,512	262,000	67,800	35%
8 Other Revenue	566,371	158,300	622,987	263,000	104,700	66%
<b>9 Total Revenue</b>	<b>9,796,541</b>	<b>9,688,800</b>	<b>8,887,236</b>	<b>6,319,600</b>	<b>(3,369,200)</b>	<b>-35%</b>
10 Retail Water Supply	-	-	-	-	-	NA
11 Wholesale Pass-Through Supply	7,348,418	7,590,300	6,385,210	3,988,700	(3,601,600)	-47%
12 Staffing Resources	474,560	578,700	509,004	601,800	23,100	4%
13 Operations & Maintenance	356,002	383,150	340,638	586,600	203,450	53%
14 General & Administrative	286,039	356,600	370,255	368,000	11,400	3%
<b>15 Total Expense</b>	<b>8,465,019</b>	<b>8,908,750</b>	<b>7,605,107</b>	<b>5,545,100</b>	<b>(3,363,650)</b>	<b>-38%</b>
<b>16 Net Income / (Loss) from Operations</b>	<b>1,331,522</b>	<b>780,050</b>	<b>1,282,129</b>	<b>774,500</b>	<b>(5,550)</b>	<b>-1%</b>
17 Grant Funding Receipts	-	-	-	-	-	NA
18 Capital Improvement Program	(2,127,048)	(2,539,300)	(455,408)	(2,743,800)	(204,500)	8%
19 CalPERS Unfunded Additional Payments	-	(7,079)	-	-	7,079	-100%
20 Internal Loan Borrowing	-	-	-	-	-	NA
21 Internal Loan Lending	-	-	-	-	-	NA
22 Internal Loan Receipts	-	-	-	-	-	NA
23 Internal Loan Payments	-	-	-	-	-	NA
24 Debt Service	-	-	-	-	-	NA
<b>25 Net Change in Cash</b>	<b>(795,525)</b>	<b>(1,766,329)</b>	<b>826,721</b>	<b>(1,969,300)</b>	<b>(202,971)</b>	<b>11%</b>

### Ending Cash Balances

26 Unrestricted			7,558,319	5,589,019		
27 Restricted - CFD (Parcel Assessment)			-	-		
28 Restricted - Grant Funding			-	-		
29 Restricted - Capacity Fees			-	-		
30 Restricted - ID1 Transfer Funds			-	-		
31 Restricted - Internal Loan Proceeds			-	-		
32 Restricted - Loan Proceeds			-	-		
<b>33 Total Ending Cash Balances</b>			<b>\$ 7,558,319</b>	<b>\$ 5,589,019</b>		

### District Policy Target Reserves

34 Operating			1,867,191	2,180,750		
35 Capital			3,916,612	3,916,612		
36 Rate Stabilization			-	-		
<b>37 Over / (Under) Policy Target Reserves</b>			<b>1,774,516</b>	<b>(508,343)</b>		

**Operating Reserve Target** - Set at 10 months of budgeted operating expenses for the wholesale and sewer systems, excluding wholesale pass-through supply expenses, and 6 months of budgeted operating expenses for the retail system.

**Capital Reserve Target** - Set at 20% of the original cost of fixed assets for the retail and wholesale systems. The capital reserve for the sewer system is a specific amount based on legally restricted funds remaining from the sewer system transfer in 2016.

**Rate Stabilization Reserve Target** - Set at \$1M for the sewer system for potential sewer spill remediations and 25% of budgeted operating revenues for the retail system. The District does not maintain a wholesale rate stabilization reserve within policy.

