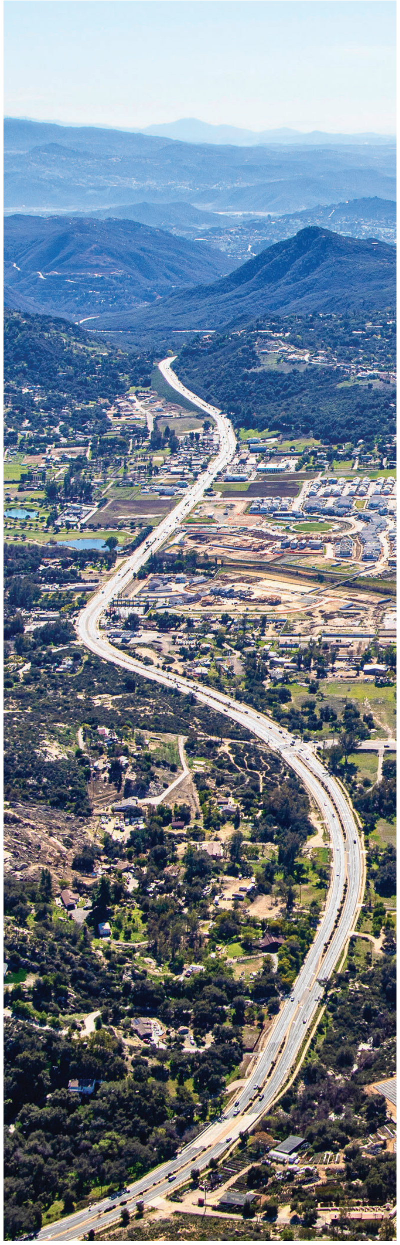
# VALLEY CENTER MUNICIPAL WATER DISTRICT

# Annual BUDGET

## for Fiscal Year 2026-27



Valley Center, California

# Annual Budget

**For The Fiscal Year Ended**
**June 30, 2027**

---

## Valley Center Municipal Water District

Prepared by:

Valley Center Municipal Water District's Finance Department
James V. Pugh, Director of Finance and Administration
Vanessa Velasquez, Manager of Accounting/Deputy Dir. of Finance and Administration

**29300 Valley Center Road ▪ PO Box 67 ▪ Valley Center, CA 92082**

www.valleycenterwater.org

This page intentionally left blank

# Valley Center Municipal Water District

# Annual Budget

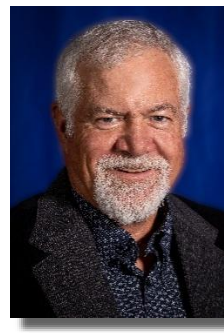
**For The Fiscal Year Ended**
**June 30, 2027**

## Directory of District Officials

**Enrico P. Ferro**
President
Division 4
*Since 2016*

**Alysha M. Stehly**
Vice-President
Division 1
*Since 2024*

**Cooper T. Ness**
Director
Division 2
*Since 2022*



**Patrick L. Baker**
Director
Division 3
*Since 2025*

**B. J. Atkins**
Director
Division 5
*Since 2026*

## District Management

**Lindsay Leahy**
General Manager
*1 year of service*

**Melody Rocco**
District Engineer
*1 year of service*

**James V. Pugh**
Director of Finance & Administration
Treasurer
*23 years of service*

**Vanessa Velasquez**
Manager of Accounting/Deputy
Director of Finance & Administration
*11 years of service*

**Brian E. Lovelady**
Director of Operations/Facilities
*37 years of service*

**Ando Pilve**
Director of Information Technology
*18 years of service*

**Coral L. Hutchins**
Executive Assistant
Board Secretary
*10 years of service*

## General Counsel

**Paula C.P. de Sousa**
Best, Best & Krieger, LLP

This page intentionally left blank

# Table of Contents


## BUDGET SUMMARY

CSMFO 2025-2026 Operating Budget Award ix

## BUDGET MESSAGE

General Manager's Budget Message 1-3
Budget Overview Summary 1-6
Budget Overview Fiscal Year 2026-2027 1-10
Budget Process 1-11
Financial Policies 1-12
District Service Area 1-13
Community Profile 1-13
Water Sources 1-14
Demographic Summary 1-14
Strategic Plan 1-16
Goals 2018-2019 to 2025-2026 1-16
Performance Measurement Standards 1-20

## RESOLUTIONS AND ORDINANCES

Resolution Adopting Budget 2-2
Appropriation Limit under Proposition 4 2-5
Ordinance Adopting Changes in Classification and Compensation Plan 2-10
Organizational Chart 2-18

## GENERAL FUND RECAP OF REVENUES AND SOURCES

Recap of Budget and Source of Financing 3-2
Reserves and Fund Balances 3-3
Description of Major Revenue Sources 3-4
Recap of General Fund 3-6
Revenue Estimate 3-8
Recap of Budget Expenses 3-10
History of Water Purchased and Sold 3-11

## GENERAL ADMINISTRATION

General Administration Summary 4-1
Department Summary by Division 4-2
Division Summaries by Expense Category
*General Administration* 4-3
*Departmental Projects* 4-4

## INFORMATION TECHNOLOGY

Information Technology Summary 5-1
Department Summary by Division 5-2
Division Summary by Expense Category 5-3

# Table of Contents

## FINANCE

Finance Department Summary ..... 6-1
Department Summary by Division ..... 6-2
Division Summaries by Expense Category
*Administration* ..... 6-3
*Consumer Services* ..... 6-4
*Facilities Operation* ..... 6-5
*Human Resources* ..... 6-6
*Salary Clearing* ..... 6-7
*Training* ..... 6-8
*Debt Service* ..... 6-9
*Debt Schedule* ..... 6-9A

## ENGINEERING

Engineering Department Summary ..... 7-1
Department Summary by Division ..... 7-2
Division Summaries by Expense Category
*Administration* ..... 7-3
*Planning* ..... 7-4
*Customer Service* ..... 7-5
*Encroachments and Locates* ..... 7-6
*Maps & Records* ..... 7-7
*Departmental Projects* ..... 7-8

## OPERATIONS & FACILITIES

Operations & Facilities Department Summary ..... 8-1
Department Summary by Division ..... 8-2
Division Summaries by Expense Category
*Administration*
Operations & Facilities Administration ..... 8-3
Safety and Regulatory Compliance ..... 8-4
District Security ..... 8-5
*Operations*
Systems Operation ..... 8-6
Treatment ..... 8-7
Automatic Valves ..... 8-8
Water Quality Control ..... 8-9
*Pumps & Motors*
SCADA ..... 8-10
Reservoir Maintenance ..... 8-11
Pump Station Maintenance ..... 8-12
Vehicle and Equipment Maintenance ..... 8-13

# Table of Contents

**OPERATIONS & FACILITIES (CONTINUED)**

Division Summaries by Expense Category (continued)

*Construction & Maintenance*

Landscape and Paving Maintenance ..... 8-14
Pipeline and Right of Way Maintenance ..... 8-15
Valve Maintenance/Locations ..... 8-16

*Meters*

Corporate Facilities Maintenance ..... 8-17
Meter Installation ..... 8-18
Service Connection Maintenance ..... 8-19
Backflow Maintenance ..... 8-20

**SOURCE OF SUPPLY** ..... 9-1

**CAPITAL OUTLAY** ..... 10-1

**LOWER MOOSA WASTEWATER**

Lower Moosa Wastewater Treatment Fund Summary ..... 11-1
Recap of Budget and Source of Financing, Cash Position ..... 11-2
Revenue Estimate ..... 11-3
Department Summary by Division ..... 11-4
Division Summaries by Expense Category
*Wastewater Treatment* ..... 11-5
*Collection System West* ..... 11-6
*Low Pressure Sewer (LPS) Maintenance* ..... 11-7
*Lift Station* ..... 11-8
*Departmental Projects* ..... 11-9
*Debt Service* ..... 11-10
Capital Outlay ..... 11-11

**WOODS VALLEY RANCH EXPANSION**

Woods Valley Ranch Expansion Fund Summary ..... 12-1
Recap of Budget and Source of Financing, Cash Position ..... 12-2
Revenue Estimate ..... 12-3
Department Summary by Division ..... 12-4
Division Summaries by Expense Category
*AD 2012-1 Administration* ..... 12-5
*CFD 2020-1 Administration* ..... 12-6
*Debt Service* ..... 12-7
*Debt Schedules* ..... 12-7A
Capital Outlay ..... 12-8

# Table of Contents

## Woods Valley Ranch Treatment Fund

Woods Valley Ranch Wastewater Treatment Fund Summary ..... 13-1
Recap of Budget and Source of Financing, Cash Position ..... 13-2
Revenue Estimate ..... 13-3
Department Summary by Division ..... 13-4
Division Summaries by Expense Category
*Collection System* ..... 13-5
*Wastewater Treatment* ..... 13-6
*Lift Station* ..... 13-7
*Low Pressure Sewer (LPS) Maintenance* ..... 13-8
*Departmental Projects* ..... 13-9
Capital Outlay ..... 13-10

## Appendices

Glossary ..... Appendix A 1
Budget Policies ..... Appendix B 1
Five-Year History & Forecast ..... Appendix C 1
VCMWD and Community History ..... Appendix D 1
Capital Projects Requiring Outside Funding ..... Appendix E 1

**INDEX** ..... Index

# Budget Award

California Society of Municipal Finance Officers

*Certificate of Award*

***Operating Budget Excellence Award***
***Fiscal Year 2025-2026***

*Presented to the*

***Valley Center Municipal Water District***

For meeting the criteria established to achieve a CSMFO Award in Budgeting.

***February 5, 2026***

*Jennifer Wakeman*
*2025 CSMFO President*

*James Russell-Field, Chair*
*Recognition Committee*

*Dedicated to Excellence in Municipal Financial Reporting*

Valley Center Municipal Water District was recognized by the California Society of Municipal Finance Officers (CSMFO) for excellence in operational budgeting for Fiscal Year 2025-2026 – the District's twenty eighth year in a row. We believe our current budget continues to conform to the certificate program requirements, and we are submitting it to CSMFO.

This page intentionally left blank

# Budget Message

This page intentionally left blank

# VALLEY CENTER MUNICIPAL WATER DISTRICT

A Public Agency Organized July 12, 1954



May 28, 2026

Enrico P. Ferro, President
Members of the Board of Directors
Valley Center Municipal Water District
29300 Valley Center Road
Valley Center, CA 92082

Enclosed is the recommended Fiscal Year 2026–27 Operating and Capital Budget (Budget) for the Valley Center Municipal Water District (District). The District continues to focus on the Board of Directors' mission of providing high quality water and wastewater services to our customers at the lowest possible cost.

The Budget document outlines the District's operational priorities, capital investments, and financial planning for the upcoming fiscal year. The proposed Budget reflects the District's continued commitment to balancing affordability, operational reliability, infrastructure replacement, and long-term financial sustainability while adapting to significant changes in customer demand and the regional water industry.

## Balancing Change

Over the past two decades, the District has experienced substantial changes in water demand and customer composition. At its peak in Fiscal Year 2003–04, the District sold nearly 50,000 acre-feet (AF) of water annually, with approximately 90 percent of sales serving agricultural customers. For Fiscal Year 2026–27, the District projects water sales of approximately 12,500 AF, nearly one quarter of its historical peak, with agricultural customers now representing approximately 53 percent of total sales.

As the District's customer base and water demands continue to evolve, so too must the District's business model and operational approach. Fiscal Year 2025–26 also marked a period of organizational transition with the retirement and replacement of two executive-level employees, each with more than 36 years of service, as well as the seating of two new Board Members.

District staff continue to find innovative and efficient ways to operate and maintain infrastructure originally intended to move nearly four times the current water demand while continuing to minimize impacts to customers. The District recognizes that this trend is expected to continue, requiring ongoing adaptation to changing demand patterns, customer needs, and financial realities.

## Continuous Improvement

The District continues to face operational and infrastructure challenges associated with an aging system and significantly lower system flows. Reduced water demand has created additional operational complexities, including maintaining water quality within a distribution system currently operating at approximately 25 percent of its historical capacity.

At the same time, much of the District's infrastructure is reaching or exceeding the end of its useful life, with portions of the system now more than 70 years old. As the District transitions from a period of expansion to one focused primarily on replacement and rehabilitation, strategic evaluation and prioritization of capital improvements remains critical.

The proposed Budget continues to prioritize the development of a sustainable and consistent capital replacement program focused on maintaining service reliability, minimizing emergency outages, and avoiding significant rate instability in future years.

## Water Affordability

Water affordability remains a significant challenge throughout California and San Diego County; Valley Center is not immune to these pressures. Since peak demand levels in Fiscal Year 2003–04, District water demands have declined nearly 75 percent, largely due to the loss of commercial agriculture operations. As large water users leave the system, a greater share of fixed operational costs is shifted to the remaining customer base.

With the continued escalation of imported water costs, the District remains committed to supporting the long-term viability of commercial agriculture, which currently represents approximately 53 percent of annual water sales. Continued agricultural operations within Valley Center help stabilize rates and support lower overall water costs for all customer classes, including residential and commercial customers.

During the previous fiscal year, the District partnered with neighboring agencies to begin evaluating opportunities for regional collaboration, resource sharing, and operational efficiencies. The District plans to begin implementing select shared-service pilot programs during Fiscal Year 2026–27 to further evaluate potential cost savings and service improvements. The District will continue to work collaboratively with partner agencies to identify additional opportunities that support long-term water affordability and operational efficiency.

## Technology Advancement

As part of the District's continued focus on affordability and operational efficiency, the District remains committed to evaluating and implementing technologies that improve customer service and maximize the effective use of staff resources.

In recent years, the District completed implementation of Advanced Metering Infrastructure (AMI), allowing automated meter reading capabilities, improved operational efficiencies, and near real-time water consumption data for customers. The District also implemented the WaterSmart customer portal, which provides customers with enhanced access to water use trends, leak notifications, and abnormal consumption alerts, improving transparency and customer service without increasing staffing levels.

The proposed Budget also includes continued implementation of the District's asset management software platform, Cityworks, which is expected to improve maintenance scheduling, infrastructure condition assessment, and long-term system planning for both water and wastewater operations.

As labor and benefit costs remain among the District's largest expenditures outside of imported water purchases, the District must continue evaluating opportunities to automate and modernize processes to ensure staff resources are focused where they provide the greatest operational value.

## Looking Forward

In the upcoming fiscal year, the District will continue advancing inter-agency partnerships, evaluating technologies and software solutions that improve operational efficiencies, and strategically investing in infrastructure replacement and system reliability.

A key priority in the upcoming fiscal year will be supporting the Board of Directors in updating the District's Strategic Plan. Updating the Strategic Plan will help ensure the District's goals, priorities, and services continue to align with the evolving needs of the community we serve.

The proposed Budget reflects the District's continued commitment to maintaining high levels of customer service while responsibly managing costs and adapting to the evolving operational and financial challenges facing the water industry.

**Lindsay Leahy**
**General Manager**

**James V. Pugh**
**Director of Finance & Administration**

## BUDGET OVERVIEW

It is projected that for the Water General Fund in Fiscal Year 2026-27 operating revenues will exceed the projected operating expenses for a budgeted deficit of $60,784. Total water capital expenditures are estimated at $7,308,500 and will require the use of non-operating revenues to complete the capital expenditures.

### Total Budgeted Revenues

Total Budgeted Revenues for 2026-27 are $67,979,858, which is $7,391,224 or 12.2% higher than the 2025-26 adopted budget of $60,588,634. The increase is due to anticipated grant proceeds in the amount of $3.8 million and increased water sales revenue, meter service charges, capital improvement charges, and property taxes, partially offset by lower investment income and capacity charges.

For the current year ending June 30, 2026, **Water Sales** are estimated to be 12,200 acre feet. This is 2.4% lower than the 12,500 acre-feet that were budgeted. For 2026-27, the District is budgeting water sales at 12,000 acre-feet. Staff believes that the estimate is reasonable given the uncertain agricultural environment.

Wholesale rate increases have not been adopted by the San Diego County Water Authority but are estimated to increase between 3% - 6% effective January 1, 2027. The District's local cost components which include the monthly water service charge and the local commodity rate are budgeted to increase 9.4%. This increase is necessary to cover a portion of the locally controlled fixed costs.

**New Connection Sales** are estimated to remain about the same with a slight increase of $12,600 from the prior year budget. The large new developments are now fully built out. The growth in the community is expected to be relatively slow and steady.

Estimated **Investment Income,** budgeted at a 3.75% rate of return, will yield an estimated $1,230,000, 10.9% lower than the current year due to a slight decrease in the rate of return, from 4.0%, and decreased cash balances as a result of increased capital project activity. **Capacity Charges** are budgeted at $82,000, a reduction of 58.8% less than the current adopted budget due to the completion of the build-out at the Park Circle development. **Property Taxes** are budgeted at $3,889,000 an increase of 4.8%. **Water Availability Charges** are budgeted at $558,000.

**Moosa** proposed operating revenues will exceed the projected operating expenses for a budget surplus of $633,675. The budgeted surplus of $633,675 is necessary in order to meet the debt coverage requirements of the State Water Resources Control Board for future Clean Water State Revolving Fund (CWSRF) Loans. The Moosa Master Plan, approved in February 2023 outlines the capital improvement requirements over the next 20 years and discusses the need for leveraging the net sewer service charge revenues through short-term funding from the District's General Fund and long-term Clean Water State Revolving Fund (CWSRF) Loans.

The preliminary budget includes an increase to both the wastewater service charge and the low-pressure wastewater collection system maintenance fee of 3.8% to offset inflationary impacts and generate the required surplus to meet future debt coverage requirements.

**Woods Valley Ranch** sewer service charges and sewer standby fees for properties not yet connected to the sewer system are collected as a fixed charge special assessment on the property tax roll. The sewer service fee is approved to increase 10.0% effective July 1, 2026. No change was assumed in the Budget for the sewer standby fees for properties not yet connected to the sewer system which are used to fund the replacement reserve. The Grinder Pump Maintenance Charge is also approved to increase 10.0% and will be assessed on those properties requiring a grinder pump unit. All charges will be included as a fixed charge special assessment on the property taxes effective July 1, 2027.

The **Woods Valley Ranch Expansion** will be collecting a fixed charge special assessment for Assessment District 2012-1 (AD 2012-1) and a Special Tax for CFD 2020-1. The purpose of the AD 2012-1 assessment is to fund the annual debt service payments for the payment of the Clean Water State Revolving Loans and the Limited Obligation Improvement Bond for the Woods Valley Ranch Wastewater Expansion Project. The purpose of the CFD 2020-1 Special Tax is to fund the Special Tax Requirements pursuant to the rate and method of apportionment for the CFD 2020-1.

## Total Budgeted Expenses

Total Budgeted Expenses, including capital, are $60,764,944, which is 4.7%, or $2,740,870, higher than the Fiscal Year 2025-26 adopted budget of $58,024,074. The overall budget increase reflects higher operating expenses and capital outlay.

**Source of Supply** is the single largest Water Operating Expense totaling $34,570,275. It includes the cost of water sold, electricity, and natural gas the sum of which accounts for 65% of the total General Fund budgeted operating expenditures in Fiscal Year 2026-27. Source of Supply is $1,664,162 or 5.1%, higher than in the prior year due to increased wholesale rates and charges. The District is budgeting to purchase 12,770 acre feet of water, very similar to the estimated actual purchases in the current year of 12,700.

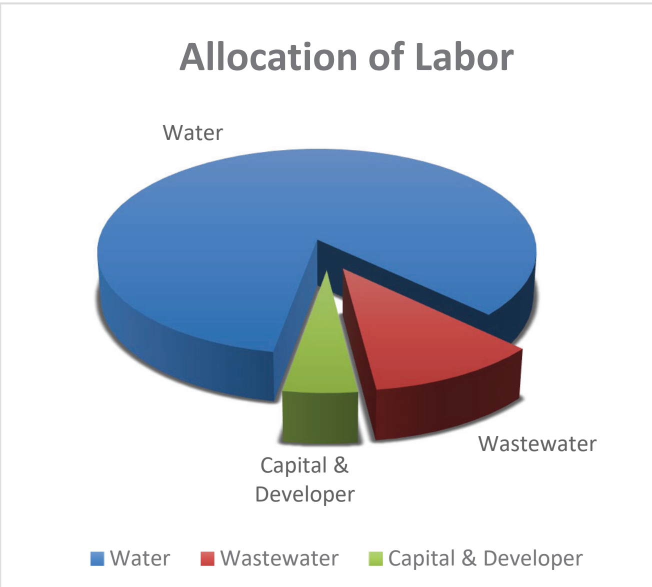
### Energy

The budget expects that expenditures for energy to pump water to the Districts customers will likely be higher when compared to the current fiscal year estimated actual. Total energy costs, including electricity and natural gas, and pump station maintenance are budgeted at $3,026,700 up just $401,720 or 15.3% from the Fiscal Year 2025-26 estimated actual of $2,624,980. This is a result of increase SDG&E rate tariffs and the increased cost to maintain the pumps and motors.
District staff manage the energy costs by monitoring time-of-use charges, operational efficiencies, and reducing the amount of pumping during off-peak rate periods as well as the solar photo-voltaic facilities that the District has constructed. Managing energy resources and expenses will continue to be a priority.

## Personnel

### Staffing Levels

Staffing necessary to maintain operating, maintenance and administrative service levels for Fiscal Year 2026-27 is proposed at 74 full-time equivalent (FTE's) positions; same as that authorized in the Fiscal Year 2025-26 Budget. There is one employee, the District's Wastewater Systems Supervisor, that will be retiring in the coming fiscal year.

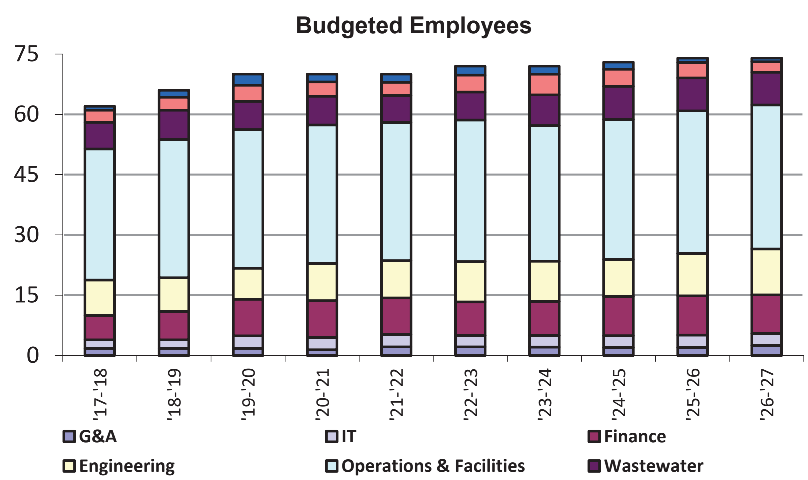



**Budgeted Full-Time Equivalent Positions by Department**

| | 2025-26 | 2026-27 |
|---|---|---|
| General Administration | 2.00 | 2.50 |
| Information Technology | 3.10 | 3.00 |
| Finance | 9.76 | 9.60 |
| Engineering | 10.54 | 11.41 |
| Operations & Facilities | 35.46 | 35.82 |
| Total General Fund | 60.86 | 62.33 |
| Lower Moosa Sewer Treatment | 4.37 | 4.49 |
| Woods Valley Ranch Sewer | 3.84 | 3.66 |
| Total Operating | 69.07 | 70.48 |
| Capital Outlay | 3.86 | 2.60 |
| Developer Projects | 1.07 | 0.92 |
| TOTAL | 74.00 | 74.00 |

### Personnel Costs

General Fund personnel costs (excluding capital allocations) for Fiscal Year 2026-27 are estimated at $13,672,300. This represents an increase of $885,600 or 6.9% from the Fiscal Year 2025-26 budget of $12,786,700. The increase is partially due to a 3.8% cost of living (COLA) adjustment, promotions, and within range merit increases of 1.5%, and increases to retirement and health insurance costs.



**Other Expenditures**

Controlling the cost of operating the District continues to be an ongoing focus. Costs controlled by the District of $18,116,746 for Fiscal Year 2026-27 are $1,443,867 or 8.7%, higher than in Fiscal Year 2025-26, including personnel costs discussed above. Each department continues to evaluate all aspects of their respective operations, establish goals for the budget year, and determine a budget which would allow them to meet those goals as efficiently as possible.

**General Administration** costs are up $322,567 or 30.0% over last year. This is due to increases in labor and benefits, legal services, and departmental projects reclassified as operating expenses instead of construction in progress which were partially offset by decreases in outside professional services.

**Finance expenses**, excluding debt service, are projected to be $298,707 or 9.8% higher than the current budget. The increase is largely due to higher labor and benefits, outside professional services, and insurance expenses.

**Information Technology** expenses are $11,559 or 0.9% lower due to a decrease in the labor and benefits that were transferred to the General Administration Department which were slightly offset by increases to maintenance of equipment, agreements & contracts.

**Engineering** expenses are up $237,238 or 9.6%. The increase represents increased labor and benefits, temporary labor for the addition of a retired annuitant, and departmental projects reclassified as operating expenses instead of construction in progress.

**Operations and Facilities** expenses for Fiscal Year 2026-27 are up $604,865 or 6.7% from the current budget. The major changes are comprised of increased labor and benefits, regulatory permits and fees, and maintenance of facilities, equipment, and software.

**Moosa** proposed operating expenses are $107,468 or 5.8% more than the current year budget. The increase is due to higher labor and benefits, outside professional services, and administrative overhead partially offset by decreases to insurance and electricity costs.

**Woods Valley Ranch** operating expenses are $63,028 or 4.4% higher than the current year budget due to increased labor and benefits, insurance, administrative overhead, outside professional services, and departmental projects reclassified as operating expenses instead of construction in progress.

## Capital Projects

New Capital Projects budgeted in Fiscal Year 2026-27 total $7,351,500. Water projects total $7,308,500 and will require the use of non-operating revenues. The Old Castle Pipeline Replacement totaling $5,679,000, included above, will be funded with a state revolving fund loan and grant funds. Moosa capital projects total $16,000 and Woods Valley Ranch Wastewater capital projects total $27,000.

Additionally, a list of Capital Projects Requiring Outside Funding has been developed for possible appropriation as a mid-year budget adjustment. Approval of which will depend on the procurement of financing for each of the projects. Refer to Appendix E for further details.

# VALLEY CENTER MUNICIPAL WATER DISTRICT
## 2026-2027 BUDGET OVERVIEW

| | 2025-2026 Adopted Budget | 2025-2026 Estimated Actual | 2026-2027 Proposed Budget | Change from Prior Budget | Percent Change from Prior Budget |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Water Sales | 12,500 A.F. | 11,800 A.F. | 12,000 A.F. | (500) A.F. | -3.8% |
| **General Fund:** | | | | | |
| Operating Revenues: | | | | | |
| Water Sales (including pumping) | 36,845,000 | 31,583,000 | 37,530,000 | 685,000 | 1.9% |
| Meter Service Charges | 10,502,000 | 10,388,000 | 12,225,000 | 1,723,000 | 16.4% |
| New Connection Sales | 345,200 | 537,500 | 357,800 | 12,600 | 3.7% |
| Other Revenue | 1,137,477 | 1,445,300 | 1,435,620 | 298,143 | 26.2% |
| Investment Income | 1,380,000 | 1,203,000 | 1,230,000 | (150,000) | -10.9% |
| Total Operating Revenue | 50,209,677 | 45,156,800 | 52,778,420 | 2,568,743 | 5.1% |
| Debt Service Revenues - Water Availability Charges | 106,696 | 132,342 | 127,593 | 20,897 | 19.6% |
| Capital Project Revenues: | | | | | |
| Grant Proceeds | 0 | 0 | 3,775,000 | 3,775,000 | 100.0% |
| Capacity Charges | 199,000 | 296,000 | 82,000 | (117,000) | -58.8% |
| Capital Improvement Charge | 0 | 286,300 | 729,000 | 729,000 | 0.0% |
| Property Taxes | 3,710,000 | 3,838,000 | 3,889,000 | 179,000 | 4.8% |
| Water Availability Charges | 457,304 | 430,658 | 430,407 | (26,897) | -5.9% |
| Total Capital Project Revenue | 4,366,304 | 4,850,958 | 8,905,407 | 4,539,103 | 104.0% |
| Total General Fund Revenues | 54,682,677 | 50,140,100 | 61,811,420 | 7,128,743 | 13.0% |
| **Moosa Wastewater Revenues** | 2,500,680 | 2,488,431 | 2,604,244 | 103,564 | 4.1% |
| **Woods Valley Ranch Wastewater Revenues** | 1,886,900 | 1,900,783 | 2,057,940 | 171,040 | 9.1% |
| **Woods Valley Ranch Expansion** | 1,518,377 | 1,650,153 | 1,506,254 | (12,123) | -0.8% |
| **Total Budgeted Revenues** | **60,588,634** | **56,179,467** | **67,979,858** | **7,391,224** | **12.2%** |
| **EXPENDITURES:** | | | | | |
| **General Fund:** | | | | | |
| Operating Expenses: | | | | | |
| General Administration | 1,075,322 | 1,110,552 | 1,397,889 | 322,567 | 30.0% |
| Information Technology | 1,235,786 | 1,179,576 | 1,224,227 | (11,559) | -0.9% |
| Finance | 3,058,754 | 3,051,143 | 3,357,461 | 298,707 | 9.8% |
| Engineering | 2,475,909 | 2,053,850 | 2,713,147 | 237,238 | 9.6% |
| Operations & Facilities | 8,971,340 | 8,486,890 | 9,576,205 | 604,865 | 6.7% |
| Source of Supply | 32,906,113 | 30,788,859 | 34,570,275 | 1,664,162 | 5.1% |
| Total Operating Expenses | 49,723,224 | 46,670,870 | 52,839,204 | 3,115,980 | 6.3% |
| Debt Service - Interest Expense | 111,164 | 132,342 | 127,593 | 16,429 | 14.8% |
| Depreciation Expense | 3,806,900 | 3,806,900 | 3,883,000 | 76,100 | 100.0% |
| Total General Fund Expenditures | 53,641,288 | 50,610,112 | 56,849,797 | 3,208,509 | 6.0% |
| **Moosa Wastewater:** | | | | | |
| Operating Expenses | 1,847,101 | 1,774,316 | 1,954,569 | 107,468 | 5.8% |
| Capital Project Appropriations | 0 | 44,963 | 16,000 | 16,000 | 0.0% |
| Total Moosa Expenditures | 1,847,101 | 1,819,279 | 1,970,569 | 123,468 | 6.7% |
| **Woods Valley Ranch Wastewater:** | | | | | |
| Operating Expenses | 1,446,284 | 1,206,806 | 1,509,312 | 63,028 | 4.4% |
| Capital Project Appropriations | 655,000 | 129,553 | 27,000 | (628,000) | -95.9% |
| Total Woods Valley Ranch Expenditures | 2,101,284 | 1,336,359 | 1,536,312 | (564,972) | -26.9% |
| **Woods Valley Ranch Expansion:** | | | | | |
| Operating Expenses | 80,000 | 72,000 | 80,000 | 0 | 0.0% |
| Debt Service - Interest Expense | 354,401 | 354,401 | 328,266 | (26,135) | -7.4% |
| Capital Project Appropriations | 0 | 22,713 | 0 | 0 | 0.0% |
| Total Woods Valley Ranch Expenditures | 434,401 | 449,114 | 408,266 | (26,135) | -6.0% |
| **Total Budgeted Expenditures** | **58,024,074** | **54,214,864** | **60,764,944** | **2,740,870** | **4.7%** |
| **NET REVENUES & EXPENDITURES** | **2,564,560** | **1,964,603** | **7,214,914** | **4,650,354** | **181.3%** |
| **FUNDING FROM (TO) RESERVES** | (2,564,560) | (1,964,603) | (7,214,914) | (4,650,354) | -181.3% |
| | 0 | 0 | 0 | 0 | 0.0% |

## UNDERSTANDING THE BUDGET DOCUMENT

The District's Board of Directors adopts an annual budget for the upcoming fiscal year's operating and capital expenditures. Given the influence of unpredictable weather conditions, it is challenging to accurately forecast water demand. As a result, actual revenues and expenditures will vary from the approved budget. Therefore, the budget functions primarily as a planning tool, helping the District forecast revenues and expenditures while providing a framework for identifying unusual or unexpected financial trends. As a comprehensive management and financial planning document, the budget serves both internal managerial needs and outlines the services, resources, and policies provided by the District to its customers. Furthermore, it defines Board guidelines for achieving immediate and long-term strategic objectives. The budget has been organized and presented to meet the informational needs of the District, its customers, the Board, District staff, and the public. It is divided into the following key sections:

## BUDGET PROCESS

In keeping with past practice, the budget process begins with input from all levels of staff. As such, it presents a program we believe to be fiscally sound, prudent, and necessary for the continued efficient operation of the District during the coming year. Budget requests are refined by the Department Heads and approved by the General Manager. The proposed budget is then presented to the Board of Directors (Board) for review and ultimate approval.

### Budget Calendar

| | |
|---|---|
| January 2026 | General Manager and Department Heads start discussion of the Budget process. |
| Feb.17, 2026 | Water Purchases and Sales Projections reviewed by Board of Directors. |
| March 2026 | Departments submit Budget requests. |
| April 20, 2026 | Budget policies reviewed by Board of Directors. |
| May 4, 2026 | Overview of Revenue and Expense Projections by Board of Directors. |
| June 1, 2026 | Recommended Budget reviewed by Board of Directors. |
| July 6, 2026 | Budget submitted to Board of Directors for possible adoption |

### Budget Control and Amendment

The General Manager is responsible for keeping expenditures within budget allocations approved by the Board of Directors for positions, salaries, operational expenses, and capital acquisitions, and may adopt budget procedures as necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or General Manager as described in this budget.

The General Manager may reallocate budget items to respond to changed circumstances, provided any single modification in excess of $50,000 shall require approval by the Board.

The Department Heads may reallocate budget items, within their department, to respond to changed circumstances, provided that any single modification in excess of $15,000 shall require approval by the General Manager.

The Board must authorize any increase in the overall budget and any increase in the number of authorized permanent personnel positions above the level identified in the final operating and capital budget. The General Manager may authorize the hiring of temporary or part-time staff as necessary, within the limits imposed by the available funds in the operating and capital budget.

In the event the General Manager determines that an emergency exists requiring immediate action, the General Manager shall have the power, without prior Board action, to enter into contracts and agreements and expend funds on behalf of the District, but not in excess of $750,000. An emergency is defined in Administrative Code Section 225.2 as “a major disruption in the water distribution system that prevents the District from delivering water, or a situation where a lack of action would prevent the delivery of water to any customer.” Not later than 48 hours after determination of an emergency, the General Manager shall notify the President of the Board the reasons necessitating such determination and the actions taken.

**Budget Basis**

The budget is prepared on an enterprise basis, as it is the intent of the District that the costs of providing water and wastewater service to the customers of the District are financed primarily through user charges. Revenues and expenses are recognized on the accrual basis in that they are recognized in the accounting period they are earned or incurred. The budget appropriates funds at the department level.

Administrative costs are charged in total to the water operating fund. A portion of these administrative overhead costs incurred by water operations are then allocated to the wastewater funds. This allocation is shown as an expense credit in the applicable water operations divisions.

Sixty-five percent of the general fund budget, excluding capital projects and debt service interest, is for the purchase of water and the energy required for pumping water through our distribution system. These costs are presented as “Source of Supply”. Only thirty-five percent of the District’s costs are directly controlled by the District. These locally controlled costs are influenced by the number of customers we serve and by infrastructure maintenance and improvements. Locally controlled costs are mostly fixed costs as they are not affected by the volume of water sold.

## FINANCIAL POLICIES

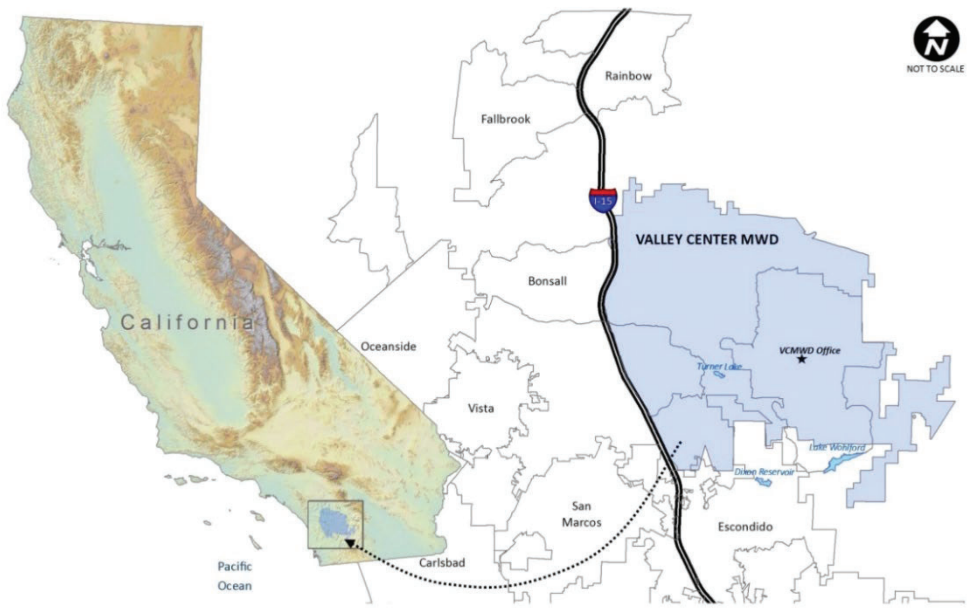
The District’s Administrative Code incorporates Finance Policies that are used by staff as guidelines for operational and strategic decision-making related to current and future financial matters. These policies help identify acceptable and unacceptable courses of action, establishing parameters within which the District can operate as well as providing a standard against which the District’s fiscal performance can be reviewed. All Finance Policies listed below have been followed in preparing this budget. Full policies for each are available on the District’s website. Additionally, the Budget Policies are provided, in full, as part of this budget document in Appendix B.

1. Investment Policy;
2. Budget Policies;
3. Debt Policy; and
4. Land-Secured Financing Policy.

## THE DISTRICT

Valley Center Municipal Water District was founded on July 12, 1954, under the provisions of the California Municipal Water District Law of 1911 (California Water Code sections 71000 et seq.). The District provides water, wastewater, and water recycling services to its domestic, agricultural, and commercial customers in a service area which encompasses approximately 101 square miles, of which approximately 71% of the land use area receives water service. It includes the unincorporated area of Valley Center and unincorporated areas north of Escondido which are located in northern San Diego County.

## DISTRICT SERVICE AREA




## COMMUNITY PROFILE

As of June 30, 2025, approximately 30,166 people lived within the District. For the last decade, Valley Center has been in transition from being predominately agricultural to a more balanced rural-suburban and agricultural setting. When once over 90% of the water delivered by the District went to commercial agricultural users, the mix is now 54% agricultural 46% domestic-commercial. The decline in agricultural use is due in part to regulatory restrictions, labor costs and shortages, market competition, and the rapid rise in the wholesale cost of water over the last decade.

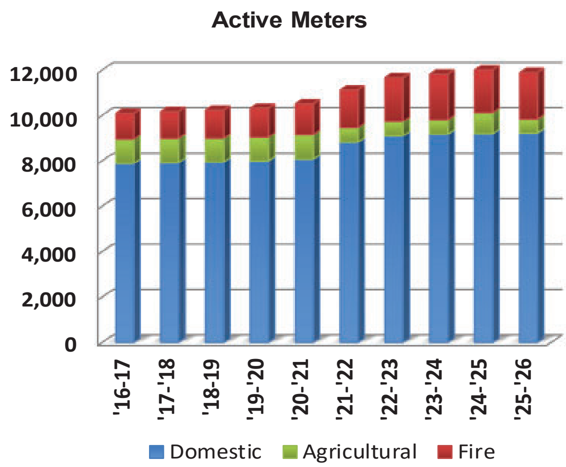
A detailed community history describing how it has grown with its water district is included in this budget document as Appendix D.

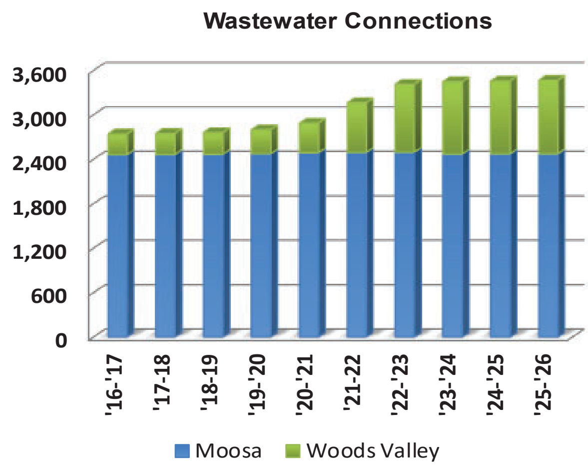
## WATER SOURCES

The District relies on the San Diego County Water Authority (SDCWA or "Authority") as its' sole source provider for treated potable water. The Authority imports water through the Metropolitan Water District of Southern California (MWD) system and its own aqueduct, storage and treatment system. MWD obtains its water from two sources: the Colorado River Aqueduct and the State Water Project under a water supply contract with the Department of Water Resources. This water has become increasingly unreliable in recent years as deteriorating ecological conditions have led to regulatory restrictions on pumping water supplies from the Bay-Delta. The Bay-Delta is an inland river delta and estuary formed at the confluence of the Sacramento and San Joaquin Rivers east of San Francisco. It is a key water supply source for California. In addition, the Authority's water supply portfolio includes supplies secured in 2003 from the Colorado River also delivered via the MWD system. These supplies include a water conservation and transfer agreement with the Imperial Irrigation District and water conserved by two projects, the All American Canal Lining Project and the Coachella Canal Lining Project. Additionally, the SDCWA added desalinated seawater to its water supply portfolio with the Carlsbad Desalination Plant. This supply reduces the region's dependence on water from the Colorado River and the Bay-Delta that is vulnerable to droughts, natural disasters and regulatory restrictions.

## DEMOGRAPHIC SUMMARY

| WATER SYSTEM | |
|---|---|
| Service Area | 64,293 acres |
| Miles of Water Main | 341 miles |
| No. of Enclosed Reservoirs | 40 |
| No. of Open Reservoirs | 1 |
| No. of Pump Stations | 29 |
| No. of Aqueduct Connections | 7 |
| No. of Service Connections | 11,885 |
| **WASTEWATER SYSTEM** | |
| Miles of Sewer Line | 49 miles |
| No. of Treatment Plants | 2 |
| Maximum Capacity of Treatment Plants | 0.77 million gallons per day |
| No. of Sewer Connections | 3,469 |
| **MISCELLANEOUS STATISTICAL INFORMATION** | |
| Population Served | 30,166 |
| No. of Employees Budgeted | 74 |
| Operating Budget | $60.7 Million |
| Capital Program | $7.4 Million |




## MISSION STATEMENT

***"Our mission is to ensure customer satisfaction through quality service at the lowest possible cost."***

## ORGANIZATIONAL VALUES

**Customer Satisfaction**
- Quality Service
- Safe Water
- Reliability
- Friendly
- Trustworthy
- Courteous
- Effective Communication

**Professionalism**
- Ethics
- Integrity
- Leadership
- Teamwork
- Accountability
- Transparency
- Respectful
- Excellence Through Continuous Improvement

**Efficient Use of Resources**
- Conservation
- Environmental Sensitivity
- Cost Control
- Resource Stewardship
- Financial Stability

# STRATEGIC PLAN

On September 5, 2023 the Board of Directors approved the extension of the Strategic Plan outlined below for an additional 3-years through Fiscal Year 2025-26. With the recent change in organizational leadership, there is now an opportunity to develop with the Board, the new 5-Year Strategic Plan.

June 4, 2018, the Board of Directors approved the updated *Valley Center Municipal Water District Strategic Plan for Fiscal Years 2018-2019, 2019-2020, 2020-2021, 2021-2022, and 2022-2023*. This plan sets forth the District's organizational values, a set of standards to measure organizational performance, and specific goals and tasks to be accomplished. As adopted by the Board of Directors, the Strategic Plan serves as the core policy framework by which the District has established its values, performance standards, and improvement goals for critical aspects of its operations, such as Water Supply, Seawater Desalination, Local Water Resources, Water Recycling, Infrastructure, Finance, Technology, Energy, and Compensation and Benefits. All expenditures appearing in this document, whether routine and ongoing, programmatic, or project oriented, are based upon or justified by some aspect of the Board adopted Strategic Plan.

The **Mission Statement, Organizational Values, Performance Measurements,** and **Strategic Plan Goals** contained in the current Strategic Plan can be found on the following page. Performance Measurements reflect the Performance Measurement outcomes for Calendar Year 2025.
Within the various Department narratives appearing throughout the budget are reports on progress made over the past fiscal year toward accomplishing the various goals appurtenant to the specific department as well as the projects and programs proposed in the upcoming budget year.

## STRATEGIC PLAN GOALS – 2018-19 to 2022-23 (extended thru 2025-26)

### I. Water Supply

Support water development policies at the federal, state, regional and local level which sustain and enhance VCMWD's overall water supply availability and reliability.

***Specific Implementation Goals:***

1. **Water Stewardship –** Support regional efforts and implement local programs which advocate, educate, and assist customers in the responsible use of water resources.

2. **Imported Water Sources –** Support and assist in statewide efforts to secure and protect our regions' Imported Water Supplies by securing:

   - *An enhanced State Water Project conveyance system to move water through the Sacramento-San Joaquin Delta;*

   - *Approval of Proposition 1 funded major in-state surface storage facilities; and*

- *California's water rights on the Colorado River so as to ensure ample and reliable supplies for all uses, including agricultural.*

3. **Water Recycling –** Pursue and maximize the opportunities for continued development of wastewater recycling to offset VCMWD's imported water demand.

## II. Infrastructure

Pursue the master planning for publicly and privately financed water and wastewater infrastructure to reliably meet long-term community development needs based on the County approved General Plan. Pursue federal and state funding sources to support the ongoing and orderly replacement of existing water and wastewater infrastructure.

***Specific Implementation Goals:***

1. **Water System Master Plan –** Complete the update of the 2002 Water Master Plan by end of Fiscal Year 2018-2019.

2. **Integrated Resource Master Plan –** Incorporate the Water Master Plan into an Integrated Resources Master Plan which addresses water, wastewater, water recycling infrastructure needs, as well as the long range capital needs by the end of Fiscal Year 2018-2019.

## III. Finance

Support financial policies at the federal, state, regional, sub-regional, and local levels which the affordability of water and wastewater services to help sustain the rural and agricultural character of VCMWD's service area:

1. **Operational Cost Control –** Pursue policies, programs, alternative service sourcing and technology implementation, which reduce and control local operational costs wherever possible without negatively impacting the operational effectiveness, safety and service levels to our customers.

2. **MWD and SDCWA Wholesale Pricing –** Advocate for cost and rate control at the wholesale level and seek to maintain appropriate pricing and support programs for agriculture within the MWD and SDCWA service areas by securing:

   - *Pricing considerations from MWD to mitigate the rate impacts of WaterFix on commercial agricultural customers.*
   - *Extension of the SDCWA Transitional Special Agricultural Water Rate (TSAWR) which expires at the end of Calendar 2020.*

3. **Local Property Tax and Reserves –** Protect local property taxes and VCMWD reserves from appropriation by the State or County Government.

4. **Cost of Service Study –** Complete a cost of service study to support the next Proposition 218 cycle in 2019 for water rates and charges.

5. **Long-Range Financial Plan –** Incorporating the results of the Integrated Resource Plan and the Cost of Service analysis, complete a Long-Range Financial Plan by the end of 2019-2020.

## IV. Technology

Evaluate and incorporate new technologies which increase organizational efficiency, reduce costs, and wherever possible, enhance customer satisfaction.

***Specific Implementation Goals:***

1. **GIS -** Continue expansion, enhancement, and utility.