# Wholesale

## Schedule B: Proposed Operating Budget

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
<b>1 District Charges</b>						
2 Sewer Service Fees	-	-	-	-	-	NA
3 Wholesale Water Fixed Charges	550,894	588,900	588,949	630,200	41,300	7%
4 Retail Water Variable Charges	-	-	-	-	-	NA
5 Retail Water Fixed Charges	-	-	-	-	-	NA
<b>6 Total District Charges</b>	<b>550,894</b>	<b>588,900</b>	<b>588,949</b>	<b>630,200</b>	<b>41,300</b>	<b>7%</b>
<b>7 Wholesale Pass-Through Charges</b>						
8 MET / MWDOC Water Sales	6,635,584	6,675,200	5,469,220	2,923,200	(3,752,000)	-56%
9 MET / MWDOC Fixed Costs Recovery	713,557	915,100	915,990	1,065,500	150,400	16%
<b>10 Total Wholesale Pass-Through Charges</b>	<b>7,349,141</b>	<b>7,590,300</b>	<b>6,385,210</b>	<b>3,988,700</b>	<b>(3,601,600)</b>	<b>-47%</b>
<b>11 Other Revenue</b>						
12 Property Tax Receipts	1,129,978	1,157,100	1,152,578	1,175,700	18,600	2%
13 Interest Revenue	200,158	194,200	137,512	262,000	67,800	35%
14 Excess Groundwater Sales	-	-	-	-	-	NA
15 Developer Fees and Charges	421,639	-	461,948	100,000	100,000	NA
16 Miscellaneous Revenue	144,732	158,300	161,039	163,000	4,700	3%
<b>17 Total Other Revenue</b>	<b>1,896,507</b>	<b>1,509,600</b>	<b>1,913,077</b>	<b>1,700,700</b>	<b>191,100</b>	<b>13%</b>
<b>18 Total Revenue</b>	<b>9,796,541</b>	<b>9,688,800</b>	<b>8,887,236</b>	<b>6,319,600</b>	<b>(3,369,200)</b>	<b>-35%</b>
<b>19 Retail Water Supply</b>						
20 Retail Fixed Costs Allocation	-	-	-	-	-	NA
21 Retail Water Purchases from Wholesale	-	-	-	-	-	NA
22 OCWD Replenishment Assessments	-	-	-	-	-	NA
23 Groundwater Energy	-	-	-	-	-	NA
<b>24 Total Retail Water Supply</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
<b>25 Wholesale Pass-Through Supply</b>						
26 MET / MWDOC Water Purchases	6,634,861	6,675,200	5,469,220	2,923,200	(3,752,000)	-56%
27 MET / MWDOC Fixed Costs	713,557	915,100	915,990	1,065,500	150,400	16%
<b>28 Total Wholesale Pass-Through Supply</b>	<b>7,348,418</b>	<b>7,590,300</b>	<b>6,385,210</b>	<b>3,988,700</b>	<b>(3,601,600)</b>	<b>-47%</b>
<b>29 Staffing Resources</b>						
30 Employee Compensation	371,040	438,700	389,427	447,600	8,900	2%
31 Health and Retirement Benefits	103,520	136,700	114,767	147,900	11,200	8%
32 CalPERS Unfunded Minimum Payments	-	3,300	4,809	6,300	3,000	91%
<b>33 Total Staffing Resources</b>	<b>474,560</b>	<b>578,700</b>	<b>509,004</b>	<b>601,800</b>	<b>23,100</b>	<b>4%</b>
<b>34 Operations &amp; Maintenance</b>						
35 Water System Maintenance	217,066	248,050	175,298	434,000	185,950	75%
36 Water Quality	68,375	74,900	109,273	94,800	19,900	27%
37 Sewer System Maintenance	-	-	-	-	-	NA
38 System Fees and Permits	14,614	16,100	18,416	19,000	2,900	18%
39 Vehicle and Equipment	55,948	44,100	37,651	38,800	(5,300)	-12%
<b>40 Total Operations &amp; Maintenance</b>	<b>356,002</b>	<b>383,150</b>	<b>340,638</b>	<b>586,600</b>	<b>203,450</b>	<b>53%</b>
<b>41 General &amp; Administrative</b>						
42 Professional Services	159,385	183,900	177,388	183,100	(800)	0%
43 District Office Expenses	32,789	44,000	55,673	62,000	18,000	41%
44 District Insurance	21,215	29,100	30,624	33,700	4,600	16%
45 Dues and Memberships	19,602	20,600	22,600	23,500	2,900	14%
46 Community Outreach and Noticing	21,292	19,200	24,615	25,400	6,200	32%
47 Board of Directors	21,094	50,200	52,174	29,000	(21,200)	-42%
48 Education, Training and Travel	2,469	4,500	3,778	3,900	(600)	-13%
49 Miscellaneous Expense	8,193	5,100	3,404	7,400	2,300	45%
<b>50 Total General &amp; Administrative</b>	<b>286,039</b>	<b>356,600</b>	<b>370,255</b>	<b>368,000</b>	<b>11,400</b>	<b>3%</b>
<b>51 Total Expense</b>	<b>8,465,019</b>	<b>8,908,750</b>	<b>7,605,107</b>	<b>5,545,100</b>	<b>(3,363,650)</b>	<b>-38%</b>
<b>52 Net Income / (Loss) from Operations</b>	<b>1,331,522</b>	<b>780,050</b>	<b>1,282,129</b>	<b>774,500</b>	<b>(5,550)</b>	<b>-1%</b>

# Wholesale

## Schedule C: Proposed Change in Reserves

	Projected 6/30/2025 Balance	Net Income / (Loss) From Operations	Capital Funding Proceeds	Capital Improvement Program	Debt Service	Internal Loan Payments	Projected 6/30/2026 Balance
<b>Cash Balances</b>							
Unrestricted	7,558,319	774,500		(2,743,800)	-	-	5,589,019
Restricted - CFD (Parcel Assessment)	-	-					-
Restricted - Grant Funding	-		-	-			-
Restricted - Capacity Fees	-			-			-
Restricted - ID1 Transfer Funds	-		-	-			-
Restricted - Internal Loan Proceeds	-						-
Restricted - Loan Proceeds	-						-
	-						-
<b>Total Cash Balances</b>	<b>\$ 7,558,319</b>	<b>\$ 774,500</b>	<b>\$ -</b>	<b>\$ (2,743,800)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,589,019</b>



## ***Budgets by Fund***

### ***Retail***

## Retail

### Schedule A: Proposed Budget Summary

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
1 Sewer Service Fees	-	-	-	-	-	NA
2 Wholesale Water Fixed Charges	-	-	-	-	-	NA
3 Retail Water Variable Charges	1,201,739	1,354,400	1,481,346	1,794,900	440,500	33%
4 Retail Water Fixed Charges	1,495,469	1,607,500	1,601,086	1,721,100	113,600	7%
5 MET / MWDOC Pass-Through Charges	-	-	-	-	-	NA
6 Property Tax Receipts	591,649	605,600	603,482	615,600	10,000	2%
7 Interest Revenue	104,181	88,600	36,488	65,000	(23,600)	-27%
8 Other Revenue	81,521	20,600	480,878	21,900	1,300	6%
<b>9 Total Revenue</b>	<b>3,474,558</b>	<b>3,676,700</b>	<b>4,203,280</b>	<b>4,218,500</b>	<b>541,800</b>	<b>15%</b>
10 Retail Water Supply	1,037,024	687,300	1,288,454	959,400	272,100	40%
11 Wholesale Pass-Through Supply	-	-	-	-	-	NA
12 Staffing Resources	705,659	837,500	786,405	881,400	43,900	5%
13 Operations & Maintenance	205,774	211,200	480,721	485,500	274,300	130%
14 General & Administrative	340,131	420,800	435,802	453,800	33,000	8%
<b>15 Total Expense</b>	<b>2,288,587</b>	<b>2,156,800</b>	<b>2,991,381</b>	<b>2,780,100</b>	<b>623,300</b>	<b>29%</b>
<b>16 Net Income / (Loss) from Operations</b>	<b>1,185,971</b>	<b>1,519,900</b>	<b>1,211,899</b>	<b>1,438,400</b>	<b>(81,500)</b>	<b>-5%</b>
17 Grant Funding Receipts	-	1,000,000	925,124	1,000,000	-	0%
18 Capital Improvement Program	(5,758,308)	(8,374,450)	(5,125,179)	(2,270,300)	6,104,150	-73%
19 CalPERS Unfunded Additional Payments	-	(10,031)	-	-	10,031	-100%
20 Internal Loan Borrowing	-	2,000,000	4,000,000	-	(2,000,000)	-100%
21 Internal Loan Lending	-	-	-	-	-	NA
22 Internal Loan Receipts	-	-	-	-	-	NA
23 Internal Loan Payments	-	-	(269,709)	(334,815)	(334,815)	NA
24 Debt Service	(82,718)	(259,000)	(258,992)	(327,200)	(68,200)	26%
<b>25 Net Change in Cash</b>	<b>(4,655,055)</b>	<b>(4,123,581)</b>	<b>483,144</b>	<b>(493,915)</b>	<b>3,629,666</b>	<b>-88%</b>

#### Ending Cash Balances

26 Unrestricted			2,333,704	1,839,790		
27 Restricted - CFD (Parcel Assessment)			-	-		
28 Restricted - Grant Funding			-	-		
29 Restricted - Capacity Fees			-	-		
30 Restricted - ID1 Transfer Funds			-	-		
31 Restricted - Internal Loan Proceeds			-	-		
32 Restricted - Loan Proceeds			-	-		
<b>33 Total Ending Cash Balances</b>			<b>\$ 2,333,704</b>	<b>\$ 1,839,790</b>		

#### District Policy Target Reserves

34 Operating			1,095,216	1,404,050		
35 Capital			4,249,144	4,249,144		
36 Rate Stabilization			765,275	898,225		
<b>37 Over / (Under) Policy Target Reserves</b>			<b>(3,775,930)</b>	<b>(4,711,629)</b>		

**Operating Reserve Target** - Set at 10 months of budgeted operating expenses for the wholesale and sewer systems, excluding wholesale pass-through supply expenses, and 6 months of budgeted operating expenses for the retail system.

**Capital Reserve Target** - Set at 20% of the original cost of fixed assets for the retail and wholesale systems. The capital reserve for the sewer system is a specific amount based on legally restricted funds remaining from the sewer system transfer in 2016.

**Rate Stabilization Reserve Target** - Set at \$1M for the sewer system for potential sewer spill remediations and 25% of budgeted operating revenues for the retail system. The District does not maintain a wholesale rate stabilization reserve within policy.