2. **SCADA -** Continue toward full implementation in the water and wastewater systems, including:

   - *Upgrade the Lower Moosa Canyon Wastewater Reclamation Facility SCADA to the Ignition Software by the end of FY 2018-2019;*

   - *Extension of SCADA to other water facilities, such as selected Reservoir Altitude Valves, Pump Station By-pass Valves, and Natural Gas Motors by the end of FY 2020-2021;*

   - *Upgrade all water facilities SCADA to Ignition Software by 2022-2023.*

3. **Automatic Meter Reading and Information Technology -** Pursue implementation of advanced automated meter reading and information technologies and integration of automated meter reading and monitoring capabilities through the SCADA radio network, by:

   - *Segmented installation of selected AMI technology beginning by the end of CY 2018 in the North and South Villages, other large developments and other appropriate portions of the District Service Area; and*

   - *Full conversion of the District to AMI by the end of FY 2022-2023.*

4. **Data Management/Asset Management Software System – Complete** implementation and full integration of an:

   - *Electronic Data Management/Asset Management Software by the end of 2018-2019; and*

   - *Electronic Data Deployment Capabilities by the end of FY 2020-2021.*

5. **E-Business –** Expand and enhance on-line customer account access and bill paying having the On-Line Direct Bill Pay as the primary option for establishing new customer service with the ability to request paper billing as a secondary option – **Ongoing Effort.**

## V. Energy

Enhance efficient use of energy and pursue as appropriate the development of renewable and alternative energy resources.

1. **Efficiency -** Maximize the operating efficiency of pumps, pump motors, motorized equipment, VCMWD's service fleet practices, procedures, as well as implement more energy efficient methods and technologies of wastewater and bio-solids processing and disposal.

2. **Renewable and Alternative Energy Resource –** When economically feasible expand renewable energy resources, such as solar power, within VCMWD's operations and facilities, based on completion of the:

    - *Comprehensive Energy Program Analysis and Strategic Plan Project by the end of CY 2018.*

3. **Utility Rates and Charges –** Monitor and when appropriate participate in regional energy utility rate making activity and advocate rate tariffs which are fair and equitable to VCMWD.

## VI. Compensation and Benefits

Provide competitive but responsible and sustainable employee compensation and benefit programs to attract and retain committed and outstanding personnel – **Ongoing Effort**.

## STRATEGIC PLAN
## PERFORMANCE MEASUREMENT STANDARDS

| Description of Standard | Calendar Year 2025 Results |
|---|---|
| **1. CUSTOMER SATISFACTION -** Our standard will be that our service "meets" or "exceeds expectations" 95% of the time, based upon the "Customer Comment Card" responses. | Survey responses show the District met or exceeded the standard 100.0% of the time. |
| **2. WATER LOSS –** Report annually for the past 10 years of unknown water loss in terms of percent of water sold, acre feet, and value of water loss, as well as efforts to minimize and reduce unknown water loss wherever possible. | Unaccounted water loss totaled 467.9 acre feet, 3.6% of total water sold, representing $822,372. |
| **3. DISCRETIONARY RESERVES -** Unrestricted or uncommitted reserves not anticipated to be used in the current fiscal year equal to a minimum three and a maximum six months' operations and maintenance expenses (excluding wholesale water and power purchases). | Discretionary Reserves as of December 31, 2025 represent 5.3 months of operating and maintenance expenses. |
| **4. RETURN ON INVESTMENTS -** While seeking to preserve capital and maintain a level of liquidity necessary to meet cash flow requirements, our rate of return, on an annualized basis, shall be at least equal to the average rate of return on one year U.S. Treasury Bonds. | The weighted average return on all investments was 4.277% as compared to the 12-month rolling average U.S. Treasury Bonds of 3.917%. |
| **5. LOCAL COMMODITY RATE for LOCAL OPERATING and MAINTENANCE COSTS -** We will hold the local share of total commodity costs as low as possible, but at no time will the local rate be more than 15% of total water commodity cost for Municipal & Industrial and 18% for Certified Agricultural. | The District's component of the water rate for operating costs is currently 9.4% of Municipal & Industrial and 13.3% of Certified Agricultural. |
| **6. PUMP EFFICIENCY -** Through ongoing testing, adjusting, and maintenance, we will maintain pump efficiency above 95% of the design criteria. | Pump efficiency was 105.0% of design criteria. |
| **7. SOLAR ENERGY PRODUCTION –** District owned and operated solar arrays shall be maintained at 90% of scheduled production which reflects array location and anticipated production loss due to panel age. | The six District-owned solar arrays, with a total capacity of 331.5kWdc, produced 112.7% of the scheduled production. |

## STRATEGIC PLAN
## PERFORMANCE MEASUREMENT STANDARDS (continued)

| Description of Standard | Calendar Year 2025 Results |
|---|---|
| **8. PROJECT ACTUAL COST -** ±10% of Engineer's cost estimate. | One of two projects that were completed in Calendar Year 2025 exceeded the ±10% of Engineer's cost estimate standard. |
| **9. CAPITAL IMPROVEMENT PROJECTS –** Project timelines shall be under contract within 12 months of budget approval. | Of the four Engineering Department projects with approved funding all but 2 were under contract within 12 months. |
| **10. WATER SERVICE RELIABILITY GREATER THAN 99% -** Strive to maintain water service to all customers at greater than a 99% reliability level. This will be measured based upon total hours of service interruption against all service hours in a given measurement period. | For calendar year 2025 service reliability was 99.999%. |
| **11. LOST-TIME ACCIDENTS LESS THAN 1% OF TOTAL HOURS WORKED.** | The District had three recordable accidents with two lost time accident, representing 0.02% of the total hours worked. |
| **12. COMPLIANCE WITH ALL STATE & FEDERAL REGULATIONS.** | 100%. |

This page intentionally left blank

# Adopted Resolutions & Ordinances

**RESOLUTION NO. 2026-24**

**RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CENTER MUNICIPAL WATER DISTRICT ADOPTING THE FINAL OPERATING AND CAPITAL BUDGET FOR THE FISCAL YEAR 2026-2027 AND ESTABLISHING CONTROLS ON CHANGES IN APPROPRIATIONS FOR THE VARIOUS FUNDS**

**WHEREAS,** the Board of Directors of Valley Center Municipal Water District has reviewed a preliminary budget for 2026-2027 and has made changes therein;

**NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED** by the Board of Directors of **VALLEY CENTER MUNICIPAL WATER DISTRICT** as follows:

1. That the budget document which is on file with the Secretary to the Board, a summary of which is attached hereto as "Exhibit A", is adopted as the final operating and capital budget for the District for the Fiscal Year 2026-2027.

2. That the amounts designated in the final Fiscal Year 2026-2027 operating and capital budget are hereby appropriated and may be expended by the departments or funds for which they are designated and such appropriation shall be neither increased nor decreased except as provided herein.

3. That the following controls are hereby placed on the use and transfer of budgeted funds:

    a. The General Manager is responsible for keeping expenditures within budget allocations approved by the Board of Directors for positions, salaries, operational expenses and capital acquisitions and may adopt budget procedures as necessary to carry out that responsibility. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board or General Manager as described herein.

    b. The General Manager may reallocate budget items to respond to changed circumstances, provided any single modification in excess of $50,000 shall require approval by the Board.

    c. The Department Heads may reallocate budget items, within their department, to respond to changed circumstances, provided that any single modification in excess of $15,000 shall require approval by the General Manager.

    d. The Board must authorize any increase in the overall budget and any increase in the number of authorized permanent personnel positions above the level identified in the final operating and capital budget. The General Manager may authorize the hiring of temporary or part-time staff as necessary, within the limits imposed by the available funds in the operating and capital budget.

4. That authorization is made for any carry over or continuing appropriations for the capital budget.

**PASSED AND ADOPTED** at the regular meeting of the Board of Directors of **VALLEY CENTER MUNICIPAL WATER DISTRICT** held the 6th day of July 2026, by the following vote to wit:

| | |
|---|---|
| **AYES:** | *Directors Ferro, Stehly, Ness, Baker, and Atkins* |
| **NOES:** | *None* |
| **ABSENT:** | *None* |

Enrico Ferro, ***Board President***

**ATTEST**:

Coral Hutchins, ***Board Secretary***

EXHIBIT A

# Valley Center Municipal Water District

## Recap of Budget and Source of Financing
### All Budgeted Funds

| | Operating | Debt Service | Capital Projects | Total General | Moosa Wastewater | Woods Valley | WVR Expansion | Total All Funds |
|---|---|---|---|---|---|---|---|---|
| **ESTIMATED BALANCE, JUNE 30, 2026** | **$ 6,120,091** | **$ 532,263** | **$ 7,640,200** | **$ 14,292,554** | **$ 2,016,476** | **$ 5,363,158** | **$ 6,363,314** | **$ 28,035,502** |
| **RECAP OF EXPENDITURES BY FUNCTION** | | | | | | | | |
| General Administration | $ 1,397,889 | | | $ 1,397,889 | | | | $ 1,397,889 |
| Information Technology | $ 1,224,227 | | | $ 1,224,227 | | | | $ 1,224,227 |
| Finance | $ 3,357,461 | $ 127,593 | | $ 3,485,054 | | | $ 408,266 | $ 3,893,320 |
| Engineering | $ 2,713,147 | | | $ 2,713,147 | | | | $ 2,713,147 |
| Operations & Facilities | $ 9,576,205 | | | $ 9,576,205 | $ 1,954,569 | $ 1,509,312 | | $ 13,040,086 |
| Source of Supply | $ 34,570,275 | | | $ 34,570,275 | | | | $ 34,570,275 |
| Depreciation Expense | | | $ 3,883,000 | $ 3,883,000 | | | | $ 3,883,000 |
| Capital Projects | | | $ - | $ - | $ 16,000 | $ 27,000 | $ - | $ 43,000 |
| **Total Budgeted Expenditures** | **$ 52,839,204** | **$ 127,593** | **$ 3,883,000** | **$ 56,849,797** | **$ 1,970,569** | **$ 1,536,312** | **$ 408,266** | **$ 60,764,944** |
| **SOURCE OF FINANCING** | | | | | | | | |
| Revenues: | | | | | | | | |
| Water Sales | $ 37,530,000 | | | $ 37,530,000 | | | | $ 37,530,000 |
| Meter Service Charges/Wastewater Charges | $ 12,225,000 | | | $ 12,225,000 | $ 2,604,244 | $ 2,057,940 | $ 1,506,254 | $ 18,393,438 |
| New Connection Sales | $ 357,800 | | $ 82,000 | $ 439,800 | | | | $ 439,800 |
| Other Revenue | $ 1,435,620 | | | $ 1,435,620 | | | | $ 1,435,620 |
| Investment Income | $ 1,230,000 | | | $ 1,230,000 | | | | $ 1,230,000 |
| Property Taxes | | | $ 3,889,000 | $ 3,889,000 | | | | $ 3,889,000 |
| Water Availability Charges | | $ 538,062 | $ 19,938 | $ 558,000 | | | | $ 558,000 |
| Capital Improvement Charges | | | $ 729,000 | $ 729,000 | | | | $ 729,000 |
| Grant Proceeds | | | $ 3,775,000 | $ 3,775,000 | | | $ - | $ 3,775,000 |
| **Total Revenues** | **$ 52,778,420** | **$ 538,062** | **$ 8,494,938** | **$ 61,811,420** | **$ 2,604,244** | **$ 2,057,940** | **$ 1,506,254** | **$ 67,979,858** |
| **NET REVENUES & EXPENDITURES** | **$ (60,784)** | **$ 410,469** | **$ 4,611,938** | **$ 4,961,623** | **$ 633,675** | **$ 521,628** | **$ 1,097,988** | **$ 7,214,914** |
| **Adjustments to Cash Basis** | | | | | | | | |
| Add: | | | | | | | | |
| DEPRECIATION EXPENSE | | | $ 3,883,000 | $ 3,883,000 | | | | $ 3,883,000 |
| NET DEBT PROCEEDS | | | $ 1,739,000 | $ 1,739,000 | | | $ - | $ 1,739,000 |
| | | | | $ - | | | | |
| Less: | | | | $ - | | | | |
| EXPENDITURES OF CONTINUING PROJECT | $ - | $ - | $ (3,287,011) | $ (3,287,011) | $ (444,960) | $ (886,000) | $ (3,430,882) | $ (8,048,853) |
| NEW CAPITAL PROJECT EXPENDUTURES | | | $ (7,308,500) | $ (7,308,500) | | | | $ (7,308,500) |
| DEBT SERVICE PRINCIPAL | | $ (410,469) | $ - | $ (410,469) | $ (389,562) | | $ (1,214,122) | $ (2,014,153) |
| TRANSFER OF (FCSA'S) | (105,088) | | | $ (105,088) | | 29,068 | 76,020 | $ - |
| TRANSFER: (See page 3-3) | $ 3,151,177 | $ - | $ (60,784) | $ 3,090,393 | $ - | $ - | $ - | $ 3,090,393 |
| **ESTIMATED BALANCE, JUNE 30, 2027** | **$ 9,105,397** | **$ 532,263** | **$ 7,217,843** | **$ 16,855,503** | **$ 1,815,629** | **$ 5,027,854** | **$ 2,892,318** | **$ 26,591,303** |

June 1, 2026

**TO:** **Honorable President and Board of Directors**

**FROM:** **Lindsay Leahy, General Manager**

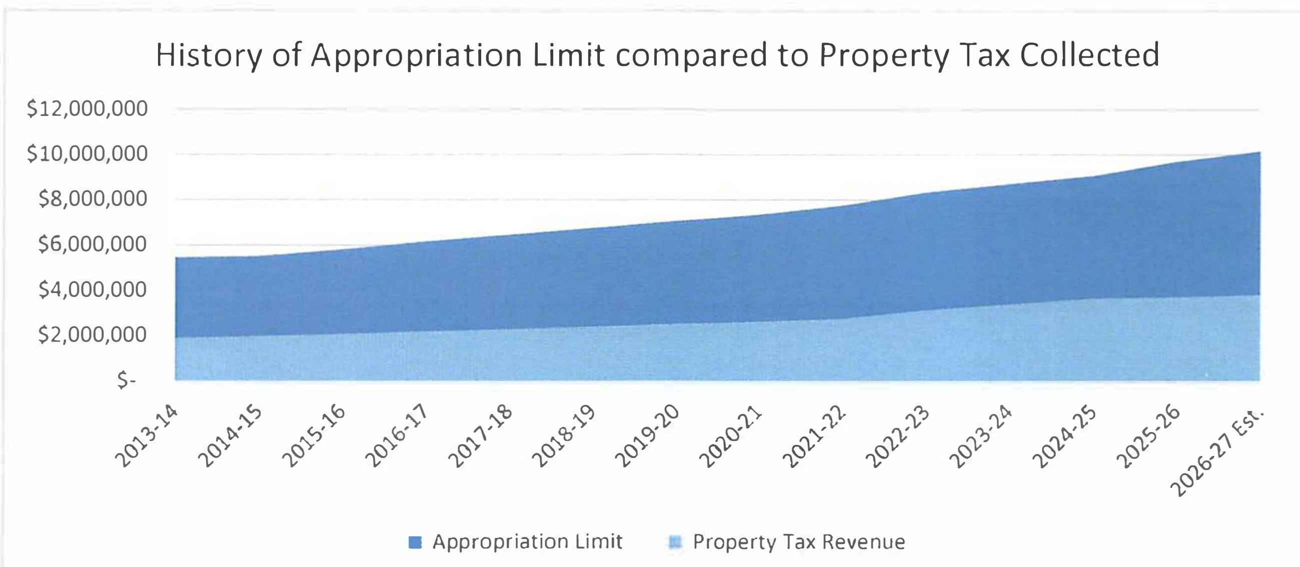
**SUBJECT: RESOLUTION TO ESTABLISH APPROPRIATION LIMIT FOR 2026-27**

## PURPOSE:

Board adoption of Resolution No. 2026-15 establishing the appropriation limit for proceeds from taxes is required by Section 7910 of the Government Code and Article XIIIB of the State Constitution (Gann Amendment).

## SUMMARY:

In November, 1979, the voters of California approved the addition of Article XIIIB to the State Constitution. This amendment provided a maximum annual percentage that proceeds of taxes could increase. The impact of this legislation is most felt by cities and agencies that exist almost entirely on proceeds of taxes of one sort or another. The District's revenues consist primarily of water and wastewater charges, with approximately 7% from general property taxes.




The District is required to comply with the legislation by establishing an appropriation limit for the amount it does receive from property taxes. In Fiscal Year 2026-27, property tax collections are estimated to be 38% of the appropriation limit. The margin is so wide between the proceeds of taxes and the $10,165,194 appropriation limit, that the District does not expect to ever reach the limit. If however, actual tax collections ever exceeded the limit, a refund of the excess would have to be made.

Under Proposition 111, the method of calculating the annual appropriation limit was revised, effective July 1, 1990. The California Constitution specifies that the appropriation limit may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income <u>or</u> the change in the local assessment role due to local nonresidential construction. The appropriation limit method recommended for adoption uses the highest of the options available to maximize the District's limit for Fiscal Year 2026-27.

Government Code Section 7910 also requires a 15-day period for our calculations to be available to the public for their review, if desired. The attached Public Notice was posted May 14, 2026, in compliance with this requirement.

**RECOMMENDATION:**

That Resolution No. 2026-15 be adopted to establish the appropriation limit for Fiscal Year 2026-27 as $10,165,194.

**PREPARED BY:**

J.V. Pugh

**James V. Pugh**
**Director of Finance & Administration**

**APPROVED BY:**

Lindsay Leahy

**Lindsay Leahy**
**General Manager**

**PUBLIC NOTICE**

In accordance with [illegible] Code Section 7910, notice is hereby given that on June 1, 2026, at 2:00 P.M. at 29300 Valley Center Road, the Board of Directors will, by resolution, establish the District's 2026-27 appropriation limit pursuant to Article XIIIB of the State Constitution as amended by Proposition 111 effective July 1, 1990. The appropriation limit for Fiscal Year 2026-27 is to be set at $10,165,194 and was calculated as set forth below. Documentation of the computation is available in the office of the Director of Finance of the District at the above address.

| | Fiscal Year | Price Increases (1) | | Population Increases | Appropriation Limit |
|---|---|---|---|---|---|
| Proceeds of Taxes Base Year | | | | | |
| | 1986-87 | | | | $855,392 |
| Annual adjustment factors: | | | | | |
| | 1987-88 | 12.54% | (b) | 5.83% | $1,018,772 |
| | 1988-89 | 15.56% | (b) | 6.09% | $1,249,014 |
| | 1989-90 | 7.21% | (b) | 5.63% | $1,414,508 |
| | 1990-91 | 7.96% | (b) | 5.83% | $1,616,075 |
| | 1991-92 | 4.14% | (a) | 5.24% | $1,771,218 |
| | 1992-93 | 2.75% | (b) | 4.04% | $1,893,432 |
| | 1993-94 | 2.72% | (b) | 2.95% | $2,002,304 |
| | 1994-95 | 0.71% | (a) | 1.42% | $2,045,153 |
| | 1995-96 | 4.72% | (a) | 1.55% | $2,174,816 |
| | 1996-97 | 4.67% | (a) | 1.19% | $2,303,565 |
| | 1997-98 | 4.67% | (a) | 1.46% | $2,446,386 |
| | 1998-99 | 4.15% | (a) | 2.63% | $2,614,942 |
| | 1999-00 | 4.53% | (a) | 2.17% | $2,792,758 |
| | 2000-01 | 4.91% | (a) | 2.33% | $2,998,026 |
| | 2001-02 | 7.82% | (a) | 1.96% | $3,295,730 |
| | 2002-03 | 0.06% | (b) | 1.80% | $3,357,031 |
| | 2003-04 | 2.31% | (a) | 1.77% | $3,495,341 |
| | 2004-05 | 3.28% | (a) | 1.73% | $3,672,555 |
| | 2005-06 | 5.26% | (a) | 1.27% | $3,914,944 |
| | 2006-07 | 3.96% | (a) | 0.94% | $4,108,342 |
| | 2007-08 | 4.42% | (a) | 2.00% | $4,375,795 |
| | 2008-09 | 4.29% | (a) | 1.43% | $4,628,716 |
| | 2009-10 | 0.62% | (a) | 1.32% | $4,718,976 |
| | 2010-11 | -0.37% | (b) | 1.52% | $4,772,772 |
| | 2011-12 | 2.51% | (a) | 0.72% | $4,927,887 |
| | 2012-13 | 3.77% | (a) | 0.92% | $5,160,483 |
| | 2013-14 | 5.12% | (a) | 0.80% | $5,468,048 |
| | 2014-15 | -0.23% | (b) | 1.23% | $5,522,728 |
| | 2015-16 | 3.82% | (a) | 1.48% | $5,818,746 |
| | 2016-17 | 5.37% | (a) | 0.78% | $6,178,926 |
| | 2017-18 | 3.69% | (a) | 0.92% | $6,465,628 |
| | 2018-19 | 3.67% | (a) | 0.95% | $6,766,280 |
| | 2019-20 | 3.85% | (a) | 0.52% | $7,063,320 |
| | 2020-21 | 3.73% | (a) | 0.59% | $7,369,868 |
| | 2021-22 | 5.73% | (a) | -0.37% | $7,763,419 |
| | 2022-23 | 7.55% | (a) | -0.08% | $8,342,570 |
| | 2023-24 | 4.44% | (a) | 0.00% | $8,712,980 |
| | 2024-25 | 3.62% | (a) | 0.31% | $9,056,271 |
| | 2025-26 | 6.44% | (a) | 0.44% | $9,682,059 |
| | 2026-27 | 4.95% | (a) | 0.04% | $10,165,194 |

Posted May 14, 2026

J.V. Pugh

James V. Pugh, Director of Finance & Administration
Valley Center Municipal Water District

(1) A California governmental unit may increase its appropriation limit by either
(a) the annual percentage increase in California fourth quarter per capita personal income, or
(b) the percentage increase in the local assessment roll from the preceding year due to the addition of local non-residential construction, whichever is greater.

**RESOLUTION NO. 2026-15**

**RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CENTER MUNICIPAL WATER DISTRICT TO ESTABLISH THE APPROPRIATION LIMIT FOR FISCAL YEAR 2026-27**

**WHEREAS,** effective July 1, 1980, Article XIIIB of the California Constitution took effect limiting the appropriations of certain state and local agencies; and

**WHEREAS,** effective July 1, 1990, Article XIIIB of the California Constitution was amended; and

**WHEREAS,** the Legislature has adopted Government Code Sections 7900 through 7914 setting forth procedures to be followed by affected local agencies in fixing and determining their appropriation limit; and

**WHEREAS,** pursuant to said Government Code sections, the County of San Diego and the State of California Department of Finance have supplied the District with data regarding changes in population, cost of living, per capita income, nonresidential new construction, and local assessment roll for use in determining its appropriation limit; and

**WHEREAS,** the District had a tax rate in excess of 12.5 cents per $100 of assessed valuation during Fiscal Year 1977-78, and, therefore, is subject to the provisions of Article XIIIB and implementing legislation; and

**WHEREAS,** the Government Code Section 7910 requires that each year the governing body of the District, by resolution, establish its appropriation limit for the following fiscal year; and

**WHEREAS,** the Government Code Section 7901 requires the governing body of the District, annually by resolution, to select the basis for its change in population as defined in that section; and

**WHEREAS,** Section 8(e)(2) of Article XIIIB of the Constitution requires the Board to select the method of determining "change in the cost of living" as defined in that section; and

**WHEREAS,** at least 15 days prior to the meeting at which this resolution was adopted, the documentation used in the determination of the appropriation limit was made available to the public at the offices of the District; and

**WHEREAS,** the Board has fully considered said laws, the revenues and expenditures of the District during the relevant years, the data received from the State of California Department of Finance, the reports and recommendations of staff, and the opinions of counsel;

**NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED** by the Board of Directors of Valley Center Municipal Water District as follows:

1. That the foregoing facts are true and correct.

2. That the appropriation limit for Fiscal Year 2025-26 was $9,682,059, and that the proceeds of taxes estimated to be received in that year, amount to approximately $3,838,000, will not exceed that appropriation limit.

3. That in determining the appropriation limit for Fiscal Year 2026-27, the District shall use the percentage change in the California per capita personal income from the preceding year or the change in the local assessment roll from the preceding year due to the addition of local new nonresidential construction, whichever is greater.

4. That in determining the appropriation limit for Fiscal Year 2026-27, the District shall use the percentage change in population for San Diego County or for the unincorporated portion of San Diego County, whichever is greater, as provided by the State of California Department of Finance.

5. That pursuant to Article XIIIB, as amended, and Section 7910 of the Government Code, as amended, the appropriation limit for Valley Center Municipal Water District for Fiscal Year 2026-27 is established at $10,165,194.

**PASSED AND ADOPTED** at a regular meeting of the Board of Directors of **VALLEY CENTER MUNICIPAL WATER DISTRICT** held the 1st day of June, 2026, by the following vote, to wit;

| | |
|---|---|
| **AYES:** | *Directors Ferro, Ness, Stehly, and Baker* |
| **NOES:** | *None* |
| **ABSENT:** | *Vacancy in Election Division Five (5)* |

**Enrico P. Ferro**, *President*

**ATTEST:**

**Coral Hutchins**, *Board Secretary*

**ORDINANCE NO. 2026-08**

**ORDINANCE OF THE VALLEY CENTER MUNICIPAL WATER DISTRICT AMENDING THE ADMINISTRATIVE CODE TO PROVIDE FOR A VEHICLE ALLOWANCE, CHANGES IN THE DISTRICT'S CLASSIFICATION AND COMPENSATION PLAN AND ORGANIZATION OF STAFF**

**BE IT ORDAINED** by the Board of Directors of the **VALLEY CENTER MUNICIPAL WATER DISTRICT** as follows:

**Section 1**. The VALLEY CENTER MUNICIPAL WATER DISTRICT Administrative Code be and it is amended to provide for a Vehicle Allowance and changes in the District's Classification and Compensation Plan by modification of Article 8 as set forth in "**Exhibit A**" attached hereto for Fiscal Year 2026-2027.

**Section 2**. The VALLEY CENTER MUNICIPAL WATER DISTRICT Administrative Code be and it is amended to provide for changes in the District's organization chart by the modification of Article 40, Organization of Staff, Section 40.11 as set forth on "**Exhibit B**" attached hereto.

**PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the **VALLEY CENTER MUNICIPAL WATER DISTRICT** held on the 6th day of July, 2026, by the following vote, to wit:

**AYES:** *Directors Ferro, Stehly, Ness, Baker, and Atkins*
**NOES:** *None*
**ABSENT:** *None*

Enrico Ferro, ***Board President***

ATTEST:

Coral Hutchins, ***Board Secretary***

Article 8 Compensation

Sec. 8.6 Standby Pay

(a) Standby Duty Pay. The employee assigned to the overnight standby duty shall receive ~~$42.96~~ $44.59 for the overnight standby shift plus a minimum of two (2) hours pay at applicable overtime rates for the first call back in each overnight standby shift. Any successive ~~call backs~~callbacks in the same overnight standby shift will be paid for actual time worked at applicable overtime rates.

Exempt employees are not eligible to receive standby pay.

(b) Weekend/Holiday Standby Pay. The employees assigned overnight standby duty on Fridays shall receive the standby pay as set forth in Section 8.6(a) for the overnight standby shift. The employees assigned to twenty-four (24) hour standby duty on Saturdays, Sundays and holidays shall receive ~~$82.24~~ $85.37 per twenty-four (24) hour standby shift. The employees shall receive a minimum of two (2) hours pay at applicable overtime rates for the first call back in each shift. Any successive ~~call backs~~callbacks in the same shift will be paid for actual time worked at applicable overtime rates.

Exempt employees are not eligible to receive weekend/holiday standby pay.

Sec. 8.7 Shift Differential Pay. Employees assigned to work a different shift from the District's regular work period of Monday through Thursday from 7:00 a.m. to 4:30 p.m., and on Friday from 7:00 a.m. to 3:30 p.m. for Field personnel and 7:00 a.m. to 3:30 p.m. for Office and Field Administrative personnel shall receive ~~$1.94~~ $2.01 per hour shift differential pay in addition to his/her regular pay for those hours worked other than the District's regular work period.

Sec. 8.8 Payroll Period and Pay Day. Payroll periods shall be on a biweekly basis beginning four (4) hours and one (1) minute into the workday on Friday and end 168 hours later. Pay checks will normally be distributed in the week following the end of the payroll period.

Sec. 8.9 Compensation Policy - Position Classifications and Salary Ranges. This section sets forth the basic policies of the District. However, notwithstanding any policy set forth herein, the Board of Directors reserves the right and power to determine salary schedules and compensation of all employees after meeting and conferring with recognized employee associations and employee representatives.

It has been determined to be in the best interest of the Valley Center Municipal Water District to compensate its employees at salaries competitive with individuals being paid for comparable duties and responsibilities in public agencies providing similar services within the District's employment area, which is defined as San Diego and Southwestern Riverside Counties. Competitive compensation ~~shall be~~shall be deemed to be salary rates at 100%-105% of the mean salary paid for comparable duties and responsibilities in the employment area. Variance from this may be justified by circumstances and conditions specific to the Valley Center Municipal Water District.

(a) Position Classifications and Salary Ranges. The District shall review and evaluate the position classifications existing within the District as negotiated. Based on comparative studies made in the District's employment area, the General Manager may recommend to the Board of Directors that adjustments to all or any part of the salary ranges be made.

(b) Implementation of Findings. If, upon the review and evaluation of the position classifications by the District or by outside consultants, employees are found:

(1) to be compensated below the bottom of the recommended and adopted salary range for their respective position(s), then the affected employee(s) may receive a salary range adjustment increase effective with the adoption of the revised salary range, and such increase shall have no effect on subsequent meritorious salary consideration, or

(2) to be compensated above the top of the recommended range for their respective position(s), then subject employee(s) shall be deemed to be "above range", and shall retain the current pay level and qualification for annual cost of living increases, if awarded, as long as the incumbent employee(s) retains the present classification. Employees subsequently hired into the same classification shall be compensated within the salary range in effect at the time of hire.

(c) Classification and Compensation Plan. ~~Simultaneous~~Simultaneously with submission of the fiscal year budget, a list of all positions required for the coming year, along with the recommended salary range for each position, are submitted. The Board, after full consideration of the recommendations, shall adopt a classification and compensation plan.

The present District salary ranges are shown on the immediately following pages.

Sec. 8.9 Compensation Policy - Position Classifications and Salary Ranges (Cont'd.)

(c) Classification and Compensation Plan (Cont'd.) *Effective ~~05/04/2026~~ 06/26/2026, mid shift*

| Classifications | Salary Range Number [(1)] |
|---|---|
| **General Manager** | **As set by Board** |
| Executive Assistant/Secretary to the Board | 25 |
| Special Projects and Regulatory Compliance Manager | 31 |
| | |
| **Administrative/Clerical Series** | |
| Administrative Assistant I | 14 ~~(1)~~ |
| Administrative Assistant II | 16 |
| Administrative Assistant II/Assistant Board Secretary | 17 |
| Administrative Assistant III | 18 |
| Administrative Assistant III/Assistant Board Secretary | 19 |
| Sr. Administrative Assistant | 21 |
| Administrative Supervisor | 23 |
| | |
| **Engineering Series** | |
| ~~District Engineer /Deputy General Manager~~ | ~~37.6~~ |
| District Engineer | 37 |
| Senior Engineer | 33 |
| Engineer II | 29 |
| Engineer I | 25 |
| Project Coordinator | 27 |
| Project Manager | 30.5 |
| Engineering Technician I | 19 ~~(1)~~ |
| Engineering Technician II | 21 |
| Engineering Technician III | 23 |
| Sr. Engineering Technician | 25 |
| Engineering Services Supervisor | 27 |
| GIS/Mapping Technician | 21 |
| GIS Analyst | 23 |
| Senior GIS Analyst | 25 |
| Construction Inspector I | 18.5 |
| Construction Inspector II | 20.5 |
| Construction Inspector III | 22.5 |
| Sr. Construction Inspector | 24.5 |
| Construction Inspector Supervisor | 27 |
| | |
| **Finance, Accounting and Consumer Services Series** | |
| Director of Finance and Administration | ~~36.6~~ 36.5 |
| Accounting Specialist I | 18 |
| Accounting Specialist II | 21 |
| Manager of Accounting/Deputy Director of Finance and Administration | 33 |

Notes: [(1)] Employees may be hired in the "Training Range", as defined by Section 5.3(e), hired at 15% below classification level.

(c) Classification and Compensation Plan (Cont'd.) *Effective ~~05/04/2026~~ 06/26/2026, mid shift*

| Classifications | Salary Range Number [1] |
|---|---|
| **Finance (Cont'd)** | |
| Consumer Services Assistant | 16 |
| Sr. Consumer Services Assistant | 18 |
| Consumer Services Supervisor | 25 |
| Manager of Human Resources | 31 |
| Human Resources Coordinator | 27 |
| Human Resources Analyst | 25 |
| **Information Technology Series** | |
| Director of Information Technology | ~~36.6~~ 36.5 |
| Information Technology Specialist | 23 ~~(1) (2)~~ |
| Sr. Information Technology Specialist | 27 |
| SCADA IT Administrator | 29 |
| **Operations and Facility Maintenance Administration and Operating Divisions Series** | |
| Director of Operations/Facilities | 36.5 |
| Environmental Compliance Manager/Deputy Director of Operations and Facilities | 29.5 |
| Safety & Regulatory Compliance Officer | 25.0 |
| **Construction-Maintenance, Landscape Division** | |
| Construction/Maintenance Technician I | 17 ~~(1) (2)~~ |
| Construction/Maintenance Technician II | 19.5 |
| Construction/Maintenance Technician III | 21.5 |
| Sr. Construction/Maintenance Technician | 23.5 |
| Construction/Maintenance Supervisor | 27 |
| Landscape Maintenance Worker I | 13 ~~(1) (2)~~ |
| Landscape Maintenance Worker II | 15 |
| Landscape Maintenance Worker III | 17 |
| Sr. Landscape Maintenance Worker | 19 |
| **Meter Services Division** | |
| Meter Services Technician I | 17 ~~(1) (2)~~ |
| Meter Services Technician II | 19.5 |
| Meter Services Technician III | 21.5 |
| Sr. Meter Services Technician | 23.5 |
| Meter Services Supervisor | 27 |

Notes: (1) Employees may be hired in the "Training Range", as defined by Section 5.3(e), hired at 15% below classification level.

~~(2) Employees may be hired as "Provisional Employees" and, as such, have two (2) years to obtain the licenses and certifications required to perform their specified duties or be subject to actions as~~

~~described in Section 5.3(f)~~

Sec. 8.9 Compensation Policy - Position Classifications and Salary Ranges (Cont'd.)

(c) Classification and Compensation Plan (Cont'd.) *Effective ~~05/04/2026~~ 06/26/2026, mid shift*

| Classifications | Salary Range Number [(1)] |
|---|---|
| **Pumps-Motors, Electrical, Fleet Maintenance Division** | |
| Pump Facilities Technician I | 17 ~~[(1) (2)]~~ |
| Pump Facilities Technician II | 19.5 |
| Pump Facilities Technician III | 21.5 |
| Sr. Pump Facilities Technician | 23.5 |
| Pumps and Motors Supervisor | 27 |
| | |
| Electrical Technician I | 17 |
| Electrical Technician II | 19.5 |
| Electrician | 21.5 |
| Sr. Electrician | 23.5 |
| | |
| Fleet Mechanic I | 17 ~~[(1) (2)]~~ |
| Fleet Mechanic II | 19.5 |
| Fleet Mechanic III | 21.5 |
| Sr. Fleet Mechanic | 23.5 |
| | |
| **Wastewater Operations Division** | |
| Wastewater Systems Technician I | 17 ~~[(1) (2)]~~ |
| Wastewater Systems Technician II | 19.5 |
| Wastewater Systems Technician III | 21.5 |
| Sr. Wastewater Systems Technician | 23.5 |
| Wastewater Systems Supervisor | 27 |
| | |
| **Water Operations Division** | |
| Water Systems Technician I | 17 ~~[(1) (2)]~~ |
| Water Systems Technician II | 19.5 |
| Water Systems Technician III | 21.5 |
| Sr. Water Systems Technician | 23.5 |
| Water Systems Supervisor | 27 |
| | |
| **Retired Annuitant** | 17-34~~[(3)]~~[(2)] |

Notes: (1) Employees may be hired in the "Training Range", as defined by Section 5.3(e), hired at 15% below classification level.

~~(2)~~ ~~Employees may be hired as "Provisional Employees" and, as such, have two (2) years to obtain licenses/ certifications required to perform their specified duties or be subject to actions as described in §5.3(f)~~

~~(3)~~(2) Retired Annuitant's may be hired within the "Retired Annuitant" salary range based on the position classification.

Sec. 8.9 (c) Classification and Compensation Plan (Cont'd) Effective ~~04/06/2026~~ 06/26/2026 Mid-shift

| RANGE NO. | BIWEEKLY SALARY RANGE MIN | BIWEEKLY SALARY RANGE MAX | MONTHLY SALARY RANGE MIN | MONTHLY SALARY RANGE MAX | YEARLY SALARY RANGE MIN | YEARLY SALARY RANGE MAX | HOURLY SALARY RANGE MIN | HOURLY SALARY RANGE MAX |
|---|---|---|---|---|---|---|---|---|
| Gen Mgr | $10,192.31 | $11,346.15 | $22,083.33 | $24,583.33 | $265,000.00 | $295,000.00 | $127.404 | $141.827 |
| 37.0 | $7,160.64 | $9,596.00 | $15,514.72 | $20,791.33 | $186,176.64 | $249,496.00 | $89.508 | $119.950 |
| 36.5 | $6,988.08 | $9,364.72 | $15,140.84 | $20,290.23 | $181,690.08 | $243,482.72 | $87.351 | $117.059 |
| 36.0 | $6,819.68 | $9,139.04 | $14,775.97 | $19,801.25 | $177,311.68 | $237,615.04 | $85.246 | $114.238 |
| 35.5 | $6,655.36 | $8,918.80 | $14,419.95 | $19,324.07 | $173,039.36 | $231,888.80 | $83.192 | $111.485 |
| 35.0 | $6,494.96 | $8,703.84 | $14,072.41 | $18,858.32 | $168,868.96 | $226,299.84 | $81.187 | $108.798 |
| 34.5 | $6,338.40 | $8,494.08 | $13,733.20 | $18,403.84 | $164,798.40 | $220,846.08 | $79.230 | $106.176 |
| 34.0 | $6,185.68 | $8,289.36 | $13,402.31 | $17,960.28 | $160,827.68 | $215,523.36 | $77.321 | $103.617 |
| 33.5 | $6,036.56 | $8,089.60 | $13,079.21 | $17,527.47 | $156,950.56 | $210,329.60 | $75.457 | $101.120 |
| 33.0 | $5,891.12 | $7,894.64 | $12,764.09 | $17,105.05 | $153,169.12 | $205,260.64 | $73.639 | $98.683 |
| 32.5 | $5,749.12 | $7,704.40 | $12,456.43 | $16,692.87 | $149,477.12 | $200,314.40 | $71.864 | $96.305 |
| 32.0 | $5,610.56 | $7,518.72 | $12,156.21 | $16,290.56 | $145,874.56 | $195,486.72 | $70.132 | $93.984 |
| 31.5 | $5,475.36 | $7,337.52 | $11,863.28 | $15,897.96 | $142,359.36 | $190,775.52 | $68.442 | $91.719 |
| 31.0 | $5,343.44 | $7,160.64 | $11,577.45 | $15,514.72 | $138,929.44 | $186,176.64 | $66.793 | $89.508 |
| 30.5 | $5,214.64 | $6,988.08 | $11,298.39 | $15,140.84 | $135,580.64 | $181,690.08 | $65.183 | $87.351 |
| 30.0 | $5,088.96 | $6,819.68 | $11,026.08 | $14,775.97 | $132,312.96 | $177,311.68 | $63.612 | $85.246 |
| 29.5 | $4,966.32 | $6,655.36 | $10,760.36 | $14,419.95 | $129,124.32 | $173,039.36 | $62.079 | $83.192 |
| 29.0 | $4,846.64 | $6,494.96 | $10,501.05 | $14,072.41 | $126,012.64 | $168,868.96 | $60.583 | $81.187 |
| 28.5 | $4,729.84 | $6,338.40 | $10,247.99 | $13,733.20 | $122,975.84 | $164,798.40 | $59.123 | $79.230 |
| 28.0 | $4,615.84 | $6,185.68 | $10,000.99 | $13,402.31 | $120,011.84 | $160,827.68 | $57.698 | $77.321 |
| 27.5 | $4,504.64 | $6,036.56 | $9,760.05 | $13,079.21 | $117,120.64 | $156,950.56 | $56.308 | $75.457 |
| 27.0 | $4,396.08 | $5,891.12 | $9,524.84 | $12,764.09 | $114,298.08 | $153,169.12 | $54.951 | $73.639 |
| 26.5 | $4,290.08 | $5,749.12 | $9,295.17 | $12,456.43 | $111,542.08 | $149,477.12 | $53.626 | $71.864 |
| 26.0 | $4,186.72 | $5,610.56 | $9,071.23 | $12,156.21 | $108,854.72 | $145,874.56 | $52.334 | $70.132 |
| 25.5 | $4,085.84 | $5,475.36 | $8,852.65 | $11,863.28 | $106,231.84 | $142,359.36 | $51.073 | $68.442 |
| 25.0 | $3,987.36 | $5,343.44 | $8,639.28 | $11,577.45 | $103,671.36 | $138,929.44 | $49.842 | $66.793 |
| 24.5 | $3,891.28 | $5,214.64 | $8,431.11 | $11,298.39 | $101,173.28 | $135,580.64 | $48.641 | $65.183 |
| 24.0 | $3,797.44 | $5,088.96 | $8,227.79 | $11,026.08 | $98,733.44 | $132,312.96 | $47.468 | $63.612 |
| 23.5 | $3,705.92 | $4,966.32 | $8,029.49 | $10,760.36 | $96,353.92 | $129,124.32 | $46.324 | $62.079 |
| 23.0 | $3,616.64 | $4,846.64 | $7,836.05 | $10,501.05 | $94,032.64 | $126,012.64 | $45.208 | $60.583 |
| 22.5 | $3,529.52 | $4,729.84 | $7,647.29 | $10,247.99 | $91,767.52 | $122,975.84 | $44.119 | $59.123 |
| 22.0 | $3,444.40 | $4,615.84 | $7,462.87 | $10,000.99 | $89,554.40 | $120,011.84 | $43.055 | $57.698 |
| 21.5 | $3,361.44 | $4,504.64 | $7,283.12 | $9,760.05 | $87,397.44 | $117,120.64 | $42.018 | $56.308 |
| 21.0 | $3,280.40 | $4,396.08 | $7,107.53 | $9,524.84 | $85,290.40 | $114,298.08 | $41.005 | $54.951 |
| 20.5 | $3,201.36 | $4,290.08 | $6,936.28 | $9,295.17 | $83,235.36 | $111,542.08 | $40.017 | $53.626 |
| 20.0 | $3,124.24 | $4,186.72 | $6,769.19 | $9,071.23 | $81,230.24 | $108,854.72 | $39.053 | $52.334 |
| 19.5 | $3,048.88 | $4,085.84 | $6,605.91 | $8,852.65 | $79,270.88 | $106,231.84 | $38.111 | $51.073 |
| 19.0 | $2,975.44 | $3,987.36 | $6,446.79 | $8,639.28 | $77,361.44 | $103,671.36 | $37.193 | $49.842 |
| 18.5 | $2,903.76 | $3,891.28 | $6,291.48 | $8,431.11 | $75,497.76 | $101,173.28 | $36.297 | $48.641 |
| 18.0 | $2,833.76 | $3,797.44 | $6,139.81 | $8,227.79 | $73,677.76 | $98,733.44 | $35.422 | $47.468 |
| 17.5 | $2,765.44 | $3,705.92 | $5,991.79 | $8,029.49 | $71,901.44 | $96,353.92 | $34.568 | $46.324 |
| 17.0 | $2,698.80 | $3,616.64 | $5,847.40 | $7,836.05 | $70,168.80 | $94,032.64 | $33.735 | $45.208 |
| 16.5 | $2,633.76 | $3,529.52 | $5,706.48 | $7,647.29 | $68,477.76 | $91,767.52 | $32.922 | $44.119 |
| 16.0 | $2,570.32 | $3,444.40 | $5,569.03 | $7,462.87 | $66,828.32 | $89,554.40 | $32.129 | $43.055 |
| 15.5 | $2,508.32 | $3,361.44 | $5,434.69 | $7,283.12 | $65,216.32 | $87,397.44 | $31.354 | $42.018 |
| 15.0 | $2,447.92 | $3,280.40 | $5,303.83 | $7,107.53 | $63,645.92 | $85,290.40 | $30.599 | $41.005 |
| 14.5 | $2,388.88 | $3,201.36 | $5,175.91 | $6,936.28 | $62,110.88 | $83,235.36 | $29.861 | $40.017 |
| 14.0 | $2,331.36 | $3,124.24 | $5,051.28 | $6,769.19 | $60,615.36 | $81,230.24 | $29.142 | $39.053 |
| 13.5 | $2,275.12 | $3,048.88 | $4,929.43 | $6,605.91 | $59,153.12 | $79,270.88 | $28.439 | $38.111 |
| 13.0 | $2,220.32 | $2,975.44 | $4,810.69 | $6,446.79 | $57,728.32 | $77,361.44 | $27.754 | $37.193 |
| 12.5 | $2,166.80 | $2,903.76 | $4,694.73 | $6,291.48 | $56,336.80 | $75,497.76 | $27.085 | $36.297 |
| 12.0 | $2,114.56 | $2,833.76 | $4,581.55 | $6,139.81 | $54,978.56 | $73,677.76 | $26.432 | $35.422 |
| 11.5 | $2,063.60 | $2,765.44 | $4,471.13 | $5,991.79 | $53,653.60 | $71,901.44 | $25.795 | $34.568 |
| 11.0 | $2,013.92 | $2,698.80 | $4,363.49 | $5,847.40 | $52,361.92 | $70,168.80 | $25.174 | $33.735 |
| 10.5 | $1,965.36 | $2,633.76 | $4,258.28 | $5,706.48 | $51,099.36 | $68,477.76 | $24.567 | $32.922 |
| 10.0 | $1,918.00 | $2,570.32 | $4,155.67 | $5,569.03 | $49,868.00 | $66,828.32 | $23.975 | $32.129 |
| Retired Annuitant | $2,698.80 | $8,289.36 | $5,847.40 | $17,960.28 | $70,168.80 | $215,523.36 | $33.735 | $103.617 |

 ~~* General Manager salary is effective on January 1.~~ 

Sec 8.15 Safety Glasses. The District shall provide, at no expense to the employee, safety glasses for all employees who are required by the District to perform tasks involving a possible hazard to the eyes. Employees shall be required to obtain safety glasses from the approved occupational eyewear provider designated by the District. Authorization forms and details of the program shall be obtained from Human Resources or Safety Supervisor in advance of the purchase of safety glasses.

Prescription safety lenses, if required to be worn by the employee, shall be provided in accordance with applicable law. In no case shall prescription lenses be placed in other than safety frames meeting the American National Standards Institute (ANSI) standards, Z87.1.

Sec. 8.16 License Renewal. The District shall reimburse any regular, full-time employee for the cost of renewing any license or certificate (excluding Class C driver's licenses) the employee is required to possess as a condition of employment by the District, (including mandatory physicals) which the employee is required to renew during his/her term of employment.