## Retail

### Schedule B: Proposed Operating Budget

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
<b>1 District Charges</b>						
2 Sewer Service Fees	-	-	-	-	-	NA
3 Wholesale Water Fixed Charges	-	-	-	-	-	NA
4 Retail Water Variable Charges	1,201,739	1,354,400	1,481,346	1,794,900	440,500	33%
5 Retail Water Fixed Charges	1,495,469	1,607,500	1,601,086	1,721,100	113,600	7%
<b>6 Total District Charges</b>	<b>2,697,208</b>	<b>2,961,900</b>	<b>3,082,432</b>	<b>3,516,000</b>	<b>554,100</b>	<b>19%</b>
<b>7 Wholesale Pass-Through Charges</b>						
8 MET / MWDOC Water Sales	-	-	-	-	-	NA
9 MET / MWDOC Fixed Costs Recovery	-	-	-	-	-	NA
<b>10 Total Wholesale Pass-Through Charges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
<b>11 Other Revenue</b>						
12 Property Tax Receipts	591,649	605,600	603,482	615,600	10,000	2%
13 Interest Revenue	104,181	88,600	36,488	65,000	(23,600)	-27%
14 Excess Groundwater Sales	-	-	466,640	-	-	NA
15 Developer Fees and Charges	58,682	-	-	-	-	NA
16 Miscellaneous Revenue	22,839	20,600	14,238	21,900	1,300	6%
<b>17 Total Other Revenue</b>	<b>777,351</b>	<b>714,800</b>	<b>1,120,848</b>	<b>702,500</b>	<b>(12,300)</b>	<b>-2%</b>
<b>18 Total Revenue</b>	<b>3,474,558</b>	<b>3,676,700</b>	<b>4,203,280</b>	<b>4,218,500</b>	<b>541,800</b>	<b>15%</b>
<b>19 Retail Water Supply</b>						
20 Retail Fixed Costs Allocation	95,206	120,500	119,796	139,400	18,900	16%
21 Retail Water Purchases from Wholesale	882,316	-	159,060	204,700	204,700	NA
22 OCWD Replenishment Assessments	16,411	518,300	782,260	469,300	(49,000)	-9%
23 Groundwater Energy	43,090	48,500	227,338	146,000	97,500	201%
<b>24 Total Retail Water Supply</b>	<b>1,037,024</b>	<b>687,300</b>	<b>1,288,454</b>	<b>959,400</b>	<b>272,100</b>	<b>40%</b>
<b>25 Wholesale Pass-Through Supply</b>						
26 MET / MWDOC Water Purchases	-	-	-	-	-	NA
27 MET / MWDOC Fixed Costs	-	-	-	-	-	NA
<b>28 Total Wholesale Pass-Through Supply</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
<b>29 Staffing Resources</b>						
30 Employee Compensation	551,357	638,900	606,548	661,300	22,400	4%
31 Health and Retirement Benefits	154,301	193,900	172,996	210,700	16,800	9%
32 CalPERS Unfunded Minimum Payments	-	4,700	6,861	9,400	4,700	100%
<b>33 Total Staffing Resources</b>	<b>705,659</b>	<b>837,500</b>	<b>786,405</b>	<b>881,400</b>	<b>43,900</b>	<b>5%</b>
<b>34 Operations &amp; Maintenance</b>						
35 Water System Maintenance	133,422	131,700	377,107	382,600	250,900	191%
36 Water Quality	15,908	29,600	54,538	52,300	22,700	77%
37 Sewer System Maintenance	-	-	-	-	-	NA
38 System Fees and Permits	16,374	17,800	16,492	17,000	(800)	-4%
39 Vehicle and Equipment	40,070	32,100	32,584	33,600	1,500	5%
<b>40 Total Operations &amp; Maintenance</b>	<b>205,774</b>	<b>211,200</b>	<b>480,721</b>	<b>485,500</b>	<b>274,300</b>	<b>130%</b>
<b>41 General &amp; Administrative</b>						
42 Professional Services	157,539	183,900	177,109	183,100	(800)	0%
43 District Office Expenses	63,276	83,900	98,425	106,700	22,800	27%
44 District Insurance	29,357	41,300	39,015	42,900	1,600	4%
45 Dues and Memberships	19,602	20,600	22,600	23,500	2,900	14%
46 Community Outreach and Noticing	25,684	23,700	29,462	30,400	6,700	28%
47 Board of Directors	20,868	32,200	34,186	29,100	(3,100)	-10%
48 Education, Training and Travel	2,526	4,800	4,619	4,800	-	0%
49 Miscellaneous Expense	21,279	30,400	30,386	33,300	2,900	10%
<b>50 Total General &amp; Administrative</b>	<b>340,131</b>	<b>420,800</b>	<b>435,802</b>	<b>453,800</b>	<b>33,000</b>	<b>8%</b>
<b>51 Total Expense</b>	<b>2,288,587</b>	<b>2,156,800</b>	<b>2,991,381</b>	<b>2,780,100</b>	<b>623,300</b>	<b>29%</b>
<b>52 Net Income / (Loss) from Operations</b>	<b>1,185,971</b>	<b>1,519,900</b>	<b>1,211,899</b>	<b>1,438,400</b>	<b>(81,500)</b>	<b>-5%</b>

## Retail

### Schedule C: Proposed Change in Reserves

	Projected 6/30/2025 Balance	Net Income / (Loss) From Operations	Capital Funding Proceeds	Capital Improvement Program	Debt Service	Internal Loan Payments	Projected 6/30/2026 Balance
<b>Cash Balances</b>							
Unrestricted	2,333,704	1,438,400		(1,270,300)	(327,200)	(334,815)	1,839,790
Restricted - CFD (Parcel Assessment)	-	-					-
Restricted - Grant Funding	-		1,000,000	(1,000,000)			-
Restricted - Capacity Fees	-			-			-
Restricted - ID1 Transfer Funds	-		-	-			-
Restricted - Internal Loan Proceeds	-						-
Restricted - Loan Proceeds	-						-
	-						-
<b>Total Cash Balances</b>	<b>\$ 2,333,704</b>	<b>\$ 1,438,400</b>	<b>\$ 1,000,000</b>	<b>\$ (2,270,300)</b>	<b>\$ (327,200)</b>	<b>\$ (334,815)</b>	<b>\$ 1,839,790</b>



## ***Budgets by Fund***

### ***Sewer***

## Sewer

### Schedule A: Proposed Budget Summary

		A	B	C	D	E = D - B	F = E / B
		FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
		Actual	Adopted	Projected	Proposed	Change	Change
		Results	Budget	Results	Budget	PY	PY
1	Sewer Service Fees	3,420,582	3,869,100	3,834,941	4,295,100	426,000	11%
2	Wholesale Water Fixed Charges	-	-	-	-	-	NA
3	Retail Water Variable Charges	-	-	-	-	-	NA
4	Retail Water Fixed Charges	-	-	-	-	-	NA
5	MET / MWDOC Pass-Through Charges	-	-	-	-	-	NA
6	Property Tax Receipts	468,594	478,200	477,965	487,500	9,300	2%
7	Interest Revenue	1,116,641	951,700	1,328,892	1,555,000	603,300	63%
8	Other Revenue	315,582	98,300	505,271	156,600	58,300	59%
9	<b>Total Revenue</b>	<b>5,321,398</b>	<b>5,397,300</b>	<b>6,147,069</b>	<b>6,494,200</b>	<b>1,096,900</b>	<b>20%</b>
10	Retail Water Supply	-	-	-	-	-	NA
11	Wholesale Pass-Through Supply	-	-	-	-	-	NA
12	Staffing Resources	1,602,367	1,756,100	1,688,134	1,859,700	103,600	6%
13	Operations & Maintenance	390,680	347,700	350,788	461,700	114,000	33%
14	General & Administrative	446,218	477,900	473,702	491,300	13,400	3%
15	<b>Total Expense</b>	<b>2,439,265</b>	<b>2,581,700</b>	<b>2,512,624</b>	<b>2,812,700</b>	<b>231,000</b>	<b>9%</b>
16	<b>Net Income / (Loss) from Operations</b>	<b>2,882,133</b>	<b>2,815,600</b>	<b>3,634,444</b>	<b>3,681,500</b>	<b>865,900</b>	<b>31%</b>
17	Grant Funding Receipts	-	-	-	-	-	NA
18	Capital Improvement Program	(7,999,232)	(1,595,250)	(805,746)	(1,020,900)	574,350	-36%
19	CalPERS Unfunded Additional Payments	-	(17,810)	-	-	17,810	-100%
20	Internal Loan Borrowing	-	-	-	-	-	NA
21	Internal Loan Lending	-	(2,000,000)	(4,000,000)	-	2,000,000	-100%
22	Internal Loan Receipts	-	-	269,709	334,815	334,815	NA
23	Internal Loan Payments	-	-	-	-	-	NA
24	Debt Service	(330,874)	(1,036,000)	(1,035,965)	(1,036,205)	(205)	0%
25	<b>Net Change in Cash</b>	<b>(5,447,972)</b>	<b>(1,833,460)</b>	<b>(1,937,558)</b>	<b>1,959,210</b>	<b>3,792,670</b>	<b>-207%</b>
<b>Ending Cash Balances</b>							
26	Unrestricted			12,576,133	15,556,243		
27	Restricted - CFD (Parcel Assessment)			-	-		
28	Restricted - Grant Funding			-	-		
29	Restricted - Capacity Fees			1,427,347	1,427,347		
30	Restricted - ID1 Transfer Funds			26,594,678	25,573,778		
31	Restricted - Internal Loan Proceeds			-	-		
32	Restricted - Loan Proceeds			-	-		
33	<b>Total Ending Cash Balances</b>			<b>\$ 40,598,157</b>	<b>\$ 42,557,367</b>		
<b>District Policy Target Reserves</b>							
34	Operating			2,166,258	2,339,750		
35	Capital			26,594,678	25,573,778		
36	Rate Stabilization			1,000,000	1,000,000		
37	<b>Over / (Under) Policy Target Reserves</b>			<b>10,837,221</b>	<b>13,643,840</b>		

**Operating Reserve Target** - Set at 10 months of budgeted operating expenses for the wholesale and sewer systems, excluding wholesale pass-through supply expenses, and 6 months of budgeted operating expenses for the retail system.

**Capital Reserve Target** - Set at 20% of the original cost of fixed assets for the retail and wholesale systems. The capital reserve for the sewer system is a specific amount based on legally restricted funds remaining from the sewer system transfer in 2016.

**Rate Stabilization Reserve Target** - Set at \$1M for the sewer system for potential sewer spill remediations and 25% of budgeted operating revenues for the retail system. The District does not maintain a wholesale rate stabilization reserve within policy.