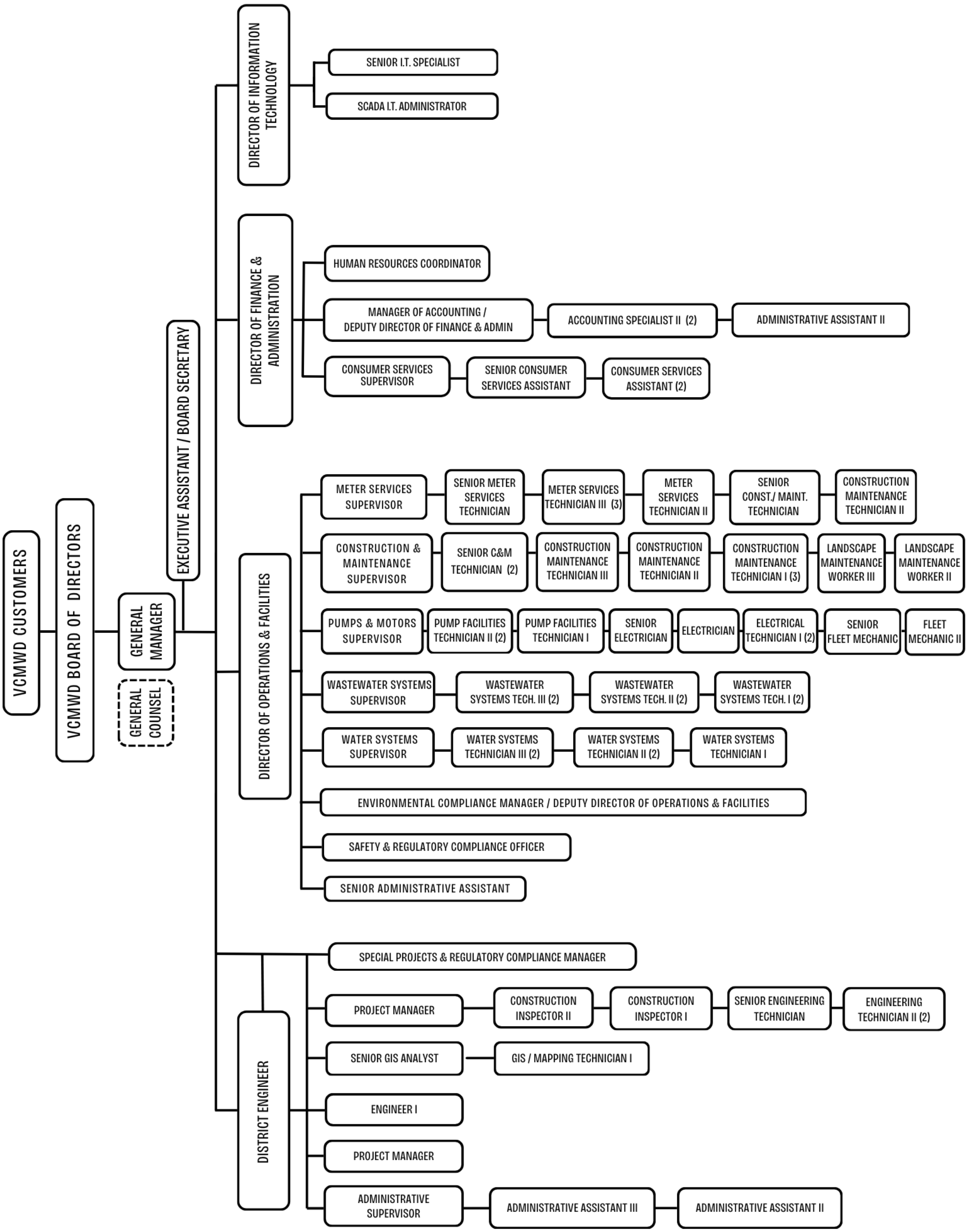
Sec. 8.17 Compensatory Time. When approved overtime work is incurred, an employee can be remunerated for such work by receiving compensatory time. Per fiscal year, the maximum accumulation and amount of compensatory time that can be used is one hundred (100) hours. (Any compensatory time on the books at the end of the fiscal year, June 30th, will be transferred to the next fiscal year and applied toward the maximum one hundred (100) hours accrual for that year.)

The department head or supervisor shall apply discretion in determining when compensatory time off will be granted in order to continue the efficiencies of the particular department.

Sec. 8.18 Vehicle Allowance. A vehicle allowance is a monthly stipend provided to eligible employees approved by the General Manager. Eligible employees must hold a senior management position.

Eligible employees shall be paid four hundred dollars (~~$200~~$400.00) per month, payable in bi-weekly installments. Vehicle allowances are taxed at the current applicable tax rates and will be included in the employee's income for tax purposes. Vehicle allowances will not be considered a part of an employee's compensation for salary increase or calculation of other benefits.

Sec. 40.11 Organizational Chart (Cont'd.)



# Recap of Revenues & Source

# Recap of Budget and Source of Financing
## All Budgeted Funds

| | Operating | Debt Service | Capital Projects | Total General | Moosa Wastewater | Woods Valley | WVR Expansion | Total All Funds |
|---|---|---|---|---|---|---|---|---|
| **ESTIMATED BALANCE, JUNE 30, 2026** | **$ 6,120,091** | **$ 532,263** | **$ 7,640,200** | **$ 14,292,554** | **$ 2,016,476** | **$ 5,363,158** | **$ 6,363,314** | **$ 28,035,502** |
| **RECAP OF EXPENDITURES BY FUNCTION** | | | | | | | | |
| General Administration | $ 1,397,889 | | | $ 1,397,889 | | | | $ 1,397,889 |
| Information Technology | $ 1,224,227 | | | $ 1,224,227 | | | | $ 1,224,227 |
| Finance | $ 3,357,461 | $ 127,593 | | $ 3,485,054 | | | $ 408,266 | $ 3,893,320 |
| Engineering | $ 2,713,147 | | | $ 2,713,147 | | | | $ 2,713,147 |
| Operations & Facilities | $ 9,576,205 | | | $ 9,576,205 | $ 1,954,569 | $ 1,509,312 | | $ 13,040,086 |
| Source of Supply | $ 34,570,275 | | | $ 34,570,275 | | | | $ 34,570,275 |
| Depreciation Expense | | | $ 3,883,000 | $ 3,883,000 | | | | $ 3,883,000 |
| Capital Projects | | | | $ - | $ 16,000 | $ 27,000 | $ - | $ 43,000 |
| **Total Budgeted Expenditures** | **$ 52,839,204** | **$ 127,593** | **$ 3,883,000** | **$ 56,849,797** | **$ 1,970,569** | **$ 1,536,312** | **$ 408,266** | **$ 60,764,944** |
| **SOURCE OF FINANCING** | | | | | | | | |
| Revenues: | | | | | | | | |
| Water Sales | $ 37,530,000 | | | $ 37,530,000 | | | | $ 37,530,000 |
| Meter Service Charges/Wastewater Charges | $ 12,225,000 | | | $ 12,225,000 | $ 2,604,244 | $ 2,057,940 | $ 1,506,254 | $ 18,393,438 |
| New Connection Sales | $ 357,800 | | $ 82,000 | $ 439,800 | | | | $ 439,800 |
| Other Revenue | $ 1,435,620 | | | $ 1,435,620 | | | | $ 1,435,620 |
| Investment Income | $ 1,230,000 | | | $ 1,230,000 | | | | $ 1,230,000 |
| Property Taxes | | | $ 3,889,000 | $ 3,889,000 | | | | $ 3,889,000 |
| Water Availability Charges | $ - | $ 538,062 | $ 19,938 | $ 558,000 | | | | $ 558,000 |
| Capital Improvement Charges | | | $ 729,000 | $ 729,000 | | | | $ 729,000 |
| Grant Proceeds | | | $ 3,775,000 | $ 3,775,000 | | | $ - | $ 3,775,000 |
| **Total Revenues** | **$ 52,778,420** | **$ 538,062** | **$ 8,494,938** | **$ 61,811,420** | **$ 2,604,244** | **$ 2,057,940** | **$ 1,506,254** | **$ 67,979,858** |
| **NET REVENUES & EXPENDITURES** | **$ (60,784)** | **$ 410,469** | **$ 4,611,938** | **$ 4,961,623** | **$ 633,675** | **$ 521,628** | **$ 1,097,988** | **$ 7,214,914** |
| **Adjustments to Cash Basis** | | | | | | | | |
| Add: | | | | | | | | |
| DEPRECIATION EXPENSE | | | $ 3,883,000 | $ 3,883,000 | | | | $ 3,883,000 |
| NET DEBT PROCEEDS | | | $ 1,739,000 | $ 1,739,000 | | | $ - | $ 1,739,000 |
| Less: | | | | | | | | |
| EXPENDITURES OF CONTINUING PROJECT | $ - | $ - | $ (3,287,011) | $ (3,287,011) | $ (444,960) | $ (886,000) | $ (3,430,882) | $ (8,048,853) |
| NEW CAPITAL PROJECT EXPENDUTURES | | | $ (7,308,500) | $ (7,308,500) | | | | $ (7,308,500) |
| DEBT SERVICE PRINCIPAL | | $ (410,469) | | $ (410,469) | $ (389,562) | | $ (1,214,122) | $ (2,014,153) |
| TRANSFER OF (FCSA'S) | (105,088) | | | $ (105,088) | | 29,068 | 76,020 | $ - |
| TRANSFER: (See page 3-3) | $ 3,151,177 | $ - | $ (60,784) | $ 3,090,393 | $ - | $ - | $ - | $ 3,090,393 |
| **ESTIMATED BALANCE, JUNE 30, 2027** | **$ 9,105,397** | **$ 532,263** | **$ 7,217,843** | **$ 16,855,503** | **$ 1,815,629** | **$ 5,027,854** | **$ 2,892,318** | **$ 26,591,303** |

# Valley Center Municipal Water District

## Recap of Reserves and Fund Balances

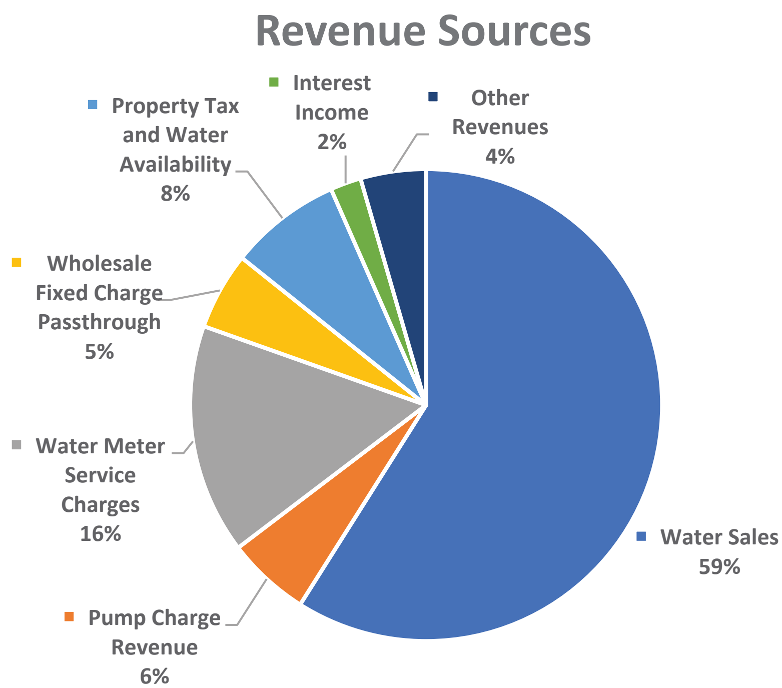
### All Budgeted Funds

(Excludes Utility Plant)

| | Projected Balance June 30, 2026 | Revenues | Expenses | Net Revenues -Expenses | Transfers | Projected Balance June 30, 2027 |
|---|---|---|---|---|---|---|
| **General Fund** | | | | | | |
| **Operating** | | | | | | |
| Discretionary Reserves | | | | | | |
| - Rate Stabilization | $ - | | | $ - | | $ - |
| - Pumping Rate Stabilization | $ - | $ 3,306,000 | $ (3,026,700) | $ 279,300 | $ (279,300) | $ - |
| - Operating Reserve | $ 6,120,091 | | | $ - | $ 2,985,305 | $ 9,105,397 |
| Unappropriated Fund Balance | $ - | $ 49,472,420 | $ (49,812,504) | $ (340,084) | $ 340,084 | $ - |
| **Total Operating** | $ 6,120,091 | $ 52,778,420 | $ (52,839,204) | $ (60,784) | $ 3,046,089 | $ 9,105,397 |
| **Debt Service Reserve** | $ 532,263 | $ 538,062 | $ (127,593) | $ 410,469 | $ (410,469) | $ 532,263 |
| **Capital Projects Reserves** | | | | | | |
| - Continuing Projects | $ 3,287,011 | | $ (3,287,011) | $ (3,287,011) | | $ - |
| - Capacity Charges | $ 312,000 | $ 82,000 | | $ 82,000 | | $ 394,000 |
| - Capital Improvement Charge | $ 286,300 | $ 729,000 | | $ 729,000 | | $ 1,015,300 |
| - Capital Improvements | $ 3,754,889 | $ 9,422,938 | $ (7,308,500) | $ 2,114,438 | $ (60,784) | $ 5,808,543 |
| **Total Capital** | $ 7,640,200 | $ 10,233,938 | $ (10,595,511) | $ (361,573) | $ (60,784) | $ 7,217,843 |
| **Total General Fund** | $ 14,292,554 | $ 63,550,420 | $ (63,562,308) | $ (11,888) | $ 2,574,836 | $ 16,855,503 |
| **Lower Moosa Wastewater** | $ 2,016,476 | $ 2,604,244 | $ (2,805,091) | $ (200,847) | $ - | $ 1,815,629 |
| **Woods Valley Expansion** | $ 6,363,314 | $ 1,506,254 | $ (5,053,270) | $ (3,547,016) | $ 76,020 | $ 2,892,318 |
| **Woods Valley Wastewater** | $ 5,363,158 | $ 2,057,940 | $ (2,422,312) | $ (364,372) | $ 29,068 | $ 5,027,854 |
| **Total All Funds** | **$ 28,035,502** | **$ 69,718,858** | **$ (73,842,981)** | **$ (4,124,123)** | **$ 2,679,924** | **$ 26,591,303** |

## DESCRIPTION OF MAJOR REVENUE SOURCES

Valley Center Municipal Water District's water fund revenues are received from six major sources.




1. **Water Sales** - The District treats water as a commodity, generating revenue by measuring consumption at the customer's meter. Water sales include the revenues collected from both the wholesale water rate and the local commodity rate. The revenues collected from the wholesale water rate fund the cost directly associated with the purchase of water from the District's wholesale supplier, the San Diego County Water Authority (SDCWA). Revenue collected from the local commodity rate funds approximately 20% of the District's fixed costs of operations. The District continues to sell the majority of it's water to Agricultural customers with the sales to certified agricultural customers totaling 54% in Fiscal Year 2025/26.

   Water sales for the past ten years have ranged from a high of 21,498 acre feet in Fiscal Year 2017-18, to a low of 11,493 acre feet in Fiscal Year 2023-24. This is a decrease of 46.5%, or 10,005 acre feet from the 10-year high. This reduced water sales volume is due to the gradual decline in agricultural land in production. Agricultural sales are estimated at 53% of the total volume of water sold for Fiscal Year 2026-27. The prior year estimated actual agricultural sales accounted for 54% of the volume.

   The San Diego County Water Authority (SDCWA) has not yet adopted wholesale rates but staff has been provided with information regarding the most recent SDCWA estimates for the 2027 water rates. Those estimates were used during the preparation of the Recommended Budget. All rates and charges from MWD and SDCWA are subject to change at any time and are passed through to District customers in accordance with Administrative Code Section 160.3(g), including any rate changes not yet known.

   The wholesale water rate information obtained from the SDCWA indicates that their rates are to increase within a range of 3% - 6% over the current adopted rates. Final rate recommendations will be based on those wholesale rates actually adopted by the SDCWA.

   Also included in the wholesale commodity rate are fixed charges that the District is required to pay the SDCWA in 2026-27 for Customer Service, Storage, Supply Reliability, and Transportation Charge. The District calculates the per-acre-foot equivalent of these charges by dividing the total charges by projected water sales, less an 10% reserve for sales levels under budgeted amounts. For the fiscal year ending 2027 budgeted sales are 12,000 acre feet and the fixed charges totaling $5,245,720 are allocated over 10,800 acre feet. Total SDCWA fixed charges for 2025-26 are estimated to be $222,440, or 9%, lower than in 2027. This decrease is a direct result of the implementation of fixed charge passthroughs (discussed on the following page) that have been transferred to fixed charges instead of variable to VCMWD customers, relieving the variable rate from the pressure of the fixed costs. The VCMWD Board began this effort Calendar Year 2025

**San Diego County Water Authority Permanent Special Agricultural Water Rate**

The San Diego County Water Authority approved the Special Agricultural Water Rate as a permanent program effective January 1, 2021. Calendar Year 2021 marked significant changes to the eligibility requirements for PSAWR customers. At December 31, 2020, the District had a total of 1,038 agricultural customers, compared to 614 Certified Agricultural customers under the program on March 31, 2026.

An incremental melded supply rate cost of $593, the storage charge for the ESP & CO component of $126, and the supply reliability charge of $212 that are added to the water supply charge by the SDCWA are not charged to agricultural customers. The total credit amounts to $931 per acre foot of savings for the District's agricultural customers for the 2027 rates. The credit is $79 lower than last years credit of $852 due mostly to the decreased savings that agricultural customers realize by paying their proportionate share of the operating component of the Storage Charge.

2. **Pump Charge** revenue is collected through a pumping rate imposed on customers in elevated regions of the District. The revenue generated from the Pump Charge funds the costs associated with pumping water to those elevated regions. These costs include electricity, gas, and pump station maintenance.

   Pumping charge revenue for Fiscal Year 2026-27 is expected to be $3,306,000 compared to $3,262,000 budgeted in Fiscal Year 2025-26. The increase is due to a 17.8% increase to the pumping rates required to offset the costs passed through from San Diego Gas & Electric as well as the costs for the maintenance of pumps and motors. In Fiscal Year 2023-24 the Board approved a 5-year plan to close the gap between Pumping Charge Revenues and Total Pumping Costs. The goal is that the Pumping Charge Revenues be sufficient to cover the Total Pumping Costs.

3. **Water Service Charges** are monthly customer fees based on the size of the meter installed. Water Service Charges account for 21% of Total Revenue for Fiscal Year 2026-27. Revenue collected from the monthly water service charges is used to recover a portion of the fixed costs of operations. These costs include labor and benefits, equipment repair, replacement, meter reading, account management, materials, supplies and other operating expenses. These fixed costs do not increase or decrease based on the amount of water used.

   In the Fiscal Year 2026-27 Budget, Total Meter Service Charges are estimated at $9,122,000, $854,000 higher than the $8,268,000 in Fiscal Year 2025-26. The increase in Water Service Charges year over year is due to a 9.8% increase that went into effect on January 1, 2026 combined with a proposed 9.4% increase assumed in the budget to go into effect on January 1, 2027.

4. **Wholesale Fixed Charge Passthrough** revenues are also monthly customer fees based on the size of the meter installed. These charges are set to recover the cost of fixed charges that the District is required to pay to the SDCWA regardless of how much water it purchases or sells. These charges include the Infrastructure Access Charge, Metropolitan Water District (MWD) Readiness to Serve and Capacity Reservation Charges, and a portion of the SDCWA Transportation Fixed Charge.

   The Infrastructure Access Charge (IAC) is a pass-through charge from the SDCWA imposed on member agencies as a condition of maintaining connections to Water Authority facilities. The SDCWA has not adopted the new IAC rate for Calendar Year 2026. However, SDCWA Staff has shared that the rate is proposed to increase 7%.

The MWD Readiness to Serve and Capacity Reservation Charges are passed-through SDCWA from the MWD totaling just over $1.0M in Fiscal Year 2026-27. The MWD Fixed Charge Passthrough paid by VCMWD customers is set up to recover 100% of those charges. It's currently $7.50 for a ¾-inch meter and $10.00 for a 1-inch meter. The SDCWA has not adopted the new MWD Fixed Charges. The Fiscal Year 2026-27 Budget assumes no increase to these rates.

The District has begun converting the SDCWA Transportation Fixed Charge out of the wholesale commodity rate and instead as a fixed charge passthrough to the customers on their water bills. On June 16, 2025, the VCMWD Board approved a 3-year phase in with the intent to recover 100% of the charge by the 3rd year. Calendar Year 2026 was the first year that the SDCWA Transportation Fixed Charge Passthrough was implemented. The SDCWA Transportation Fixed Charge is estimated at just over $2.3M in Fiscal Year 2026-27. It was added to the monthly customer water bills effective January 1, 2026 and is setup to recover one-third of the total charge. The Fiscal Year 2026-27 Budget assumes an increase to this charge that will recover two-thirds of the total charge as directed by the Board. The remaining one-third will continue to be included in the variable wholesale rate until year 3 when the total SDCWA Transportation Fixed Charge will be collected with the fixed monthly SDCWA Transportation Fixed Charge Passthrough.

5. **Property Tax -** The District receives property tax revenues collected by the County of San Diego via the Property Tax Roll and are remitted to the District monthly. Secured property taxes are budgeted at $3,744,000 for Fiscal Year 2026-27, or 2.0% higher than the estimated actual for the current year. The District also collects a **Water Availability Charge** on all property in Valley Center Municipal Water District. The availability charges are the same whether the customer is using water or not. Access to water benefits each property as a current or future owner may want to develop the land. The District has an obligation to build facilities with the capacity to provide water to a customer whenever the need arises. The charge is $10.00/acre with a $10.00/parcel minimum. The District will receive an estimated $564,000 in water availability charges. These revenues in the past have been utilized for water system improvements and replacements.

6. **Interest income** is earned on the cash balance held in various investment accounts including, but not limited to the California Asset Management Program (CAMP), the Local Agency Investment Fund (LAIF), Treasury Bills, and Certificates of Deposit. For Fiscal Year 2026-27, the District projects to earn 3.75% on funds invested for the year for a return of approximately $1,230,000 in interest earnings. This is the equivalent of $102.50 per acre foot of budgeted water sales. Estimated actual interest income for 2025-26 is $1,203,000. The decrease of $27,000 is due to the assumed decrease in the rate of return from 4.00% in Fiscal Year 2025-26 and a decrease in cash balances due to increased capital improvement activity.

## GENERAL FUND

For Fiscal Year 2026-27, the Water Fund operating revenue is proposed at $52,778,420, which is an increase of 5.1% from the budget adopted for last year. This is due to increased water revenue and service charges partially offset by lower investment income. It is projected that for the Water General Fund in Fiscal Year 2026-27 operating expenses will be higher than projected operating revenues by $60,784. The Water Fund operating expenditures budget is proposed at $52,839,204, which is an increase of 6.3% from the budget adopted for last year. Changes in the major components of the budget are summarized on the following page.

## RECAP OF GENERAL FUND

| | 2025-2026 Adopted Budget | Percent of Total | 2026-2027 Proposed Budget | Percent of Budget | Change | Percent of Change |
|---|---|---|---|---|---|---|
| **OPERATING REVENUES** | | | | | | |
| Water Sales (Acre Feet) | 12,500 AF | | 12,000 AF | | (500) AF | -4.0% |
| Water (including Pumping) | $ 36,845,000 | 73.4% | $ 37,530,000 | 71.1% | $ 685,000 | 1.9% |
| Service Charges | 10,502,000 | 20.9% | 12,225,000 | 23.2% | 1,723,000 | 16.4% |
| New Connection Sales | 345,200 | 0.7% | 357,800 | 0.7% | 12,600 | 3.7% |
| Other Revenue | 1,137,477 | 2.3% | 1,435,620 | 2.7% | 298,143 | 26.2% |
| Investment Income | 1,380,000 | 2.7% | 1,230,000 | 2.3% | (150,000) | -10.9% |
| Total Operating Revenue | $ 50,209,677 | 100.0% | $ 52,778,420 | 100.0% | $ 2,568,743 | 5.1% |
| **OPERATING EXPENDITURES:** | | | | | | |
| Water Purchase (Acre Feet) | 13,300 AF | | 12,770 AF | | (530) AF | -4.0% |
| Water | $ 30,836,113 | 62.0% | $ 32,595,275 | 61.7% | $ 1,759,162 | 5.7% |
| Energy | 2,070,000 | 4.2% | 1,975,000 | 3.7% | (95,000) | -4.6% |
| Regulatory Permits | 148,700 | 0.3% | 152,183 | 0.3% | 3,483 | 2.3% |
| Controlled by Others | 33,054,813 | 66.5% | 34,722,458 | 65.7% | 1,667,645 | 5.0% |
| Personnel | 12,786,700 | 25.7% | 13,672,300 | 25.9% | 885,600 | 6.9% |
| Other | 3,886,179 | 7.8% | 4,444,446 | 8.4% | 558,267 | 14.4% |
| Controlled by District* | 16,672,879 | 33.5% | 18,116,746 | 34.3% | 1,443,867 | 8.7% |
| TOTAL Operating Expenditures | $ 49,727,692 | 100.0% | $ 52,839,204 | 100.0% | $ 3,111,512 | 6.3% |
| NET Revenues and Expenditures | $ 481,985 | | $ (60,784) | | $ (542,769) | |
| *** COSTS CONTROLLED BY DISTRICT** | | | | | | |
| General Administration | $ 1,075,322 | 6.4% | $ 1,397,889 | 7.7% | $ 322,567 | 30.0% |
| Information Technology | 1,205,786 | 7.2% | 1,224,227 | 6.8% | 18,441 | 1.5% |
| Finance | 3,093,222 | 18.6% | 3,357,461 | 18.5% | 264,239 | 8.5% |
| Engineering | 2,475,909 | 14.8% | 2,713,147 | 15.0% | 237,238 | 9.6% |
| Operations & Facilities | 8,822,640 | 52.9% | 9,424,022 | 52.0% | 601,382 | 6.8% |
| Total Controlled by District | $ 16,672,879 | 100.0% | $ 18,116,746 | 100.0% | $ 1,443,867 | 8.7% |

# Revenue Estimate

| Fund | Department |
|---|---|
| 01 | 00 |



| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| | WATER SALES (ACRE FEET) | @ 13,885 | @ 12,500 | @ 12,200 | @ 12,000 |
| 80-41400 | Municipal & Industrial | $17,313,077 | $18,120,000 | $15,639,000 | $18,702,000 |
| 80-41700 | Certified Agricultural - PSAWR | 9,099,504 | 8,466,000 | 7,717,000 | 9,162,000 |
| 80-41800 | Certified Ag/Domestic - PSAWR | 7,051,648 | 6,784,000 | 5,346,000 | 6,347,000 |
| 80-43502 | Construction | 205,305 | 213,000 | 13,000 | 13,000 |
| 80-45000 | Pump Charge | 2,791,056 | 3,262,000 | 2,868,000 | 3,306,000 |
| | **Total Water Sales** | **36,460,590** | **36,845,000** | **31,583,000** | **37,530,000** |
| 80-41007 | Additional Living Charge | 21,501 | 22,000 | 22,000 | 22,000 |
| 80-41401 | Water Service Charges | 7,657,969 | 8,268,000 | 8,175,000 | 9,122,000 |
| 80-41410 | Infrastructure Access Charge | 816,785 | 830,000 | 832,000 | 852,000 |
| 80-41420 | MWD Fixed Charge Passthrough | 429,212 | 1,093,000 | 1,086,900 | 1,093,000 |
| 80-41430 | SDCWA Fixed Charge Passthrough | 0 | 289,000 | 272,100 | 1,136,000 |
| | **Total Meter Service Charges** | **8,925,467** | **10,502,000** | **10,388,000** | **12,225,000** |
| 82-41000 | Water Meters - New | 199,420 | 227,170 | 274,800 | 186,160 |
| 82-41990 | Water Meters - Relocate | 535 | 0 | 2,100 | 0 |
| 82-43000 | Pressure Reducers | 300 | 0 | 3,200 | 0 |
| 82-44000 | Backflow Prevention Devices | 163,559 | 118,030 | 257,400 | 171,640 |
| | **Total New Connection Sales** | **363,814** | **345,200** | **537,500** | **357,800** |
| 83-41003 | Current Secured | 3,443,903 | 3,568,000 | 3,670,700 | 3,744,000 |
| 83-42010 | Current Unsecured | 119,199 | 126,000 | 126,400 | 129,000 |
| 83-44010 | Homeowners Exemption (HOE) | 15,362 | 16,000 | 15,200 | 16,000 |
| 83-45050 | Current Water Availability Charge | 561,848 | 564,000 | 563,000 | 558,000 |
| 83-48200 | Interest Allocation-Wtr Availability Chg | 1,315 | 0 | 0 | 0 |
| 83-47000 | Prior Unsecured | 174 | 0 | 25,700 | 0 |
| 83-48000 | Interest Allocation | 8,699 | 0 | 0 | 0 |
| | **Total Property Taxes-Other** | **4,150,500** | **4,274,000** | **4,401,000** | **4,447,000** |

## Revenue Estimate

| Fund | Department |
|---|---|
| 01 | 00 |



| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 84/85-40001 | Investment Income | 1,590,492 | 1,380,000 | 1,203,000 | 1,230,000 |
| 86-41790 | Delinquent Penalty | 534,777 | 360,000 | 631,900 | 630,000 |
| 86-41850 | Transfer Fee | 5,370 | 6,000 | 5,300 | 5,000 |
| 86-42011 | Turn On Charge | 10,365 | 8,000 | 11,600 | 12,000 |
| 86-42100 | Backflow Inspection/Svc Fee | 291,903 | 306,000 | 298,100 | 313,000 |
| 86-42101 | Backflow Repairs | 0 | 0 | 300 | 0 |
| 86-43010 | Sale of Maps/Copies | 7 | 100 | 0 | 100 |
| 86-43300 | Service Availability Charge | 2,509 | 3,800 | 2,800 | 2,800 |
| 86-43500 | Sale of Surplus | 10,595 | 10,000 | 44,900 | 10,000 |
| 86-44020 | Other | 12,857 | 13,500 | 2,600 | 3,000 |
| 86-44001 | Return Check Charge | 5,910 | 5,900 | 6,200 | 6,200 |
| 86-44002 | Lease of Facilities | 412,973 | 418,077 | 434,000 | 447,020 |
| 86-44004 | Escondido Sewer Collection Fee | 5,143 | 4,000 | 5,100 | 4,000 |
| 86-44005 | Escondido Water Service in Lieu | 2,406 | 2,100 | 2,500 | 2,500 |
| | **Total Other Revenue** | **2,885,307** | **2,517,477** | **2,648,300** | **2,665,620** |
| 89-41002 | Meter Capacity Charges | 270,624 | 199,000 | 296,000 | 82,000 |
| 80-41405 | Capital Improvement Charge | 0 | 0 | 286,300 | 729,000 |
| 89-42050 | Contributions In Kind | 3,346,842 | 0 | 0 | 0 |
| 89-44202 | Annex Capital Fees | 0 | 0 | 0 | 0 |
| | **Total Capital Improvement Charges** | **3,617,466** | **199,000** | **582,300** | **811,000** |
| | **TOTAL REVENUE** | **56,403,144** | **54,682,677** | **50,140,100** | **58,036,420** |

# Recap of Budget Expenses
## All Budgeted Funds

| | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|
| **EXPENSE RECAP BY DEPARTMENT** | | | | |
| General Fund | | | | |
| General Administration | $988,799 | $1,075,322 | $1,110,552 | $1,397,889 |
| Finance | 1,735,570 | 3,169,918 | 3,183,485 | 3,485,054 |
| Information Technology | 1,143,383 | 1,235,786 | 1,179,576 | 1,224,227 |
| Engineering | 2,175,299 | 2,475,909 | 2,053,850 | 2,713,147 |
| Operations & Facilities | 8,093,440 | 8,971,340 | 8,486,890 | 9,576,205 |
| Source of Supply | 32,714,850 | 32,906,113 | 30,788,859 | 34,570,275 |
| Total Operating | $46,851,341 | $49,834,388 | $46,803,212 | $52,966,797 |
| Depreciation Expense | 3,726,661 | 3,806,900 | 3,806,900 | 3,883,000 |
| **Total General Fund** | **$50,578,002** | **$53,641,288** | **$50,610,112** | **$56,849,797** |
| Lower Moosa Wastewater Treatment | 3,644,032 | 1,847,101 | 1,819,279 | 1,970,569 |
| Woods Valley Wastewater Expansion | 798,611 | 434,401 | 449,114 | 408,266 |
| Woods Valley Wastewater Treatment | 1,241,987 | 2,101,284 | 1,336,359 | 1,536,312 |
| **Total Wastewater** | **$5,684,630** | **$4,382,786** | **$3,604,752** | **$3,915,147** |
| **Grand Total** | **$56,262,632** | **$58,024,074** | **$54,214,864** | **$60,764,944** |
| **EXPENSE RECAP BY FUNCTION** | | | | |
| General Fund | | | | |
| Operating | $46,744,616 | $49,723,224 | $46,666,196 | $52,833,317 |
| Debt Service | 106,725 | 111,164 | 137,016 | 133,480 |
| Depreciation Expense | 3,726,661 | 3,806,900 | 3,806,900 | 3,883,000 |
| **Total General Fund** | **$50,578,002** | **$53,641,288** | **$50,610,112** | **$56,849,797** |
| Lower Moosa Wastewater Fund | | | | |
| Operating | 1,743,408 | 1,770,991 | 1,697,405 | 1,895,816 |
| Debt Service | 85,157 | 76,110 | 76,911 | 58,753 |
| Capital Projects | 1,815,467 | 0 | 44,963 | 16,000 |
| **Total Lower Moosa Wastewater Fund** | **3,644,032** | **1,847,101** | **1,819,279** | **1,970,569** |
| Woods Valley Wastewater Fund | | | | |
| Operating | 1,216,673 | 1,446,284 | 1,206,806 | 1,509,312 |
| Capital Projects | 25,314 | 655,000 | 129,553 | 27,000 |
| **Total Woods Valley Wastewater Fund** | **1,241,987** | **2,101,284** | **1,336,359** | **1,536,312** |
| Woods Valley Expansion Fund | | | | |
| Operating | 51,760 | 80,000 | 72,000 | 80,000 |
| Debt Service | 364,516 | 354,401 | 354,401 | 328,266 |
| Capital Projects | 382,335 | 0 | 22,713 | 0 |
| **Total Woods Valley Expansion Fund** | **$798,611** | **$434,401** | **$449,114** | **$408,266** |
| **Total Wastewater** | **$5,684,629.82** | **$4,382,786.00** | **$3,604,752.00** | **$3,915,147.00** |
| **Grand Total** | **$56,262,632** | **$58,024,074** | **$54,214,864** | **$60,764,944** |

# History of Water Purchased and Sold

## 1993-1994 through 2026-2027

### WATER PURCHASED - Acre Feet

| YEAR | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 93-94 | 4,588.9 | 4,934.7 | 4,582.2 | 3,899.8 | 2,132.8 | 1,571.9 | 2,406.0 | 385.0 | 877.1 | 1,873.0 | 2,171.8 | 4,375.4 | 33,798.6 |
| 94-95 | 4,829.2 | 5,447.0 | 4,745.3 | 3,869.4 | 2,104.8 | 1,921.0 | 181.1 | 737.6 | 393.0 | 1,522.1 | 1,915.2 | 3,060.5 | 30,726.2 |
| 95-96 | 4,615.4 | 5,329.8 | 5,214.9 | 3,891.6 | 2,899.9 | 1,982.8 | 1,876.6 | 524.4 | 1,091.5 | 3,113.5 | 3,964.4 | 4,317.2 | 38,822.0 |
| 96-97 | 5,286.9 | 5,563.8 | 4,729.4 | 4,121.5 | 1,862.7 | 693.3 | 237.7 | 1,142.5 | 2,994.2 | 3,334.2 | 4,490.8 | 4,286.9 | 38,743.9 |
| 97-98 | 4,992.9 | 5,537.3 | 4,321.1 | 3,838.6 | 2,068.6 | 896.8 | 641.6 | 207.2 | 871.0 | 1,027.3 | 1,470.5 | 3,327.7 | 29,200.6 |
| 98-99 | 5,054.0 | 5,587.1 | 4,666.7 | 4,102.4 | 2,375.3 | 1,568.2 | 2,220.3 | 1,459.1 | 2,200.5 | 2,182.5 | 3,755.1 | 4,023.9 | 39,195.1 |
| 99-00 | 5,304.4 | 5,552.4 | 4,833.7 | 5,544.5 | 3,993.3 | 3,888.1 | 2,911.9 | 1,374.0 | 1,899.2 | 3,341.9 | 4,615.7 | 5,290.8 | 48,549.9 |
| 00-01 | 5,888.9 | 6,364.2 | 5,683.8 | 3,911.5 | 3,090.6 | 3,846.9 | 1,680.8 | 978.0 | 1,386.0 | 2,227.3 | 4,383.2 | 5,156.3 | 44,597.5 |
| 01-02 | 5,533.3 | 5,998.9 | 5,298.0 | 5,070.1 | 2,910.0 | 1,441.5 | 3,044.3 | 3,216.4 | 3,204.0 | 3,657.5 | 4,747.0 | 5,403.1 | 49,524.1 |
| 02-03 | 5,995.0 | 6,024.9 | 5,877.3 | 4,586.9 | 3,014.9 | 1,713.3 | 3,207.5 | 1,489.0 | 1,277.3 | 2,547.1 | 3,783.6 | 4,158.0 | 43,674.8 |
| 03-04 | 6,061.1 | 6,467.7 | 5,766.5 | 5,517.0 | 2,922.9 | 2,742.6 | 3,178.0 | 1,282.9 | 3,201.1 | 3,978.4 | 5,740.7 | 5,322.7 | 52,181.6 |
| 04-05 | 6,222.8 | 5,973.1 | 6,053.1 | 2,872.2 | 1,183.1 | 1,812.0 | 478.4 | 659.4 | 894.3 | 3,288.1 | 4,018.9 | 4,649.2 | 38,104.6 |
| 05-06 | 5,837.3 | 5,835.5 | 5,302.0 | 3,708.3 | 3,950.8 | 3,642.9 | 2,744.7 | 2,464.8 | 624.6 | 1,512.7 | 3,804.0 | 5,339.3 | 44,766.9 |
| 06-07 | 6,593.1 | 5,778.2 | 5,751.0 | 4,292.3 | 4,387.2 | 2,021.6 | 3,654.3 | 1,247.2 | 3,348.2 | 3,449.4 | 4,822.0 | 5,166.9 | 50,511.4 |
| 07-08 | 5,805.6 | 5,975.0 | 5,176.6 | 4,768.7 | 3,707.3 | 880.7 | 596.8 | 464.4 | 2,139.8 | 3,134.1 | 2,895.5 | 3,955.3 | 39,499.8 |
| 08-09 | 4,226.7 | 4,204.1 | 3,923.1 | 4,106.1 | 2,800.9 | 1,035.2 | 1,822.3 | 827.7 | 2,387.7 | 2,863.2 | 3,542.7 | 3,041.3 | 34,781.0 |
| 09-10 | 4,133.6 | 4,234.1 | 4,257.0 | 3,334.0 | 2,853.2 | 833.2 | 927.4 | 289.8 | 1,442.2 | 1,249.6 | 2,772.4 | 3,195.9 | 29,522.4 |
| 10-11 | 3,631.9 | 3,860.2 | 3,696.5 | 1,833.6 | 1,597.5 | 1,122.0 | 1,057.6 | 991.0 | 695.9 | 1,830.7 | 2,424.4 | 2,932.9 | 25,674.2 |
| 11-12 | 3,716.7 | 3,731.7 | 3,379.6 | 2,694.2 | 1,050.4 | 1,490.1 | 1,847.9 | 1,557.1 | 1,170.6 | 1,419.9 | 2,518.5 | 3,145.9 | 27,722.6 |
| 12-13 | 3,528.0 | 3,966.9 | 3,621.2 | 2,857.9 | 2,217.7 | 874.7 | 1,177.6 | 960.7 | 1,726.5 | 2,420.3 | 2,716.1 | 3,170.2 | 29,237.8 |
| 13-14 | 3,301.1 | 3,333.3 | 3,299.3 | 2,223.1 | 1,717.7 | 1,776.9 | 2,369.7 | 1,719.5 | 1,418.0 | 2,270.1 | 3,197.4 | 2,980.5 | 29,606.6 |
| 14-15 | 3,246.9 | 3,125.7 | 3,303.5 | 2,968.0 | 2,004.6 | 569.0 | 1,124.1 | 1,541.4 | 1,845.7 | 2,214.3 | 1,401.2 | 2,253.7 | 25,598.1 |
| 15-16 | 1,903.3 | 2,491.5 | 1,956.2 | 1,869.2 | 1,508.4 | 993.7 | 620.7 | 1,387.2 | 1,205.0 | 1,519.0 | 1,732.2 | 2,470.3 | 19,656.7 |
| 16-17 | 2,798.2 | 2,734.0 | 2,246.7 | 2,230.4 | 1,671.4 | 761.7 | 276.1 | 337.7 | 1,226.1 | 1,941.4 | 1,617.2 | 2,378.1 | 20,219.0 |
| 17-18 | 2,617.1 | 2,535.1 | 2,364.3 | 2,362.0 | 1,775.6 | 1,873.7 | 1,152.4 | 1,263.8 | 690.7 | 1,803.2 | 1,888.4 | 2,199.9 | 22,526.2 |
| 18-19 | 2,847.7 | 2,627.3 | 2,278.2 | 1,690.3 | 1,544.0 | 541.2 | 430.7 | 289.1 | 490.6 | 1,506.8 | 1,049.4 | 1,871.0 | 17,166.3 |
| 19-20 | 2,278.7 | 2,440.2 | 2,197.7 | 2,026.5 | 1,242.9 | 301.5 | 697.2 | 965.9 | 409.7 | 585.7 | 1,738.2 | 1,799.6 | 16,683.8 |
| 20-21 | 2,154.8 | 2,354.6 | 2,395.0 | 2,061.5 | 1,254.8 | 1,211.1 | 796.8 | 822.7 | 674.3 | 1,509.4 | 1,690.1 | 1,936.7 | 18,861.8 |
| 21-22 | 2,038.5 | 2,105.2 | 1,830.4 | 1,237.0 | 1,513.9 | 601.2 | 860.9 | 1,094.1 | 896.2 | 1,369.1 | 1,699.0 | 1,885.8 | 17,131.3 |
| 22-23 | 2,083.1 | 2,212.9 | 1,929.3 | 1,567.8 | 866.8 | 656.5 | 270.5 | 497.2 | 176.3 | 814.9 | 1,143.3 | 1,239.4 | 13,458.0 |
| 23-24 | 1,912.3 | 1,488.0 | 1,350.7 | 1,373.3 | 1,035.5 | 822.4 | 463.6 | 228.3 | 359.6 | 599.7 | 1,120.7 | 1,482.0 | 12,236.1 |
| 24-25 | 1,839.3 | 1,867.9 | 1,745.5 | 1,513.9 | 1,138.4 | 1,069.4 | 962.6 | 551.1 | 439.7 | 1,006.7 | 1,191.6 | 1,364.9 | 14,691.0 |
| 25-26 * | 1,561.7 | 1,721.7 | 1,497.4 | 1,182.8 | 698.8 | 739.4 | 599.1 | 541.8 | 1,260.9 * | 1,019.3 * | 915.0 * | 962.1 * | 12,700.0 * |
| 26-27 * | 1,586.2 * | 1,712.9 * | 1,703.6 * | 1,339.4 * | 1,159.2 * | 873.6 * | 597.3 * | 570.4 * | 496.1 * | 558.9 * | 926.0 * | 1,246.4 * | 12,770.0 * |

AVERAGE FIRST 3 MONTHS 13,392.3 (40.38%) AVERAGE FIRST 6 MONTHS 20,603.4 (62.12%) AVERAGE LAST 6 MONTHS 12,562.8 (37.88%) 33,166.1 (100.00%)

### WATER SOLD - Acre Feet

| YEAR | JUL | AUG | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | JUN | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 93-94 | 4,614.4 | 4,227.5 | 4,591.6 | 3,928.3 | 3,023.5 | 1,496.8 | 2,430.7 | 867.6 | 748.7 | 1,267.2 | 1,451.7 | 3,156.4 | 31,804.4 |
| 94-95 | 4,800.7 | 4,564.8 | 5,130.8 | 3,947.2 | 2,779.1 | 2,094.3 | 695.8 | 395.4 | 486.5 | 1,040.1 | 1,321.5 | 2,507.6 | 29,763.8 |
| 95-96 | 3,908.3 | 4,394.7 | 5,697.9 | 3,850.9 | 3,126.2 | 2,459.2 | 2,078.4 | 694.7 | 541.8 | 2,060.1 | 3,680.3 | 3,802.5 | 36,295.0 |
| 96-97 | 4,607.2 | 5,026.2 | 5,376.3 | 3,826.9 | 3,022.0 | 800.9 | 397.7 | 578.3 | 1,970.9 | 2,985.4 | 3,855.3 | 4,209.7 | 36,656.8 |
| 97-98 | 4,566.5 | 4,809.3 | 5,163.0 | 3,338.3 | 3,304.4 | 802.0 | 973.2 | 355.9 | 438.1 | 618.9 | 1,375.8 | 2,261.1 | 28,006.5 |
| 98-99 | 4,137.4 | 4,973.8 | 5,283.6 | 4,042.6 | 2,970.1 | 1,545.2 | 2,462.3 | 956.0 | 2,061.6 | 1,668.0 | 3,039.8 | 3,541.7 | 36,682.1 |
| 99-00 | 4,654.8 | 4,919.7 | 5,376.5 | 4,827.9 | 4,508.1 | 3,480.2 | 3,424.3 | 2,413.0 | 809.4 | 3,105.6 | 3,574.2 | 4,922.9 | 46,016.6 |
| 00-01 | 5,008.6 | 6,061.1 | 5,868.0 | 4,349.5 | 2,985.2 | 3,428.2 | 2,969.7 | 1,191.4 | 483.0 | 1,754.6 | 3,348.5 | 4,554.9 | 42,002.7 |
| 01-02 | 4,893.5 | 5,664.6 | 5,568.1 | 4,774.4 | 4,237.6 | 1,675.2 | 2,075.0 | 3,069.6 | 3,309.7 | 2,917.2 | 3,909.2 | 5,053.2 | 47,147.3 |
| 02-03 | 5,110.0 | 6,081.5 | 5,590.0 | 5,187.1 | 3,374.5 | 2,681.1 | 1,915.4 | 2,787.0 | 508.3 | 2,292.3 | 2,483.5 | 4,059.9 | 42,070.6 |
| 03-04 | 4,858.7 | 6,156.9 | 5,823.1 | 5,130.8 | 4,085.7 | 2,947.0 | 2,484.3 | 2,428.3 | 1,715.0 | 3,488.0 | 4,821.4 | 5,396.8 | 49,336.0 |
| 04-05 | 5,156.8 | 5,801.5 | 6,036.9 | 4,961.1 | 1,018.2 | 1,434.1 | 1,013.1 | 690.3 | 563.6 | 2,114.7 | 2,785.1 | 4,514.3 | 36,089.7 |
| 05-06 | 4,910.9 | 5,389.9 | 5,646.3 | 4,597.6 | 2,952.1 | 3,787.6 | 2,412.1 | 2,157.4 | 1,245.5 | 765.4 | 2,615.6 | 4,247.7 | 40,728.1 |
| 06-07 | 5,550.1 | 6,036.5 | 5,807.0 | 4,504.7 | 4,066.5 | 3,266.8 | 2,569.9 | 2,664.1 | 1,876.4 | 3,252.9 | 3,744.2 | 4,746.0 | 48,085.1 |
| 07-08 | 4,994.6 | 5,759.9 | 5,684.4 | 4,293.7 | 4,234.4 | 2,140.2 | 986.1 | 277.6 | 913.4 | 2,480.1 | 3,236.7 | 2,635.1 | 37,636.2 |
| 08-09 | 3,884.3 | 3,956.4 | 3,871.8 | 3,878.8 | 3,322.6 | 1,944.4 | 1,012.1 | 1,461.0 | 1,165.6 | 2,392.0 | 3,205.4 | 2,919.7 | 33,014.1 |
| 09-10 | 3,358.6 | 4,022.6 | 4,170.3 | 3,545.3 | 2,920.4 | 1,782.5 | 1,172.9 | 331.0 | 371.0 | 1,747.8 | 1,595.8 | 2,819.1 | 27,837.3 |
| 10-11 | 3,213.1 | 3,337.8 | 3,857.1 | 3,205.7 | 1,337.5 | 1,319.3 | 517.3 | 1,405.7 | 529.8 | 1,017.3 | 2,091.4 | 2,310.2 | 24,142.2 |
| 11-12 | 3,388.5 | 3,221.0 | 3,732.9 | 2,705.0 | 1,896.2 | 1,128.4 | 1,809.4 | 1,412.2 | 1,390.1 | 1,019.2 | 1,500.6 | 2,887.0 | 26,090.5 |
| 12-13 | 3,005.0 | 3,534.6 | 3,628.8 | 3,185.0 | 2,462.3 | 1,658.4 | 700.8 | 1,062.1 | 1,087.2 | 1,897.9 | 2,309.9 | 2,838.9 | 27,370.9 |
| 13-14 | 3,197.2 | 3,029.9 | 3,297.4 | 2,706.0 | 1,999.9 | 1,343.3 | 1,962.3 | 2,117.6 | 1,206.5 | 1,813.5 | 2,590.9 | 2,817.6 | 28,082.1 |
| 14-15 | 3,066.4 | 3,086.2 | 3,048.6 | 3,051.5 | 2,325.7 | 1,211.5 | 677.7 | 1,309.4 | 1,109.0 | 2,236.9 | 1,951.8 | 1,436.7 | 24,511.4 |
| 15-16 | 2,252.4 | 1,748.7 | 2,356.2 | 1,678.6 | 1,613.3 | 1,410.9 | 601.2 | 844.1 | 1,150.6 | 1,489.2 | 1,422.1 | 1,802.2 | 18,369.5 |
| 16-17 | 2,766.8 | 2,436.2 | 2,558.9 | 2,087.6 | 2,020.2 | 1,252.9 | 323.5 | 269.5 | 388.7 | 1,538.4 | 1,571.4 | 2,025.1 | 19,239.2 |
| 17-18 | 2,449.0 | 2,245.4 | 2,661.5 | 1,965.0 | 2,022.6 | 1,885.3 | 1,308.2 | 1,424.5 | 692.7 | 1,090.0 | 1,687.4 | 2,066.3 | 21,497.9 |
| 18-19 | 2,181.1 | 2,666.1 | 2,436.2 | 1,671.3 | 1,801.7 | 820.9 | 462.3 | 316.7 | 207.2 | 863.5 | 1,414.3 | 1,275.0 | 16,116.3 |
| 19-20 | 1,762.5 | 2,425.8 | 2,184.8 | 1,827.0 | 2,100.9 | 418.8 | 467.8 | 738.8 | 670.2 | 266.5 | 1,174.6 | 1,653.2 | 15,690.9 |
| 20-21 | 1,940.2 | 2,052.4 | 2,269.6 | 2,295.2 | 1,337.0 | 1,259.2 | 1,068.1 | 528.8 | 723.2 | 1,163.5 | 1,343.9 | 1,701.6 | 17,682.7 |
| 21-22 | 1,996.3 | 1,822.5 | 2,041.6 | 1,461.9 | 1,188.7 | 1,260.6 | 473.6 | 987.1 | 822.0 | 1,090.6 | 1,388.7 | 1,673.4 | 16,207.0 |
| 22-23 | 1,929.6 | 1,912.5 | 2,177.9 | 1,600.8 | 1,091.7 | 874.1 | 414.9 | 339.6 | 287.8 | 336.3 | 925.6 | 1,129.7 | 13,020.5 |
| 23-24 | 1,451.1 | 1,751.6 | 1,371.3 | 1,149.4 | 1,336.1 | 870.5 | 557.4 | 279.1 | 381.3 | 316.9 | 836.6 | 1,192.0 | 11,493.3 |
| 24-25 | 1,485.6 | 1,891.8 | 1,720.3 | 1,522.2 | 1,357.4 | 934.9 | 1,073.2 | 682.8 | 390.6 | 652.2 | 1,005.9 | 1,167.8 | 13,884.7 |
| 25-26 * | 1,418.4 | 1,559.7 | 1,586.7 | 1,244.7 | 1,058.4 | 591.2 | 545.4 | 647.0 | 669.3 * | 1,117.6 * | 850.0 * | 911.6 * | 12,200.0 * |
| 26-27 * | 1,490.9 * | 1,610.1 * | 1,601.4 * | 1,259.0 * | 1,089.7 * | 821.2 * | 561.5 * | 536.2 * | 466.3 * | 525.4 * | 870.4 * | 1,167.9 * | 12,000.0 * |