## Sewer

### Schedule B: Proposed Operating Budget

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
<b>1 District Charges</b>						
2 Sewer Service Fees	3,420,582	3,869,100	3,834,941	4,295,100	426,000	11%
3 Wholesale Water Fixed Charges	-	-	-	-	-	NA
4 Retail Water Variable Charges	-	-	-	-	-	NA
5 Retail Water Fixed Charges	-	-	-	-	-	NA
<b>6 Total District Charges</b>	<b>3,420,582</b>	<b>3,869,100</b>	<b>3,834,941</b>	<b>4,295,100</b>	<b>426,000</b>	<b>11%</b>
<b>7 Wholesale Pass-Through Charges</b>						
8 MET / MWDOC Water Sales	-	-	-	-	-	NA
9 MET / MWDOC Fixed Costs Recovery	-	-	-	-	-	NA
<b>10 Total Wholesale Pass-Through Charges</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
<b>11 Other Revenue</b>						
12 Property Tax Receipts	468,594	478,200	477,965	487,500	9,300	2%
13 Interest Revenue	1,116,641	951,700	1,328,892	1,555,000	603,300	63%
14 Excess Groundwater Sales	-	-	-	-	-	NA
15 Developer Fees and Charges	258,439	50,000	446,737	100,000	50,000	100%
16 Miscellaneous Revenue	57,143	48,300	58,534	56,600	8,300	17%
<b>17 Total Other Revenue</b>	<b>1,900,816</b>	<b>1,528,200</b>	<b>2,312,128</b>	<b>2,199,100</b>	<b>670,900</b>	<b>44%</b>
<b>18 Total Revenue</b>	<b>5,321,398</b>	<b>5,397,300</b>	<b>6,147,069</b>	<b>6,494,200</b>	<b>1,096,900</b>	<b>20%</b>
<b>19 Retail Water Supply</b>						
20 Retail Fixed Costs Allocation	-	-	-	-	-	NA
21 Retail Water Purchases from Wholesale	-	-	-	-	-	NA
22 OCWD Replenishment Assessments	-	-	-	-	-	NA
23 Groundwater Energy	-	-	-	-	-	NA
<b>24 Total Retail Water Supply</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
<b>25 Wholesale Pass-Through Supply</b>						
26 MET / MWDOC Water Purchases	-	-	-	-	-	NA
27 MET / MWDOC Fixed Costs	-	-	-	-	-	NA
<b>28 Total Wholesale Pass-Through Supply</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>NA</b>
<b>29 Staffing Resources</b>						
30 Employee Compensation	1,222,358	1,317,900	1,266,243	1,361,800	43,900	3%
31 Health and Retirement Benefits	380,010	430,100	410,074	478,600	48,500	11%
32 CalPERS Unfunded Minimum Payments	-	8,100	11,818	19,300	11,200	138%
<b>33 Total Staffing Resources</b>	<b>1,602,367</b>	<b>1,756,100</b>	<b>1,688,134</b>	<b>1,859,700</b>	<b>103,600</b>	<b>6%</b>
<b>34 Operations &amp; Maintenance</b>						
35 Water System Maintenance	-	-	-	-	-	NA
36 Water Quality	-	-	-	-	-	NA
37 Sewer System Maintenance	155,141	175,000	156,719	192,400	17,400	10%
38 System Fees and Permits	27,597	29,300	28,006	28,800	(500)	-2%
39 Vehicle and Equipment	207,941	143,400	166,063	240,500	97,100	68%
<b>40 Total Operations &amp; Maintenance</b>	<b>390,680</b>	<b>347,700</b>	<b>350,788</b>	<b>461,700</b>	<b>114,000</b>	<b>33%</b>
<b>41 General &amp; Administrative</b>						
42 Professional Services	197,604	230,100	203,560	233,800	3,700	2%
43 District Office Expenses	81,439	61,400	66,777	73,400	12,000	20%
44 District Insurance	42,510	48,200	42,510	46,800	(1,400)	-3%
45 Dues and Memberships	13,167	15,700	16,400	17,100	1,400	9%
46 Community Outreach and Noticing	18,587	17,300	22,866	23,600	6,300	36%
47 Board of Directors	5,860	38,800	36,369	6,600	(32,200)	-83%
48 Education, Training and Travel	5,157	10,600	10,558	10,900	300	3%
49 Miscellaneous Expense	81,893	55,800	74,662	79,100	23,300	42%
<b>50 Total General &amp; Administrative</b>	<b>446,218</b>	<b>477,900</b>	<b>473,702</b>	<b>491,300</b>	<b>13,400</b>	<b>3%</b>
<b>51 Total Expense</b>	<b>2,439,265</b>	<b>2,581,700</b>	<b>2,512,624</b>	<b>2,812,700</b>	<b>231,000</b>	<b>9%</b>
<b>52 Net Income / (Loss) from Operations</b>	<b>2,882,133</b>	<b>2,815,600</b>	<b>3,634,444</b>	<b>3,681,500</b>	<b>865,900</b>	<b>31%</b>

## Sewer

### Schedule C: Proposed Change in Reserves

	Projected 6/30/2025 Balance	Net Income / (Loss) From Operations	Capital Funding Proceeds	Capital Improvement Program	Debt Service	Internal Loan Payments	Projected 6/30/2026 Balance
<b>Cash Balances</b>							
Unrestricted	12,576,133	3,681,500		-	(1,036,205)	334,815	15,556,243
Restricted - CFD (Parcel Assessment)	-	-					-
Restricted - Grant Funding	-		-	-			-
Restricted - Capacity Fees	1,427,347			-			1,427,347
Restricted - ID1 Transfer Funds	26,594,678		-	(1,020,900)			25,573,778
Restricted - Internal Loan Proceeds	-						-
Restricted - Loan Proceeds	-						-
	-						-
<b>Total Cash Balances</b>	<b>\$ 40,598,157</b>	<b>\$ 3,681,500</b>	<b>\$ -</b>	<b>\$ (1,020,900)</b>	<b>\$ (1,036,205)</b>	<b>\$ 334,815</b>	<b>\$ 42,557,367</b>



***Budgets by Fund***  
***CFD 2018-1***  
***(Parcel Assessment)***

**PA**  
**Schedule A: Proposed Budget Summary**

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
1 Sewer Service Fees	-	-	-	-	-	NA
2 Wholesale Water Fixed Charges	-	-	-	-	-	NA
3 Retail Water Variable Charges	-	-	-	-	-	NA
4 Retail Water Fixed Charges	-	-	-	-	-	NA
5 MET / MWDOC Pass-Through Charges	-	-	-	-	-	NA
6 Property Tax Receipts	67,057	-	47,903	47,900	47,900	NA
7 Interest Revenue	-	-	-	-	-	NA
8 Other Revenue	-	-	-	-	-	NA
<b>9 Total Revenue</b>	<b>67,057</b>	<b>-</b>	<b>47,903</b>	<b>47,900</b>	<b>47,900</b>	<b>NA</b>
10 Retail Water Supply	-	-	-	-	-	NA
11 Wholesale Pass-Through Supply	-	-	-	-	-	NA
12 Staffing Resources	-	-	-	-	-	NA
13 Operations & Maintenance	-	-	-	-	-	NA
14 General & Administrative	3,144	-	3,144	3,200	3,200	NA
<b>15 Total Expense</b>	<b>3,144</b>	<b>-</b>	<b>3,144</b>	<b>3,200</b>	<b>3,200</b>	<b>NA</b>
<b>16 Net Income / (Loss) from Operations</b>	<b>63,913</b>	<b>-</b>	<b>44,759</b>	<b>44,700</b>	<b>44,700</b>	<b>NA</b>
17 Grant Funding Receipts	-	-	-	-	-	NA
18 Capital Improvement Program	-	-	-	-	-	NA
19 CalPERS Unfunded Additional Payments	-	-	-	-	-	NA
20 Internal Loan Borrowing	-	-	-	-	-	NA
21 Internal Loan Lending	-	-	-	-	-	NA
22 Internal Loan Receipts	-	-	-	-	-	NA
23 Internal Loan Payments	-	-	-	-	-	NA
24 Debt Service	(40,041)	-	(40,025)	(40,025)	(40,025)	NA
<b>25 Net Change in Cash</b>	<b>23,872</b>	<b>-</b>	<b>4,734</b>	<b>4,675</b>	<b>4,675</b>	<b>NA</b>

**Ending Cash Balances**

26 Unrestricted			-	-		
27 Restricted - CFD (Parcel Assessment)			59,064	63,739		
28 Restricted - Grant Funding			-	-		
29 Restricted - Capacity Fees			-	-		
30 Restricted - ID1 Transfer Funds			-	-		
31 Restricted - Internal Loan Proceeds			-	-		
32 Restricted - Loan Proceeds			-	-		
<b>33 Total Ending Cash Balances</b>			<b>\$ 59,064</b>	<b>\$ 63,739</b>		

**District Policy Target Reserves**

34 Operating			#N/A	#N/A		
35 Capital			#N/A	#N/A		
36 Rate Stabilization			#N/A	#N/A		
<b>37 Over / (Under) Policy Target Reserves</b>			<b>#N/A</b>	<b>#N/A</b>		

**Operating Reserve Target** - Set at 10 months of budgeted operating expenses for the wholesale and sewer systems, excluding wholesale pass-through supply expenses, and 6 months of budgeted operating expenses for the retail system.

**Capital Reserve Target** - Set at 20% of the original cost of fixed assets for the retail and wholesale systems. The capital reserve for the sewer system is a specific amount based on legally restricted funds remaining from the sewer system transfer in 2016.

**Rate Stabilization Reserve Target** - Set at \$1M for the sewer system for potential sewer spill remediations and 25% of budgeted operating revenues for the retail system. The District does not maintain a wholesale rate stabilization reserve within policy.