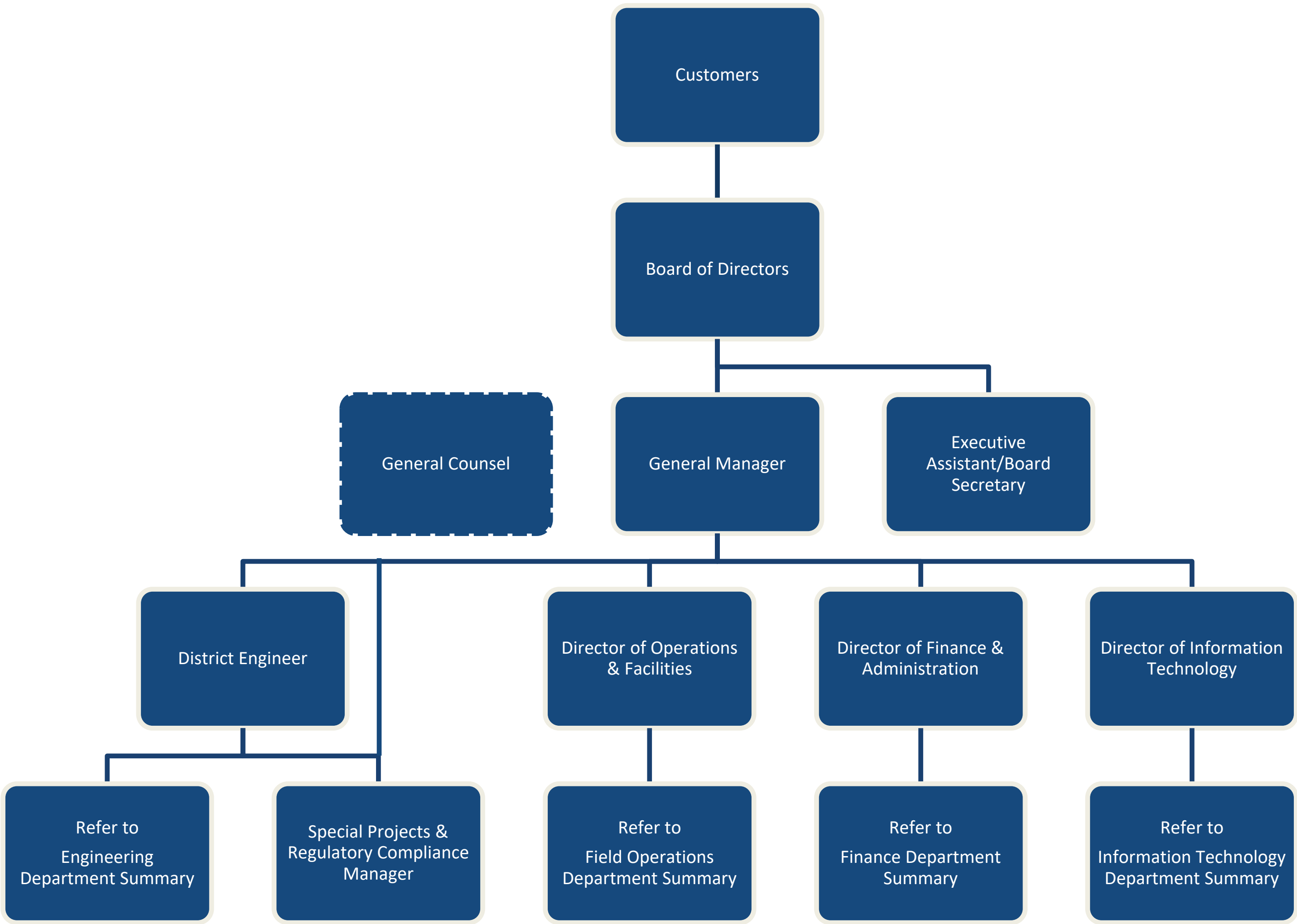
AVERAGE FIRST 3 MONTHS 12,629.2 (40.71%) AVERAGE FIRST 6 MONTHS 20,552.4 (66.25%) AVERAGE LAST 6 MONTHS 10,469.6 (33.75%) 31,022.0 (100.00%)

*ESTIMATED

This page intentionally left blank

# General Administration

# General Administration




Personnel Requirements (FTE's)

| | *Budget FY 2025-26* | *Actual FY 2025-26* | *Proposed FY 2026-27* |
|---|---|---|---|
| General Manager | 1.0 | 1.0 | 1.0 |
| Executive Assistant/Board Secretary | 1.0 | 1.0 | 1.0 |
| Special Projects & Regulatory Comp. Manager | 0.5 | 0.5 | 0.5 |
| **Total** | **2.5** | **2.5** | **2.5** |

## DEPARTMENT DESCRIPTION

The General Administrative Department provides executive leadership and strategic direction for the District. It is responsible for the long-term planning, organizational visioning, and the effective management of all District programs, services, and operations in alignment with Board policies and direction. The Department's efforts are focused on advancing the District's mission to **"Ensure Customer Satisfaction Through Quality Service at the Lowest Possible Cost,"** and at all times, "**Meets**" or "**Exceeds**" customer expectations.

| **Fiscal Year 2025-2026 Recent Accomplishments & Performance Indicators** | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Controlled and, where feasible, reduced local costs through the implementation of advanced technologies, including electronic asset management and data deployment systems. | | | | ✓ | | | |
| Advocated for cost and rate control at the wholesale level, supporting appropriate pricing structures and agricultural programs within the MWD and SDCWA service areas. | | | | ✓ | | | |
| Adjusted fixed service charges on monthly water bills and implemented a Water Capital Improvement Charge to address declining water demand and associated revenue impacts, while pursuing alternative approaches to operations, capital budgeting, rate setting, and revenue generation. | | ✓ | | | | | |
| Supported the Board in the recruitment and successful hiring of a new General Manager. | | ✓ | | | | | |
| Secured state and federal funding to support Capital Improvement Projects scheduled for Fiscal Year 2025–2026, consistent with the updated Water System Master Plan and 2019 Long Range Financial Strategy. | | | | ✓ | | | |
| Maintained and enhanced organizational efficiency through the adoption of modern technologies and innovative methods to manage, operate, and maintain water and wastewater systems in a cost-effective manner while ensuring safe, reliable, and responsive service. | | ✓ | | ✓ | ✓ | ✓ | |
| Advocated for the preservation of local financial resources for local use and opposed state efforts to impose additional fees and taxes directly on the District's customers. | | ✓ | | | | | |
| Advocated for and supported the approval and extension of the SDCWA PSAWR Program. | | | | ✓ | | | |
| Promoted and protected equitable wholesale revenue structures and rate fairness across all customer classes. | | | | ✓ | | | |
| Maintained effective service levels and cost control through appropriate staffing, targeted training, and the acquisition of necessary technological capabilities. | | ✓ | | ✓ | | | |
| Advanced compliance efforts and advocated for the reasonable implementation of long-term Water Use Efficiency and Water Supply and Contingency Planning requirements (SB 606 and AB 1668). | | ✓ | | | | | |
| Implemented the Board's adopted policies, Vision, and Strategic Plan goals. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

* See page 1-23 of this Budget document for the full Strategic Plan.

| Fiscal Year 2026-2027 Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Implement the Board's adopted policies, Vision, and Strategic Plan goals. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Maintain and enhance organizational efficiency through the adoption of modern technologies and innovative methods to manage, operate, and maintain water and wastewater systems in a cost-effective manner while ensuring safe, reliable, and responsive service. | | ✓ | | ✓ | ✓ | ✓ | |
| Update the District's Strategic Plan to ensure alignment with current priorities, regulatory requirements, and long-term organizational objectives. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Advocate for cost and rate control at the wholesale level, supporting appropriate pricing structures and agricultural programs within the MWD and SDCWA service areas. | | | | ✓ | | | |
| Secure state and federal funding to support Capital Improvement Projects scheduled for Fiscal Year 2026–2027, consistent with the updated Water System Master Plan and 2019 Long Range Financial Strategy. | | | | ✓ | | | |
| Complete full implementation of the Cityworks asset management system to enhance operational efficiency, data integration, and infrastructure management capabilities. | | | ✓ | ✓ | ✓ | | |
| Evaluate the District's existing Enterprise Resource Planning (ERP) system and present recommendations to the Board of Directors regarding potential upgrades or replacement to improve financial, operational, and reporting functions. | | | | ✓ | ✓ | | |
| Act and advocate to preserve local financial resources for local purposes and oppose efforts by the state to impose water fees and taxes directly on the District's customer base. | | ✓ | | | | | |
| Collaborate with regional partners, including SDCWA, MWD, and other available sources, to evaluate and advance options for establishing or strengthening agricultural water rate structures that support affordability and sustainability for agricultural users. | | | | ✓ | | | |
| Advocate and protect appropriate wholesale revenue and rate equity for all customer classes. | | | | ✓ | | | |
| Through proper staffing and expertise levels, focused training, and securing appropriate technological capabilities and capacities, maintain effective levels of service and cost control. | | ✓ | | ✓ | | | |
| Continue to prepare and advocate for reasonable implementation of Long-term Water Use Efficiency and Water Supply and Contingency Planning (SB 606 & AB 1668). | | ✓ | | | | | |
| Advocate for and secure the SDCWA Permanent Special Agricultural Rate (PSAWR) Program | | | | ✓ | | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal*: Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Implement the vision, adopted policies and adopted Strategic Plan of the Board of Directors. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Oversee, monitor and assist all District departments in pursuing and meeting the Board's vision, adopted policies and Strategic Plan Goals and Performance Measurements. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Plan for the overall future and direction of the agency considering the potential impacts of a rapidly expanding, changing customer base, increasing wholesale water costs and declining water demand. | | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Enhance the efficiency of the organization by expanding current technology and seeking new methods to manage, administer operate and maintain the water and wastewater systems as cost-effectively as possible while maintaining safe, reliable and responsive service at all times. | | ✓ | | ✓ | ✓ | ✓ | |
| Develop and implement a CIP Program based on the updated Water Master Plan, and supported by the updated Long-Range Financing Plan. | | | ✓ | ✓ | | | |
| Act and advocate to preserve local financial resources for local purposes and oppose efforts by the state to impose water fees and taxes directly on the District's customer base. | | ✓ | | | | | |
| Advocate and protect appropriate wholesale rates and rate equity for all customer classes, including SDCWA PSAWR Program rates for commercial agriculture. | | | | ✓ | | | |
| Oversee the implementation of the state-mandated Water Use Efficiency Measures and continue to monitor the impact of drought and climate change measures upon the District | | ✓ | | ✓ | | | |
| Utilize technology to digitally communicate with customers and enhance customer engagement | | | | | ✓ | | |

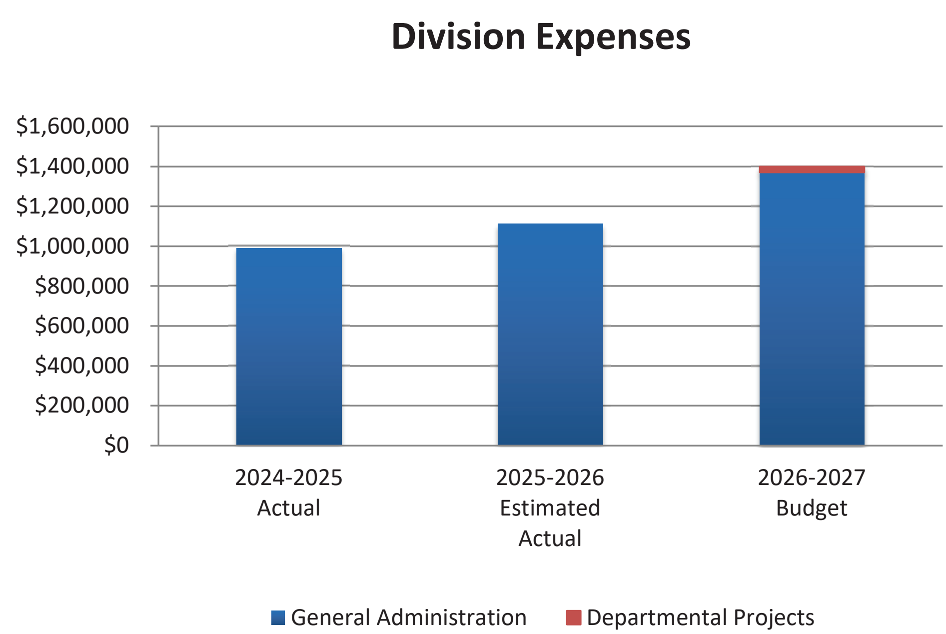
| Strategic Plan Goal | Standard No. | Performance Standard Description | Trend | Annual Target/Goal | Calendar Year: 2024 Actual | 2025 Actual | 2026 Projection |
|---|---|---|---|---|---|---|---|
| Water Supply | 1 | Customer Satisfaction | | >95% | 100% | 100% | ≥95% |

* See page 1-23 of this Budget document for the full Strategic Plan.

## Department Summary by Division

| Fund | Department |
|---|---|
| 01 | 01 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 01 | General Administration | 988,799 | 1,075,322 | 1,110,552 | **1,370,289** |
| 90 | Departmental Projects | 0 | 0 | 0 | **27,600** |
| **TOTAL GENERAL ADMINISTRATION** | | **988,799** | **1,075,322** | **1,110,552** | **1,397,889** |



## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 01 | 01 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor and Benefits - Regular | 748,348 | 669,500 | 686,980 | **808,200** |
| 50003 | Overtime | 274 | 2,000 | 1,500 | **2,000** |
| 50010 | Training & Education | 0 | 750 | 250 | **2,500** |
| 50011 | Uniform Allowance | 517 | 750 | 500 | **750** |
| 50025 | Outside Professional Services | 64,869 | 188,000 | 163,800 | **173,000** |
| 50026 | Legal Services | 117,873 | 97,000 | 181,500 | **291,000** |
| 50028 | Printing | 416 | 1,000 | 1,000 | **1,000** |
| 50029 | Books & Subscriptions | 632 | 1,000 | 900 | **1,200** |
| 50030 | Special Department Expenses | 21,420 | 19,000 | 26,400 | **19,000** |
| 50031 | Grant Related Expenses (Wellness) | 32 | 2,000 | 800 | **2,000** |
| 50033 | Postage | 5,409 | 8,500 | 6,700 | **8,500** |
| 50034 | Membership Fees & Dues | 33,412 | 35,500 | 34,000 | **41,350** |
| 50035 | Directors' Fees | 7,600 | 12,000 | 9,000 | **12,000** |
| 50036 | Directors' Travel & Expenses | 1,357 | 6,000 | 2,000 | **6,000** |
| 50037 | Transportation, Meals & Travel | 8,600 | 8,000 | 26,300 | **12,000** |
| 50039 | Public Information and Notices | 2,223 | 11,000 | 6,000 | **11,000** |
| 50083 | Unclassified - Contingency Fund | 0 | 20,000 | 0 | **20,000** |
| 50184 | Water Conservation Program | 3,283 | 22,000 | 8,000 | **22,000** |
| 50189 | LAFCO Budget Assessment | 33,536 | 36,000 | 20,000 | **30,000** |
| 50454 | Maintenance of Equipment | 490 | 400 | 0 | **400** |
| 50991 | Expense Credit | (61,492) | (65,078) | (65,078) | **(93,611)** |
| | **Total** | **988,799** | **1,075,322** | **1,110,552** | **1,370,289** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 01 | 01 |

| Total Budget Request |
|---|
| **$1,370,289** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **808,200** |
| | Full-Time Equivalents | 2.50 | |
| 50003 | **Overtime** | | **2,000** |
| 50010 | **Training & Education** | | **2,500** |
| | Allocation from General Administration Training 01-02-18 Page 6-8A | | |
| 50011 | **Uniform/Clothing/Shoes** | | **750** |
| | Uniform Allowance | | |
| 50025 | **Outside Professional Services** | | **173,000** |
| | State/Federal Representation | 100,000 | |
| | General Consulting | 73,000 | |
| 50026 | **Legal Services** | | **291,000** |
| | General Counsel's Services | 291,000 | |
| 50028 | **Printing** | | **1,000** |
| | Forms and Business Cards | 500 | |
| | Miscellaneous | 500 | |
| 50029 | **Books & Subscriptions** | | **1,200** |
| | Books, newspapers, periodicals and pamphlets | 1,200 | |
| 50030 | **Special Department Expenses** | | **19,000** |
| | Service Recognition Awards and Pins | 3,250 | |
| | Employees Retirement and Appreciation Awards | 2,500 | |
| | Suggestion Awards | 2,000 | |
| | Awards Presentation Luncheon | 3,000 | |
| | Staff Meeting Supplies | 1,500 | |
| | District Contribution - VCEA Events | 4,500 | |
| | Manager's Employee of the Year Award/Plaque | 1,000 | |
| | Employee of the Quarter Awards | 750 | |
| | Miscellaneous & Office Supplies | 450 | |
| | Notary Supplies | 50 | |
| 50031 | **Grant Related Expenses** | | **2,000** |
| | Wellness Grant District Contribution | 2,000 | |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 01 | 01 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50033 | **Postage** | | **8,500** |
| | General Correspondence | 6,250 | |
| | Bill Insert Postage | 500 | |
| | Post Office Box Fees | 750 | |
| | Postage Chip Update | 300 | |
| | Postage Machine Supplies | 275 | |
| | Business Reply - Customer Comment Cards | 150 | |
| | Permit #2 Business Reply | 275 | |
| 50034 | **Membership Fees & Dues** | | **41,350** |
| | Association of California Water Agencies | 29,200 | |
| | American Water Works Association | 5,500 | |
| | California Municipal Utilities Association | 4,400 | |
| | CropSWAP | 1,500 | |
| | California Farm Water Coalition | 250 | |
| | Valley Center Chamber of Commerce | 150 | |
| | California Special Districts Association | 150 | |
| | Farm Bureau, San Diego County | 100 | |
| | Valley Center Business Association | 100 | |
| 50035 | **Directors' Fees** | | **12,000** |
| 50036 | **Directors' Travel & Expense** | | **6,000** |
| | Conferences/Seminars/JPIA Mtgs/ACWA Region 10 | | |
| 50037 | **Transportation, Meals & Travel, FastTrak** | | **12,000** |
| | Conferences and Meetings | 12,000 | |
| 50039 | **Public Information and Notices** | | **11,000** |
| | Water Use Efficiency Communications | 3,500 | |
| | Customer Information Material | 2,500 | |
| | Display Boards - Upkeep/revisions | 1,500 | |
| | Legal/Public Notices | 3,000 | |
| | Miscellaneous | 500 | |
| 50083 | **Unclassified - Contingency Fund** | | **20,000** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 01 | 01 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50184 | **Water Conservation Program** | | **22,000** |
| | California Water Efficiency Partnership | 2,100 | |
| | Water Conservation Materials | 2,400 | |
| | WaterSmart Field Services Program | 12,500 | |
| | Landscape Irrigation Classes | 400 | |
| | Printing | 1,300 | |
| | Public Outreach | 1,300 | |
| | Water Education Programs - | | |
| | Poster Contest | 1,000 | |
| | School Program | 1,000 | |
| 50189 | **Local Agency Formation Commission (LAFCO)** | | **30,000** |
| | Budget Assessment | 30,000 | |
| 50454 | **Maintenance of Equipment** | | **400** |
| | Adding Machines, Transcriber, Postage Machine, Board Room Recorder and Assistive Listening Device | | |
| 50991 | **Expense Credit** | | **(93,611)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

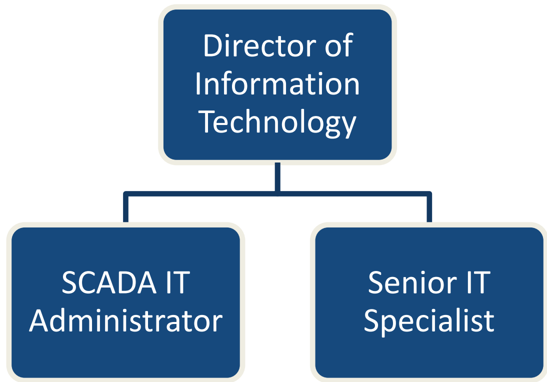
## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 01 | 90 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 91650 | 2026 Risk & Resilience and Emergency Response Plan | 0 | 0 | 0 | **27,600** |
| | **Total** | **0** | **0** | **0** | **27,600** |

This page intentionally left blank

# Information Technology




Personnel Requirements (FTE's)

| | *Budget FY 2025-26* | *Actual FY 2025-26* | *Proposed FY 2026-27* |
|---|---|---|---|
| Director of Information Technology | 1.0 | 1.0 | 1.0 |
| SCADA/IT Systems Administrator | 1.0 | 1.0 | 1.0 |
| Senior IT Specialist | 1.0 | 1.0 | 1.0 |
| **Total** | **3.0** | **3.0** | **3.0** |

## DEPARTMENT DESCRIPTION

The Information Technology Department provides comprehensive technology planning, development, integration, operation, and support to all areas of the District to maximize efficiency. This includes the entire network communications infrastructure throughout the District, servers and workstations, SCADA communications and control systems, mobile devices, database systems, data storage, telecommunications, and video surveillance security systems.

The 2019 Water Master Plan Update identified over $77 million of repairing and replacement capital projects. Many of these projects require the integration of technology with existing systems while minimizing downtime during the deployment and conversion process. The challenge is to implement the changes quickly and cost effectively while providing reliable and continuous system operation. Hardware and software need to be updated or replaced near the end of the lifecycle, which presents a continuous challenge due to the ever-increasing amount of technology and connected devices present in the District.

To enhance efficiency and improve data processing activities, staff has deployed various data processing systems such as computerized asset maintenance and management, electronic signatures, automated meter reading, and provided customers a portal for enhanced visibility to their water usage. Work continues to upgrade and enhance these systems and to provide additional data integration with other applications such as Asset Management System and Geographic Information System (GIS).

| Fiscal Year 2025-2026<br>Recent Accomplishments & Performance Indicators | Performance Standard | Strategic Plan Goal* Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| GIS staff has deployed web maps and user portals within the software, and GIS databases and maps have been integrated with the Asset Management System. The system is being continuously enhanced and actively used by District personnel. | | | | | ✓ | | |
| Customers can view their bill information and pay their bills over the internet. As of May 31, 2026, there are approximately 7,000 customer accounts (or 67% of all customers) registered and utilizing the system, of which 1,861 have elected to no longer receive paper bills in the mail. | | | | | ✓ | | |
| Wireless network communications infrastructure is operational at all major facilities, which extends network coverage to 70 remote sites, including several solar generating sites. The network is being continuously enhanced with faster and more reliable radio technology. | | | | | ✓ | | |
| Staff continues to enhance data integration with Enterprise Resource Planning (ERP) software, Asset Management System, Geographic Information System (GIS), and Supervisory Control and Data Acquisition (SCADA) systems that meets the needs of the District. This data integration provides more streamlined data access across different modules and outside systems resulting in better operating efficiencies, improve payment processing activities, and provide enhanced financial reporting capabilities. | | | | | ✓ | | |
| Staff continues to deploy new IP network-based high definition video surveillance technology to local and remote facilities. The technology has been deployed at corporate offices as well as 61 remote sites. The system consists of high definition multi-megapixel cameras that include full night vision, AI-based event tracking and notification, vehicle identification and license plate reading, and continuous local and remote recording capabilities. The system allows remote site monitoring by operations personnel 24 hours a day. | | | | | ✓ | | |
| Staff continues to deploy the new asset management system. The system integrates with the District's GIS system and provides remote workers the ability to view and enter data remotely from the field. Completed modules include: Assets/Inventory, Water Distribution Maintenance, Dig Alerts, Service and Work Orders, Inspections, Workflows, and standard report templates. | | | | | ✓ | | |
| Staff continues to deploy the new asset management system. The system integrates with the District's GIS system and provides remote workers the ability to view and enter data remotely from the field. Completed modules include: Assets/Inventory, Water Distribution Maintenance, Dig Alerts, Service and Work Orders, Inspections, Workflows, and standard report templates. | | | | | ✓ | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

| Fiscal Year 2026-2027 Goals & Objectives | Performance Standard | Strategic Plan Goal*: Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Continue GIS expansion, enhancement, and utility – Ongoing Effort | | | | | ✓ | | |
| Staff is continuing to upgrade SCADA industrial control system (ICS) software District-wide. Staff has completed SCADA control system software upgrades at the water reclamation facilities with Woods Valley WRF completed in Fiscal Year 2017-18 and Moosa WRF upgrade completed in 2021-22. Water control system upgrades in the corporate office started in 2024-25, with 3 sites converted to updated HMI control in 2025-26, and will continue in 2026-27 and beyond. | | | | | ✓ | | |
| Staff is continuing to implement additional data integration with Enterprise Resource Planning (ERP) software, Asset Management System, and Geographic Information System (GIS) that will meet the needs of the District. This data integration provides more streamlined data access across different modules and outside systems resulting in better operating efficiencies, improve payment processing activities, and provide enhanced financial reporting capabilities. | | | | | ✓ | | |
| Staff continues to implement asset management system that supports mobile users, have better usability, and integrates with existing GIS, financial, and other databases in the District. The first phase of deployment has been completed, subsequent phases will continue throughout 2026-2027, with full data deployment capabilities scheduled to be implemented during the following fiscal years. | | | | | ✓ | | |

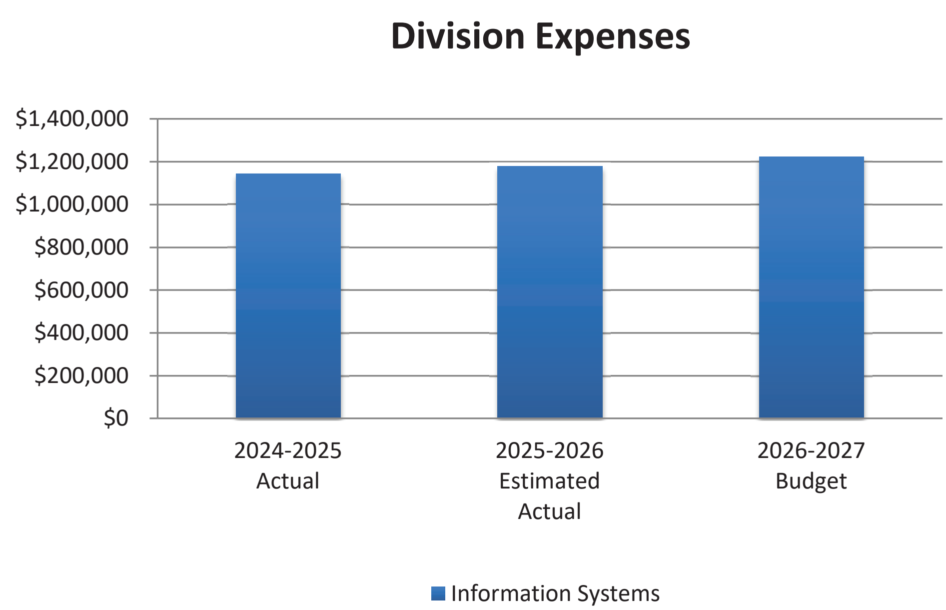
| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal*: Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Evaluate and incorporate new technologies which increase organizational efficiency, reduce costs and wherever possible, enhance customer satisfaction. | | | | | ✓ | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

## Department Summary by Division

| Fund | Department |
|---|---|
| 01 | 05 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 13 | Information Systems | 1,143,383 | 1,235,786 | 1,179,576 | **1,224,227** |
| **TOTAL INFORMATION SYSTEMS** | | **1,143,383** | **1,235,786** | **1,179,576** | **1,224,227** |



## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 05 | 13 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 964,695 | 998,400 | 960,790 | **988,000** |
| 50003 | Overtime | 1,906 | 4,500 | 3,500 | **4,500** |
| 50010 | Training & Education | 135 | 3,500 | 2,500 | **3,500** |
| 50011 | Uniform Allowance | 1,009 | 1,100 | 1,050 | **1,100** |
| 50025 | Outside Professional Services | 0 | 4,000 | 2,000 | **4,000** |
| 50028 | Printing | 37,919 | 40,000 | 40,000 | **41,000** |
| 50029 | Memberships & Subscriptions | 260 | 260 | 260 | **260** |
| 50030 | Special Department Expenses | 19,352 | 27,000 | 27,000 | **28,000** |
| 50032 | Telecommunications | 82,013 | 110,000 | 95,000 | **110,000** |
| 50037 | Transportation, Meals & Travel | 0 | 500 | 250 | **500** |
| 50040 | Rents and Leases | 14,072 | 15,000 | 15,000 | **15,500** |
| 50341 | Hazardous Waste Disposal Cost | 0 | 500 | 200 | **500** |
| 50454 | Maintenance of Equipment | 19,291 | 35,000 | 36,000 | **36,000** |
| 50469 | Maintenance Agreements & Contracts | 74,054 | 69,000 | 69,000 | **75,000** |
| 50991 | Expense Credit | (71,323) | (72,974) | (72,974) | **(83,633)** |
| | **Total** | **1,143,383** | **1,235,786** | **1,179,576** | **1,224,227** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 05 | 13 |

| Total Budget Request |
|---|
| $1,224,227 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **988,000** |
| | Full-Time Equivalents | 3.00 | |
| 50003 | **Overtime** | | **4,500** |
| 50010 | **Training & Education** | | **3,500** |
| | Allocation from General Administration Training 01-02-18 Page 6-8A | | |
| 50011 | **Uniform Allowance** | | **1,100** |
| 50025 | **Outside Professional Services** | | **4,000** |
| 50028 | **Printing** | | **41,000** |
| 50029 | **Memberships & Subscriptions** | | **260** |
| 50030 | **Special Department Expenses** | | **28,000** |
| | Infrastructure Upgrades | 9,500 | |
| | Computer Workstation Replacements | 12,000 | |
| | Miscellaneous Hardware and Software | 6,500 | |
| 50032 | **Telecommunications** | | **110,000** |
| | Mobile Communications | 56,000 | |
| | Internet Connectivity | 40,000 | |
| | Telephone Lines | 14,000 | |
| 50037 | **Transportation, Meals & Travel** | | **500** |
| 50040 | **Rents and Leases** | | **15,500** |
| | Repeater Site | 11,900 | |
| | Backup Tape Archive Storage | 3,600 | |
| 50341 | **Hazardous Waste Disposal Costs** | | **500** |
| 50454 | **Maintenance of Equipment** | | **36,000** |
| | Server Repair | 4,000 | |
| | Network Infrastructure Repair | 5,000 | |
| | Wireless Infrastructure | 7,000 | |
| | Video Surveillance Repair | 7,500 | |
| | SCADA Infrastructure | 5,000 | |
| | Printer Maintenance | 2,000 | |
| | Workstation and Laptop Repair | 2,500 | |
| | Telephone Equipment Repair | 1,000 | |
| | Facsimile Machines | 500 | |
| | Fire Suppression System | 500 | |
| | Miscellaneous | 1,000 | |

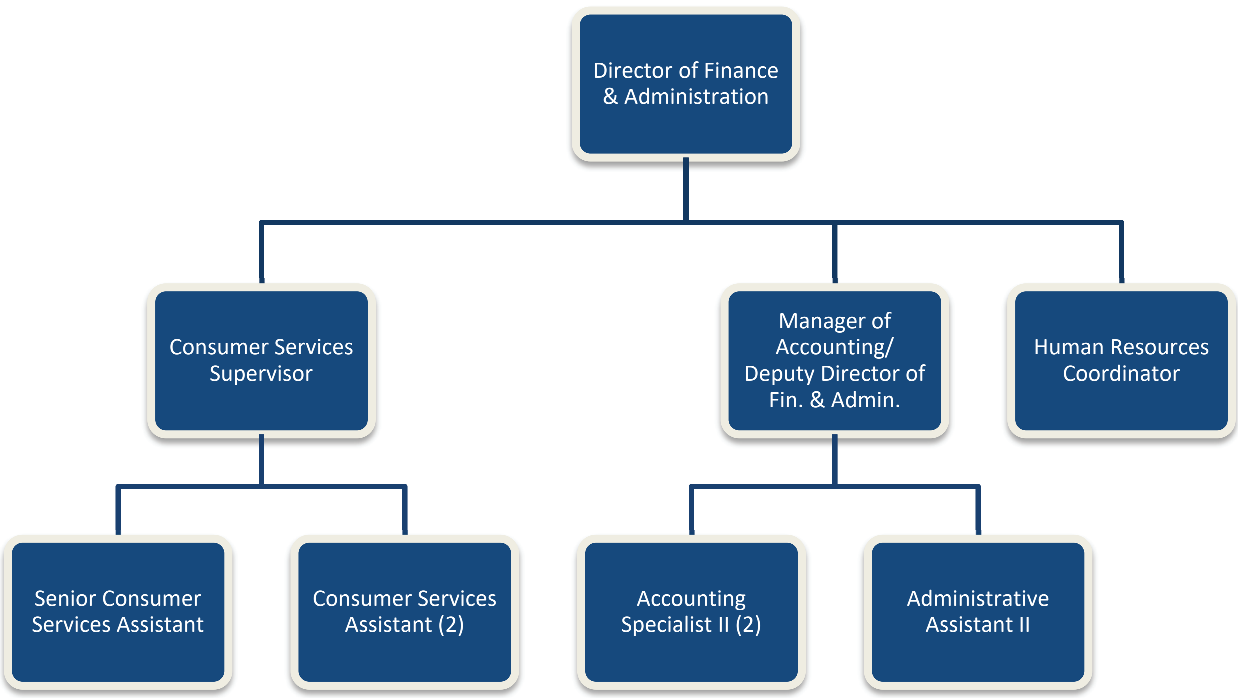
## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 05 | 13 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50469 | **Maintenance Agreements and Contracts** | | **75,000** |
| | Productivity Software | 30,000 | |
| | Telecommunication Systems | 14,200 | |
| | Network Security Systems | 7,000 | |
| | Backup and Data Storage | 8,500 | |
| | Network Infrastructure | 2,000 | |
| | Network Management Systems | 7,500 | |
| | Endpoint Security Systems | 2,500 | |
| | Data Processing Services | 3,300 | |
| 50991 | **Expense Credit** | | **(83,633)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

# Finance

Personnel Requirements (FTE's)




| | *Budget FY 2025-26* | *Actual FY 2025-26* | *Proposed FY 2026-27* |
|---|---|---|---|
| Director of Finance & Administration/Treasurer | 1.0 | 1.0 | 1.0 |
| Manager of Accounting/Deputy Dir. of Finance & Admin. | 1.0 | 1.0 | 1.0 |
| Accounting Specialist II | 2.0 | 2.0 | 2.0 |
| Human Resources Coordinator | 0.0 | 0.0 | 1.0 |
| Human Resources Analyst | 1.0 | 1.0 | 0.0 |
| Consumer Services Supervisor | 1.0 | 1.0 | 1.0 |
| Senior Consumer Services Assistant | 1.0 | 1.0 | 1.0 |
| Consumer Services Assistant | 2.0 | 2.0 | 2.0 |
| Administrative Assistant II | 0.0 | 0.0 | 1.0 |
| Administrative Assistant I | 1.0 | 1.0 | 0.0 |
| **Total** | **10.0** | **10.0** | **10.0** |

## DEPARTMENT DESCRIPTION

The Finance Department provides professional financial planning to the District for the funding of operational costs and capital improvement projects needed to sustain water and wastewater service to its customers. Accounting and auditing services are provided to show clearly and accurately at all times the financial status of the District. The Department invests available assets and manages the District's debt including assessment districts. The Finance Department is also tasked with the responsibility of the Consumer Services Division and the Human Resources Division.

## DIVISION DESCRIPTIONS

**Administration -** The Administration Division administers and supervises the daily functions of the District's Finance Department and includes maintaining the general ledger, preparing monthly, quarterly, and annual financial reports, including the Annual Budget and the Annual Comprehensive Financial Report. This division also coordinates and oversees the annual financial, single and special audits. The Administration Division determines and maintains water and sewer rate structures and ensures rate notification requirements are met.

**Consumer Services –** The Consumer Services Division is responsible for all activities related utility billing and customer service. The division is in charge of signing customers up for new service, transferring accounts, resolving billing issues or disputes, and terminating service. Staff in this division serve as the face of the District for walk in customers, they receive and post payments, and are first to answer phones and assist customers with billing and service questions. This division works closely with the Meter Services Division to ensure customer concerns are resolved in a timely manner.

**Facilities Operation –** The Facilities Operation Division is used to track general District expenses related to a variety of insurance coverages, the telephone and answering service for the agency, power costs for the main administrative buildings, and other general expenses.

**Human Resources –** The Human Resources Division performs a full range of duties related recruitment and selection, classification and compensation, benefits administration and employee relations. Staff in this division are responsible for administering and processing disability and workers compensations claims, coordinating return to work plans, retirements and managing retiree health benefits.

**Salary Clearing –** Costs incurred by the Salary Clearing Division are transferred to other divisions and funds at 213% of actual productive salary expended to cover the combined expense of salary and fringe benefits, including leave. The labor shown in the balance of the budget includes fringe benefits. Salary charged to outside projects and wastewater funds is at 228% to cover other overhead expenses including administration support labor for payroll and accounting, building maintenance, utilities, and general liability and property insurance.

**Training –** Costs incurred by the Training Division are transferred to the specific division that the training occurred. This division is used to easily track and identify total costs of outside training for the District as a whole.

**Debt Services –** The Debt Services division accounts for the interest expense on debt held by the General District. The District has two Safe Drinking Water State Revolving Fund loans. The first was used for the Cool Valley Reservoir Cover/Liner replacement. At June 30, 2026, the outstanding amount of the loan will be $2,029,442 at 1.6% interest. The Debt Service payment is $220,421 for Fiscal Year 2026-27. The second loan was used for the 2020 Pipeline Replacement Projects that consisted of 1. Oat Hill Pump Station Discharge; 2. Gordon Hill Rd Pipeline; and 3. Lilac Road Pipeline. At June 30, 2026, the outstanding amount will be $7,740,809 at 1.2% interest. The Debt Service payment in Fiscal Year 2026-27 will be $317,640. A summary and complete debt schedules can be found beginning on page 6-9.

On November 17, 2025, the Board authorized an SRF Financing Agreement totaling $5,525,000 to fund the 2023 Water Facility Replacement Projects. The term of the loan will be 30 years at an interest rate of 1.9%. Construction completion is estimated to be by July 1, 2028. Annual debt service payments of approximately $250,000 are expected to begin in July 1, 2029.

| Fiscal Year 2025-2026<br>Recent Accomplishments & Performance Indicators | Performance Standard | Strategic Plan Goal*: Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| The 2025-26 annual budget received the Award for Excellence in Operational Budgeting by the California Society of Municipal Finance Officers. | | | | ✓ | | | |
| The 2025 Annual Comprehensive Financial Report received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). Notification is pending. | | | | ✓ | | | |

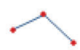
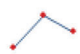
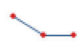
| Fiscal Year 2026-2027<br>Goals & Objectives | Performance Standard | Strategic Plan Goal*: Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Continue to maintain discretionary reserves minimum of a three months' to a maximum six months' operations and maintenance budget. | 3 | | | ✓ | | | |
| Meet or exceed the District's investment benchmark of return on investments greater than the 12-month rolling average return on U.S. Treasury bonds. | 4 | | | ✓ | | | |
| Maintain the District's share of the total water commodity rate, budgeted as of January 1, 2026, to be no more than 15% of the total commodity cost for domestic customers and 18% for certified agricultural. | 5 | | | ✓ | | | |
| Submit the 2026-27 Operating Budget for consideration to receive the Award for Excellence in Operational Budgeting from the California Society of Municipal Finance Officers (CSMFO). | | | | ✓ | | | |
| Submit the 2026 Annual Comprehensive Financial Report for consideration to receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). | | | | ✓ | | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

# Finance

| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Provide ongoing financial analysis to support the District's capital improvement program in a time of reduced water deliveries and increasing wholesale prices. | | | ✓ | ✓ | | | |
| Continue to improve procedures to be able to provide information to users as fast and accurately as possible. | | | | ✓ | | | |

## DEPARTMENT PERFORMANCE STANDARDS

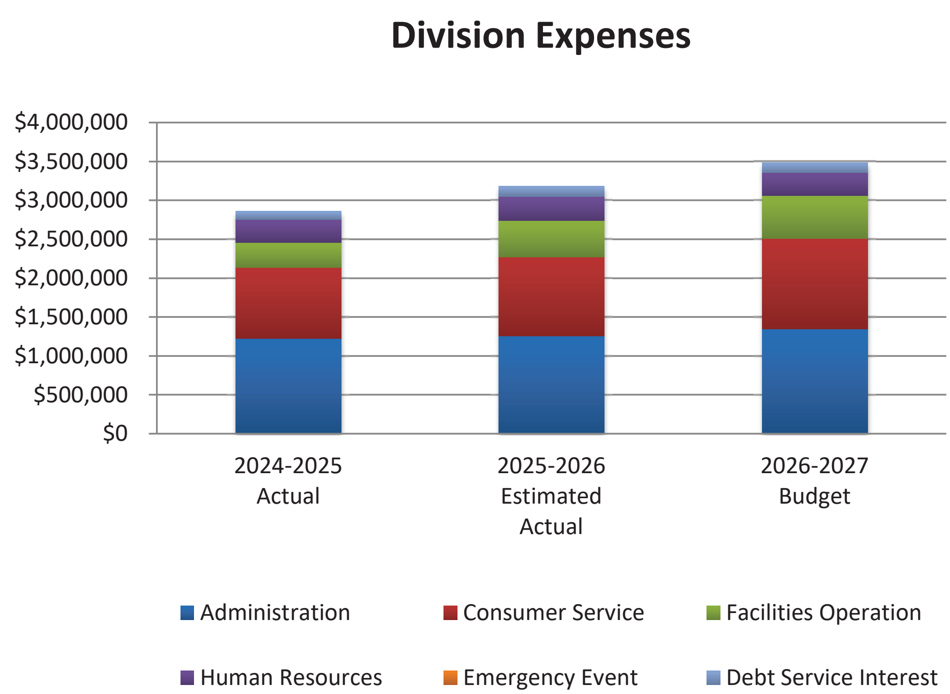
| Strategic Plan Goal | Standard No. | Performance Standard | Trend | Annual Target/Goal | Calendar Year | | |
|---|---|---|---|---|---|---|---|
| | | | | | 2024 Actual | 2025 Actual | 2026 Projection |
| Finance | 3 | Discretionary Reserves |  | 3-6 months operating and maintenance expenses | 4.6 months | 5.3 months | 3-6 months |
| Finance | 4 | Return on Investments |  | >12-month rolling average on U.S. Treasury Bonds | < 12-month | > 12-month | ≥12-month |
| Finance | 5 | Local Share of Total Commodity Costs |  | < 15% of total commodity cost for Full Price M&I | 10.3% | 9.4% | 9.8% |
| | | |  | < 18% of total commodity cost for Full Price PSAWR | 13.8% | 13.3% | 13.3% |

* See page 1-23 of this Budget document for the full Strategic Plan.

# Department Summary by Division

| Fund | Department |
|---|---|
| 01 | 02 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 11 | Administration | 1,220,725 | 1,277,817 | 1,257,397 | 1,347,636 |
| 12 | Consumer Service | 910,326 | 998,836 | 1,011,986 | 1,157,336 |
| 14 | Facilities Operation | 325,917 | 469,283 | 468,118 | 554,554 |
| 15 | Human Resources | 294,838 | 312,818 | 308,968 | 292,048 |
| 16 | Salary Clearing | (1,122,961) | 0 | 0 | 0 |
| 17 | Emergency Event | 0 | 0 | 0 | 0 |
| 19 | Debt Service Interest | 106,725 | 111,164 | 137,016 | 133,480 |
| **TOTAL FINANCE** | | **1,735,570** | **3,169,918** | **3,183,485** | **3,485,054** |



## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 11 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 1,128,020 | 1,157,800 | 1,148,700 | 1,145,600 |
| 50002 | Temporary Labor | 3,204 | 0 | 0 | 0 |
| 50003 | Overtime | 6,925 | 6,500 | 9,000 | 10,000 |
| 50010 | Training & Education | 0 | 4,000 | 0 | 3,000 |
| 50011 | Uniform Allowance | 3,284 | 3,400 | 3,400 | 3,400 |
| 50025 | Outside Professional Services | 69,206 | 85,000 | 80,000 | 176,300 |
| 50028 | Printing | 0 | 1,900 | 0 | 1,700 |
| 50029 | Subscriptions and Publications | 700 | 1,500 | 600 | 1,000 |
| 50030 | Special Department Expenses | 3,038 | 3,500 | 4,700 | 2,700 |
| 50033 | Postage | 6,889 | 7,750 | 7,500 | 7,750 |
| 50034 | Membership Fees & Dues | 340 | 800 | 330 | 550 |
| 50037 | Transportation, Meals & Travel | 1,952 | 6,000 | 4,200 | 6,500 |
| 50469 | Maintenance of Agreements & Contracts | 73,272 | 77,000 | 76,300 | 81,200 |
| 50991 | Expense Credit | (76,105) | (77,333) | (77,333) | (92,064) |
| | **Total** | **1,220,725** | **1,277,817** | **1,257,397** | **1,347,636** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 11 |

| Total Budget Request |
|---|
| $1,347,636 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **1,145,600** |
| | Full-Time Equivalents | 4.02 | |
| 50003 | **Overtime** | | **10,000** |
| 50010 | **Training & Education** | | **3,000** |
| | Allocation from General Administration Training 01-02-18 Page 6-9A | | |
| 50011 | **Uniform Allowance** | | **3,400** |
| 50025 | **Outside Professional Services** | | **176,300** |
| | Cost of Service Study | 100,000 | |
| | Annual District Audit | 29,300 | |
| | Single Audit - Other Services | 4,000 | |
| | Bank Service Charges | 27,000 | |
| | Proposition 218 Notification | 10,000 | |
| | OPEB Actuarial Report for GASB 75 Compliance | 3,000 | |
| | Availability Charges, Computer Svcs, Notices,& Liens | 2,000 | |
| | Other | 1,000 | |
| 50028 | **Printing** | | **1,700** |
| | Checks | 1,500 | |
| | Other | 200 | |
| 50029 | **Subscriptions and Publications** | | **1,000** |
| | GASB 68 Reports | 500 | |
| | Government Accounting Standards Board | 500 | |
| 50030 | **Special Department Expenses** | | **2,700** |
| | Office Supplies | 1,000 | |
| | ACFR Applications and Debt Statistics | 1,200 | |
| | Budget Application | 500 | |
| 50033 | **Postage** | | **7,750** |
| | Proposition 218 Notices | 7,650 | |
| | FedEx & Miscellaneous Mailings | 100 | |
| 50034 | **Memberships, Fees and Dues** | | **550** |
| | Government Finance Officers Association | 400 | |
| | California Society of Municipal Finance Officers | 150 | |

# Finance Administration

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 11 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50037 | **Transportation, Meals & Travel** | | **6,500** |
| | ACWA Fall & Spring Conference | 4,000 | |
| | Springbrook Activate | 1,500 | |
| | Other | 1,000 | |
| 50469 | **Maintenance of Agreements & Contracts** | | **81,200** |
| | ERP System | 81,200 | |
| 50991 | **Expense Credit** | | **(92,064)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 12 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 687,775 | 741,600 | 736,000 | 808,200 |
| 50002 | Temporary Labor | 1,831 | 0 | 0 | 0 |
| 50003 | Overtime | 681 | 1,000 | 750 | 1,000 |
| 50010 | Training & Education | 670 | 2,000 | 700 | 1,000 |
| 50025 | Outside Professional Services | 203,951 | 224,000 | 246,900 | 274,500 |
| 50028 | Printing | 920 | 1,000 | 0 | 500 |
| 50030 | Special Department Expenses | 355 | 1,000 | 800 | 1,000 |
| 50033 | Postage | 63,332 | 60,000 | 59,000 | 62,000 |
| 50037 | Transportation, Meals & Travel | 0 | 500 | 100 | 200 |
| 50087 | Write Off of Uncollectible Accounts | 13,023 | 30,000 | 30,000 | 60,000 |
| 50469 | Maintenance of Agreements & Contracts | 0 | 0 | 0 | 28,000 |
| 50991 | Expense Credit | (62,212) | (62,264) | (62,264) | (79,064) |
| | **Total** | **910,326** | **998,836** | **1,011,986** | **1,157,336** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 12 |

| Total Budget Request |
|---|
| **$1,157,336** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **808,200** |
| | Full-Time Equivalents | 4.35 | |
| 50003 | **Overtime** | | **1,000** |
| 50010 | **Training & Education** | | **1,000** |
| | Allocation from General Administration Training 01-02-18 Page 6-9A | | |
| 50025 | **Outside Professional Services** | | **274,500** |
| | Payment Processing | 225,000 | |
| | Bill and Notice Preparation | 35,000 | |
| | Docusign | 7,000 | |
| | Customer Statement Design Fees | 3,000 | |
| | Inserts - Programming Charges | 3,000 | |
| | Call-Em-All | 1,500 | |
| 50028 | **Printing** | | **500** |
| | Business Cards | 500 | |
| 50030 | **Special Department Expenses** | | **1,000** |
| | Office Supplies | 300 | |
| | Lien Releases & Recording Fees | 700 | |
| 50033 | **Postage** | | **62,000** |
| | 121,000 Water Bills & Final Notices | | |
| 50037 | **Transportation, Meals & Travel** | | **200** |
| | Transportation to Training and Seminars | | |
| 50087 | **Write Off of Uncollectible Accounts** | | **60,000** |
| 50469 | **Maintenance of Agreements & Contracts** | | **28,000** |
| | Customer Engagement Platform | 28,000 | |
| 50991 | **Expense Credit** | | **(79,064)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

# Finance
# Facilities Operation

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 14 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50025 | Outside Professional Services | 637 | 1,800 | 0 | 0 |
| 50027 | Office Supplies | 5,904 | 7,000 | 5,680 | 7,000 |
| 50028 | Printing | 1,997 | 3,200 | 900 | 1,500 |
| 50030 | Special Department Expenses | 1,664 | 2,300 | 1,925 | 2,100 |
| 50032 | Answering Service | 8,150 | 10,000 | 8,000 | 9,000 |
| 50040 | Rents & Leases | (9,522) | 1,800 | 1,520 | 1,800 |
| 50042 | Insurance | 317,402 | 387,790 | 419,700 | 476,300 |
| 50045 | Electricity | 4,439 | 60,000 | 35,000 | 62,000 |
| 50454 | Maintenance of Equipment | 325 | 325 | 325 | 200 |
| 50991 | Expense Credit | (5,079) | (4,932) | (4,932) | (5,346) |
| | **Total** | **325,917** | **469,283** | **468,118** | **554,554** |

# Finance
## Facilities Operation

### Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 14 |

| Total Budget Request |
|---|
| **$554,554** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50027 | **Office Supplies-District** | | **7,000** |
| | Various Office Supplies, Copier Paper | | |
| 50028 | **Printing** | | **1,500** |
| | Letterhead, Business Cards, Labels, Envelopes | | |
| 50030 | **Special Department Expenses** | | **2,100** |
| | Property Taxes for Facilities Outside the District | 800 | |
| | County Vector Control Assessment | 1,300 | |
| 50032 | **Answering Service** | | **9,000** |
| 50040 | **Rents & Leases** | | **1,800** |
| | Storage of Application Files | 1,800 | |
| 50042 | **Insurance** | | **476,300** |
| | General Liability | 338,200 | |
| | Property Damage and Fidelity Coverage | 215,000 | |
| | Cyber Liability Program | 13,100 | |
| | Other Self Insured Retention | 5,000 | |
| | Less Amount Charged to Sewer Funds | (95,000) | |
| 50045 | **Utilities-Electricity** | | **62,000** |
| | Electricity for Administration, Board Room Multipurpose Room, and Engineering Annex I & II | | |
| 50454 | **Maintenance of Equipment** | | **200** |
| | Currency Counter | 200 | |
| 50991 | **Expense Credit** | | **(5,346)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 15 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 297,803 | 315,000 | 311,100 | 294,300 |
| 50002 | Temporary Labor | 1,525 | 0 | 0 | 0 |
| 50003 | Overtime | 723 | 1,500 | 1,000 | 1,500 |
| 50010 | Training & Education | 475 | 250 | 0 | 0 |
| 50025 | Outside Professional Services | 9,200 | 8,000 | 10,300 | 9,000 |
| 50026 | Legal Services | 0 | 500 | 0 | 1,000 |
| 50030 | Special Department Expenses | 187 | 700 | 500 | 700 |
| 50034 | Membership Fees & Dues | 789 | 800 | 400 | 500 |
| 50037 | Transportation, Meals & Travel | 4,664 | 5,000 | 4,600 | 5,000 |
| 50991 | Expense Credit | (20,528) | (18,932) | (18,932) | (19,952) |
| | **Total** | **294,838** | **312,818** | **308,968** | **292,048** |

# Finance
## Human Resources

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 15 |

| Total Budget Request |
|---|
| **$292,048** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **294,300** |
| | Full-Time Equivalents | 1.23 | |
| 50003 | **Overtime** | | **1,500** |
| 50025 | **Outside Professional Services** | | **9,000** |
| | Employee Assistance Program | 2,600 | |
| | Employment Background Checks | 3,000 | |
| | State Mandated Sexual Harassment Training | 1,000 | |
| | Other | 2,400 | |
| 50026 | **Legal Services** | | **1,000** |
| | Personnel, Benefits, and Retirees' Health Plan | 1,000 | |
| 50030 | **Special Department Expenses** | | **700** |
| | Staff Meeting Supplies | 150 | |
| | Other | 550 | |
| 50034 | **Membership Fees and Dues** | | **500** |
| | California Public Employers Labor Relations Association (CALPELRA) | 500 | |
| 50037 | **Transportation, Meals & Travel** | | **5,000** |
| | Training, Seminars, Meetings | 500 | |
| | CALPELRA Conference | 2,000 | |
| | CalPers Conference | 2,000 | |
| | Other | 500 | |
| 50991 | **Expense Credit** | | **(19,952)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

Finance

# Salary Clearing

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 16 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor | 8,521,319 | 8,761,978 | 8,420,233 | 9,128,372 |
| 50002 | Temporary Labor | 84,974 | 71,600 | 70,000 | 178,700 |
| 50003 | Overtime | 287,251 | 341,000 | 264,900 | 334,000 |
| 50004 | Unemployment Insurance | 8,829 | 9,200 | 9,000 | 9,200 |
| 50005 | Retirement | 3,663,238 | 4,022,700 | 3,819,200 | 4,269,400 |
| 50006 | Medicare | 127,207 | 132,800 | 124,700 | 139,500 |
| 50007 | Medical | 1,489,977 | 1,710,731 | 1,577,200 | 1,817,758 |
| 50008 | Worker's Compensation | 119,579 | 134,000 | 114,700 | 102,000 |
| 50009 | Life and Disability Insurance | 171,270 | 212,800 | 184,000 | 213,200 |
| 50012 | Vacation/Sick/Holiday Leave | 1,446,258 | 1,455,000 | 1,455,000 | 1,509,900 |
| 50013 | Increase in Value Of Accrued Leave | 51,820 | 0 | 0 | 0 |
| 50015 | Dental | 78,382 | 96,500 | 59,100 | 97,600 |
| 50016 | Vision | 11,504 | 12,900 | 11,600 | 12,900 |
| 50017 | Retirement Health Deferred Cont. | 50,508 | 60,300 | 43,200 | 68,100 |
| 50018 | Post Retirement Health Benefit | 270,995 | 275,634 | 275,634 | 276,000 |
| 50019 | Social Security | 4,435 | 4,100 | 4,900 | 4,200 |
| 50022 | Deferred Compensation Match | 212 | 49,000 | 38,900 | 49,000 |
| 50070 | Pension Expense | (1,032,043) | 0 | 0 | 0 |
| 50080 | OPEB Expense | (90,918) | 0 | 0 | 0 |
| 50991 | Expense Credit - Leave | (1,446,258) | (1,455,000) | (1,455,000) | (1,509,900) |
| 50991 | Expense Credit | (14,941,500) | (15,895,243) | (15,017,267) | (16,699,930) |
| | **Total** | **(1,122,961)** | **0** | **0** | **0** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 16 |

| Total Budget Request |
|---|
| **$18,160,830** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor** | | **9,128,372** |
| | Salary for all District employees | | |
| | Full Time Equivalents | 74.00 | |
| 50002 | **Temporary Labor** | | **178,700** |
| 50003 | **Overtime** | | **334,000** |
| 50004 | **Unemployment Insurance** | | **9,200** |
| | Federal mandated program - 1.6% of first $7,000. | | |
| 50005 | **Retirement** | | **4,269,400** |
| | District Contribution to CalPERS. | | |
| 50006 | **Medicare** | | **139,500** |
| | 1.45% of base pay plus overtime on all employees hired after April 1, 1986. | | |
| 50007 | **Medical** | | **1,817,758** |
| | Preferred Provider or Health Maintenance Organization | | |
| 50008 | **Workers Compensation** | | **102,000** |
| 50009 | **Life and Disability Insurance** | | **213,200** |
| | Life and Accidental Death and Dismemberment | 137,300 | |
| | Long-Term Disability | 75,900 | |
| 50012 | **Vacation / Sick / Holiday Leave** | | **1,509,900** |
| 50013 | **Increase in Value of Accrued Leave** | | **0** |
| | Generally Accepted Accounting Principles requires the District to fund accrued leave at current value at year end. | | |
| 50015 | **Dental Insurance** | | **97,600** |
| | District paid for employee and dependents. | | |
| 50016 | **Vision Insurance** | | **12,900** |
| | District paid for employee and dependents. | | |
| 50017 | **Retirement Health, Defined Contribution Plan** | | **68,100** |
| 50018 | **Retirement Health, Defined Benefit Plan** | | **276,000** |
| | Annual required contribution to defined benefit plan. | | |
| 50019 | **Social Security** | | **4,200** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 16 |

| Total Budget Request |
|---|
| **-$18,062,830** |

| Account No. | Detail and Justification | Budget Request |
|---|---|---|
| 50022 | **Deferred Compensation Match** | **49,000** |
| 50070 | **Pension Expense** | **0** |
| | GASB 68 Adjustment | |
| 50080 | **Other Post Employment Benefits (OPEB) Expense** | **0** |
| | GASB 75 Adjustment | |
| 50991 | **Expense Credit - Leave** | **(1,509,900)** |
| 50991 | **Expense Credit** | **(16,601,930)** |

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 18 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50110 | General and Administration | 0 | 750 | 250 | 2,500 |
| 50111 | Finance Administration | 0 | 4,000 | 0 | 3,000 |
| 50112 | Consumer Services | 670 | 2,000 | 700 | 1,000 |
| 50113 | Information Technology | 135 | 3,500 | 500 | 3,500 |
| 50115 | Human Resources | 475 | 250 | 0 | 0 |
| 50121 | Engineering Administration | (4,966) | 33,500 | 22,000 | 33,500 |
| 50131 | Operations & Facilities Administration | 21,248 | 30,000 | 25,500 | 30,000 |
| 50991 | Expense Credit | (17,562) | (74,000) | (48,950) | (73,500) |
| | **Total** | **0** | **0** | **0** | **0** |

## Finance
## Training

### Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 18 |

| Total Budget Request |
|---|
| **$0** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50110 | **General Administration** | | **2,500** |
| | Seminars & Workshops | 2,500 | |
| 50111 | **Finance Administration** | | **3,000** |
| | Continuing Education | 2,750 | |
| | Accounting Updates | 250 | |
| 50112 | **Consumer Services** | | **1,000** |
| | Continuing Education | 800 | |
| | Customer Service Seminars | 200 | |
| 50113 | **Information Technology** | | **3,500** |
| | Software Training Tuition Reimbursement | 3,500 | |
| 50115 | **Finance - Human Resources** | | **0** |
| | Miscellaneous Training | 0 | |
| 50121 | **Engineering Administration** | | **33,500** |
| | Continuing Education | 16,000 | |
| | Construction Management Assoc. of America (CMAA) | 5,000 | |
| | Professional Development | 12,500 | |
| 50131 | **Operations & Facilities Administration** | | **30,000** |
| | Continuing Education | 14,000 | |
| | Technology Classes | 3,700 | |
| | Electric | 3,000 | |
| | Safety | 2,700 | |
| | Wastewater Technical Classes | 800 | |
| | Heavy Equipment | 700 | |
| | Backflow/Cross Connection | 600 | |
| | Cla-valve | 550 | |
| | Trenching/Shoring | 550 | |
| | Pump Training | 550 | |
| | Computer | 550 | |
| | Supervisor Certification | 550 | |
| | Energy Management/Preparedness | 550 | |
| | Customer Service | 500 | |
| | Water Quality | 500 | |
| | Collection Systems | 200 | |
| 50991 | **Expense Credit** | | **(73,500)** |

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 19 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 00-21150 | Principal on SRF Debt - Cool Valley Rsvr | 179,893 | 182,783 | 182,783 | 185,719 |
| 00-21170 | Principal on SRF Debt - 2020 Pipelines | 0 | 0 | 222,938 | 224,750 |
| | **Total Principal** | **179,893** | **182,783** | **405,721** | **410,469** |
| 50071 | Interest on SRF Debt - Cool Valley Rsvr | 40,529 | 37,639 | 37,639 | 34,703 |
| 50075 | Interest on SRF Debt - 2020 Pipelines | 61,065 | 69,057 | 94,703 | 92,890 |
| | **Total Debt Service Interest** | **101,594** | **106,696** | **132,342** | **127,593** |
| | **Total Debt Service** | **281,487** | **289,479** | **538,063** | **538,062** |
| **SOURCE OF FINANCING** | | | | | |
| | Water Availability Charge/Other | 281,487 | 289,479 | 538,063 | 538,062 |
| | **Total** | **281,487** | **289,479** | **538,063** | **538,062** |
| **OTHER INTEREST EXPENSE** | | | | | |
| 50161 | Interest on Lake Turner Solar NRG | 4,583 | 4,136 | 4,342 | 3,877 |
| 50163 | Interest on Right to Use Assets | 548 | 332 | 332 | 2,010 |
| | **Total Other Interest Expense** | **5,131** | **4,468** | **4,674** | **5,887** |
| | **Total All Interest Expense** | **106,725** | **111,164** | **137,016** | **133,480** |

# California Drinking Water SRF Payment Schedule

## Cool Valley Reservoir Cover/Liner Replacement

| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 19 |

| Due Date | Ref Num | Beginning Balance | Principal Payment | Interest Rate % | Interest Payment | Total Payment | Ending Balance |
|---|---|---|---|---|---|---|---|
| 1/01/2017 | | $ - | $ - | 1.60% | $ - | $ - | $ - |
| 7/01/2017 | 1 | $ 2,915,212.00 | $ - | 1.60% | $ 1,468.43 | $ 1,468.43 | $ 2,915,212.00 |
| 1/01/2018 | 2 | $ 2,915,212.00 | $ 61,942.87 | 1.60% | $ 23,513.38 | $ 85,456.25 | $ 2,853,269.13 |
| 7/01/2018 | 3 | $ 3,076,478.13 | $ 68,276.33 | 1.60% | $ 23,842.23 | $ 92,118.56 | $ 3,008,201.80 |
| 1/01/2019 | 4 | $ 3,238,772.80 | $ 74,173.23 | 1.60% | $ 24,977.65 | $ 99,150.88 | $ 3,164,599.57 |
| 7/01/2019 | 5 | $ 3,164,599.57 | $ 73,834.08 | 1.60% | $ 25,316.80 | $ 99,150.88 | $ 3,090,765.49 |
| 1/01/2020 | 6 | $ 3,437,345.49 | $ 84,544.99 | 1.60% | $ 25,665.74 | $ 110,210.73 | $ 3,352,800.50 |
| 7/01/2020 | 7 | $ 3,352,800.50 | $ 83,388.33 | 1.60% | $ 26,822.40 | $ 110,210.73 | $ 3,269,412.17 |
| 1/01/2021 | 8 | $ 3,269,412.17 | $ 84,055.43 | 1.60% | $ 26,155.30 | $ 110,210.73 | $ 3,185,356.74 |
| 7/01/2021 | 9 | $ 3,185,356.74 | $ 84,727.88 | 1.60% | $ 25,482.85 | $ 110,210.73 | $ 3,100,628.86 |
| 1/01/2022 | 10 | $ 3,100,628.86 | $ 85,405.70 | 1.60% | $ 24,805.03 | $ 110,210.73 | $ 3,015,223.16 |
| 7/01/2022 | 11 | $ 3,015,223.16 | $ 86,088.94 | 1.60% | $ 24,121.79 | $ 110,210.73 | $ 2,929,134.22 |
| 1/01/2023 | 12 | $ 2,929,134.22 | $ 86,777.66 | 1.60% | $ 23,433.07 | $ 110,210.73 | $ 2,842,356.56 |
| 7/01/2023 | 13 | $ 2,842,356.56 | $ 87,471.88 | 1.60% | $ 22,738.85 | $ 110,210.73 | $ 2,754,884.68 |
| 1/01/2024 | 14 | $ 2,754,884.68 | $ 88,171.65 | 1.60% | $ 22,039.08 | $ 110,210.73 | $ 2,666,713.03 |
| 7/01/2024 | 15 | $ 2,666,713.03 | $ 88,877.03 | 1.60% | $ 21,333.70 | $ 110,210.73 | $ 2,577,836.00 |
| 1/01/2025 | 16 | $ 2,577,836.00 | $ 89,588.04 | 1.60% | $ 20,622.69 | $ 110,210.73 | $ 2,488,247.96 |
| 7/01/2025 | 17 | $ 2,488,247.96 | $ 90,304.75 | 1.60% | $ 19,905.98 | $ 110,210.73 | $ 2,397,943.21 |
| 1/01/2026 | 18 | $ 2,397,943.21 | $ 91,027.18 | 1.60% | $ 19,183.55 | $ 110,210.73 | $ 2,306,916.03 |
| 7/01/2026 | 19 | $ 2,306,916.03 | $ 91,755.40 | 1.60% | $ 18,455.33 | $ 110,210.73 | $ 2,215,160.63 |
| 1/01/2027 | 20 | $ 2,215,160.63 | $ 92,489.44 | 1.60% | $ 17,721.29 | $ 110,210.73 | $ 2,122,671.19 |
| 7/01/2027 | 21 | $ 2,122,671.19 | $ 93,229.36 | 1.60% | $ 16,981.37 | $ 110,210.73 | $ 2,029,441.83 |
| 1/01/2028 | 22 | $ 2,029,441.83 | $ 93,975.20 | 1.60% | $ 16,235.53 | $ 110,210.73 | $ 1,935,466.63 |
| 7/01/2028 | 23 | $ 1,935,466.63 | $ 94,727.00 | 1.60% | $ 15,483.73 | $ 110,210.73 | $ 1,840,739.63 |
| 1/01/2029 | 24 | $ 1,840,739.63 | $ 95,484.81 | 1.60% | $ 14,725.92 | $ 110,210.73 | $ 1,745,254.82 |
| 7/01/2029 | 25 | $ 1,745,254.82 | $ 96,248.69 | 1.60% | $ 13,962.04 | $ 110,210.73 | $ 1,649,006.13 |
| 1/01/2030 | 26 | $ 1,649,006.13 | $ 97,018.68 | 1.60% | $ 13,192.05 | $ 110,210.73 | $ 1,551,987.45 |
| 7/01/2030 | 27 | $ 1,551,987.45 | $ 97,794.83 | 1.60% | $ 12,415.90 | $ 110,210.73 | $ 1,454,192.62 |
| 1/01/2031 | 28 | $ 1,454,192.62 | $ 98,577.19 | 1.60% | $ 11,633.54 | $ 110,210.73 | $ 1,355,615.43 |
| 7/01/2031 | 29 | $ 1,355,615.43 | $ 99,365.81 | 1.60% | $ 10,844.92 | $ 110,210.73 | $ 1,256,249.62 |
| 1/01/2032 | 30 | $ 1,256,249.62 | $ 100,160.73 | 1.60% | $ 10,050.00 | $ 110,210.73 | $ 1,156,088.89 |
| 7/01/2032 | 31 | $ 1,156,088.89 | $ 100,962.02 | 1.60% | $ 9,248.71 | $ 110,210.73 | $ 1,055,126.87 |
| 1/01/2033 | 32 | $ 1,055,126.87 | $ 101,769.72 | 1.60% | $ 8,441.01 | $ 110,210.73 | $ 953,357.15 |
| 7/01/2033 | 33 | $ 953,357.15 | $ 102,583.87 | 1.60% | $ 7,626.86 | $ 110,210.73 | $ 850,773.28 |
| 1/01/2034 | 34 | $ 850,773.28 | $ 103,404.54 | 1.60% | $ 6,806.19 | $ 110,210.73 | $ 747,368.74 |
| 7/01/2034 | 35 | $ 747,368.74 | $ 104,231.78 | 1.60% | $ 5,978.95 | $ 110,210.73 | $ 643,136.96 |
| 1/01/2035 | 36 | $ 643,136.96 | $ 105,065.63 | 1.60% | $ 5,145.10 | $ 110,210.73 | $ 538,071.33 |
| 7/01/2035 | 37 | $ 538,071.33 | $ 105,906.16 | 1.60% | $ 4,304.57 | $ 110,210.73 | $ 432,165.17 |
| 1/01/2036 | 38 | $ 432,165.17 | $ 106,753.41 | 1.60% | $ 3,457.32 | $ 110,210.73 | $ 325,411.76 |
| 7/01/2036 | 39 | $ 325,411.76 | $ 107,607.44 | 1.60% | $ 2,603.29 | $ 110,210.73 | $ 217,804.32 |
| 1/01/2037 | 40 | $ 217,804.32 | $ 108,468.30 | 1.60% | $ 1,742.43 | $ 110,210.73 | $ 109,336.02 |
| 7/01/2037 | 41 | $ 109,336.02 | $ 109,336.02 | 1.60% | $ 874.69 | $ 110,210.71 | $ (0.00) |
| **Total** | | | **$3,715,572.00** | | **$629,359.26** | **$4,344,931.26** | |

# Valley Center Municipal Water District

Finance

## SRF Payment Schedule

## California Drinking Water 2020 Pipeline Projects

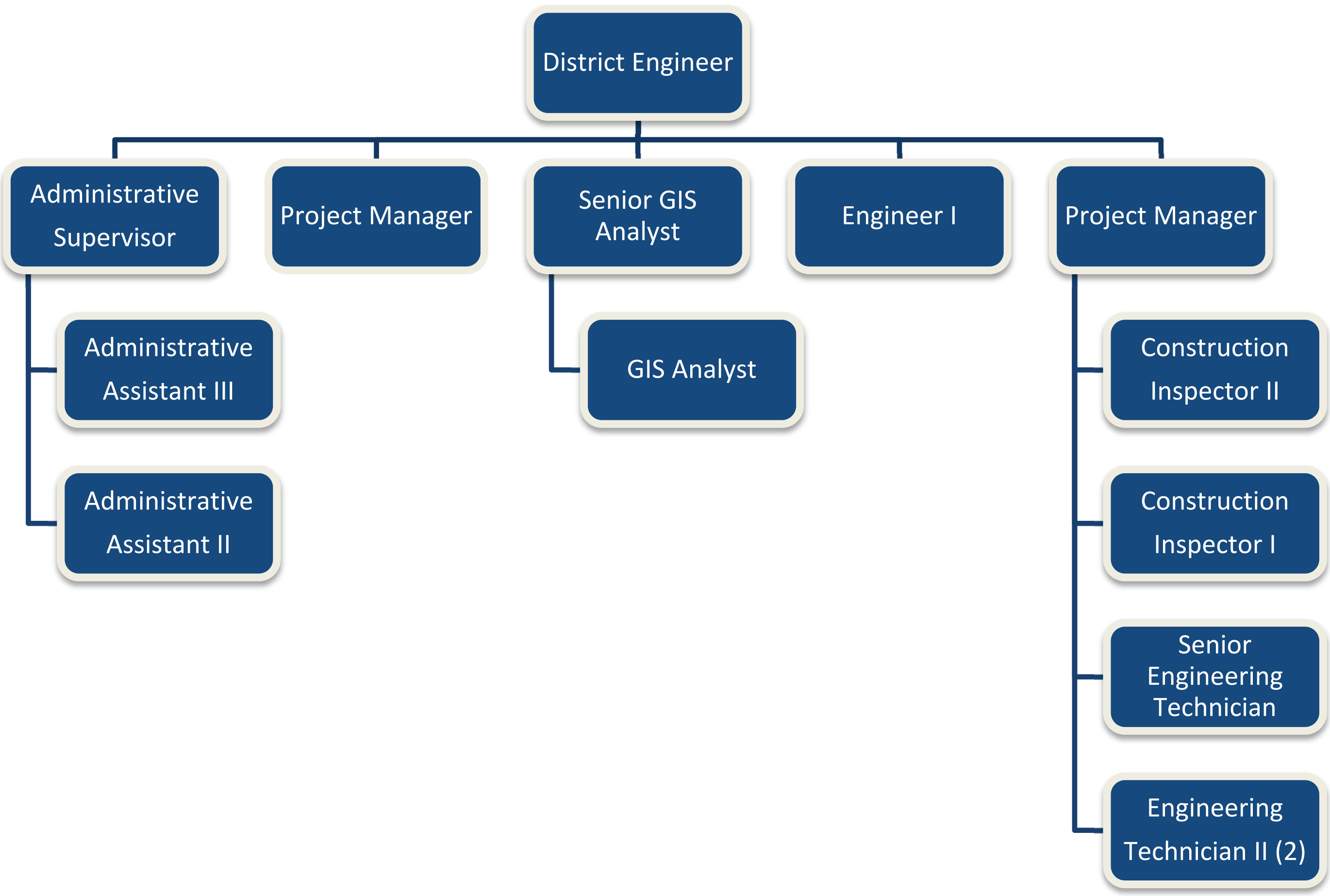
| Fund | Department | Division |
|---|---|---|
| 01 | 02 | 19 |

| Due Date | Ref Num | Beginning Balance | Principal Payment | Interest Rate % | Interest Payment | Total Payment | Ending Balance |
|---|---|---|---|---|---|---|---|
| 11/01/2022 | 1 | $ 423,098.00 | $ - | 1.20% | $ 361.66 | $ 361.66 | $ 423,098.00 |
| 11/01/2023 | 2 | $ 423,098.00 | $ - | 1.20% | $ 5,077.18 | $ 5,077.18 | $ 423,098.00 |
| 11/01/2024 | 3 | $ 7,842,302.00 | $ - | 1.20% | $ 69,057.41 | $ 69,057.41 | $ 7,842,302.00 |
| 11/01/2025 | 4 | $ 7,963,747.00 | $ 222,937.58 | 1.20% | $ 94,702.54 | $ 317,640.12 | $ 7,740,809.42 |
| 11/01/2026 | 5 | $ 7,740,809.42 | $ 224,750.41 | 1.20% | $ 92,889.71 | $ 317,640.12 | $ 7,516,059.01 |
| 11/01/2027 | 6 | $ 7,516,059.01 | $ 227,447.41 | 1.20% | $ 90,192.71 | $ 317,640.12 | $ 7,288,611.60 |
| 11/01/2028 | 7 | $ 7,288,611.60 | $ 230,176.78 | 1.20% | $ 87,463.34 | $ 317,640.12 | $ 7,058,434.82 |
| 11/01/2029 | 8 | $ 7,058,434.82 | $ 232,938.90 | 1.20% | $ 84,701.22 | $ 317,640.12 | $ 6,825,495.92 |
| 11/01/2030 | 9 | $ 6,825,495.92 | $ 235,734.17 | 1.20% | $ 81,905.95 | $ 317,640.12 | $ 6,589,761.75 |
| 11/01/2031 | 10 | $ 6,589,761.75 | $ 238,562.98 | 1.20% | $ 79,077.14 | $ 317,640.12 | $ 6,351,198.77 |
| 11/01/2032 | 11 | $ 6,351,198.77 | $ 241,425.73 | 1.20% | $ 76,214.39 | $ 317,640.12 | $ 6,109,773.04 |
| 11/01/2033 | 12 | $ 6,109,773.04 | $ 244,322.84 | 1.20% | $ 73,317.28 | $ 317,640.12 | $ 5,865,450.20 |
| 11/01/2034 | 13 | $ 5,865,450.20 | $ 247,254.72 | 1.20% | $ 70,385.40 | $ 317,640.12 | $ 5,618,195.48 |
| 11/01/2035 | 14 | $ 5,618,195.48 | $ 250,221.77 | 1.20% | $ 67,418.35 | $ 317,640.12 | $ 5,367,973.71 |
| 11/01/2036 | 15 | $ 5,367,973.71 | $ 253,224.44 | 1.20% | $ 64,415.68 | $ 317,640.12 | $ 5,114,749.27 |
| 11/01/2037 | 16 | $ 5,114,749.27 | $ 256,263.13 | 1.20% | $ 61,376.99 | $ 317,640.12 | $ 4,858,486.14 |
| 11/01/2038 | 17 | $ 4,858,486.14 | $ 259,338.29 | 1.20% | $ 58,301.83 | $ 317,640.12 | $ 4,599,147.85 |
| 11/01/2039 | 18 | $ 4,599,147.85 | $ 262,450.35 | 1.20% | $ 55,189.77 | $ 317,640.12 | $ 4,336,697.50 |
| 11/01/2040 | 19 | $ 4,336,697.50 | $ 265,599.75 | 1.20% | $ 52,040.37 | $ 317,640.12 | $ 4,071,097.75 |
| 11/01/2041 | 20 | $ 4,071,097.75 | $ 268,786.95 | 1.20% | $ 48,853.17 | $ 317,640.12 | $ 3,802,310.80 |
| 11/01/2042 | 21 | $ 3,802,310.80 | $ 272,012.39 | 1.20% | $ 45,627.73 | $ 317,640.12 | $ 3,530,298.41 |
| 11/01/2043 | 22 | $ 3,530,298.41 | $ 275,276.54 | 1.20% | $ 42,363.58 | $ 317,640.12 | $ 3,255,021.87 |
| 11/01/2044 | 23 | $ 3,255,021.87 | $ 278,579.86 | 1.20% | $ 39,060.26 | $ 317,640.12 | $ 2,976,442.01 |
| 11/01/2045 | 24 | $ 2,976,442.01 | $ 281,922.82 | 1.20% | $ 35,717.30 | $ 317,640.12 | $ 2,694,519.19 |
| 11/01/2046 | 25 | $ 2,694,519.19 | $ 285,305.89 | 1.20% | $ 32,334.23 | $ 317,640.12 | $ 2,409,213.30 |
| 11/01/2047 | 26 | $ 2,409,213.30 | $ 288,729.56 | 1.20% | $ 28,910.56 | $ 317,640.12 | $ 2,120,483.74 |
| 11/01/2048 | 27 | $ 2,120,483.74 | $ 292,194.32 | 1.20% | $ 25,445.80 | $ 317,640.12 | $ 1,828,289.42 |
| 11/01/2049 | 28 | $ 1,828,289.42 | $ 295,700.65 | 1.20% | $ 21,939.47 | $ 317,640.12 | $ 1,532,588.77 |
| 11/01/2050 | 29 | $ 1,532,588.77 | $ 299,249.05 | 1.20% | $ 18,391.07 | $ 317,640.12 | $ 1,233,339.72 |
| 11/01/2051 | 30 | $ 1,233,339.72 | $ 302,840.04 | 1.20% | $ 14,800.08 | $ 317,640.12 | $ 930,499.68 |
| 11/01/2052 | 31 | $ 930,499.68 | $ 306,474.12 | 1.20% | $ 11,166.00 | $ 317,640.12 | $ 624,025.56 |
| 11/01/2053 | 32 | $ 624,025.56 | $ 310,151.81 | 1.20% | $ 7,488.31 | $ 317,640.12 | $ 313,873.75 |
| 11/01/2054 | 33 | $ 313,873.75 | $ 313,873.75 | 1.20% | $ 3,766.49 | $ 317,640.24 | $ (0.00) |
| **Total** | | | **$ 7,963,747.00** | | **$ 1,639,952.97** | **$ 9,603,699.97** | |

This page intentionally left blank

# Engineering

# Engineering




Personnel Requirements (FTE's)

| | Budget FY 2025-26 | Actual FY 2025-26 | Proposed FY 2026-27 |
|---|---|---|---|
| District Engineer/Deputy General Manager | 1.0 | 1.0 | 0.0 |
| District Engineer | 0.0 | 1.0 | 1.0 |
| Project Manager | 2.0 | 2.0 | 2.0 |
| Engineer I | 1.0 | 0.0 | 1.0 |
| Administrative Supervisor | 1.0 | 1.0 | 1.0 |
| Administrative Assistant III/Assistant Board Secretary | 1.0 | 0.0 | 0.0 |
| Administrative Assistant III | 0.0 | 0.0 | 1.0 |
| Administrative Assistant II | 0.0 | 0.0 | 1.0 |
| Administrative Assistant I | 1.0 | 1.0 | 0.0 |
| Senior Engineering Technician | 1.0 | 1.0 | 1.0 |
| Engineering Technician II | 2.0 | 2.0 | 2.0 |
| Senior GIS Analyst | 1.0 | 1.0 | 1.0 |
| GIS Analyst | 0.0 | 0.0 | 1.0 |
| GIS/Mapping Technician | 1.0 | 1.0 | 0.0 |
| Construction Inspector II | 0.0 | 0.0 | 1.0 |
| Construction Inspector I | 2.0 | 2.0 | 1.0 |
| Special Projects & Regulatory Comp. Manager | 0.5 | 0.5 | 0.5 |
| **Total** | **14.5** | **13.5** | **14.5** |

## DEPARTMENT DESCRIPTION

The Engineering Department provides professional and technical expertise to plan for the future and help the District meet its mission of providing reliable water and wastewater service to its customers. These services are accomplished through planning, designing, inspecting and managing District Capital Improvement Projects, and by plan checking and inspecting Developer funded projects. Other responsibilities include maintaining and updating technical records related to the District water, wastewater and recycled water infrastructure improvements, including easements and District property. The Engineering Department also assists customers with service applications and technical information on the District facilities and oversees the District's Water Conservation Program.

Department Resources are allocated to five Divisions; Administration, Planning, Customer Service, Encroachment & Locates and Maps & Records. Costs for the various services that Engineering staff provides are tracked in each of these Division accounts. These costs are expensed at the end of the Fiscal Year and are not capitalized as assets. The following is a description of the services allocated to each Division.

**Administration –** Costs associated with administering the office environment, management of staff, personnel reviews, Invoicing, budgeting, training, etc. Typically cost associated with running the department.

**Planning –** Costs associated with the planning of capital improvements for water, wastewater and recycled water facilities.

**Customer Service –** Costs associated with providing technical information and assistance to customers on district facilities and needed for the processing of their development plans and sale of meters, backflow devices and process of documents such as Project Facility Availability and Commitment letters and Agency Clearance Letters needed for approval processing of County building permits.

**Encroachment & Locates –** Costs associated with responding to Underground Service Alerts and processing District Encroachment Permits and enforcing the District's easement rights.

**Maps & Records –** Costs associated with maintaining the District's facility mapping records and Geographic Information System.

| Fiscal Year 2025-2026<br>Recent Accomplishments & Performance Indicators | Performance Standard | Strategic Plan Goal*: Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Completed management of the $11,325,000 North County Emergency Storage- VC Improvements Project. | 8,9 | ✓ | ✓ | | | | |
| Administered the District's Water Conservation Program to effectively meet all SWRCB regulatory requirements. | | ✓ | | | | | |
| Coordinated the SB 555 and 606 Water Loss Audit efforts internally as needed to meet the regulatory reporting and validation requirements. | | ✓ | | | | | |
| Assisted property owner participants in the Village Areas with connection to the Woods Valley Ranch Collection System. | | | ✓ | | | | |
| Completed the 2025 UWMP update by the regulatory deadline date. | 8,9 | ✓ | | | | | |
| Collected the remainder of disbursements for the SRF 2020 Pipeline Replacement Project, recovering capital reserves expended on those projects. Completed and obtained approval for the 2023 SRF and EPA Community Grant application for funding the Old Castle Pipeline Replacement Project. Completed the 2025 SRF Application for funding the North Broadway Pipeline Replacement and Relocation project. | | | ✓ | | | | |
| Completed repairs to the Reidy Canyon and West Bear Ridge Reservoirs exterior paint failures. | 8,9 | | ✓ | | | | |
| Processed applications and released for installation 40 domestic water meters; 48 fire service meters; 2 meter resizes; 2 meter relocations; 28 construction meters; | 1 | | ✓ | | | | |
| Managed and administered 54 Agency Clearance letters, 12 Project Availability and Commitment letters, 5 Special Projects; and 4 wastewater system connections. | 1 | | ✓ | | | | |
| Marked out and processed 4,174 underground service alert requests. | | | ✓ | | | | |
| Processed 6 new permits; 5 new violation; closed 11 permits; and resolved 4 violations. | | | ✓ | | | | |
| Updated 313 as-built drawings, reflecting newly installed facilities of various types. Mapped 37 Easements in GIS. | | | ✓ | | | | |
| Oversaw 10 development and special projects through final completion. | | | ✓ | | | | |
| Continued to provide GIS training and assistance to staff making beneficial utilization of GIS more readily available. Facilitated Cityworks implementation while maintaining the same level of support to District's day to day GIS needs. Completed converting data such that easements granted to the District are spatially visible in the GIS database. | | | | | ✓ | | |
| Conducted the water age analysis using the water model of the entire system, identifying areas where operational modifications are needed to better control water quality | | | | | ✓ | | |
| Completed the Water System Phase 2 SCADA/HMI upgrades, consisting of the migration of the HMI software from Wonderware to Ignition Perspective for additional sites using the SCADA standards and practices established with the Phase 1 project. Completed the upgrade of the Woods Valley Ranch WRF HMI software from Ignition Vision to Perspective. | 8,9 | | ✓ | | ✓ | | |
| Assisted in the design, review, and installation of energy efficient pump assemblies. | | | | | | ✓ | |
| Reviewed and updated 20 of the District's Standard Drawings, and updated the website postings. | | ✓ | | | ✓ | | |
| Continued to update and assist District staff in the use of digital District maps, record drawings, and valve details. | | | | | ✓ | | |
| Reduced processing time and paperwork required for water and wastewater service requests by utilizing computer resources. | | ✓ | | | ✓ | | |
| Provided opportunities for cross training in the areas of GIS, AutoCAD, and Customer Service. | | | | | ✓ | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

| Fiscal Year 2026-2027 Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Administer the District's Water Conservation Program to effectively meet all SWRCB regulatory requirements. | 12 | ✓ | | | | | |
| Coordinate the SB 555 and 606 Water Loss Audit efforts internally as needed to meet the regulatory reporting and validation requirements. | 2, 12 | ✓ | | | | | |
| Assist property owner participants in the Village Areas with connection to the Woods Valley Ranch Collection System. | 1 | | ✓ | | | | |
| Complete the painting and recoating of the reservoirs recommended for FY 2026-27. | 8,9 | | ✓ | | | | |
| Continue to provide GIS training and assistance to staff making beneficial utilization of the GIS more readily available. Facilitate Cityworks implementation while maintaining the same level of support to District's day to day GIS needs. Complete converting data such that easements granted to the District are spatially visible in the GIS database. | 10 | | | | ✓ | | |
| Continue to complete the water age analysis using the water model of the entire system, identifying areas where operational modifications are needed to better control water quality | 10 | | | | ✓ | | |
| Complete the Water System Phase 2 SCADA/HMI upgrades, consisting of the migration of the HMI software from Wonderware to Ignition Perspective for additional sites using the SCADA standards and practices established with the Phase 1 project. Complete the upgrade of the Woods Valley Ranch WRF HMI software from Ignition Vision to Perspective. | 9 | | ✓ | | ✓ | | |
| Assist in the design, review, and installation of energy efficient pump assemblies. | 6 | | | | | ✓ | |
| Update the existing Woods Valley Ranch WRF and Lower Moosa Canyon WRF Operation and Maintenance Manuals describing and documenting the procedures for efficient operation of the wastewater facilities, including not only the treatment plant, but also the collection system, seasonal storage facility and the recycled water distribution system. | 12 | ✓ | | | | | |
| Continue to refine newly updated District's Standard Specifications and Drawings focusing on establishing a process for publishing and maintaining access to the general public on the District website. | 1 | ✓ | | | ✓ | | |
| Continue to update and assist District staff in the use of digital District maps, record drawings, and valve details. | 10 | | | | ✓ | | |
| Reduce processing time and paperwork required for water and wastewater service requests by utilizing computer resources. | 1, 11 | ✓ | | | ✓ | | |
| Provide opportunities for cross training in the areas of GIS, AutoCAD, and Customer Service. | 1 | | | | ✓ | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Continue to update and improve appropriate policies, procedures and guidelines for the provision and expansion of water service in an environment of ever diminishing water availability and conversion from predominately agricultural uses to rural residential and urban uses. | | | ✓ | | | | |
| Development of financially feasible wastewater infrastructure projects for property owner participation on a voluntary basis within the service area of the existing treatment facilities. | | | ✓ | | | | |
| Explore development of local water supply sources. | | ✓ | ✓ | | | | |
| Seek out funding sources and financial assistance programs to fund required capital improvements. | | | ✓ | ✓ | | | |
| Maximize the use of the District's Data Management System to make facility information more readily available through integration of the Integrated Water Resource Management Plan, SCADA, GIS, CMMS and record drawings. | | | ✓ | | ✓ | | |
| Assist with the development of pumping and operation strategies and procedures to maximize water quality, pumping efficiencies and energy savings utilizing water system modeling. | | | ✓ | | | ✓ | |
| Pursue interagency shared services where appropriate | | | ✓ | ✓ | ✓ | | |

## DEPARTMENT PERFORMANCE STANDARDS

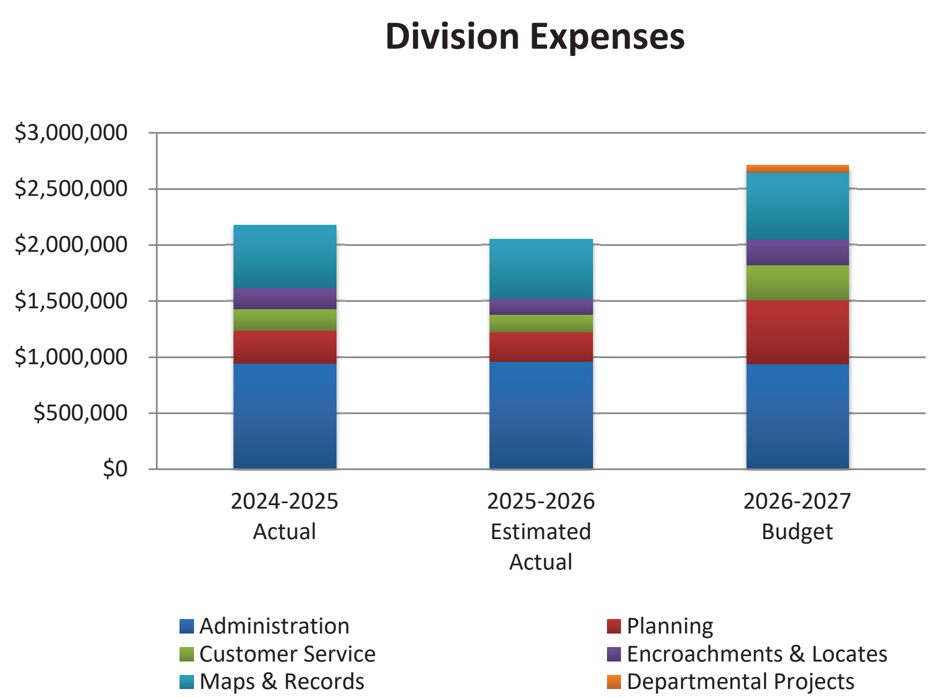
| Standard No. | Performance Standard Description | Trend | Annual Target/Goal | Calendar Year | | |
|---|---|---|---|---|---|---|
| | | | | 2024 Actual | 2025 Actual | 2026 Projection |
| 8 | Project's Actual Cost | | ±10% of Engineer's Estimate for CIP Projects | 4.2% | 58.0% | ±10% |
| 9 | Capital Improvement Project Timelines | | Under contract within 12 months of budget approval | Met | Met | within 12 months |

* See page 1-23 of this Budget document for the full Strategic Plan.