**PA**  
**Schedule B: Proposed Operating Budget**

	A	B	C	D	E = D - B	F = E / B
	FY 2024	FY 2025	FY 2025 (P)	FY 2026	\$ Budget	% Budget
	Actual	Adopted	Projected	Proposed	Change	Change
	Results	Budget	Results	Budget	PY	PY
<b>1 District Charges</b>						
2 Sewer Service Fees	-	-	-	-	-	NA
3 Wholesale Water Fixed Charges	-	-	-	-	-	NA
4 Retail Water Variable Charges	-	-	-	-	-	NA
5 Retail Water Fixed Charges	-	-	-	-	-	NA
<b>6 Total District Charges</b>	-	-	-	-	-	<b>NA</b>
<b>7 Wholesale Pass-Through Charges</b>						
8 MET / MWDOC Water Sales	-	-	-	-	-	NA
9 MET / MWDOC Fixed Costs Recovery	-	-	-	-	-	NA
<b>10 Total Wholesale Pass-Through Charges</b>	-	-	-	-	-	<b>NA</b>
<b>11 Other Revenue</b>						
12 Property Tax Receipts	67,057	-	47,903	47,900	47,900	NA
13 Interest Revenue	-	-	-	-	-	NA
14 Excess Groundwater Sales	-	-	-	-	-	NA
15 Developer Fees and Charges	-	-	-	-	-	NA
16 Miscellaneous Revenue	-	-	-	-	-	NA
<b>17 Total Other Revenue</b>	<b>67,057</b>	-	<b>47,903</b>	<b>47,900</b>	<b>47,900</b>	<b>NA</b>
<b>18 Total Revenue</b>	<b>67,057</b>	-	<b>47,903</b>	<b>47,900</b>	<b>47,900</b>	<b>NA</b>
<b>19 Retail Water Supply</b>						
20 Retail Fixed Costs Allocation	-	-	-	-	-	NA
21 Retail Water Purchases from Wholesale	-	-	-	-	-	NA
22 OCWD Replenishment Assessments	-	-	-	-	-	NA
23 Groundwater Energy	-	-	-	-	-	NA
<b>24 Total Retail Water Supply</b>	-	-	-	-	-	<b>NA</b>
<b>25 Wholesale Pass-Through Supply</b>						
26 MET / MWDOC Water Purchases	-	-	-	-	-	NA
27 MET / MWDOC Fixed Costs	-	-	-	-	-	NA
<b>28 Total Wholesale Pass-Through Supply</b>	-	-	-	-	-	<b>NA</b>
<b>29 Staffing Resources</b>						
30 Employee Compensation	-	-	-	-	-	NA
31 Health and Retirement Benefits	-	-	-	-	-	NA
32 CalPERS Unfunded Minimum Payments	-	-	-	-	-	NA
<b>33 Total Staffing Resources</b>	-	-	-	-	-	<b>NA</b>
<b>34 Operations &amp; Maintenance</b>						
35 Water System Maintenance	-	-	-	-	-	NA
36 Water Quality	-	-	-	-	-	NA
37 Sewer System Maintenance	-	-	-	-	-	NA
38 System Fees and Permits	-	-	-	-	-	NA
39 Vehicle and Equipment	-	-	-	-	-	NA
<b>40 Total Operations &amp; Maintenance</b>	-	-	-	-	-	<b>NA</b>
<b>41 General &amp; Administrative</b>						
42 Professional Services	-	-	-	-	-	NA
43 District Office Expenses	-	-	-	-	-	NA
44 District Insurance	-	-	-	-	-	NA
45 Dues and Memberships	-	-	-	-	-	NA
46 Community Outreach and Noticing	-	-	-	-	-	NA
47 Board of Directors	-	-	-	-	-	NA
48 Education, Training and Travel	-	-	-	-	-	NA
49 Miscellaneous Expense	3,144	-	3,144	3,200	3,200	NA
<b>50 Total General &amp; Administrative</b>	<b>3,144</b>	-	<b>3,144</b>	<b>3,200</b>	<b>3,200</b>	<b>NA</b>
<b>51 Total Expense</b>	<b>3,144</b>	-	<b>3,144</b>	<b>3,200</b>	<b>3,200</b>	<b>NA</b>
<b>52 Net Income / (Loss) from Operations</b>	<b>63,913</b>	-	<b>44,759</b>	<b>44,700</b>	<b>44,700</b>	<b>NA</b>

PA

Schedule C: Proposed Change in Reserves

	Projected 6/30/2025 Balance	Net Income / (Loss) From Operations	Capital Funding Proceeds	Capital Improvement Program	Debt Service	Internal Loan Payments	Projected 6/30/2026 Balance
<b>Cash Balances</b>							
Unrestricted	-	40,025		-	(40,025)	-	-
Restricted - CFD (Parcel Assessment)	59,064	4,675					63,739
Restricted - Grant Funding	-		-	-			-
Restricted - Capacity Fees	-			-			-
Restricted - ID1 Transfer Funds	-		-	-			-
Restricted - Internal Loan Proceeds	-						-
Restricted - Loan Proceeds	-						-
	-						-
<b>Total Cash Balances</b>	<b>\$ 59,064</b>	<b>\$ 44,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (40,025)</b>	<b>\$ -</b>	<b>\$ 63,739</b>