## Department Summary by Division

| Fund | Department |
|---|---|
| 01 | 03 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 21 | Administration | 944,045 | 912,901 | 961,535 | **937,506** |
| 22 | Planning | 294,108 | 358,032 | 262,882 | **572,116** |
| 23 | Customer Service | 190,983 | 323,191 | 155,991 | **311,191** |
| 24 | Encroachments & Locates | 186,275 | 276,138 | 137,450 | **225,449** |
| 28 | Maps & Records | 559,888 | 605,647 | 535,992 | **597,085** |
| 90 | Departmental Projects | 0 | 0 | 0 | **69,800** |
| | **TOTAL ENGINEERING** | **2,175,299** | **2,475,909** | **2,053,850** | **2,713,147** |



# Engineering Administration

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 21 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 880,951 | 897,600 | 944,400 | **907,000** |
| 50002 | Temporary Labor | 0 | 0 | 0 | **25,900** |
| 50003 | Overtime | 4,241 | 1,200 | 2,069 | **1,200** |
| 50010 | Training & Education | (4,966) | 33,500 | 33,500 | **33,500** |
| 50011 | Uniforms/Shoes | 5,685 | 6,900 | 6,900 | **6,900** |
| 50026 | Legal Services | 17,557 | 7,500 | 7,500 | **7,500** |
| 50029 | Books & Subscriptions | 6,336 | 4,350 | 5,098 | **4,350** |
| 50030 | Special Department Expenses | 1,814 | 3,550 | 3,767 | **3,550** |
| 50034 | Membership Fees & Dues | 5,062 | 4,550 | 4,550 | **2,651** |
| 50037 | Transportation, Meals & Travel | 806 | 2,000 | 2,000 | **2,000** |
| 50085 | Capital Planning | 66,297 | 0 | 0 | **0** |
| 50459 | Software Technical Support | 812 | 7,000 | 7,000 | **7,000** |
| 50991 | Expense Credit | (40,550) | (55,249) | (55,249) | **(64,045)** |
| | **Total** | **944,045** | **912,901** | **961,535** | **937,506** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 21 |

| Total Budget Request |
|---|
| $937,506 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | **907,000** |
| | Full-Time Equivalents | 4.03 | |
| 50002 | Temporary Labor | | **25,900** |
| 50003 | Overtime | | **1,200** |
| 50010 | Training & Education | | **33,500** |
| | Allocation from General Administration Training 01-02-18 Page 6-8A | | |
| 50011 | Uniforms/Shoes | | **6,900** |
| 50026 | Legal Services | | **7,500** |
| 50029 | Books & Subscriptions | | **4,350** |
| | AWWA Standards Update | 150 | |
| | Standard Specifications for Public Works | 250 | |
| | Technical Journals, Publications, Software | 350 | |
| | Engineering News Record | 150 | |
| | Parcel Quest - Online Property Search Tool | 3,250 | |
| | Miscellaneous | 200 | |
| 50030 | Special Department Expenses | | **3,550** |
| | General Office Supplies and Equipment | 2,500 | |
| | SD County Assessor's Maps | 250 | |
| | Miscellaneous | 800 | |
| 50034 | Membership, Fees & Dues | | **2,651** |
| | American Public Works Association | 525 | |
| | American Society of Civil Engineers | 275 | |
| | AMPP Membership for Inspector (Coating Inspection) | 200 | |
| | California Water Environment Association Membership | 502 | |
| | Construction Management Association of America | 290 | |
| | Certified Construction Manager | 210 | |
| | Professional Engineer Certification Renewal | 250 | |
| | Water Environment Federation | 399 | |
| 50037 | Transportation, Meals & Travel | | **2,000** |
| 50459 | Software Technical Support | | **7,000** |
| | Maintenance on Document Management Software | 5,000 | |
| | MS Project | 1,000 | |
| | Bluebeam | 1,000 | |
| 50991 | Expense Credit | | **(64,045)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 22 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 301,751 | 328,200 | 243,400 | **482,600** |
| 50002 | Temporary Labor | 0 | 0 | 0 | **77,700** |
| 50003 | Overtime | 629 | 1,500 | 1,500 | **1,500** |
| 50025 | Outside Professional Services | 7,000 | 30,000 | 30,000 | **30,000** |
| 50030 | Special Department Expenses | 728 | 2,000 | 2,900 | **1,000** |
| 50037 | Transportation, Meals & Travel | 155 | 2,500 | 2,500 | **2,500** |
| 50459 | Software Technical Support | 15,300 | 15,500 | 4,250 | **15,900** |
| 50991 | Expense Credit | (31,455) | (21,668) | (21,668) | **(39,084)** |
| | **Total** | **294,108** | **358,032** | **262,882** | **572,116** |

Engineering
Planning

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 22 |

| Total Budget Request |
|---|
| **$572,116** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | **482,600** |
| | Full-Time Equivalents | 1.77 | |
| 50002 | Temporary Labor | | **77,700** |
| 50003 | Overtime | | **1,500** |
| 50025 | Outside Professional Services | | **30,000** |
| | Sewer System Computer Modeling | 25,000 | |
| | Water Loss Validation | 5,000 | |
| 50030 | Special Department Expenses | | **1,000** |
| | Project Management Supplies and Equipment | 1,000 | |
| 50037 | Transportation, Meals & Travel | | **2,500** |
| 50459 | Software Technical Support | | **15,900** |
| | Aquanuity - Water | 5,000 | |
| | Aquanuity - Sewer | 5,000 | |
| | Aquanuity - Asset | 5,000 | |
| | Trimble Pressure Device Subscription | 900 | |
| 50991 | Expense Credit | | **(39,084)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

# Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 23 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 195,153 | 341,400 | 174,200 | **331,100** |
| 50003 | Overtime | 894 | 1,000 | 1,000 | **1,000** |
| 50030 | Special Department Expenses | 4,010 | 250 | 250 | **250** |
| 50037 | Transportation, Meals & Travel | 0 | 100 | 100 | **100** |
| 50991 | Expense Credit | (9,074) | (19,559) | (19,559) | **(21,259)** |
| | **Total** | **190,983** | **323,191** | **155,991** | **311,191** |

# Engineering
## Customer Service

### Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 23 |

| Total Budget Request |
|---|
| **$311,191** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **331,100** |
| | Full-Time Equivalents | 1.82 | |
| 50003 | **Overtime** | | **1,000** |
| 50030 | **Special Department Expenses** | | **250** |
| | Office Supplies | 250 | |
| 50037 | **Transportation, Meals & Travel** | | **100** |
| 50991 | **Expense Credit** | | **(21,259)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

# Engineering
## Encroachments & Locates

### Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 24 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 183,169 | 259,400 | 119,300 | **202,300** |
| 50003 | Overtime | 490 | 1,500 | 1,500 | **1,500** |
| 50025 | Outside Professional Services | 0 | 10,000 | 10,000 | **10,000** |
| 50026 | Legal Services | 0 | 10,000 | 10,000 | **10,000** |
| 50029 | Books & Subscriptions | 0 | 250 | 250 | **250** |
| 50030 | Special Department Expenses | 13,907 | 6,700 | 8,062 | **10,100** |
| 50037 | Transportation, Meals & Travel | 0 | 300 | 300 | **300** |
| 50454 | Maintenance of Equipment | 363 | 2,500 | 2,500 | **3,200** |
| 50459 | Software Technical Support | 3,929 | 2,200 | 2,250 | **3,200** |
| 50991 | Expense Credit | (15,583) | (16,712) | (16,712) | **(15,401)** |
| | **Total** | **186,275** | **276,138** | **137,450** | **225,449** |

# Engineering
# Encroachments & Locates

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 24 |

| Total Budget Request |
|---|
| **$225,449** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **202,300** |
| | Full-Time Equivalents | 1.07 | |
| 50003 | **Overtime** | | **1,500** |
| 50025 | **Outside Professional Services** | | **10,000** |
| | Surveying | 5,000 | |
| | Right Of Way (ROW) Assistance | 5,000 | |
| 50026 | **Legal Services** | | **10,000** |
| 50029 | **Books & Subscriptions** | | **250** |
| 50030 | **Special Department Expenses** | | **10,100** |
| | Markout Supplies | 2,500 | |
| | Inspection Supplies | 2,000 | |
| | Dig Alert - Tickets | 4,200 | |
| | Dig Alert - Base | 1,400 | |
| 50037 | **Transportation, Meals & Travel** | | **300** |
| 50454 | **Maintenance of Equipment** | | **3,200** |
| | Locator Maintenance | 1,000 | |
| | ElcoMeter Calibration | 1,000 | |
| | Valve Lid Magnet | 1,200 | |
| 50459 | **Software Technical Support** | | **3,200** |
| | Raken | 3,200 | |
| 50991 | **Expense Credit** | | **(15,401)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

# Engineering
## Maps & Records

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 28 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 548,660 | 556,700 | 500,900 | **563,900** |
| 50003 | Overtime | 1,425 | 1,500 | 1,500 | **1,500** |
| 50025 | Outside Professional Services | 13,835 | 20,000 | 20,000 | **20,000** |
| 50029 | Books & Subscriptions | 84 | 150 | 150 | **150** |
| 50030 | Special Department Expenses | 242 | 16,600 | 2,700 | **3,350** |
| 50034 | Membership Fees & Dues | 195 | 150 | 195 | **325** |
| 50037 | Transportation, Meals & Travel | 632 | 900 | 900 | **1,350** |
| 50454 | Maintenance of Equipment | 1,549 | 500 | 500 | **500** |
| 50459 | Software Technical Support | 31,491 | 45,800 | 45,800 | **46,800** |
| 50991 | Expense Credit | (38,225) | (36,653) | (36,653) | **(40,790)** |
| | **Total** | **559,888** | **605,647** | **535,992** | **597,085** |

# Engineering
# Maps & Records

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 28 |

| Total Budget Request |
|---|
| **$597,085** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **563,900** |
| | Full-Time Equivalents | 2.72 | |
| 50003 | **Overtime** | | **1,500** |
| 50025 | **Outside Professional Services** | | **20,000** |
| | Miscellaneous As-Needed Support | 20,000 | |
| 50029 | **Books & Subscriptions** | | **150** |
| 50030 | **Special Department Expenses** | | **3,350** |
| | Trimble Skada Gold GPS Extra Battery & Fast Charge | 650 | |
| | Drafting Office Supplies | 300 | |
| | UCSD California Real Time Network Support | 100 | |
| | Plotter Supplies | 2,300 | |
| 50034 | **Membership Fees and Dues** | | **325** |
| | Municipal Information Systems Association of California | 130 | |
| | Urban and Regional Information Systems Association | 195 | |
| 50037 | **Transportation, Meals & Travel** | | **1,350** |
| | ESRI User Conference | 850 | |
| | Miscellaneous | 500 | |
| 50454 | **Maintenance of Equipment** | | **500** |
| | Large Format Plotters | 500 | |
| 50459 | **Software Technical Support** | | **46,800** |
| | Nearmap Imagery | 9,600 | |
| | AutoCAD Software 3-SLM | 6,000 | |
| | SanGIS Data Access | 1,000 | |
| | GIS Small Utilities Enterprise Agreement | 30,200 | |
| 50991 | **Expense Credit** | | **(40,790)** |
| | Reimbursement from Sewer Funds | | |

# Engineering
# Departmental Projects

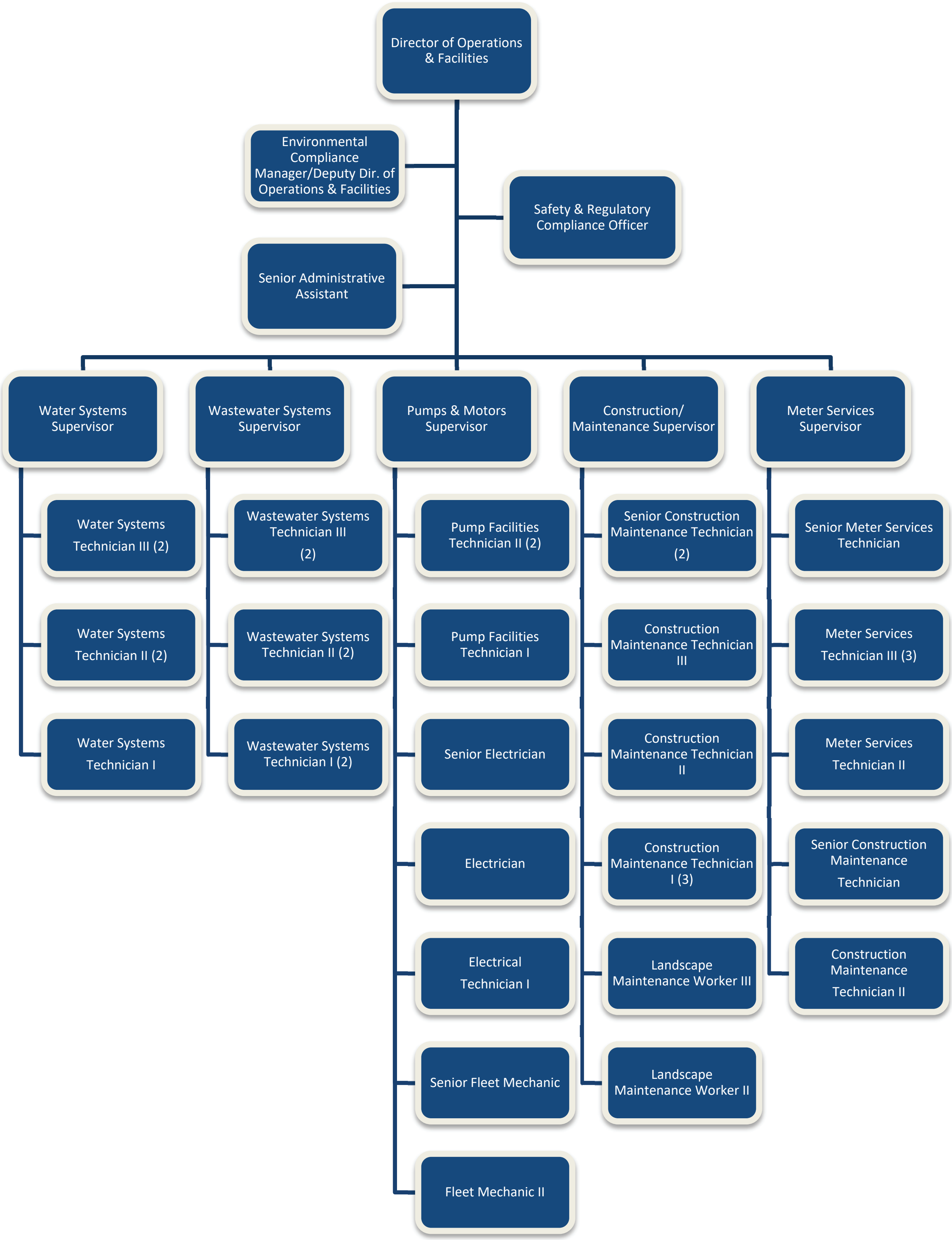
## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 03 | 90 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 91500 | Pipeline Condition Assessment | 0 | 0 | 0 | **5,000** |
| 91501 | Water Loss Audit Compilation | 0 | 0 | 0 | **17,900** |
| 91502 | Waterline Marking | 0 | 0 | 0 | **5,000** |
| 91503 | Paradise Pump Sta. Inner Connect. Demo | 0 | 0 | 0 | **5,000** |
| 91560 | Encroachment Resolution | 0 | 0 | 0 | **25,000** |
| 91590 | Water Age Analysis | 0 | 0 | 0 | **1,000** |
| 91610 | 2025 Urban Water Management Plan | 0 | 0 | 0 | **9,900** |
| 91780 | GIS Easement Integration | 0 | 0 | 0 | **1,000** |
| | **Total** | **0** | **0** | **0** | **69,800** |

# Operations & Facilities

# Operations & Facilities



**Personnel Requirements (FTE's)**

| | *Budget FY 2025-26* | *Actual FY 2025-26* | *Proposed FY 2026-27* |
|---|---|---|---|
| Director of Operations & Facilities | 1.0 | 1.0 | 1.0 |
| Safety & Regulatory Compliance Officer | 1.0 | 1.0 | 1.0 |
| Senior Administrative Assistant | 1.0 | 1.0 | 1.0 |
| Environmental Compliance Manager/Dep. Dir. of O&F | 1.0 | 1.0 | 1.0 |
| Construction Maintenance Supervisor | 1.0 | 1.0 | 1.0 |
| Meter Services Supervisor | 1.0 | 1.0 | 1.0 |
| Pumps & Motors Supervisor | 1.0 | 1.0 | 1.0 |
| Water Systems Supervisor | 1.0 | 1.0 | 1.0 |
| Senior Construction Maintenance Tech | 2.0 | 2.0 | 3.0 |
| Construction Maintenance Technician III | 2.0 | 2.0 | 1.0 |
| Construction Maintenance Tech II | 2.0 | 2.0 | 2.0 |
| Construction Maintenance Tech I | 3.0 | 3.0 | 3.0 |
| Landscape Maintenance Worker III | 0.0 | 0.0 | 1.0 |
| Landscape Maintenance Worker II | 2.0 | 2.0 | 1.0 |
| Senior Meter Service Technician | 1.0 | 1.0 | 1.0 |
| Meter Services Technician III | 3.0 | 3.0 | 3.0 |
| Meter Services Technician II | 1.0 | 1.0 | 1.0 |
| Pump Facilities Technician II | 1.0 | 1.0 | 2.0 |
| Pump Facilities Technician I | 2.0 | 2.0 | 1.0 |
| Senior Electrician | 1.0 | 1.0 | 1.0 |
| Electrician | 0.0 | 0.0 | 1.0 |
| Electrical Technician I | 2.0 | 1.0 | 1.0 |
| Senior Fleet Mechanic | 1.0 | 1.0 | 1.0 |
| Fleet Mechanic II | 1.0 | 1.0 | 1.0 |
| Water Systems Technician III | 2.0 | 1.0 | 2.0 |
| Water Systems Technician II | 1.0 | 2.0 | 2.0 |
| Water Systems Technician I | 2.0 | 2.0 | 1.0 |
| **Total** | **37.0** | **37.0** | **37.0** |

## DEPARTMENT DESCRIPTION

The Operations & Facilities Department is the largest department within the Valley Center Municipal Water District. It comprises six divisions and is staffed by 44 full-time employees, including seven dedicated to wastewater operations. The Department is responsible for the operation and maintenance of all District water and wastewater facilities, as well as the District's safety and security programs. In addition, it undertakes a variety of in-house construction and improvement projects and collaborates closely with the Engineering Department to provide planning support, construction expertise, and delivery of smaller capital improvement projects.

## DIVISION DESCRIPTIONS

**Administration -** The Administration Division oversees and coordinates the daily functions of the District's Operations & Facilities Department. Its responsibilities include customer service, radio dispatch, the management of employee certifications, training, and compliance with required employee physicals, as well as the distribution and tracking of backflow testing and violation notices.

**Safety & Regulatory Compliance -** The Safety and Regulatory Compliance Division oversees the District's comprehensive safety and compliance programs across all departments, with a focus on maintaining a low workers' compensation rating through its insurance provider, ACWA/JPIA. The Division is responsible for monitoring and supporting adherence to all applicable federal, state, and county safety regulations and requirements. Over the past 14 years, the District has received annual refund distributions from the Association of California Water Agencies/Joint Powers Insurance Authority (ACWA/JPIA), totaling $875,598. These refunds represent a partial return of prior years' insurance premiums, reflecting the District's effective efforts in controlling and reducing property, liability, and workers' compensation losses. The District will not receive a refund for Fiscal Year 2025–2026.Additionally, the District's consistently low experience modification (e-mod) rating has resulted in discounted premium rates for Workers' Compensation and Liability Insurance Programs, generating an additional $1,298,670 in savings over the past 17 years. In total, the District has realized combined financial benefits of $2,174,268 through refunds and reduced insurance premiums. The Division also encompasses the District's Security function, which is responsible for safeguarding facilities through the use of surveillance systems, facility hardening measures, and implementation of the District's Risk and Resilience Assessment.

**Operations - Water -** The Water Operations Division is responsible for forecasting system demand, procuring water supplies, and regulating distribution system flows to ensure reliable service. The Division analyzes pump efficiency and monitors solar generation data to develop optimized pumping strategies that enhance operational efficiency and reduce overall energy costs. The Division oversees the operation and maintenance of key infrastructure, including chloramine boosting stations, pressure-reducing stations, and altitude valves, and conducts routine monthly inspections of facilities and reservoirs. It also manages the District's SCADA and telemetry systems to support real-time system monitoring and control. In addition, the Water Operations Division is responsible for maintaining water quality through comprehensive sampling and testing programs, and ensures compliance with all regulatory requirements, including reporting to the State Water Resources Control Board (SWRCB) and preparation of the District's annual Water Quality Report.

**Pumps and Motors -** The Pump & Motor Division is responsible for the maintenance, repair, and replacement of electrical and mechanical equipment across the District's 62 water and wastewater facilities. Through proactive maintenance and asset replacement programs, the Division ensures a high level of efficiency, reliability, and safety for critical infrastructure. The Division maintains extensive water system assets across 57 facilities, including 40 reservoirs, 107 electric motor-driven pumps, 29 emergency power generators, 8 air compressors, 8 natural gas engine-driven pumps, and 6 solar power systems. Wastewater system responsibilities include 6 facilities with 56 electric motor-driven equipment units and 5 emergency power generators. In addition, the Division leads the in-house planning and implementation of major initiatives, including the District's SCADA system, evaluation of potential solar sites, and security system enhancements, along with ongoing maintenance, upgrades, and improvements to these systems. The Division also oversees the District's Fleet operations, providing maintenance and repair services for all vehicles and equipment. The fleet inventory includes 49 vehicles, 44 pieces of heavy equipment, and 84 miscellaneous equipment assets.

**Construction and Maintenance –** The Construction & Maintenance (C&M) Division is responsible for the inspection, maintenance, repair, upgrade, and location of more than 342 miles of pipelines and associated easements throughout the District's 100-square-mile service area. The Division ensures the integrity and reliability of the distribution system by maintaining, locating, leak detecting, and repairing mainline valves and related appurtenances, and by completing a majority of the District's in-house construction projects.

# Operations & Facilities

The Division maintains over 1,700 fire hydrants to ensure dependable operation during emergency response situations and conducts routine flushing of dead-end water lines to preserve water quality and system performance. It also provides support to the Wastewater Division by performing in-house construction activities and completing major repairs to sewer lines and manholes. In addition, the C&M Division is responsible for the maintenance and upkeep of landscaping across all District facilities and easements, contributing to both operational functionality and site appearance.

**Meter Services -** The Meter Services Division is responsible for the installation, maintenance, and repair of all water meters, service laterals, and backflow prevention devices. This includes oversight of warehousing operations and the management of backflow and service repair inventories. The Division operates and monitors the Advanced Metering Infrastructure (AMI) system, and conducts testing of water meters and backflow devices. As of January 31, 2026, the District maintained 11,868 active meters, including 2,040 fire service meters, and 6,799 backflow devices that are tested annually. The Division administers the Cross-Connection Control and Backflow Prevention Program and responds to the majority of customer service requests received by the District. Additionally, it enforces the District's water conservation requirements and oversees corporate facilities maintenance, including the repair and upkeep of District facilities.

**Operations - Wastewater -** The Wastewater Operations Division is responsible for the operation and maintenance of the Lower Moosa Canyon Water Reclamation Facility and the Woods Valley Ranch Water Reclamation Facility. This includes conducting process control testing and making operational adjustments to ensure compliance with effluent standards established by the Regional Water Quality Control Board. The Division also oversees the maintenance of the District's wastewater collection system, including gravity sewers, lift stations, and low-pressure systems. Responsibilities include locating, inspecting, and repairing sewer pipelines and manholes to ensure system reliability and performance. The Woods Valley Ranch facility produces the District's first tertiary-treated water and supports the District's recycled water program. Detailed wastewater operations are presented in separate sections of this budget document.

| **Fiscal Year 2025-2026 Recent Accomplishments & Performance Indicators** | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Continued to research the feasibility of in-house construction of a small-scale solar project at various sites to reduce energy consumption and improve the District's carbon footprint. Staff has also explored a number of Power Purchase Agreements (PPA) or a lease option and alternative energy projects at various locations and facilities throughout our service area to reduce our overall energy expenses. | | | | | | ✓ | |
| Removed and replaced two 16" Butterfly Valves at West Bear Ridge Reservoir | | | ✓ | | | | |
| Received and outfitted six new half ton trucks. | | ✓ | | | | | |
| Completed smog testing on 6 vehicles and opacity testing on 17 trucks. | 12 | ✓ | | | | | |
| Satin sealed the asphalt paving at 8 reservoirs, pressure reducing stations, and pump station sites. | | ✓ | ✓ | | | | |
| Cleaned and inspected 6 steel tank reservoirs and inspected and cleaned 2 floating cover reservoirs. | 10 | ✓ | | | | | |
| Painted and maintained approximately 538 fire hydrants as part of the Districts Fire Hydrant Maintenance Program | | ✓ | ✓ | | | | |
| Completed the installation of 179 new backflow prevention assemblies as required for all District metered service connections. | 12 | | | | | | |
| Completed dead-end line flushing to comply with the State Water Resource Control Board. | 12 | ✓ | | | | | |

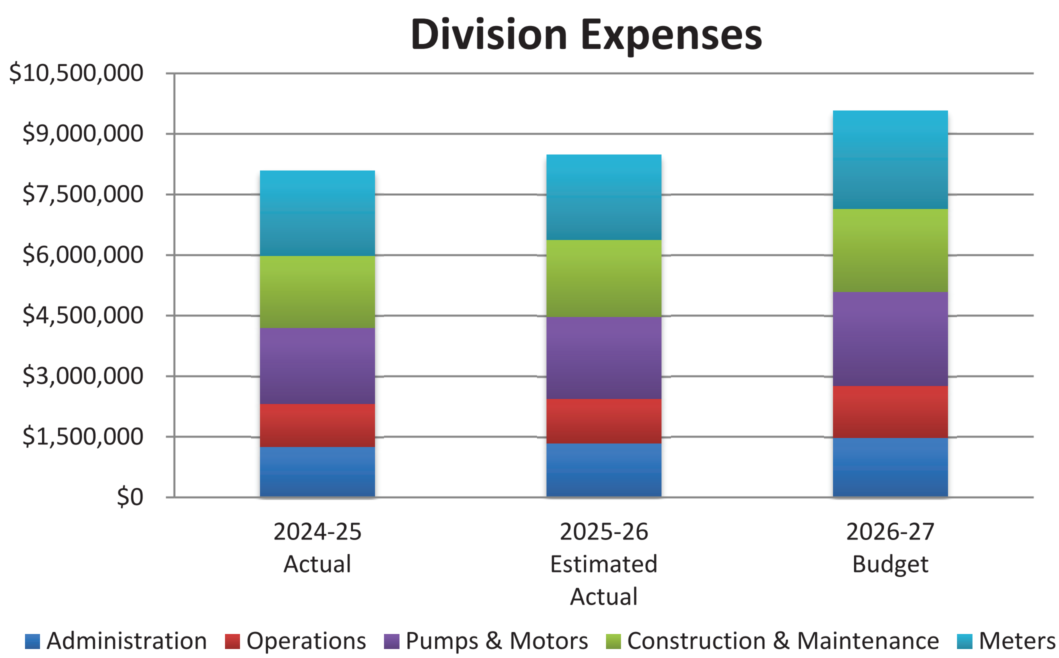
| Fiscal Year 2026-2027 Goals & Objectives | Performance Standard | Strategic Plan Goal* Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Repair, upgrade and maintain the water system, while at the same time keeping the system fully operational and meeting all District goals, guidelines and standards. | 10 | ✓ | | ✓ | | ✓ | |
| Continue to implement operational pumping strategies to minimize the financial impacts of SDG&E's continuously changing rate schedule tariffs. | | | | ✓ | | ✓ | |
| Continue with the in-house construction and implementation of automating the District's natural gas engines and bypass valves to provide increased remote and automated operations. | | | | | ✓ | ✓ | |
| Train and develop employees on SCADA equipment maintenance, PLC Programming and related software issues and requirements for future growth and implementation. | | | | | ✓ | | |
| Further improve the District's water loss percentage by replacing high usage 3-inch, 2-inch, 1½-inch turbo meters to the new Omni Meters and ¾" and 1" SR II meters to the new I-Pearl and Ally Meters. | 2 | | | | | | |
| Continue to evaluate and survey high demand areas of the District and increase leak detection measures to prevent major system failures in high risk areas. Maintain security and tamper proof measures in remote areas and improve the Districts infrastructure. | 10 | | ✓ | | | ✓ | |
| Maintain pumping efficiency requirements through repair, reconditioning and replacing of sub-par pumping equipment. Explore new technology's and repair procedures to improve pumping efficiencies, along with modernizing pumps to accommodate mechanical seals. | 6 | | | | | ✓ | |
| Evaluate low performing pump stations for pump and motor replacement upgrades. | 6 | | | | | ✓ | |
| Utilize the rebate and efficiency programs available through SDG&E to offset District costs in the improvement of sub-standard pump stations. | 6 | | | | | ✓ | |
| Diagnose and complete repairs to solar sites to maintain the production of solar energy above 90% of the schedule production and perform required manufacture maintenance and cleaning at the District constructed solar array facilities. | 7 | | | | | ✓ | |
| Continue to review safety policies and procedures to maintain safe work practices. | 11 | | | ✓ | | | |
| Review accidents and near misses and make safety recommendations as necessary. | 11 | | | ✓ | | | |
| Continue to monitor new or updated regulatory requirements implemented by the State Water Resource Control Board, Air Pollution Control District and other regulatory agencies, to maintain compliance with all state and federal regulations. | 12 | | | | | | |
| Continue to maintain 99% or better water service reliability, compliance with all regulations, and no lost-time accidents. | 7 - 10 | | ✓ | ✓ | | ✓ | |
| Perform more preventative maintenance to maintain or improve the high level of reliability within the SCADA system and functionality. | 10 | | ✓ | | ✓ | ✓ | |
| Continue to upgrade every meter service connection with the appropriate backflow prevention assembly as required by the State Water Resources Control Board. | 12 | | | | | | |
| Continue to be vigilant and responsive to the changing water quality regulations with new Federal or State mandates and guidelines. | 12 | | | | | | |
| Continue to identify and install new in-line valves and repair existing in-line and reservoir valves at designated points throughout the District's service area. | 10 | | ✓ | | | | |
| Continue to clean, inspect, and repair reservoirs throughout the District's service area and install internal water circulation devices to improve cross-movement and mixing throughout the reservoir to reduce or eliminate water quality issues throughout the distribution area. | 12 | | ✓ | | | | |
| Continue to install the new Sensus Ally meters that feature a remote turn-on, turn-off and or restricted use capabilities. | 1 | | ✓ | | | | |

[*] See page 1-23 of this Budget document for the full Strategic Plan.

| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Continue upgrading of the District's pump and corporate facilities to improve energy efficiencies. | 6 | | | | | ✓ | |
| Continue to train and develop District personnel to meet the District's future succession planning demands. | | | | | | | ✓ |
| Re-establish easement maintenance and meter maintenance programs throughout the District's distribution system to improve system evaluations and leak detection measures. | 2 | ✓ | | | | | |
| Work with Information Technology in the development and implementation of a Computerized Maintenance Management System (CMMS). The CMMS software will help increase efficiency by providing staff electronic mobile work order and customer service request capabilities as well as the ability to streamline reporting, track costs and schedule preventative maintenance. | 1 | ✓ | | | ✓ | | |
| Implement and develop pumping strategies and procedures to maximize pumping efficiencies and incorporate solar or alternative generation into that approach. | 6 | | | | | ✓ | |
| Continue to research and implement strategies or new technologies to improve efficiencies and maximize cost savings in all aspects of the District's operational procedures. | | ✓ | | | | ✓ | |
| Continue to monitor and implement new and ongoing regulatory compliance obligations and requirements mandated through the State Water Resource Control Board. | 12 | ✓ | | | | | |
| Continue installing the new Sensus ALLY meter that features a remote turn-on, turn-off and restricted use capabilities and build out the Advanced Metering Infrastructure (AMI). | 1 | ✓ | | | ✓ | | |

## DEPARTMENT PERFORMANCE STANDARDS

| Strategic Plan Goal | Standard No. | Performance Standard Description | Trend | Annual Target/Goal | Calendar Year | | |
|---|---|---|---|---|---|---|---|
| | | | | | 2024 Actual | 2025 Actual | 2026 Projection |
| Water Supply | 2 | Unknown Water Loss (UWL) | | Minimize and reduce UWL wherever possible | 3.4% | 3.6% | 3.5% |
| Energy | 6 | Pump Efficiency | | 95% of Design Efficiency | 106% | 105% | > 95% |
| Energy | 7 | Solar Energy Production | | Maintain 90% of scheduled solar production of District owned solar arrays | Exceeded | Exceeded | Exceed 90% |
| Water Supply | 10 | Water Service Reliability | | > 99% | 99.999% | 99.999% | > 99% |
| Finance | 11 | Lost-time Accidents | | < 1.0% | 0.5% | 0.0% | < 1.0% |
| Water Supply | 12 | Compliance with Regulations | | Compliance with all State and Federal Regulations | Met | Met | Meet |


Division Expenses
$10,500,000
$9,000,000
$7,500,000
$6,000,000
$4,500,000
$3,000,000
$1,500,000
$0
2024-25 Actual
2025-26 Estimated Actual
2026-27 Budget
Administration
Operations
Pumps & Motors
Construction & Maintenance
Meters

## Department Summary by Division

| Fund | Department |
|---|---|
| 01 | 04 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| **ADMINISTRATION** | | **1,250,743** | **1,467,582** | **1,344,096** | **1,477,638** |
| 31 | Administration | 628,406 | 647,702 | 633,016 | 629,309 |
| 32 | Safety & Regulatory Compliance | 513,438 | 675,046 | 613,396 | 694,910 |
| 34 | District Security | 108,899 | 144,834 | 97,684 | 153,419 |
| **OPERATIONS** | | **1,065,499** | **1,191,500** | **1,107,430** | **1,289,650** |
| 42 | System Operation | 725,136 | 736,250 | 709,050 | 785,000 |
| 44 | Treatment | 72,887 | 127,400 | 98,430 | 152,600 |
| 45 | Automatic Valves | 132,774 | 172,100 | 153,300 | 191,900 |
| 49 | Water Quality Control | 134,702 | 155,750 | 146,650 | 160,150 |
| **PUMPS & MOTORS** | | **1,883,464** | **2,105,300** | **2,020,630** | **2,324,500** |
| 43 | SCADA | 172,905 | 250,400 | 120,250 | 226,000 |
| 46 | Reservoir Maintenance | 270,081 | 277,700 | 241,755 | 303,900 |
| 48 | Pump Station Maintenance | 802,751 | 959,700 | 963,140 | 1,051,700 |
| 71 | Vehicle & Equipment Maintenance | 637,727 | 617,500 | 695,485 | 742,900 |
| **CONSTRUCTION & MAINTENANCE** | | **1,788,170** | **1,865,697** | **1,906,263** | **2,054,584** |
| 33 | Landscape & Paving Maintenance | 196,128 | 282,597 | 297,463 | 297,384 |
| 53 | Pipeline and Right-of-Way Maint. | 838,742 | 845,000 | 713,200 | 885,100 |
| 55 | Valve Maintenance & Location | 753,300 | 738,100 | 895,600 | 872,100 |
| **METERS** | | **2,105,564** | **2,341,261** | **2,108,471** | **2,429,833** |
| 54 | Corporate Facilities Maintenance | 124,579 | 152,661 | 133,183 | 164,933 |
| 61 | Meter Installation | 280,339 | 345,200 | 292,967 | 357,800 |
| 63 | Service Connection Maintenance | 1,422,661 | 1,537,600 | 1,394,432 | 1,594,800 |
| 65 | Backflow Maintenance | 277,985 | 305,800 | 287,889 | 312,300 |
| **TOTAL OPERATIONS & FACILITIES** | | **8,093,440** | **8,971,340** | **8,486,890** | **9,576,205** |

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 31 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 579,885 | 527,500 | 547,700 | **499,900** |
| 50002 | Temporary Labor | 1,831 | 0 | 0 | **0** |
| 50003 | Overtime | 0 | 500 | 350 | **500** |
| 50010 | Training & Education | 21,248 | 30,000 | 25,500 | **30,000** |
| 50011 | Uniform/Clothing/Shoes | 41,550 | 43,800 | 40,200 | **43,800** |
| 50028 | Printing | 437 | 1,000 | 900 | **1,000** |
| 50030 | Special Department Expenses | 1,254 | 1,500 | 1,500 | **1,500** |
| 50032 | Automated Telephone Dial Service | 1,125 | 1,000 | 700 | **1,000** |
| 50033 | Postage | 0 | 100 | 100 | **100** |
| 50034 | Memberships, Fees and Dues | 0 | 500 | 164 | **500** |
| 50037 | Transportation, Meals & Travel | 5,107 | 11,000 | 6,500 | **11,000** |
| 50469 | Maintenance of Software | 28,640 | 70,000 | 48,600 | **83,000** |
| 50991 | Expense Credit | (52,671) | (39,198) | (39,198) | **(42,991)** |
| | **Total** | **628,406** | **647,702** | **633,016** | **629,309** |

# Operations & Facilities Administration

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 31 |

| Total Budget Request |
|---|
| **$629,309** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **499,900** |
| | Full-Time Equivalents | 1.85 | |
| 50002 | **Temporary Labor** | | **0** |
| 50003 | **Overtime** | | **500** |
| 50010 | **Training & Education** | | **30,000** |
| | Allocation from General Administration Training 01-02-18 Page 6-9A | | |
| 50011 | **Uniform/Clothing/Shoes** | | **43,800** |
| | Uniforms for Field Personnel | 29,000 | |
| | Safety Shoes | 12,800 | |
| | Hats | 1,000 | |
| | Sweatshirts | 1,000 | |
| 50028 | **Printing** | | **1,000** |
| | General Printing | 1,000 | |
| 50030 | **Special Department Expenses** | | **1,500** |
| | Office Supplies | 1,000 | |
| | Miscellaneous Equipment | 500 | |
| 50032 | **Automated Telephone Dial Service** | | **1,000** |
| | Communication during scheduled SDCWA shutdowns | | |
| 50033 | **Postage** | | **100** |
| 50034 | **Memberships, Fees and Dues** | | **500** |
| | Miscellaneous | 500 | |
| 50037 | **Transportation, Meals & Travel** | | **11,000** |
| | After Hour Meals | 8,000 | |
| | Joint Power Insurance Authority Meetings | 2,000 | |
| | San Diego County Water Works Group Meetings | 1,000 | |
| 50469 | **Maintenance of Software** | | **83,000** |
| | Trimble/Cityworks Software License | 33,000 | |
| | Springbrook Integration | 20,000 | |
| | Backflow | 5,500 | |
| | Pumps and Motors - Wastewater | 14,500 | |
| | Services as needed | 7,000 | |
| | SDG&E Billing and Interval Data Software | 3,000 | |
| 50991 | **Expense Credit** | | **(42,991)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

Operations & Facilities
Administration

## Division Summary by Expense Category

Safety & Regulatory Compliance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 32 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 364,913 | 517,600 | 478,600 | **544,700** |
| 50003 | Overtime | 241 | 3,000 | 1,200 | **3,000** |
| 50014 | Employee Physicals | 9,234 | 9,000 | 8,500 | **9,000** |
| 50025 | Outside Professional Services | 4,627 | 12,600 | 6,000 | **8,500** |
| 50030 | Special Department Expenses | 21,788 | 23,500 | 20,600 | **23,500** |
| 50034 | Memberships, Fees and Dues | 320 | 1,500 | 1,350 | **1,500** |
| 50038 | Regulatory Permits & Fees | 132,094 | 148,700 | 138,000 | **152,183** |
| 50991 | Expense Credit | (19,779) | (40,854) | (40,854) | **(47,473)** |
| | **Total** | **513,438** | **675,046** | **613,396** | **694,910** |

# Operations & Facilities
## Administration

## Division Detail

### Safety & Regulatory Compliance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 32 |

| Total Budget Request |
|---|
| $694,910 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **544,700** |
| | Full-Time Equivalents | 1.99 | |
| 50003 | **Overtime** | | **3,000** |
| 50014 | **Employee Physicals** | | **9,000** |
| | As required by the Department of Health Services, Department of Motor Vehicles, Department of Transportation, and OSHA, including hearing tests, drug testing, and respirator physicals. | | |
| 50025 | **Outside Professional Service** | | **8,500** |
| | Industrial Hygiene Services | 2,500 | |
| | Fire Extinguisher Testing | 2,500 | |
| | Material Safety Data Sheets On-line | 1,500 | |
| | DOT Administration Fee | 1,000 | |
| | Electrical Personal Protective Equipment Testing | 800 | |
| | Automated External Defibrillator Compliance Program | 200 | |
| 50030 | **Special Department Expenses** | | **23,500** |
| | Safety Protection Equipment & Gear | 15,600 | |
| | First Aid Equipment & Supplies | 4,000 | |
| | Miscellaneous | 1,400 | |
| | Fire Extinguisher Replacement | 2,500 | |
| 50034 | **Memberships, Fees and Dues** | | **1,500** |
| | National Safety Council | 500 | |
| | Cal OSHA Reports | 500 | |
| | Pacific Safety Council | 300 | |
| | National Fire Protection Association | 200 | |
| 50038 | **Memberships, Fees and Dues** | | **152,183** |
| | California Air Resources Board | 5,967 | |
| | California Department of Water Resources | 30,945 | |
| | California State Water Resources Control Board | 59,489 | |
| | County of San Diego - Hazardous Materials Division | 11,290 | |
| | San Diego Air Pollution Control District | 36,992 | |
| | Emissions Inventory Reporting (SDAPCD) | 7,500 | |
| 50991 | **Expense Credit** | | **(47,473)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

# Division Summary by Expense Category

District Security

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 34 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 84,671 | 125,100 | 85,400 | **135,300** |
| 50003 | Overtime | 490 | 500 | 250 | **500** |
| 50025 | Outside Professional Services | 8,502 | 7,000 | 1,500 | **7,000** |
| 50030 | Special Department Expenses | 1,050 | 2,350 | 1,150 | **2,350** |
| 50034 | Memberships, Fees and Dues | 580 | 650 | 650 | **750** |
| 50452 | Maintenance of Facilities | 20,741 | 18,000 | 17,500 | **18,000** |
| 50991 | Expense Credit | (7,135) | (8,766) | (8,766) | **(10,481)** |
| | **Total** | **108,899** | **144,834** | **97,684** | **153,419** |

# Operations & Facilities
## Administration
### District Security

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 34 |

| Total Budget Request |
|---|
| **$153,419** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **135,300** |
| | Full-Time Equivalents | 0.62 | |
| 50003 | **Overtime** | | **500** |
| 50025 | **Outside Professional Services** | | **7,000** |
| 50030 | **Special Department Expenses** | | **2,350** |
| | EOC Supplies | 1,000 | |
| | Security Supplies | 350 | |
| | Emergency Satellite Television Fees | 780 | |
| | Office Supplies | 220 | |
| 50034 | **Memberships, Fees and Dues** | | **750** |
| | Water Information Sharing and Analysis Center | | |
| 50452 | **Maintenance of Facilities** | | **18,000** |
| | Security Gate Maintenance | 10,000 | |
| | Cameras (Stationary and PTZ) | 8,000 | |
| 50991 | **Expense Credit** | | **(10,481)** |
| | Reimbursement from Sewer Funds<br>for Administrative Overhead | | |

# Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 42 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 622,591 | 612,000 | 590,300 | **660,500** |
| 50002 | Temporary Labor | 888 | 0 | 0 | **0** |
| 50003 | Overtime | 97,275 | 115,000 | 110,000 | **115,000** |
| 50030 | Special Department Expenses | 1,225 | 1,250 | 1,250 | **1,500** |
| 50452 | Maintenance of Facilities | 3,157 | 8,000 | 7,500 | **8,000** |
| | **Total** | **725,136** | **736,250** | **709,050** | **785,000** |

## Division Detail

System Operation

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 42 |

| Total Budget Request |
|---|
| **$785,000** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **660,500** |
| | Full-Time Equivalents | 3.98 | |
| 50003 | **Overtime** | | **115,000** |
| | Stand-By Pay, Operation Call Out, Shift Pay | | |
| 50030 | **Special Department Expenses** | | **1,500** |
| 50452 | **Maintenance of Facilities** | | **8,000** |
| | Equipment | 3,500 | |
| | General Maintenance | 3,500 | |
| | Maintenance/Repairs on Aging Facilities | 1,000 | |

## Division Summary by Expense Category

Treatment

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 44 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 34,744 | 59,900 | 39,500 | **65,100** |
| 50003 | Overtime | 26 | 500 | 250 | **500** |
| 50025 | Outside Professional Services | 0 | 500 | 0 | **500** |
| 50030 | Special Department Expenses | 20 | 500 | 480 | **500** |
| 50323 | Chlorine | 35,298 | 60,000 | 53,000 | **80,000** |
| 50452 | Maintenance of Facilities | 2,799 | 6,000 | 5,200 | **6,000** |
| | **Total** | **72,887** | **127,400** | **98,430** | **152,600** |

## Operations & Facilities

## Operations

### Treatment

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 44 |

| Total Budget Request |
|---|
| **$152,600** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **65,100** |
| | Full-Time Equivalents | 0.34 | |
| 50003 | **Overtime** | | **500** |
| 50025 | **Outside Professional Services** | | **500** |
| | Chlorinator Maintenance | 500 | |
| 50030 | **Special Department Expenses** | | **500** |
| | Tools and Replacement | 500 | |
| 50323 | **Chlorine** | | **80,000** |
| | Chlorine Tablets | 25,000 | |
| | HTH to Increase Residual in Reservoirs | 10,000 | |
| | Sodium Hypochlorite for Chloramine Maint. System | 35,000 | |
| | Liquid Ammonium Sulfate for Chloramine Maint. System | 10,000 | |
| 50452 | **Maintenance of Facilities** | | **6,000** |
| | Repair or Rebuild Tablet Chlorinators and CBS Maintenance | 6,000 | |

# Division Summary by Expense Category

Automatic Valves

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 45 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 104,674 | 110,100 | 99,800 | **119,900** |
| 50003 | Overtime | 52 | 1,000 | 500 | **1,000** |
| 50025 | Outside Professional Services | 0 | 10,000 | 0 | **10,000** |
| 50030 | Special Department Expenses | 0 | 1,000 | 1,000 | **1,000** |
| 50443 | Maintenance of Valves | 28,048 | 50,000 | 52,000 | **60,000** |
| | **Total** | **132,774** | **172,100** | **153,300** | **191,900** |

Operations & Facilities

# Operations

## Division Detail

Automatic Valves

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 45 |

| Total Budget Request |
|---|
| **$191,900** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **119,900** |
| | Full-Time Equivalents | 0.67 | |
| 50003 | **Overtime** | | **1,000** |
| 50025 | **Outside Professional Services** | | **10,000** |
| | Station Painting | 10,000 | |
| 50030 | **Special Department Expenses** | | **1,000** |
| | Tools and Replacement | 1,000 | |
| 50443 | **Maintenance of Valves** | | **60,000** |
| | Rebuild, Repair & Maintenance of Pressure Reducing, Pressure Relief, Altitude, Pump Control, and Isolation Valves | 60,000 | |

Operations & Facilities

Operations

## Division Summary by Expense Category

Water Quality Control

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 49 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 99,153 | 102,900 | 107,600 | **111,800** |
| 50003 | Overtime | 0 | 500 | 150 | **500** |
| 50025 | Outside Professional Services | 14,286 | 19,500 | 15,000 | **15,000** |
| 50028 | Printing | 3,579 | 3,500 | 3,500 | **3,500** |
| 50030 | Special Department Expenses | 0 | 1,000 | 900 | **1,000** |
| 50033 | Postage | 0 | 850 | 0 | **850** |
| 50452 | Maintenance of Facilities | 17,684 | 27,500 | 19,500 | **27,500** |
| | **Total** | **134,702** | **155,750** | **146,650** | **160,150** |

Operations & Facilities

Operations

# Division Detail

Water Quality Control

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 49 |

| Total Budget Request |
|---|
| **$160,150** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **111,800** |
| | Full-Time Equivalents | 0.63 | |
| 50003 | **Overtime** | | **500** |
| 50025 | **Outside Professional Services** | | **15,000** |
| | Lab Analysis For: | | |
| | Trihalomethane (THM) Stage 2 | 2,500 | |
| | Haloacetic acids (HAA) | 2,500 | |
| | Coliform, General Physical Testing | 10,000 | |
| 50028 | **Printing** | | **3,500** |
| | Consumer Confidence Reports, Annual Notifications, Regulations | | |
| 50030 | **Special Department Expenses** | | **1,000** |
| | Testing Equipment | 1,000 | |
| 50033 | **Postage** | | **850** |
| | Notifications for major shutdowns | 600 | |
| | Consumer confidence reports | 250 | |
| 50452 | **Maintenance of Facilities** | | **27,500** |
| | Chlorine Residual Reagent | 3,000 | |
| | Chlorine Residual Comparators | 2,500 | |
| | Rebuild/Repair Chlorine Residual Analyzers | 7,000 | |
| | Nitrification Testing Reagents | 15,000 | |

## Operations & Facilities
## Pumps & Motors
## SCADA

# Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 43 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 135,850 | 181,300 | 72,100 | **156,900** |
| 50003 | Overtime | 484 | 2,300 | 800 | **2,300** |
| 50025 | Outside Professional Services | 0 | 5,000 | 1,500 | **5,000** |
| 50030 | Special Department Expenses | 0 | 1,500 | 1,500 | **1,500** |
| 50032 | Telephone | 375 | 1,500 | 600 | **1,500** |
| 50452 | Maintenance of Facilities | 5,099 | 23,000 | 13,893 | **23,000** |
| 50459 | Software Technical Support | 31,097 | 35,800 | 29,857 | **35,800** |
| | **Total** | **172,905** | **250,400** | **120,250** | **226,000** |

# Operations & Facilities
## Pumps & Motors
### SCADA

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 43 |

| Total Budget Request |
|---|
| **$226,000** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **156,900** |
| | Full-Time Equivalents | 0.76 | |
| 50003 | **Overtime** | | **2,300** |
| 50025 | **Outside Professional Services** | | **5,000** |
| | SCADA Programming | 2,500 | |
| | Air Conditioning Repair | 1,000 | |
| | Training | 1,500 | |
| 50030 | **Special Department Expenses** | | **1,500** |
| 50032 | **Telephone** | | **1,500** |
| | Leased Telemetry Lines and Alarm Monitor | | |
| 50452 | **Maintenance of Facilities** | | **23,000** |
| 50459 | **Software Technical Support** | | **35,800** |

Operations & Facilities
Pumps & Motors
Reservoir Maintenance

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 46 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 205,401 | 184,900 | 175,700 | **209,900** |
| 50002 | Temporary Labor | 11,187 | 0 | 0 | **0** |
| 50003 | Overtime | 1,789 | 1,500 | 350 | **1,500** |
| 50025 | Outside Professional Services | 13,741 | 62,500 | 41,600 | **62,500** |
| 50030 | Special Department Expenses | 24 | 800 | 800 | **1,000** |
| 50452 | Maintenance of Facilities | 37,939 | 28,000 | 23,305 | **29,000** |
| | **Total** | **270,081** | **277,700** | **241,755** | **303,900** |

## Operations & Facilities
## Pumps & Motors
### Reservoir Maintenance

# Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 46 |

| Total Budget Request |
|---|
| **$303,900** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **209,900** |
| | Full-Time Equivalents | 1.16 | |
| 50002 | **Temporary Labor** | | **0** |
| 50003 | **Overtime** | | **1,500** |
| 50025 | **Outside Professional Service** | | **62,500** |
| | Diver - Cleaning and Inspection | 43,000 | |
| | Turner Dam - Confined Space Rescue | 9,500 | |
| | Turner Dam - Inspection, Repairs and Surveying | 10,000 | |
| 50030 | **Special Department Expenses** | | **1,000** |
| | Hose & Pump Equipment | | |
| 50452 | **Maintenance of Facilities** | | **29,000** |
| | Electrical Equipment | 10,000 | |
| | Reservoir Cleaning and Repair | 7,000 | |
| | Level Transducers | 7,000 | |
| | Site Improvements - Construction Maintenance | 5,000 | |

## Division Summary by Expense Category

Pump Station Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 48 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 639,442 | 681,200 | 760,700 | **768,700** |
| 50002 | Temporary Labor | 12,785 | 0 | 0 | **0** |
| 50003 | Overtime | 13,257 | 7,000 | 8,740 | **7,000** |
| 50025 | Outside Professional Services | 33,162 | 112,500 | 82,700 | **117,500** |
| 50030 | Special Department Expenses | 1,212 | 4,500 | 2,500 | **4,000** |
| 50452 | Maintenance of Facilities | 102,893 | 154,500 | 108,500 | **154,500** |
| | **Total** | **802,751** | **959,700** | **963,140** | **1,051,700** |

# Operations & Facilities
## Pumps & Motors
### Pump Station Maintenance

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 48 |

| Total Budget Request |
|---|
| **$1,051,700** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **768,700** |
| | Full-Time Equivalents | 4.34 | |
| 50002 | **Temporary Labor** | | **0** |
| 50003 | **Overtime** | | **7,000** |
| 50025 | **Outside Professional Services** | | **117,500** |
| | Facility Repair and Painting | 25,000 | |
| | Electric Motor Repair | 25,000 | |
| | Pump Repair | 40,000 | |
| | Circuit Breaker Testing | 5,000 | |
| | Generator Load Testing | 7,500 | |
| | Emission Source Testing | 15,000 | |
| 50030 | **Special Department Expenses** | | **4,000** |
| | Electrical Safety Equipment and Testing | 2,000 | |
| | Test and Diagnostic Equipment | 2,000 | |
| 50452 | **Maintenance of Facilities** | | **154,500** |
| | Electrical Equipment | 34,000 | |
| | Electric Motor / Gear Drive Maintenance | 25,000 | |
| | Natural Gas Engine Maintenance | 41,500 | |
| | Pump Maintenance | 50,000 | |
| | Surge Tank Maintenance | 4,000 | |

# Operations & Facilities
## Pumps & Motors
### Vehicle & Equipment Maintenance

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 71 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 345,952 | 313,900 | 419,800 | **400,000** |
| 50003 | Overtime | 4,472 | 6,000 | 4,400 | **6,000** |
| 50025 | Outside Professional Services | 38,491 | 23,000 | 18,885 | **26,000** |
| 50030 | Special Department Expenses | 4,451 | 5,300 | 10,500 | **8,000** |
| 50341 | Hazardous Waste Disposal Costs | 12,467 | 15,000 | 17,000 | **17,100** |
| 50450 | Maintenance - Gas, Oil & Grease | 175,056 | 200,000 | 183,000 | **211,500** |
| 50451 | Maintenance of Vehicles | 43,356 | 50,000 | 48,500 | **55,000** |
| 50453 | Maintenance of Radios | 4,808 | 8,500 | 4,500 | **8,500** |
| 50454 | Maintenance of Equipment | 27,669 | 35,000 | 28,100 | **37,000** |
| 50991 | Expense Credit | (18,995) | (39,200) | (39,200) | **(26,200)** |
| | **Total** | **637,727** | **617,500** | **695,485** | **742,900** |

# Operations & Facilities
## Pumps & Motors

## Division Detail
### Vehicle & Equipment Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 71 |

| Total Budget Request |
|---|
| **$742,900** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **400,000** |
| | Full-Time Equivalents | 2.08 | |
| 50003 | **Overtime** | | **6,000** |
| 50025 | **Outside Professional Services** | | **26,000** |
| | Vehicle and Equipment Repairs | 15,000 | |
| | Generator Load Testing | 8,000 | |
| | Fuel Tank Testing | 3,000 | |
| 50030 | **Special Department Expenses** | | **8,000** |
| | Software Repair Manuals | 6,000 | |
| | Specialty Tools | 1,000 | |
| | Replacement Tools | 500 | |
| | Tools for Service Truck | 500 | |
| 50341 | **Hazardous Waste Disposal Costs** | | **17,100** |
| | Recycling Oil, Filters & Solvents | 7,000 | |
| | Asbestos Pipe | 4,500 | |
| | Disposal of Aerosols | 3,000 | |
| | Recycling Tires & Miscellaneous | 1,500 | |
| | Cleanup Material | 600 | |
| | Compliance Guides | 500 | |
| 50450 | **Fuel, Oil, and Chemicals** | | **211,500** |
| | Fuel | 190,000 | |
| | Oil and Coolant | 19,500 | |
| | Fuel Tank Parts | 2,000 | |
| 50451 | **Maintenance of Vehicles** | | **55,000** |
| | Parts for Fleet | | |

# Pumps & Motors

## Division Detail

## Vehicle & Equipment Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 71 |

| Account No. | Detail and Justification | | | Budget Request |
|---|---|---|---|---|
| 50453 | **Maintenance of Radios/Vehicle Tracking** | | | **8,500** |
| | Vehicle Tracking Service Contract | | 5,000 | |
| | Radio Parts | | 3,500 | |
| 50454 | **Maintenance of Equipment** | | | **37,000** |
| | Grader/Dozer/Backhoe | | 25,000 | |
| | Miscellaneous Equipment | | 12,000 | |
| 50991 | **Expense Credit** | | | **(26,200)** |
| | Rental Value of Vehicles and Equipment Used for: | | | |
| | Installation of Meters | 01-04-61-50451 | (21,000) | |
| | Moosa Treatment Plant | 13-03-26-50451 | (1,500) | |
| | Moosa Collection | 13-03-27-50451 | (1,500) | |
| | Moosa STEP Maintenance | 13-03-29-50451 | (1,000) | |
| | Woods Valley Ranch Treatment Plant | 17-03-31-50451 | (1,200) | |

# Division Summary by Expense Category

## Landscape Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 33 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 194,766 | 274,200 | 288,800 | **291,200** |
| 50003 | Overtime | 284 | 500 | 316 | **500** |
| 50025 | Outside Professional Services | 12,150 | 15,000 | 14,500 | **15,000** |
| 50030 | Special Department Expenses | 0 | 1,000 | 950 | **1,000** |
| 50452 | Maintenance of Facilities | 6,090 | 9,000 | 10,000 | **10,000** |
| 50991 | Expense Credit | (17,162) | (17,103) | (17,103) | **(20,316)** |
| | **Total** | **196,128** | **282,597** | **297,463** | **297,384** |

# Operations & Facilities
## Construction & Maintenance
### Landscape Maintenance

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 33 |

| Total Budget Request |
|---|
| **$297,384** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **291,200** |
| | Full-Time Equivalents | 1.97 | |
| 50003 | **Overtime** | | **500** |
| 50025 | **Outside Professional Services** | | **15,000** |
| | Tree Trimming and Turner Dam Cattail Control | 4,000 | |
| | Property Mowing | 9,500 | |
| | Pre-Emergent spray of station/facilities | 1,500 | |
| 50030 | **Special Department Expenses** | | **1,000** |
| 50452 | **Maintenance of Facilities** | | **10,000** |
| | Irrigation and Plants | 4,000 | |
| | Landscape Materials | 5,500 | |
| | Gravel | 500 | |
| 50991 | **Expense Credit** | | **(20,316)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

Operations & Facilities

# Construction & Maintenance

## Division Summary by Expense Category

Pipeline & R.O.W. Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 53 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 721,147 | 679,500 | 615,800 | **719,600** |
| 50003 | Overtime | 45,899 | 45,000 | 17,500 | **45,000** |
| 50025 | Outside Professional Services | 25,722 | 36,500 | 31,500 | **36,500** |
| 50030 | Special Department Expenses | 2,124 | 3,000 | 2,900 | **3,000** |
| 50040 | Rents & Leases | 0 | 1,000 | 500 | **1,000** |
| 50452 | Maintenance of Facilities | 43,850 | 80,000 | 45,000 | **80,000** |
| | **Total** | **838,742** | **845,000** | **713,200** | **885,100** |

## Operations & Facilities
## Construction & Maintenance
### Pipeline & R.O.W. Maintenance

# Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 53 |

| Total Budget Request |
|---|
| **$885,100** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **719,600** |
| | Full-Time Equivalents | 3.51 | |
| 50003 | **Overtime** | | **45,000** |
| | Emergency Leak Repair | | |
| 50025 | **Outside Professional Services** | | **36,500** |
| | Asphalt Satin Sealing | 15,000 | |
| | Turner Dam - Confined Space Rescue | 9,500 | |
| | Asphalt Paving | 6,000 | |
| | Traffic Control | 6,000 | |
| 50030 | **Special Department Expenses** | | **3,000** |
| | Tools | 1,000 | |
| | Welding Supplies | 1,000 | |
| | Fire Hose and Fittings | 500 | |
| | Cones and Barricades | 500 | |
| 50040 | **Rents & Leases** | | **1,000** |
| 50452 | **Maintenance of Facilities** | | **80,000** |
| | Decomposed Granite, Road Base and Rock | 21,000 | |
| | Asphalt, Hot and Cold Mix | 16,500 | |
| | Pipe - Repair | 9,500 | |
| | Trash Disposal | 7,500 | |
| | Clamps and Couplings | 5,000 | |
| | Asphalt-Cement Disposal | 5,000 | |
| | AC Pipe Disposal | 5,000 | |
| | Culverts | 3,000 | |
| | Erosion Control Material | 3,000 | |
| | Welding Materials | 2,500 | |
| | Cement | 2,000 | |

## Operations & Facilities
## Construction & Maintenance
### Valve Maintenance/Locations

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 55 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 644,836 | 600,100 | 793,800 | **734,100** |
| 50003 | Overtime | 9,907 | 15,000 | 9,000 | **15,000** |
| 50025 | Outside Professional Services | 0 | 10,000 | 9,000 | **10,000** |
| 50030 | Special Department Expenses | 571 | 2,000 | 2,000 | **2,000** |
| 50040 | Rents & Leases | 1,028 | 1,000 | 800 | **1,000** |
| 50452 | Maintenance of Facilities | 96,958 | 110,000 | 81,000 | **110,000** |
| | **Total** | **753,300** | **738,100** | **895,600** | **872,100** |

# Operations & Facilities
## Construction & Maintenance
### Valve Maintenance/Locations

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 55 |

| Total Budget Request |
|---|
| $872,100 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **734,100** |
| | Full-Time Equivalents | 4.09 | |
| 50003 | **Overtime** | | **15,000** |
| 50025 | **Outside Professional Services** | | **10,000** |
| | Traffic Control | 7,000 | |
| | Asphalt Paving | 3,000 | |
| 50030 | **Special Department Expenses** | | **2,000** |
| | Tools | 1,000 | |
| | Welding Supplies | 500 | |
| | Markout Materials/Calibration | 250 | |
| | Cones | 250 | |
| 50040 | **Rents & Leases** | | **1,000** |
| | Heavy Equipment and Asphalt Breaker | | |
| 50452 | **Maintenance of Facilities** | | **110,000** |
| | Valve Replacement/Repairs | 20,000 | |
| | Appurtenance Repair & Replacement Parts | 15,000 | |
| | Spools and AVK | 20,000 | |
| | Fire Hydrants | 15,000 | |
| | Air Vacs and Covers | 12,000 | |
| | Air Vac Screens | 5,500 | |
| | Valve Post Materials | 5,500 | |
| | Blow Offs | 4,500 | |
| | Valve Can Materials | 3,500 | |
| | Cement | 2,750 | |
| | Paint | 2,750 | |
| | Tagging Material | 2,000 | |
| | Erosion Control Material | 1,500 | |

## Division Summary by Expense Category

Corporate Facilities Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 54 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 35,096 | 54,900 | 35,800 | **59,400** |
| 50003 | Overtime | 172 | 1,000 | 2,500 | **2,000** |
| 50025 | Outside Professional Services | 71,522 | 70,000 | 74,000 | **74,800** |
| 50030 | Special Department Expenses | 4,502 | 6,000 | 3,500 | **5,000** |
| 50452 | Maintenance of Facilities | 21,631 | 30,000 | 26,622 | **35,000** |
| 50991 | Expense Credit | (8,344) | (9,239) | (9,239) | **(11,267)** |
| | **Total** | **124,579** | **152,661** | **133,183** | **164,933** |

# Operations & Facilities
## Meters

## Division Detail

### Corporate Facilities Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 54 |

| Total Budget Request |
|---|
| **$164,933** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **59,400** |
| | Full-Time Equivalents | 0.29 | |
| 50003 | **Overtime** | | **2,000** |
| 50025 | **Outside Professional Services** | | **74,800** |
| | Janitorial Service | 14,000 | |
| | Air Conditioner Repairs/Service | 17,000 | |
| | Asphalt Seal | 13,000 | |
| | Trash Pickup | 8,000 | |
| | Internal Window, Floor Cleaning | 5,000 | |
| | Bug and Termite Treatment | 3,500 | |
| | Carpet Cleaning | 5,000 | |
| | Generator Load Testing | 2,500 | |
| | Miscellaneous | 5,000 | |
| | Record Destruction Services | 1,800 | |
| 50030 | **Special Department Expenses** | | **5,000** |
| | Breakroom Supplies | 3,000 | |
| | Miscellaneous Supplies | 2,000 | |
| 50452 | **Maintenance of Facilities** | | **35,000** |
| | Building Maintenance | 23,000 | |
| | Special Cleaning of Building | 4,000 | |
| | Janitor Supplies | 3,000 | |
| | Floor Mats/Lighting | 2,500 | |
| | Miscellaneous | 2,500 | |
| 50991 | **Expense Credit** | | **(11,267)** |
| | Reimbursement from Sewer Funds for Administrative Overhead | | |

## Division Summary by Expense Category

Meter Installation

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 61 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 76,523 | 75,200 | 66,000 | **88,800** |
| 50003 | Overtime | 505 | 2,000 | 800 | **2,000** |
| 50025 | Outside Professional Services | 3,697 | 8,500 | 3,366 | **8,500** |
| 50030 | Special Department Expenses | 0 | 3,000 | 1,500 | **2,000** |
| 50040 | Rents & Leases | 0 | 500 | 250 | **500** |
| 50446 | Installation Material-Meters | 61,357 | 75,000 | 40,275 | **50,000** |
| 50451 | Maintenance of Vehicles | 14,903 | 34,000 | 13,198 | **21,000** |
| 50452 | Maintenance - Backflow Replacements | 71,570 | 72,000 | 137,069 | **135,000** |
| 50457 | Installation Material-Backflows | 51,784 | 75,000 | 30,509 | **50,000** |
| | **Total** | **280,339** | **345,200** | **292,967** | **357,800** |

## Operations & Facilities

## Meters

# Division Detail

### Meter Installation

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 61 |

| Total Budget Request |
|---|
| **$357,800** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **88,800** |
| | Full-Time Equivalents | 0.42 | |
| 50003 | **Overtime** | | **2,000** |
| 50025 | **Outside Professional Services** | | **8,500** |
| 50030 | **Special Department Expenses** | | **2,000** |
| 50040 | **Rents & Leases** | | **500** |
| 50446 | **Installation Material-Meters** | | **50,000** |
| 50451 | **Vehicle Maintenance** | | **21,000** |
| 50452 | **Maintenance of Facilities** | | **135,000** |
| | Installation Material - Backflow Replacements | | |
| 50457 | **Installation Material - Backflows** | | **50,000** |
| | Including Approved Double Check Valves, RP Devices and Fire Protection | | |

## Division Summary by Expense Category

Service Connection Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 63 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 1,097,701 | 1,159,500 | 1,169,200 | **1,221,200** |
| 50002 | Temporary Labor | 38,856 | 71,600 | 30,120 | **75,100** |
| 50003 | Overtime | 38,061 | 46,000 | 23,012 | **46,000** |
| 50025 | Outside Professional Services | 7,056 | 25,000 | 7,594 | **18,000** |
| 50030 | Special Department Expenses | 243 | 4,000 | 2,867 | **3,000** |
| 50040 | Rents & Leases | 0 | 500 | 250 | **500** |
| 50452 | Maintenance of Facilities | 200,897 | 176,000 | 119,389 | **176,000** |
| 50459 | Software Technical Support | 39,847 | 55,000 | 42,000 | **55,000** |
| | **Total** | **1,422,661** | **1,537,600** | **1,394,432** | **1,594,800** |

# Operations & Facilities
## Meters

## Division Detail

### Service Connection Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 63 |

| Total Budget Request |
|---|
| **$1,594,800** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **1,221,200** |
| | Full-Time Equivalents | 5.86 | |
| 50002 | **Temporary Labor** | | **75,100** |
| 50003 | **Overtime** | | **46,000** |
| 50025 | **Outside Professional Services** | | **18,000** |
| | Flagging Assistance | 10,000 | |
| | Asphalt Paving | 8,000 | |
| 50030 | **Special Department Expenses** | | **3,000** |
| | Pressure Recorder Transducers | 750 | |
| | Meter Security Locks | 500 | |
| | Miscellaneous Tools & Equipment | 1,750 | |
| 50040 | **Rents & Leases** | | **500** |
| 50452 | **Maintenance of Facilities** | | **176,000** |
| | Maintenance Parts and Materials | 65,000 | |
| | Replace Deteriorated Services | 40,000 | |
| | Meter Repairs and Usage Exchanges | 30,000 | |
| | Security Measures (Meters) | 10,000 | |
| | Asphalt Repairs | 10,000 | |
| | Repair/Replace Clay Valves | 8,000 | |
| | Repair/Replace Pressure Reducing Valves | 5,000 | |
| | Traffic Control Equipment | 4,000 | |
| | Adapter Fittings for Auxiliary Hose | 2,000 | |
| | Shoring Repair Kits and Pump | 2,000 | |
| 50459 | **Software Technical Support** | | **55,000** |
| | AMI Technology Support & Maintenance | 55,000 | |

Operations & Facilities

Meters

# Division Summary by Expense Category

Backflow Maintenance

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 65 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 231,102 | 261,300 | 237,800 | **256,300** |
| 50003 | Overtime | 1,433 | 2,000 | 1,900 | **2,000** |
| 50025 | Outside Professional Services | 1,033 | 1,500 | 1,320 | **2,000** |
| 50030 | Special Department Expenses | 540 | 1,000 | 1,500 | **2,000** |
| 50452 | Maintenance of Facilities | 43,877 | 40,000 | 45,369 | **50,000** |
| | **Total** | **277,985** | **305,800** | **287,889** | **312,300** |

Operations & Facilities

Meters

Backflow Maintenance

# Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 65 |

| Total Budget Request |
|---|
| **$312,300** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | **Labor & Benefits - Regular** | | **256,300** |
| | Full-Time Equivalents | 1.26 | |
| 50003 | **Overtime** | | **2,000** |
| 50025 | **Outside Professional Services** | | **2,000** |
| | Repair and Calibration of Test Equipment: | | |
| | Potable Water | 2,000 | |
| 50030 | **Special Department Expenses** | | **2,000** |
| | New Testing Supply Requirements | 500 | |
| | Repair Tools and New Test Gauges | 1,000 | |
| | Test Equipment for Reclaimed Water | 500 | |
| 50452 | **Maintenance of Facilities** | | **50,000** |
| | Reduced Pressure (RP) Repair Parts | 25,000 | |
| | Double Check (DC) Repair Parts | 25,000 | |

# Source of Supply

# Source of Supply

## FUNCTION OVERVIEW

This department represents commodity costs which are generally not under the control of the District.

The District purchases all of its water from the San Diego County Water Authority (SDCWA) which in turn purchases its water from the Metropolitan Water District of Southern California (MWD), Imperial Irrigation District, and the Carlsbad Seawater Desalination Plant.

Certified agricultural water purchases receive rebates for the SDCWA's emergency storage program, supply reliability, and markup in the melded rate supply cost used to pay for additional water supplies such as transfers from the Imperial Irrigation District. These rebates, which were approximately $852 per acre foot as of January 1, 2026, are passed through to qualifying agricultural customers.

The District must also pay the MWD and SDCWA fixed charges described below.

This division also accounts for the cost of electric and natural gas utilities which are used for pumping water through the distribution system.

## ACCOMPLISHMENTS FOR 2025-2026

Water delivery charges represent pass-through costs of water sold. The District continues to work to keep these costs as low as possible in two ways. First, customer accounts are monitored for excessive usage and water distribution facilities are patrolled to locate and stop water losses as quickly as possible. Second, District management is actively involved in monitoring MWD and SDCWA strategies to maintain affordable water rates and worked diligently to continue agricultural discounts.

Historically, VCMWD has accounted for and collected revenue for the wholesale fixed charges through the wholesale commodity rate. This practice leaves the District exposed when water sales drop below budgeted or historical levels, as has been the case in recent years, because of continued uncertainties in the agricultural community and rapid wholesale water rate increases.

To curb this exposure, in January of 2025, the District began the process of converting the wholesale fixed charges that VCMWD pays into direct fixed charge passthroughs to District customers. The first conversion was the MWD wholesale fixed charges that are now passed through to District customers as a VCMWD fixed charge called the MWD Fixed Charge Passthrough. The charge is a fixed monthly fee based on meter size and is set up to collect 100% of the MWD wholesale fixed charges which include the Capacity Reservation Charge and the Readiness-to-Serve Charge. The second conversion was the SDCWA fixed component of the Transportation Charge. Effective January 1, 2026, it is a fixed monthly fee based on meter size and is and is set up to collect one-third of the SDCWA Transportation Fixed Charge. The Fiscal Year 2026-27 Budget assumes increasing the coverage to two-thirds. The VCMWD Board approved a phased in approach to this conversion over a three-year period, in increments of one-third per year, so that ultimately the full annual SDCWA Transportation Fixed Charge will be collected with the SDCWA Fixed Charge Passthrough by the end of third year or 2028.

## CHALLENGES FOR 2026-2027

The process of converting wholesale fixed charges to VCMWD Fixed Charge Passthroughs is one that the District plans to continue on an incremental basis over the next five years. Although, this methodology reduces the exposure discussed above, it does impose pressure on the fixed monthly charges to all VCMWD customers on their monthly water bills.

Beginning in Calendar Year 2026, the SDCWA Board approved refined methodology for calculating the Storage Charge. Prior to January 2026 PSAWR customers were exempt from paying the full Storage Charge. The Storage Charge is now segregated into two parts: 1) the Operating component, which all users including agricultural customers benefit from, and; 2) the component for the Emergency Storage Program (ESP) and Carryover (CO) Storage Program. PSAWR customers are subject to the Operating component and will remain exempt from the ESP & CSP component. This refined methodology ensures that PSAWR customers pay proportionately for the operational storage benefits they receive, while maintaining their exemption from emergency and carryover storage costs.

Energy supplies and costs will be of continuing concern. Efforts to keep water supply costs at the lowest level possible will continue through work with MWD and SDCWA.

## GOALS FOR 2026-2027

The costs of water and utilities accounted for in this division are controlled by other departments, particularly the Operations & Facilities Department, with management from the General Administration Department. Energy costs are reduced by the efforts of Operations by monitoring water usage trends to enable pump stations to be run as efficiently and economically as possible.

Wholesale water rates for Calendar Year 2027 have not been adopted by the SDCWA. The wholesale water rate information obtained from the SDCWA indicates that their rates are to increase by 3% - 6% over the current adopted rates. The treated melded rate supply cost is estimated to be $2,160 in January 2027.

The San Diego County Water Authority wholesale fixed charges in Calendar Year 2027 include 4 fixed charges: Customer Service, Storage (Operational and Emergency Storage Project (ESP) & Carry Over (CO) Storage Program), Supply Reliability, and Transportation. The District calculates the per-acre-foot equivalent of these charges by dividing the total charges by projected water sales, less a 10% reserve for sales levels under budgeted amounts. For Fiscal Year 2026-27 budgeted sales are 12,000 acre feet and the SDCWA fixed charges are allocated over 10,800 acre feet. Total fixed charges for 2027 are estimated to be 5.9%, higher than in 2026. The primary reason for this increase is the approval by the SDCWA Board to increase the fixed cost recovery percentage of their Transportation Charge from 50% to 60%.

Metropolitan Water District Fixed Charges include Capacity Reservation and Readiness-to-Serve charges that total an estimated $1,009,000 in Calendar Year 2027.

## LONG-TERM GOALS

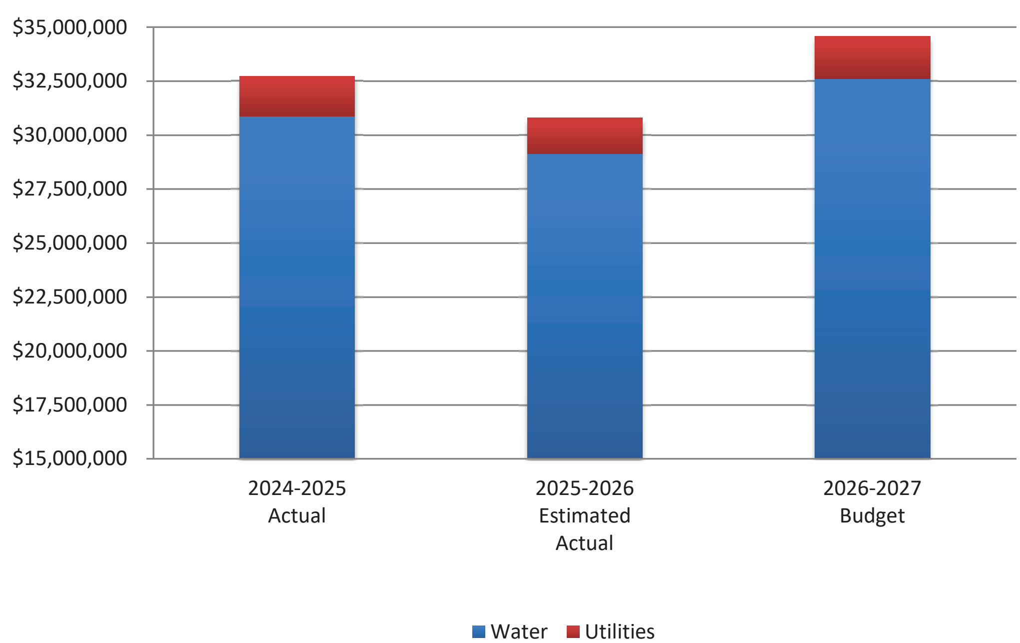
The costs of water, readiness-to-serve, customer service, capacity reservation, storage, supply reliability, transportation and infrastructure access charges, along with agricultural water discounts will continue to require the District to adapt, as will the ongoing uncertainty in the energy markets, and continued uncertainties in the agricultural community.

## Department Summary by Division

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 41 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 41 | Source of Supply | 32,714,850 | 32,906,113 | 30,788,859 | 34,570,275 |
| | **TOTAL SOURCE OF SUPPLY** | **32,714,850** | **32,906,113** | **30,788,859** | **34,570,275** |

### Division Expenses



## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 41 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| | **WATER PURCHASES (ACRE FEET)** | **14,691** | **13,300** | **12,700** | **12,770** |
| 50321 | Water Supply Charge - MWD & CWA | 25,152,951 | 25,428,850 | 22,826,320 | 26,411,400 |
| 50368 | Transportation Charge - CWA | 2,541,087 | 1,815,630 | 1,711,560 | 1,577,360 |
| 50369 | Agricultural Rebate - CWA | (2,697,478) | (3,332,132) | (2,728,360) | (3,536,030) |
| 50371 | Water Supply Credit - CWA/USBR | (221,153) | (247,925) | (163,709) | (268,750) |
| 50378 | Transportation Credit - CWA/USBR | (29,284) | (23,635) | (15,922) | (21,360) |
| 50081 | Infrastructure Access Charge | 816,048 | 830,000 | 830,760 | 852,000 |
| 50186 | Readiness to Serve Charge - MWD | 515,196 | 413,995 | 414,000 | 413,995 |
| 50394 | Capacity Reservation Charge - MWD | 520,248 | 580,720 | 580,720 | 595,250 |
| 50395 | Transportation Fixed Charge - CWA | 725,154 | 1,733,290 | 1,733,290 | 2,325,760 |
| 50397 | Customer Service Charge - CWA | 1,356,366 | 1,490,290 | 1,490,290 | 1,575,420 |
| 50399 | Storage Charge - CWA | 1,271,405 | 1,145,460 | 1,446,500 | 1,622,830 |
| 50337 | Supply Reliability Charge - CWA | 917,874 | 1,001,570 | 1,001,570 | 1,047,400 |
| | **Total Water** | **30,868,414** | **30,836,113** | **29,127,019** | **32,595,275** |
| 50045 | Utilities - Electricity | 1,296,424 | 1,511,100 | 1,415,860 | 1,625,000 |
| 50047 | Utilities - Natural Gas | 550,012 | 558,900 | 245,980 | 350,000 |
| | **Total Utilities** | **1,846,436** | **2,070,000** | **1,661,840** | **1,975,000** |
| | **Total** | **32,714,850** | **32,906,113** | **30,788,859** | **34,570,275** |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 41 |

| Total Budget Request |
|---|
| **$31,372,025** |

| Account No. | Detail and Justification | Jul to Dec | Jan to Jun | Budget Request |
|---|---|---|---|---|
| 50321 | Water Supply Charge | | | 26,411,400 |
| | To MWD & CWA - | 2,020.00 | 2,160.00 | |
| | Expected purchases in AF | 8,370 | 4,400 | |
| | Expected purchases in $ | 16,907,400 | 9,504,000 | |
| 50368 | Transportation Charge | | | 1,577,360 |
| | To MWD & CWA - | 128.00 | 115.00 | |
| | Expected purchases in AF | 8,370 | 4,400 | |
| | Expected purchases in $ | 1,071,360 | 506,000 | |
| 50369 | Agricultural Rebate - CWA | | | (3,536,030) |
| | Ag Discount Rate | (506.00) | (557.00) | |
| | Estimated Ag purchases in AF | 4,563 | 2,203 | |
| | | (2,308,949) | (1,227,081) | |
| 50371 | Water Supply Credit - CWA/USBR | | | (268,750) |
| | M&I Supply Rate | (1,490.00) | (1,590.00) | |
| | Estimated purchases in AF | 95 | 80 | |
| | | (141,550) | (127,200) | |
| 50378 | Transportation Credit - CWA/USBR | | | (21,360) |
| | Water Delivery Rate | (128.00) | (115.00) | |
| | Estimated purchases in AF | 95 | 80 | |
| | | (12,160) | (9,200) | |
| 50081 | Infrastructure Access Charge | | | 852,000 |
| 50186 | Ready to Serve Charge - MWD | | | 413,995 |
| | This charge recovers costs associated with standby peak conveyance capacity and system emergency storage capacity. It is based on a ten-year rolling average of all deliveries. | | | |
| 50394 | Capacity Reservation Charge - MWD | | | 595,250 |
| | This charge is levied to recover the cost of providing peak capacity within the distribution system. It is based on a five-year rolling average of member agency flows during coincident peak weeks. | | | |
| 50395 | Transportation Fixed Charge - CWA | | | 2,325,760 |
| | This charge is set to recover 50% of capital, operating and maintenance costs of the aqueduct system including all facilities used to physically transport the water to member agency meters. It is based on a seven-year rolling average of all deliveries. | | | |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 01 | 04 | 41 |

| Account No. | Detail and Justification | Budget Request |
|---|---|---|
| 50397 | Customer Service Charge - CWA | 1,575,420 |
| | This charge is based on a seven-year rolling average of all deliveries. It is levied to recover estimated costs necessary to support the functioning of the Authority, to develop policies and implement programs that benefit the region as a whole. | |
| 50399 | Storage Charge - CWA | 1,622,830 |
| | This charge is based on a seven-year rolling average of non-agricultural deliveries. It is levied to recover costs associated with the Emergency Storage Program and the Carryover Storage Program. | |
| 50337 | Supply Reliability Charge - CWA | 1,047,400 |
| | This charge is based on a seven-year rolling average of non-agricultural deliveries. It is levied to recover a portion of the costs associated with the Water Authority's highly reliable water supplies. | |
| 50045 | Utilities - Electrical | 1,625,000 |
| 50047 | Utilities - Natural Gas | 350,000 |

Utilities are based on sale of 12,000 A.F. and purchase of 12,770 A.F. @ $155 per A.F.

| | | |
|---|---|---|
| Electric | 82% | 1,625,000 |
| Natural Gas | 18% | 350,000 |
| Total | | 1,975,000 |

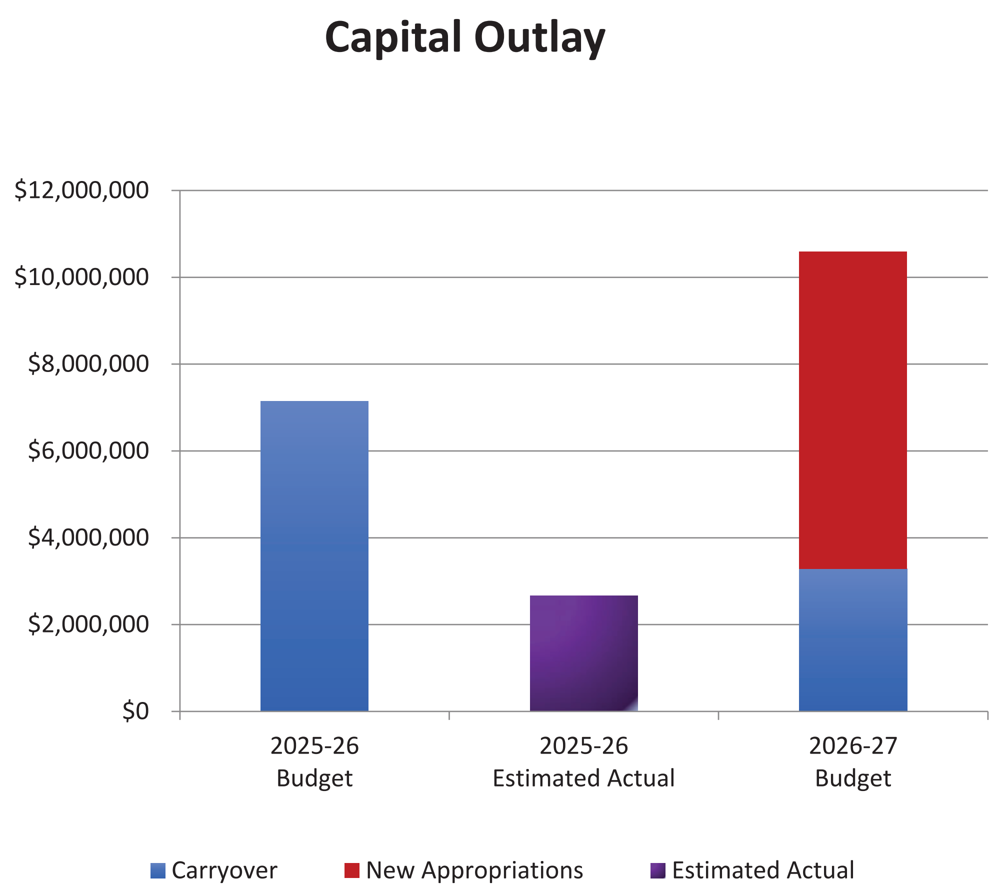
This page intentionally left blank

# Capital Outlay

## FUNCTION OVERVIEW

Plan, design, acquire rights of way, bid, construct, manage, and inspect specific projects, approved by the Board, that expand the capacity or otherwise increase or improve the service reliability of the water supply and distribution systems or wastewater collection, treatment, and disposal systems. The general goals are to efficiently plan and manage these projects for the lowest overall cost, taking into account both initial and long-term costs, as well as the needs identified in the District's Master Plan.

**A complete schedule of projects under construction, proposed, and completed is presented on page 10-2.**



## WATER (GENERAL FUND) CAPITAL BUDGET

The Capital Outlay Budget for Fiscal Year 2026-27 continues to include only those major projects that are essential. Capital projects included in this budget consist of the following:

| | | |
|---|---|---|
| Pipelines and Pressure Reducing Valves | $ | 1,888,280 |
| Reservoirs | | 821,046 |
| Data Management Systems | | 463,266 |
| Facilities & Pump Stations | | 89,618 |
| Equipment Replacement | | 24,801 |
| Total Project appropriations carried forward from prior budget | $ | 3,287,011 |
| New Appropriations | $ | 7,308,500 |
| TOTAL Capital Budget | $ | 10,595,511 |

Additionally, Capital Projects requiring outside funding and requiring separate approval from this budget, can be found in Appendix E of this report. Approval of which will depend on the procurement of financing through the State Revolving Fund program and the receipt of grant funds. Refer to Appendix E for further details.

Setting aside replacement reserves for aging facilities is of utmost importance to the District. Historically the District has funded the majority of its new or expanded facility requirements with revenues from the general property tax, water availability charges, and capacity charges on a pay-as-you-go cash basis. Other sources include the use of Capital Improvement Reserve funds, debt financing, grants, and joint agency endeavors.

Funding for the water capital projects comes from:

| | | |
|---|---|---|
| Non-Operating Revenues | | 1,794,500 |
| Continuing Projects Reserve | | 3,287,011 |
| Grant Funding | | 3,775,000 |
| Pending SRF Loan Proceeds | $ | 1,739,000 |
| TOTAL Capital Budget | $ | 10,595,511 |

Facilities which are identified and budgeted annually for replacement are not determined solely by the depreciation schedule, but are identified through a process which assesses a combination of factors, including age, condition (frequency of repairs), and the critical nature of the facility (for example, main transmission pipeline versus local distribution line). In addition, existing pipeline facilities are replaced when County of San Diego road improvements force relocation or private development projects provide the opportunity to replace an existing facility.

To date, the method of identifying facilities for replacement and pay-as-you-go financing of these types of projects has met the needs of the District without creating rate impacts or spikes. However, in this time of ever decreasing water sales coupled with increasing wholesale costs a more explicit and systematic approach is necessary.

Depreciation of utility plant assets is an economic fact that is easily identifiable and can be given explicit and systematic recognition as a cost of rendering service. Included in the Water Budget for Fiscal Year 2026-27, is an expense item for Depreciation as a measure to fund future Capital Improvement projects. The value of annual depreciation in the Fiscal Year 2026-27 Budget is $3,883,000 and will be set aside to plan for and fund the Capital Improvement Projects in the following Fiscal Year 2027-28.

| Fiscal Year 2025-2026<br>Recent Accomplishments & Performance Indicators | Performance Standard | Strategic Plan Goal*<br>Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Successfully completed construction of improvements for the provision of emergency water supply to VCMWD's VC3 Service Area and Yuima MWD as part of the San Diego County Water Authority's North County Emergency Supply Project. | 8,9 | ✓ | ✓ | | | | |
| Successfully completed repairs to the Reidy Canyon and West Bear Ridge Reservoirs exterior paint failures. | 8,9 | ✓ | ✓ | | | | |
| Successfully utilized District staff and Design/Drafting Consultants to prepare CIP designs in-house rather than turnkey engineering design contracts, saving time and minimizing costs. Engineering staff completed design of the Cole Grade Road Pipeline - Phase 1 project in concert with the County's roadway widening project. Staff is also nearing completion of design for the North Broadway pipeline project. | | | | | ✓ | | |
| Successfully completed Water System SCADA/HMI migration from Wonderware to Ignition for the eight sites selected for Phase 1 in coordination with the North County Emergency Storage Project. Staff also began the Water System SCADA/HMI migration with conversion of the sites selected for Phase 2. | | | | | ✓ | | |
| Upgrade to the latest version of the Computerized Maintenance Management System (CMMS) that supports mobile users, has better usability, and integrates with existing GIS, financial, and other databases in the District. Phase 1 and 2 have been completed. Additional phases are planned in the following fiscal years. | | | | | ✓ | | |
| Construct and install the Cobb Reservoir chloramine boosting and reservoir mixing system. | 9 | ✓ | | | | | |
| Continued with the reservoir mixing and chloramination pilot program to identify reservoirs with low demand and low chlorine residuals that would benefit from the installation of a mixing system. | | ✓ | | | | | |
| Completed DWSRF and EPA Community Grant Funding applications for the $9.3M Old Castle Pipeline Replacement Project. | | | ✓ | ✓ | | | |
| Completed DWSRF Funding applications for the $4.3M North Broadway Pipeline Relocation and Replacement Project. | | | ✓ | ✓ | | | |
| Review and updated 20 of the District's Standard Drawings, and updated the web site postings. | | | ✓ | | | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

| Fiscal Year 2026-2027 Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Continue to appraise, examine, and improve the District's infrastructure to prevent major system failures, prioritize proposed projects and update the Water Master plan as appropriate. | 9, 10 | | ✓ | | ✓ | | |
| Acquisition of suitable funding opportunities for capital improvement projects, including local water supply, reclamation, and solar power generation projects. | 5 | | ✓ | ✓ | | | |
| Continue construction of improvements for the Old Castle Pipeline - Phase 2 project, maintaining the project's schedule and budget. | 8,9 | ✓ | | | | | |
| Complete the Painting and Recoating Projects for 2 Reservoirs. | 8,9 | | ✓ | | | | |
| Complete design, advertise, and begin construction of the North Broadway Pipeline project. | 8,9 | | ✓ | | | | |
| When appropriate utilize District staff and Design/Drafting Consultants to prepare CIP designs in-house rather than turnkey engineering design contracts. Engineering staff has the expertise and ability to complete a majority of the proposed capital improvement projects in-house, realizing a significant savings in cost and time over soliciting and awarding design contracts to consulting engineering firms. In order to streamline the design process, certain sub-contract design professionals; surveying, traffic control, electrical, etc. can be utilized when specialty designs are needed for a project. Larger projects would continue to be awarded to engineering consultants to provide the additional staff needed for more timely completion and when additional expertise is needed. | | | ✓ | | ✓ | | |
| Complete the Water System SCADA/HMI migration from Wonderware to Ignition with conversion of the sites selected for Phase 2. | 9, 10 | ✓ | | | | | |
| Upgrade to the latest version of the Computerized Maintenance Management System (CMMS) that supports mobile users, has better usability, and integrates with existing GIS, financial, and other databases in the District. Phase 1 has been completed and Phase 2 will continue throughout Fiscal Year 2026-27. Additional phases are planned in the following fiscal years. | 10 | ✓ | | | | | |
| Construct and install the Cobb Reservoir chloramine boosting and reservoir mixing system. | 8, 9 | | ✓ | | | | |
| Continue with the reservoir mixing and chloramination pilot program to identify reservoirs with low demand and low chlorine residuals that would benefit from the installation of a mixing system. | 10 | | ✓ | ✓ | | | |
| Review and refinement of the District's Standard Specifications for Design and Construction, and updating the web site postings as documents are revised. | | | ✓ | | | | |

| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Design and construct the projects as identified in the Water Master Plan and Financial Model. | | ✓ | | | | | |
| Design for the expansion of existing facilities in an economic and efficient manner while minimizing impacts to customer service. | | ✓ | ✓ | ✓ | | | |
| Work with the County of San Diego on future road improvement projects, coordinating the replacement and relocation of District Facilities as appropriate. | | | ✓ | | | | |
| Development of District-wide facility requirements due to conversion from predominately agricultural uses to urban uses, changing water conservation practices, and County modification of land use entitlements through the General Plan Update process. | | ✓ | | | | | |
| Seek out both grant and debt financing funding opportunities for capital improvement projects. | | | ✓ | ✓ | | | |

# Valley Center Munici Water District

## Capital Outlay Budget Summary

| Fund | Department | Division |
|---|---|---|
| 01 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Mid-Year Budget Adjustments 2025-2026 | Total Approved Budget 2025-2026 | Total Estimated Expenditures 2025-2026 | Recaptured or Not Carried Forward to 2026-2027 | Estimated Budget Carried Forward to 2026-2027 | New Appropriation 2026-2027 | Total Approved Budget 2026-2027 |
|---|---|---|---|---|---|---|---|---|---|
| **Pipelines & PRV's** | | | | | | | | | |
| 51020 | 10-6 | Participation, Upsizing, & Unspecified Repl Projects | (62,865) | 157,635 | 7,118 | | 150,517 | **150,000** | 300,517 |
| 51023 | | Wohlford Estates Participation | | 114,384 | 114,384 | | - | | - |
| 51500 | | Pipeline Condition Assessment | | 186,156 | 18,156 | (168,000) | - | | - |
| 51150 | 10-7 | North Broadway Pipeline Relocation | | 304,818 | 274,818 | | 30,000 | **50,000** | 80,000 |
| 51690 | | Cole Grade Road Pipeline Replacement | | 1,538,929 | 63,684 | | 1,475,245 | | 1,475,245 |
| 51420 | 10-8 | Old Castle Waterline Replacement Project Phase 2 | 100,000 | 190,334 | 165,334 | | 25,000 | **5,679,000** | 5,704,000 |
| 51840 | | Rodriquez Rd Pipeline Replacment | | 111,654 | 3,264 | | 108,390 | | 108,390 |
| 51121 | | 2023 DWSRF Loan Application | | 18,794 | 18,794 | | - | | - |
| 51910 | | Gordon Hill Upper Pipeline Relocation Project | | 831,380 | 60,872 | (671,380) | 99,128 | | 99,128 |
| 51011 | 10-9 | Keys Creek Pipeline Crossing | | | - | | - | **180,000** | 180,000 |
| 51012 | 10-10 | McNally Reservoir Feeder Pipeline Relining | | | - | | - | **60,000** | 60,000 |
| 51013 | 10-11 | Valve Replacement Program | | | - | | - | **170,000** | 170,000 |
| 51014 | 10-12 | Cole Grade Road Pipeline Replacement Phase 2 | | | - | | - | **369,000** | 369,000 |
| **Subtotal Pipelines & PRV's** | | | **37,135** | **3,454,084** | **726,424** | **(839,380)** | **1,888,280** | **6,658,000** | **8,546,280** |
| **Pump Stations** | | | | | | | | | |
| 51160 | | Pump & Motor Replacements | | 40,000 | - | | 40,000 | | 40,000 |
| 51050 | | Natural Gas Engine Controls Upgrade & Automation | | 19,484 | - | 2,537 | 22,021 | | 22,021 |
| 51430 | | Automation of Bypass Valve Controls | | 7,209 | - | | 7,209 | | 7,209 |
| 51440 | | San Gabriel PS Controls Upgrade & Automation | | 2,537 | - | (2,537) | - | | - |
| 51080 | | Pump Station Power Monitors | | 20,388 | - | | 20,388 | | 20,388 |
| 51161 | 10-13 | VCPS Natural Gas Engine Exhaust Replacement | | - | - | | - | **81,500** | 81,500 |
| **Subtotal Pump Stations** | | | **-** | **89,618** | **-** | **-** | **89,618** | **81,500** | **171,118** |
| **Reservoirs** | | | | | | | | | |
| 51940 | 10-14 | Cobb Reservoir Site Chloramine Boosting System | | 228,991 | 165,000 | 42,746 | 106,737 | **12,000** | 118,737 |
| 51300 | | Reservoir Painting and Recoating Projects | | - | - | | - | | - |
| 51303 | | Ridge Ranch Reservoir & PS Replacement | | 959,412 | 7,000 | (238,103) | 714,309 | | 714,309 |
| 51401 | | Reidy Canyon & West Bear Res. Coating Repair | | 442,964 | 442,964 | | - | | - |
| 51402 | 10-15 | Kornblum Reservoir Painting and Recoating | | | - | | - | **50,000** | 50,000 |
| 51451 | 10-16 | Paradise Mountain PS Inner Connection Demo | | | - | | - | **150,000** | 150,000 |
| **Subtotal Reservoirs** | | | **-** | **1,631,367** | **614,964** | **(195,357)** | **821,046** | **212,000** | **1,033,046** |
| **Data Management Systems** | | | | | | | | | |
| 51240 | | SCADA Infrastructure Upgrades | | 65,000 | 32,812 | | 32,188 | | 32,188 |
| 51680 | | Advanced Metering Infrastructure System | | 46,125 | 9,697 | | 36,428 | | 36,428 |
| 51040 | 10-17 | Boardroom A/V Technology Upgrade | | 7,118 | 7,072 | | 46 | **10,000** | 10,046 |
| 51730 | | Water System HMI Migration | 50,000 | 350,931 | 350,931 | | - | | - |
| 51731 | | Water System HMI Migration - Phase 2 | | 350,000 | 70,000 | | 280,000 | | 280,000 |
| 51470 | | Enterprise Resource Planning Software Upgrade | | 100,000 | - | | 100,000 | | 100,000 |
| 51780 | | GIS Easement Integration | | 38,249 | 1,749 | (36,500) | - | | - |
| 51740 | | PRV SCADA Integration | | 14,604 | - | | 14,604 | | 14,604 |
| 51720 | | Office Productivity Software Upgrade | | 33,000 | - | (33,000) | - | | - |
| **Subtotal Data Management Systems** | | | **50,000** | **1,005,027** | **472,261** | **(69,500)** | **463,266** | **10,000** | **473,266** |
| **Facilities** | | | | | | | | | |
| 51590 | | Water Age Analysis | | 66,108 | 10,108 | (56,000) | - | | - |
| 51560 | | Encroachment Resolution | | 50,000 | 30,000 | (20,000) | - | | - |
| 51610 | | 2025 Urban Water Management Plan | | 170,000 | 94,000 | (76,000) | - | | - |
| 51650 | | 2026 Risk & Resilience and Emergency Response Plan | | 77,000 | 30,000 | (47,000) | - | | - |
| **Subtotal Facilities** | | | **-** | **363,108** | **164,108** | **(199,000)** | **-** | **-** | **-** |
| **Equipment** | | | | | | | | | |
| 51880 | 10-18 | Electric Motor Soft Starters | | 14,206 | 8,800 | | 5,406 | **25,000** | 30,406 |
| 51370 | 10-19 | Vehicles | 49,500 | 407,991 | 377,988 | (30,003) | - | **122,000** | 122,000 |
| 51373 | | Hooklift Truck | | 113,007 | 100,264 | (12,743) | - | | - |
| 51376 | 10-20 | Backhoe Loader Replacements | | 210,000 | 190,605 | | 19,395 | **200,000** | 219,395 |
| 51820 | | Rescue Davit System | | 10,000 | 9,782 | (218) | - | | - |
| **Subtotal Equipment** | | | **49,500** | **755,204** | **687,439** | **(42,964)** | **24,801** | **347,000** | **371,801** |
| **Total Capital Projects** | | | **136,635** | **7,298,408** | **2,665,196** | **(1,346,201)** | **3,287,011** | **7,308,500** | **10,595,511** |

# Valley Center Municipal Water District

## Capital Outlay Budget Summary

### Estimated Expenditures by Year

| Fund | Department | Division |
|---|---|---|
| 01 | 06 | 78 |

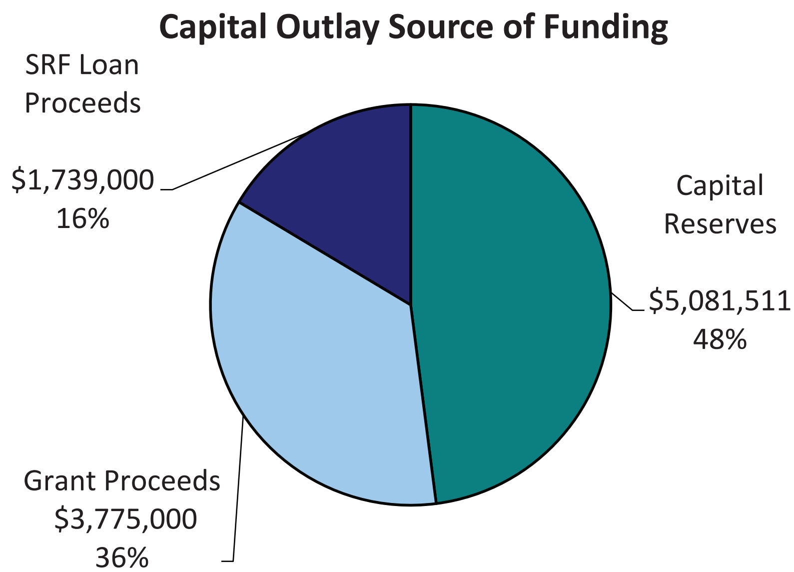
| Acct. No. | Capital Project Request See Page | Description | Estimated Budget Carried Forward to 2026-2027 | New Appropriation 2026-2027 | Total Approved Budget 2026-2027 | Estimated Actual Expenditures 2026-2027 | Estimated Actual Expenditures 2027-2028 | Estimated Project Balance after 2 years |
|---|---|---|---|---|---|---|---|---|
| **Pipelines & PRV's** | | | | | | | | |
| 51020 | 10-6 | Participation, Upsizing, & Unspecified Repl Projects | 150,517 | **150,000** | 300,517 | 300,517 | | |
| 51023 | | Wohlford Estates Participation | - | **-** | - | - | | |
| 51500 | | Pipeline Condition Assessment | - | **-** | - | - | | |
| 51150 | 10-7 | North Broadway Pipeline Relocation | 30,000 | **50,000** | 80,000 | 80,000 | | |
| 51690 | | Cole Grade Road Pipeline Replacement | 1,475,245 | **-** | 1,475,245 | 1,475,245 | | |
| 51420 | 10-8 | Old Castle Waterline Replacement Project Phase 2 | 25,000 | **5,679,000** | 5,704,000 | 5,704,000 | | |
| 51840 | | Rodriquez Rd Pipeline Replacment | 108,390 | **-** | 108,390 | 108,390 | | |
| 51121 | | 2023 DWSRF Loan Application | - | **-** | - | - | | |
| 51910 | | Gordon Hill Upper Pipeline Relocation Project | 99,128 | **-** | 99,128 | 99,128 | | |
| 51011 | 10-9 | Keys Creek Pipeline Crossing | - | **180,000** | 180,000 | 180,000 | | |
| 51012 | 10-10 | McNally Reservoir Feeder Pipeline Relining | - | **60,000** | 60,000 | 60,000 | | |
| 51013 | 10-11 | Valve Replacement Program | - | **170,000** | 170,000 | 170,000 | | |
| 51014 | 10-12 | Cole Grade Road Pipeline Replacement Phase 2 | - | **369,000** | 369,000 | 369,000 | | |
| | | | - | **-** | - | - | | |
| **Subtotal Pipelines & PRV's** | | | **1,888,280** | **6,658,000** | **8,546,280** | **8,546,280** | **-** | **-** |
| **Pump Stations** | | | | | | | | |
| 51160 | | Pump & Motor Replacements | 40,000 | **-** | 40,000 | 40,000 | | |
| 51050 | | Natural Gas Engine Controls Upgrade & Automation | 22,021 | **-** | 22,021 | 22,021 | | |
| 51430 | | Automation of Bypass Valve Controls | 7,209 | **-** | 7,209 | 7,209 | | |
| 51440 | | San Gabriel PS Controls Upgrade & Automation | - | **-** | - | - | | |
| 51080 | | Pump Station Power Monitors | 20,388 | **-** | 20,388 | 20,388 | | |
| 51161 | 10-13 | VCPS Natural Gas Engine Exhaust Replacement | - | **81,500** | 81,500 | 81,500 | | |
| | | | - | **-** | | | | |
| **Subtotal Pump Stations** | | | **89,618** | **81,500** | **171,118** | **171,118** | **-** | **-** |
| **Reservoirs** | | | | | | | | |
| 51940 | 10-14 | Cobb Reservoir Site Chloramine Boosting System | 106,737 | **12,000** | 118,737 | 118,737 | | |
| 51300 | | Reservoir Painting and Recoating Projects | - | **-** | - | - | | |
| 51303 | | Ridge Ranch Reservoir & PS Replacement | 714,309 | **-** | 714,309 | 714,309 | | |
| 51401 | | Reidy Canyon & West Bear Res. Coating Repair | - | **-** | - | - | | |
| 51402 | 10-15 | Kornblum Reservoir Painting and Recoating | - | **50,000** | 50,000 | 50,000 | | |
| 51451 | 10-16 | Paradise Mountain PS Inner Connection Demo | - | **150,000** | 150,000 | 150,000 | | |
| | | | - | **-** | | | | |
| **Subtotal Reservoirs** | | | **821,046** | **212,000** | **1,033,046** | **1,033,046** | **-** | **-** |
| **Data Management Systems** | | | | | | | | |
| 51240 | | SCADA Infrastructure Upgrades | 32,188 | **-** | 32,188 | 32,188 | | |
| 51680 | | Advanced Metering Infrastructure System | 36,428 | **-** | 36,428 | 36,428 | | |
| 51040 | 10-17 | Boardroom A/V Technology Upgrade | 46 | **10,000** | 10,046 | 10,046 | | |
| 51730 | | Water System HMI Migration | - | **-** | - | - | | |
| 51731 | | Water System HMI Migration - Phase 2 | 280,000 | **-** | 280,000 | 280,000 | | |
| 51470 | | Enterprise Resource Planning Software Upgrade | 100,000 | **-** | 100,000 | 100,000 | | |
| 51780 | | GIS Easement Integration | - | **-** | - | - | | |
| 51740 | | PRV SCADA Integration | 14,604 | **-** | 14,604 | 14,604 | | |
| 51720 | | Office Productivity Software Upgrade | - | **-** | - | - | | |
| | | | - | **-** | - | - | | |
| **Subtotal Data Management Systems** | | | **463,266** | **10,000** | **473,266** | **473,266** | **-** | **-** |
| **Facilities** | | | | | | | | |
| 51590 | | Water Age Analysis | | | - | | | |
| 51560 | | Encroachment Resolution | | | - | | | |
| 51610 | | 2025 Urban Water Management Plan | | | - | | | |
| 51650 | | 2026 Risk & Resilience and Emergency Response Plan | | | - | | | |
| | | | | | - | | | |
| **Subtotal Facilities** | | | **-** | **-** | **-** | **-** | **-** | **-** |
| **Equipment** | | | | | | | | |
| 51880 | 10-18 | Electric Motor Soft Starters | 5,406 | **25,000** | 30,406 | 30,406 | | |
| 51370 | 10-19 | Vehicles | - | **122,000** | 122,000 | 122,000 | | |
| 51373 | | Hooklift Truck | - | **-** | - | - | | |
| 51376 | 10-20 | Backhoe Loader Replacements | 19,395 | **200,000** | 219,395 | 219,395 | | |
| 51820 | | Rescue Davit System | - | **-** | - | - | | |
| | | | - | **-** | - | - | | |
| **Subtotal Equipment** | | | **24,801** | **347,000** | **371,801** | **371,801** | **-** | **-** |
| **Total Capital Projects** | | | **3,287,011** | **7,308,500** | **10,595,511** | **10,595,511** | **-** | **-** |

# Capital Outlay Source of Funding
# Water

All projects are funded by one or more of the following methods:

**Capital Reserves:** There are three types of Capital Reserves.

1. Reserve for Continuing Projects are unexpended appropriations carried forward from prior years.
2. Reserve for Capital Improvements are water availability charges not allocated to RTS and debt service, Property Taxes, plus earnings not reserved for other purposes that have been collected in prior years.
3. Capacity Charge Reserves are funds collected for public facilities in existence at the time a capacity charge is imposed or for new facilities to be acquired or constructed in the future.




**Non-Operating Revenues:** Current year annual non-operating revenues including Water Availability charges not allocated to readiness-to-serve (RTS) and debt service, Property Taxes, and Lease of Facilities plus earnings not reserved for other purposes.

**SRF Loan Proceeds:** The District is in various stages of the State Revolving Fund (SRF) Loan application process for several projects. Construction does not proceed until SRF Loan approval is received.

**Grant Proceeds:** The District has been awarded two Environmental Protection Agency grants for the Old Castle Phase 2 Pipeline Replacement Project. Details can be found on page 10-8.

Each Capital Project Request beginning on page 10-8 and Appendix E of this budget document displays a table at the top of the page that looks similar to the one below.

| | Master Plan | | | Source of Funding | Strategic Plan | |
|---|---|---|---|---|---|---|
| New Item | Type | Priority | Project ID | 2026/2027 | Standard | Goal |
| | Replacement | A | CV010 | Non-Operating Revenues | 8, 9 | II |

Indicates whether the project request is for a new item, a replacement, or a continuing project.

Correlates to the District's Master Plan document, not included in this budget. A copy can be provided upon request.

Correlates to the Source of Funding described above.

Correlates to the Strategic Plan Goals and Performance Standards described in the Budget Message of this budget document.

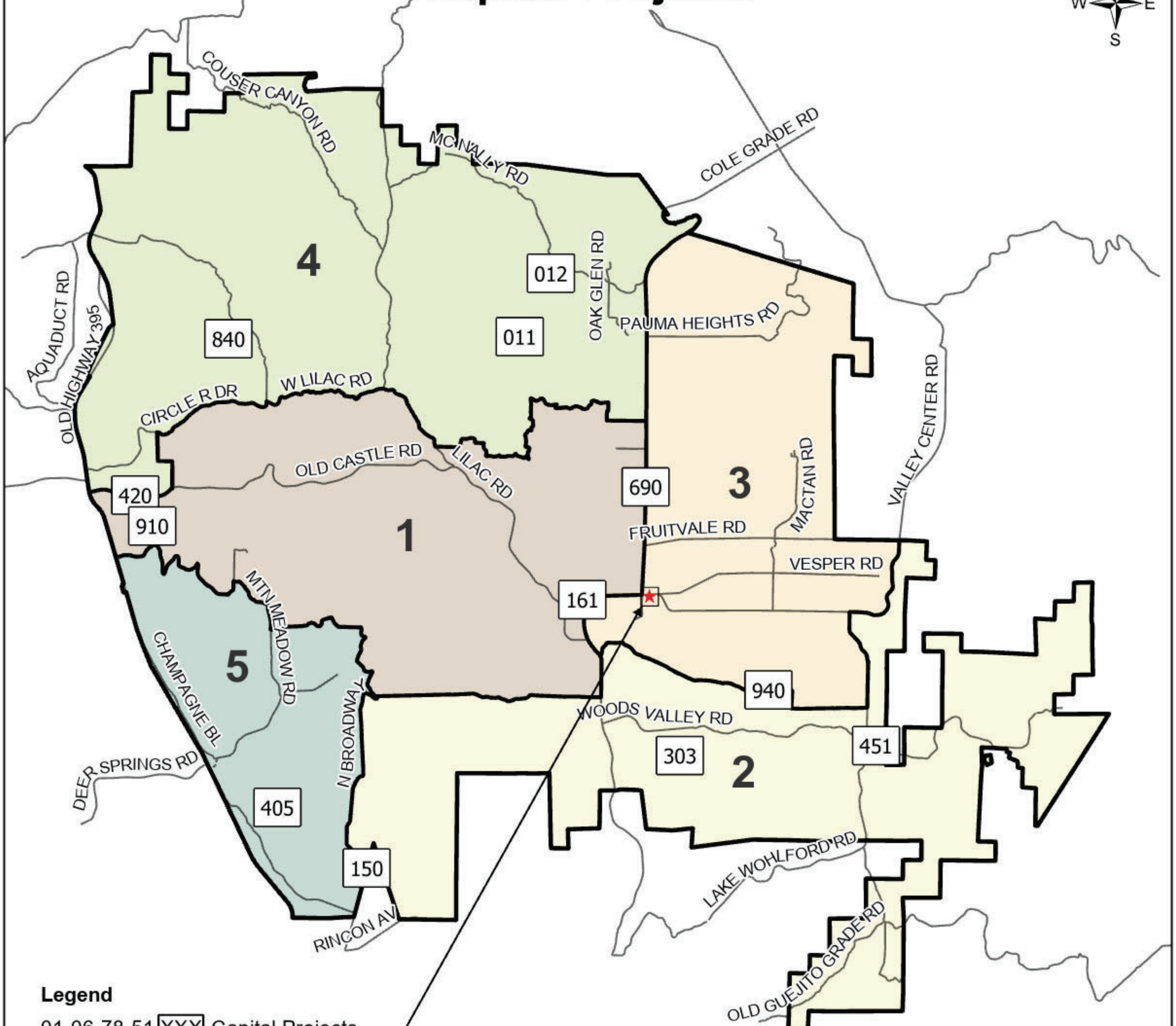
The table on the following page includes all capital projects with their source of funding identified.

# Capital Outlay Source of Funding

| Fund | Department | Division |
|---|---|---|
| 01 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Source of Funding | | | | | Total Approved Budget 2026-2027 |
|---|---|---|---|---|---|---|---|---|
| | | | Cotinuing Projects Reserve | Capital Improvement Reserve | Interim Loan | Grant Funding | State Revolving Fund Loan Proceeds | |
| **Pipelines & PRV's** | | | | | | | | |
| 51020 | 10-6 | Participation, Upsizing, & Unspecified Repl Projects | 150,517 | 150,000 | | | | **300,517** |
| 51023 | | Wohlford Estates Participation | - | | | | | **-** |
| 51500 | | Pipeline Condition Assessment | - | | | | | **-** |
| 51150 | 10-7 | North Broadway Pipeline Relocation | 30,000 | 50,000 | | | | **80,000** |
| 51690 | | Cole Grade Road Pipeline Replacement | 1,475,245 | | | | | **1,475,245** |
| 51420 | 10-8 | Old Castle Waterline Replacement Project Phase 2 | 25,000 | 165,000 | | 3,775,000 | 1,739,000 | **5,704,000** |
| 51840 | | Rodriquez Rd Pipeline Replacment | 108,390 | | | | | **108,390** |
| 51121 | | 2023 DWSRF Loan Application | - | | | | | **-** |
| 51910 | | Gordon Hill Upper Pipeline Relocation Project | 99,128 | | | | | **99,128** |
| 51011 | 10-9 | Keys Creek Pipeline Crossing | - | 180,000 | | | | **180,000** |
| 51012 | 10-10 | McNally Reservoir Feeder Pipeline Relining | - | 60,000 | | | | **60,000** |
| 51013 | 10-11 | Valve Replacement Program | - | 170,000 | | | | **170,000** |
| 51014 | 10-12 | Cole Grade Road Pipeline Replacement Phase 2 | - | 369,000 | | | | **369,000** |
| | | | | | | | | **-** |
| **Subtotal Pipelines & PRV's** | | | **1,888,280** | **1,144,000** | **-** | **3,775,000** | **1,739,000** | **8,546,280** |
| **Pump Stations** | | | | | | | | |
| 51160 | | Pump & Motor Replacements | 40,000 | | | | | **40,000** |
| 51050 | | Natural Gas Engine Controls Upgrade & Automation | 22,021 | | | | | **22,021** |
| 51430 | | Automation of Bypass Valve Controls | 7,209 | | | | | **7,209** |
| 51440 | | San Gabriel PS Controls Upgrade & Automation | - | | | | | **-** |
| 51080 | | Pump Station Power Monitors | 20,388 | | | | | **20,388** |
| 51161 | 10-13 | VCPS Natural Gas Engine Exhaust Replacement | - | 81,500 | | | | **81,500** |
| **Subtotal Pump Stations** | | | **89,618** | **81,500** | **-** | **-** | **-** | **171,118** |
| **Reservoirs** | | | | | | | | |
| 51940 | 10-14 | Cobb Reservoir Site Chloramine Boosting System | 106,737 | 12,000 | | | | **118,737** |
| 51300 | | Reservoir Painting and Recoating Projects | - | | | | | **-** |
| 51303 | | Ridge Ranch Reservoir & PS Replacement | 714,309 | | | | | **714,309** |
| 51401 | | Reidy Canyon & West Bear Res. Coating Repair | - | | | | | **-** |
| 51402 | 10-15 | Kornblum Reservoir Painting and Recoating | - | 50,000 | | | | **50,000** |
| 51451 | 10-16 | Paradise Mountain PS Inner Connection Demo | - | 150,000 | | | | **150,000** |
| **Subtotal Reservoirs** | | | **821,046** | **212,000** | | | **-** | **1,033,046** |
| **Data Management Systems** | | | | | | | | |
| 51240 | | SCADA Infrastructure Upgrades | 32,188 | | | | | **32,188** |
| 51680 | | Advanced Metering Infrastructure System | 36,428 | | | | | **36,428** |
| 51040 | 10-17 | Boardroom A/V Technology Upgrade | 46 | 10,000 | | | | **10,046** |
| 51730 | | Water System HMI Migration | - | | | | | **-** |
| 51731 | | Water System HMI Migration - Phase 2 | 280,000 | | | | | **280,000** |
| 51470 | | Enterprise Resource Planning Software Upgrade | 100,000 | | | | | **100,000** |
| 51780 | | GIS Easement Integration | - | | | | | **-** |
| 51740 | | PRV SCADA Integration | 14,604 | | | | | **14,604** |
| 51720 | | Office Productivity Software Upgrade | - | | | | | **-** |
| **Subtotal Data Management Systems** | | | **463,266** | **10,000** | | | **-** | **473,266** |
| **Facilities** | | | | | | | | |
| 51590 | | Water Age Analysis | | | | | | **-** |
| 51560 | | Encroachment Resolution | | | | | | **-** |
| 51610 | | 2025 Urban Water Management Plan | | | | | | **-** |
| 51650 | | 2026 Risk & Resilience and Emergency Response Plan | | | | | | **-** |
| **Subtotal Facilities** | | | **-** | **-** | | | **-** | **-** |
| **Equipment** | | | | | | | | |
| 51880 | 10-18 | Electric Motor Soft Starters | 5,406 | 25,000 | | | | **30,406** |
| 51370 | 10-19 | Vehicles | - | 122,000 | | | | **122,000** |
| 51373 | | Hooklift Truck | - | | | | | **-** |
| 51376 | 10-20 | Backhoe Loader Replacements | 19,395 | 200,000 | | | | **219,395** |
| 51820 | | Rescue Davit System | - | | | | | **-** |
| **Subtotal Equipment** | | | **24,801** | **347,000** | | | **-** | **371,801** |
| **Total Capital Projects** | | | **3,287,011** | **1,794,500** | **-** | **3,775,000** | **1,739,000** | **10,595,511** |

# Capital Projects




**Legend**

01-06-78-51 XXX Capital Projects

District Offices and Yard

370 - 376 Vehicles
470 - Enterprise Resource Planning Upgrade

District - Wide

011 - Keys Creek Pipeline Crossing
012 - McNally Reservoir Feeder Pipeline Relining
013 - Valve Replacement Program
020 - Upsizing
150 - North Broadway Pipeline Relocation
161 - VCPS Natural Gas Engine Exhaust Replacement
303 - Ridge Ranch Reservoir & Pump Station Replacement
405 - Kornblum Reservoir Painting & Recoating
420 - Old Castle Waterline Replacement Ph 2
451 - Paradise Mtn PS Inner Connection Demo
690 - Cole Grade Road Pipeline Replacement
840 - Rodriguez Road Pipeline Relocation Ph 1 & 2
910 - Gordon Hill Upper Pipeline Relocation
940 - Cobb Reservoir Site Chloramine Boosting System



Layout: .Capital Projects_FinanceP1; Saved: 5/5/2026; Y:\GISProjects\BoardReportMaps\Capital\ProProject\CapitalProjects_Finance.aprx; Source: SanGIS, SANDAG, VCMWD

**ACCOUNT NO.:** 01-06-78-51020
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Participation, Upsizing, & Unspecified Replacement Projects

| Continuing Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | N/A | Capital Reserves | A | N/A | II |

**PROJECT DESCRIPTION:**

This is an ongoing contingency account to fund participation in developer projects that have benefit for the District beyond the proposed development and relatively small unanticipated projects that come up during the year. General Manager authorized funding limits still apply to projects funded from this account. The Board will be apprised of projects that are authorized and Board approval obtained as required per the District's Administrative Code.

One source of unanticipated projects stems from County roadway improvement projects. The County provides staff with proposed roadway improvement plans for the District area, including their intention to replace and upsize several storm drain culverts within the roadways. These roadway improvements and potential replacements may require vertical relocation of the crossing water lines.

Board approval of funding for participation in developer projects is included as part of the project's Conceptual Approval process. Funds approved for participation are held in reserve in this account until construction is started at which time a separate account is established to track the District's capital cost for the project. The account balance at the beginning of the Fiscal Year was $157,635 and approximately $7,000 was used for procurement of a flow meter for the Valley Center Fire Protection District to better account for water used for fire service training at their new Fire Station No 3. Additional funding is requested this fiscal year to bring the account balance to approximately $300,000.

The following table summarizes the project funding requirements and expense allocations:

| **Project Budget** | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Contingency Fund | 157,635 | 7,118 | 150,517 | **150,000** | 300,517 | | 300,517 | 307,635 |
| **Total Project** | **157,635** | **7,118** | **150,517** | **150,000** | **300,517** | **0** | **300,517** | **307,635** |

**ACCOUNT NO.:** 01-06-78-51150
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST
## North Broadway Pipeline Relocation

| Continuing Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | SRF Loan Approval | RC018 | 8, 9 | II |

**PROJECT DESCRIPTION:**

Constructed in 1994, the 10-inch steel waterline is located in the southern portion of the District south of North Broadway in an area adjacent to the Rincon del Diablo Municipal Water District service area. It serves as one of the main feeds for that area and therefore vital for maintaining reliable service to those customers. Its current alignment is problematic running through private property in an easement where a serious encroachment violation exists. The violation became first known in 2010, when District staff discovered a part of a residential home built close to the waterline alignment, less than 5 feet in some places.

Project scope includes abandoning approximately 1,000 LF of existing 10-inch waterline and construction of 2,000 LF of new 12-inch PVC waterline and appurtenances along an unpaved access road and North Broadway Avenue. The easement acquisition and applicable CEQA review are being completed as part of the current design effort.

The project is proposed to be funded through the State Revolving Fund (SRF) program. The SRF application is in progress, approval expected towards the end of Fiscal Year 2025-2026, with construction potentially able to start near the middle of Fiscal Year 2026-2027. While the SRF Loan will provide long term funding for the project, the project will be funded on a reimbursement basis. Project expenses are paid from the project account and then submitted to the State for reimbursement. Preparing the disbursement requests and subsequent review, approval and funding by the SWRCB can take up to 6-9 months from payment of expenses to receipt of reimbursement. A short term “Bridge Loan” will be needed to provide the cash flow needed during construction, while waiting for receipt of the loan. The interest on the bridge loan is not included in the long term SRF and will be funded from the project budget. The project will be presented to the Board of Directors at a future date for approval of the construction funding through the bridge loan.

The following table summarizes the project funding requirements and expense allocations:

**North Broadway Pipeline Relocation (51150)**

| Project Budget | Prior Budget | Prior Estimated Expense | Estimated Budget Remaining | Proposed Budget Allocation 2026-2027 | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost | Current Total Authorized Budget |
|---|---|---|---|---|---|---|---|---|---|
| Staff | 150,375 | 146,375 | 4,000 | **10,000** | 14,000 | 414,000 | 428,000 | 574,375 | 160,375 |
| Engineering | 284,625 | 258,625 | 26,000 | **40,000** | 66,000 | 60,000 | 126,000 | 384,625 | 324,625 |
| Construction | - | - | | | | 2,825,000 | 2,825,000 | 2,825,000 | - |
| Construction Support | - | - | | | | 198,000 | 198,000 | 198,000 | - |
| Miscellaneous | 45,000 | 45,000 | | | | 18,000 | 18,000 | 63,000 | 45,000 |
| Capitalized Interest | - | - | | | | 175,000 | 175,000 | 175,000 | - |
| Contingency (14.9%) | - | - | | | | 565,000 | 565,000 | 565,000 | - |
| **Total Project** | **480,000** | **450,000** | **30,000** | **50,000** | **80,000** | **4,255,000** | **4,335,000** | **4,785,000** | **530,000** |

**ACCOUNT NO.:** 01-06-78-51420
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Old Castle Phase 2 Pipeline Replacement Project

| Continuing Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | SRF Loan Approval | WS015b | 8, 9 | II |

**PROJECT DESCRIPTION:**

The Fiscal Year 2018-19 annual budget included $4.0M in funding for the design and construction of improvements to the Old Castle Waterline Replacement Project. The project was to replace the existing 12-inch tar wrapped steel pipeline between Highway 395 and the Old Castle Pressure Reducing Station. The pipeline lies within the Old Castle Road corridor and supplies water to the Welk Development to the south. The pipeline, originally installed in 1967, has reached the end of its useful life as evidenced by numerous repairs that have been necessary.

As a result of the County's road improvement schedule the project was bifurcated into two Phases, Phase 1 and 2. Phase 1 included the portion outside the County's resurfacing area, from Pamoosa Lane to the eastern end, and was completed December 2019.

The remaining Phase 2 portion consists of removal and replacement of approximately 10,900 LF of existing 12-inch tar wrapped steel pipe between Leisure Lane and Pamoosa Lane and was deferred until after the County's 3-year "no cut" policy has expired in January 2022. The Phase 2 project was further delayed due to funding constraints. Since that time staff has applied for a Drinking Water State Revolving Fund ("DWSRF") Construction funding and two Environmental Protection Agency ("EPA") Grants. Grant Appropriations in the amounts of $3.06M and $0.715M were received in Fiscal Year Ending 2023 and Fiscal Year Ending 2024. While funding for the Grant was appropriated by Congress, an application for approval of the funding is required by the EPA. The grant funding application has been processed and the grant has been awarded. In addition, the DWSRF loan by the California State Water Resources Control Board ("SWRCB") has been approved. While the DWSRF Loan and the EPA Grants total $9.3M will provide long term funding for the project, they are funded on a reimbursement basis. Project expenses are paid from the project account and then submitted to the State and EPA for reimbursement. Preparing the disbursement requests and subsequent review, approval and funding by the California SWRCB and EPA can take up to 6-9 months from payment of expenses to receipt of reimbursement. A short term "Bridge Loan" will be needed to provide the cash flow needed during construction, while waiting for receipt of loan and grant disbursements. The interest on the bridge loan is not included in the long term DWSRF or Grant funding and will be funded from the project budget.

It should be noted that funding for the submittal and approval of the DWSRF loan and EPA grant application, totaling $100K, was included in separate project account (Account No. 51121) and this expense is intended to be reimbursed from the DWSRF as part of the DWSRF funding approval. Once under construction, expenses for processing the loan and grant disbursements will be funded from the project account.

The following table summarizes the project funding requirements and expenses allocated by Fiscal Year:

| Old Castle Waterline Replacement Project Phase 2 (51420) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Project Budget** | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
| Staff | 185,000 | 180,000 | 5,000 | **300,000** | 305,000 | 200,000 | 505,000 | 685,000 |
| Design Phase | 225,000 | 225,000 | | | | | | 225,000 |
| Construction | | | | **4,065,000** | 4,065,000 | 2,710,000 | 6,775,000 | 6,775,000 |
| Construction Services | | | | **300,000** | 300,000 | 200,000 | 500,000 | 500,000 |
| Miscellaneous | 10,000 | 5,000 | 5,000 | **3,000** | 8,000 | 2,000 | 10,000 | 15,000 |
| SRF Loan Processing (51121) | 100,000 | 100,000 | | | | | | 100,000 |
| Net Capitalized Interest (Interim Bridge Loan) | | | | **150,000** | 150,000 | 100,000 | 250,000 | 250,000 |
| Contingency | 15,000 | | 15,000 | **861,000** | 876,000 | 574,000 | 1,450,000 | 1,450,000 |
| **Total Project** | **535,000** | **510,000** | **25,000** | **5,679,000** | **5,704,000** | **3,786,000** | **9,490,000** | **10,000,000** |
| **Source of Funding** | | | | | | | | |
| EPA Fiscal Year 2023 Grant | | | | **3,060,000** | | | | 3,060,000 |
| EPA Fiscal Year 2024 Grant | | | | **715,000** | | | | 715,000 |
| SWRCB SRF Loan | | | | **1,739,000** | | 3,786,000 | | 5,525,000 |
| District Capital Improvement Reserve | 535,000 | | | **165,000** | | | | 700,000 |
| **Total Source of Funding** | **535,000** | | | **5,679,000** | | **3,786,000** | | **10,000,000** |

**ACCOUNT NO.:** 01-06-78-51011
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Keys Creek Pipeline Crossing

| New Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Capital Reserves | MZ002 | 8, 9 | II |

**PROJECT DESCRIPTION:**

Staff recommends replacement of the existing 12-inch steel pipeline that reduces to a 6-inch pipeline above grade crossing at Keys Creek. The waterline at this location was originally constructed in 1964 and has exceeded its life expectancy. The 12-inch piping located on both the north and south sides of Keys Creek has experienced multiple leaks, with the most recent occurring in January 2026. The pipe exhibits significant corrosion and loss of material thickness due to exterior steel delamination.

The 6-inch pipeline spanning Keys Creek was installed as a temporary repair following the failure of the original 12-inch pipeline within the creek. The 6-inch line is undersized and is also showing signs of corrosion and deterioration.

The proposed scope of work includes upsizing the crossing to a 12-inch pipeline, designed to maintain 1-foot clearance above the 100-year Keys Creek water surface elevation. This will require construction of abutments outside of the channel banks and vertical alignment changes. In addition to the creek crossing replacement, staff recommends replacing approximately 200 linear feet of the existing 12-inch steel pipe on both the north and south sides of the crossing with 12-inch PVC C900 piping.

District staff shall complete design in Fiscal Year 2026-2027 with construction anticipated for Fiscal Year 2027-2028.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | **30,000** | 30,000 | 50,000 | 80,000 | 80,000 |
| Design Consultant | | | | **150,000** | 150,000 | | 150,000 | 150,000 |
| Construction | | | | - | | 830,000 | 830,000 | 830,000 |
| Miscellaneous | | | | - | | 20,000 | 20,000 | 20,000 |
| Contingency | | | | - | | 80,000 | 80,000 | 80,000 |
| **Total Project** | **0** | **0** | **0** | **180,000** | **180,000** | **980,000** | **1,160,000** | **1,160,000** |

**ACCOUNT NO.:** 01-06-78-51012
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## McNally Reservoir Feeder Pipeline Relining

| New Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan | |
|---|---|---|---|---|---|
| | | | | Standard | Goal |
| | Replacement | Capital Reserves | CV010 | 8, 9 | II |

**PROJECT DESCRIPTION:**

The proposed project was originally added to the CIP Master Plan list in Fiscal Year 2019-2020, for replacement due to its age, type of pipe material, location, and failure history. The waterline is located in challenging terrain where the topography limits access for a conventional open-cut pipeline replacement, making this pipeline replacement project a good candidate for relining. Preliminary scope had been evaluated with input from Advantage Reline back in 2020. A determination was made that the reline approach is feasible. The project consists of relining 4,500 linear feet of 14-inch steel pipe from Lilac Reservoir to McNally Reservoir, including seven access pits, with relocation and upgrading of two meters, one blowoff, and one air release/vacuum relief assembly.

District staff shall complete design in Fiscal Year 2026-2027 with construction anticipated for Fiscal Year 2027-2028.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | **20,000** | 20,000 | 60,000 | 80,000 | 80,000 |
| Engineering | | | | **40,000** | 40,000 | | 40,000 | 40,000 |
| Construction | | | | **-** | | 1,030,000 | 1,030,000 | 1,030,000 |
| Miscellaneous | | | | **-** | | 25,000 | 25,000 | 25,000 |
| Contingency | | | | **-** | | 125,000 | 125,000 | 125,000 |
| **Total Project** | **0** | **0** | **0** | **60,000** | **60,000** | **1,240,000** | **1,300,000** | **1,300,000** |

**ACCOUNT NO.:** 01-06-78-51013
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Valve Replacement Program

| | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| New Project | Replacement | Capital Reserves | N/A | 8, 9 | II |

**PROJECT DESCRIPTION:**

Staff is recommending implementation of a valve replacement program. The intent of this program would be to work closely with District Operations to identify problematic valves, determine their order of importance, and each fiscal year budget to replace a determined number of valves with the availability of capital funds. At this time, the District does not have an active valve replacement program. A valve replacement program is essential for reliable operations of the District's water distribution system. Isolation valves and related appurtenances serve as critical control points that allow operators to isolate segments of the distribution system during planned maintenance, emergency repairs, water quality events, and fire protection incidents. Ensuring that valves and related appurtenances remain functional and reliable is important to maintaining system function and reliability. Tables below show requested capital funds for Fiscal Year 2026-27 and projected costs, implementing the valve replacement program over the next 5 years. District staff shall prepare contract documents and perform inspection services for the valve replacements.

The following table summarizes the project funding requirements and expense allocations:

| **Project Budget** | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation 2027-2031 | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | **25,000** | 25,000 | | 25,000 | 25,000 |
| Engineering | | | | | | | | |
| Construction | | | | **130,000** | 130,000 | | 130,000 | 130,000 |
| Outside Services | | | | **5,000** | 5,000 | | 5,000 | 5,000 |
| Contingency | | | | **10,000** | 10,000 | | 10,000 | 10,000 |
| **Total Project** | **0** | **0** | **0** | **170,000** | **170,000** | **0** | **170,000** | **170,000** |

| Item | Description | FY 2026/27 | FY 2027/28 | FY 2028/29 | FY 2029/30 | FY 2030/31 | Row Total |
|---|---|---|---|---|---|---|---|
| 1 | Miller PS Suction Valve Replacement | $130,000.00 | | | | | $130,000.00 |
| 2 | Valley Center PS Suction Valve Replacement | | | $200,000.00 | | | $200,000.00 |
| 3 | Cobb to Paradise PS Valve Replacement | $40,000.00 | | | | | $40,000.00 |
| 4 | Mac Tan Road and Fruitvale Road Valve Replacement | | $82,000.00 | | | | $82,000.00 |
| 5 | Fruitvale Valve Replacement | | $28,000.00 | | | | $28,000.00 |
| 6 | McNally Booster | | $90,000.00 | | | | $90,000.00 |
| 7 | Banbury Lateral Valve | | | | $8,000.00 | | $8,000.00 |
| 8 | Hilldale Valve Replacement | | | | $65,000.00 | | $65,000.00 |
| 9 | Triple J Trail Valve Replacement | | | | | $110,000.00 | $110,000.00 |
| 10 | Old Castle Road and Red Mountain Drive Valve Installation | | | | | $35,000.00 | $35,000.00 |
| 11 | Spearhead Trail Vale Install and Valve Replacement | | | | | $25,000.00 | $25,000.00 |
| 12 | Pala Loma Valve Replacement | | | | $48,000.00 | | $48,000.00 |
| | **TOTALS** | **$170,000.00** | **$200,000.00** | **$200,000.00** | **$121,000.00** | **$170,000.00** | **$861,000.00** |

**ACCOUNT NO.:** 01-06-78-51014
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Cole Grade Road Pipeline Replacement Phase 2

| New Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Local Funds | CV011 | 8, 9 | II |

**PROJECT DESCRIPTION:**

The County of San Diego (County) has initiated the Cole Grade Road Widening project between Fruitvale Road and Pauma Heights Road. The widening project will convert portions of Cole Grade Road from a two-lane road with no center median into a two-lane road with a striped two way left turn lane median. The District's involvement includes relocation and replacement of facilities within this corridor in coordination with the County's project. The project is organized into two phases, Phase 1 was initiated in 2016, and is currently being finalized by the County with construction planned to begin in late Fiscal Year 2025-2026. Phase 2 design will be initiated once construction on Phase 1 starts.

**Phase 2 -** Includes the replacement and relocation of the existing waterline in the section between Cool Valley Road and Fruitvale Road. The District's scope of work includes the replacement of 6,700 linear feet of existing 14-inch steel waterline and related work. Staff is requesting an additional funding for the design of Phase 2.

The following table summarizes the project funding requirements and expense allocations:

**Cole Grade Pipeline Replacement Phase 2**

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost | Current Total Authorized Budget |
|---|---|---|---|---|---|---|---|---|---|
| Staff | | | | **132,000** | 132,000 | 426,000 | 558,000 | 558,000 | 132,000 |
| Consultant | | | | **165,000** | 165,000 | 151,000 | 316,000 | 316,000 | 165,000 |
| Construction | | | | - | | 4,772,000 | 4,772,000 | 4,772,000 | - |
| County Administration | | | | - | | 788,000 | 788,000 | 788,000 | - |
| Miscellaneous | | | | **10,000** | 10,000 | 14,000 | 24,000 | 24,000 | 10,000 |
| Contingency | | | | **62,000** | 62,000 | 1,230,000 | 1,292,000 | 1,292,000 | 62,000 |
| **Total Project** | **0** | **0** | **0** | **369,000** | **369,000** | **7,381,000** | **7,750,000** | **7,750,000** | **369,000** |

**ACCOUNT NO.:** 01-06-78-51161
**DEPARTMENT:** **Operations**

# CAPITAL PROJECT REQUEST

## Valley Center Pump Station Natural Gas Engine Exhaust Replacement

| New Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Capital Reserves | N/A | 10, 12 | II |

**PROJECT DESCRIPTION:**

Replacement of the existing exhaust systems for natural gas engines No. 3 and No. 4 at Valley Center Pump Station. The current exhaust systems were installed in the late 1990s and per the original installer had an estimated service life of approximately 15 years. Each exhaust system consists of two three-way non-selective catalyst elements housed within a combined silencer and catalytic converter assembly.

The replacement system will consist of two zero-slip three-way non-selective catalyst elements housed within a catalytic converter assembly, along with a separate exhaust silencer. The zero-slip catalyst design improves emissions quality by limiting exhaust bypass around the catalyst elements. Separating the catalytic converter housing from the exhaust silencer will also allow for future replacement of only the failed component, reducing maintenance costs.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | **15,000** | 15,000 | | 15,000 | 15,000 |
| Catalyst Elements | | | | **21,000** | 21,000 | | 21,000 | 21,000 |
| Catalyst Housing | | | | **15,000** | 15,000 | | 15,000 | 15,000 |
| Silencers & Piping | | | | **11,500** | 11,500 | | 11,500 | 11,500 |
| Heat Insulation | | | | **11,000** | 11,000 | | 11,000 | 11,000 |
| Contingency | | | | **8,000** | 8,000 | | 8,000 | 8,000 |
| **Total Project** | **0** | **0** | **0** | **81,500** | **81,500** | **0** | **81,500** | **81,500** |

**ACCOUNT NO.:** 01-06-78-51940
**DEPARTMENT:** **Operations**

# CAPITAL PROJECT REQUEST

## Cobb Reservoir Chloramine Boosting System

| New Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan | |
|---|---|---|---|---|---|
| | | | | Standard | Goal |
| | Existing Service | Capital Reserves | N/A | 9 | II, IV |

**PROJECT DESCRIPTION:**

Cobb is an 8MG reservoir that serves the south east and south-central portions of the 1840's pressure zone. It also functions as a forebay for the Paradise Reservoirs. To maintain adequate storage levels and ensure consistent water quality throughout the service area, operations staff currently expend significant time and effort. The proposed chloramine boosting system will automatically inject sodium hypochlorite and liquid ammonium sulfate into the reservoir, using total chlorine and oxidation-reduction potential analyzer readings to optimize and maintain water quality.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | | 50,000 | | 50,000 | |
| Construction | 228,991 | 165,000 | 106,737 | **12,000** | 63,737 | | 63,737 | 283,737 |
| Outside Services | | | | | 5,000 | | 5,000 | |
| Contingency | | | | | | | | |
| **Total Project** | **228,991** | **165,000** | **106,737** | **12,000** | **118,737** | **0** | **118,737** | **283,737** |

**ACCOUNT NO.:** 01-06-78-51402
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Kornblum Reservoir Painting and Recoating

| New Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | R23 | R23 | 8, 9 | II |

**PROJECT DESCRIPTION:**

Constructed in 1990, Kornblum Reservoir is a 2.4 million gallon above ground welded steel reservoir that is the sole provider for the 1205 pressure zone. Initial coating was applied at the time of initial construction and the reservoir has not been recoated. Service life for the steel reservoir paint and coatings from that time is expected to be around 15-20 years, after which, corrosion of the shell and rafters become visible and will increase in severity over time.

As part of staff's effort to prepare as scope of work for the project, a preliminary inspection will be conducted to verify the size and condition of structural components in the reservoir. The scope of work is expected to include; cleaning and painting the exterior surface, removing the existing interior coating, repairing any structural components impacted by corrosion and re-coating the interior surfaces. The new interior coating and exterior paint will have a service life expectancy of 20-25 years. This project was included in a federal appropriations request submitted by staff in February 2026. Based on the pending status of that request construction funds are not being requested with the fiscal year budget. Staff will present a request for appropriation for construction funds to the Board of Directors after the bid documents have been developed for the project.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | **50,000** | 50,000 | 70,000 | 120,000 | 120,000 |
| Construction | | | | | | 1,600,000 | 1,600,000 | 1,600,000 |
| Consultant Inspection | | | | | | | | |
| Miscellaneous | | | | | | 20,000 | 20,000 | 20,000 |
| Contingency | | | | | | 160,000 | 160,000 | 160,000 |
| **Total Project** | **0** | **0** | **0** | **50,000** | **50,000** | **1,850,000** | **1,900,000** | **1,900,000** |

**ACCOUNT NO.:** 01-06-78-51451
**DEPARTMENT:** Engineering

# CAPITAL PROJECT REQUEST

## Paradise Mountain Pump Station Inner Connection Demolition

| New Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Capital Reserves | N/A | 8, 9 | II |

**PROJECT DESCRIPTION:**

Staff is requesting funding for the demolition of an existing 1000-gallon Reservoir and related piping no longer used for an inner connection to the Escondido Canal. Constructed in 1969, the Paradise Mountain Pump Station inner connection to the Escondido Canal was originally intended to provide untreated water to the pump station which would be disinfected and stored in a small on-site bolted steel reservoir. This water could be used and pumped to the Paradise Mountain 2335 zone. The reservoir and related piping are no longer in use.

The scope of work shall include removal and disposal of the reservoirs shell, interior/exterior ladders, rafters, central vent, overflow pipe and other miscellaneous materials. All infrastructure, including all above and below ground piping shall be removed. All unnecessary below grade piping shall be removed to the main and capped.

District staff shall prepare contract documents and perform inspection services for the reservoir and piping demolition.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | **25,000** | 25,000 | | 25,000 | 25,000 |
| Engineering | | | | | | | | |
| Construction | | | | **100,000** | 100,000 | | 100,000 | 100,000 |
| Miscellaneous | | | | **10,000** | 10,000 | | 10,000 | 10,000 |
| Contingency | | | | **15,000** | 15,000 | | 15,000 | 15,000 |
| **Total Project** | **0** | **0** | **0** | **150,000** | **150,000** | **0** | **150,000** | **150,000** |

**ACCOUNT NO.:** 01-06-78-51040
**DEPARTMENT:** IT

# CAPITAL PROJECT REQUEST

## Boardroom A/V Technology Upgrade

| Continuing Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Double-Click | N/A | 1 | IV |

**PROJECT DESCRIPTION:**

Upgrade to the Audio/Visual technology for the Boardroom presentation system. The new system has replaced the old A/V technology with digital, high-definition technology. Most of the audio and video technology has been upgraded. The additional budget request will cover the remaining hardware needed to complete the project, such as a new projection screen and wireless microphones. All of the construction will be completed by in-house staff with minimal outside services.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Construction | 7,118 | 7,072 | 46 | **7,000** | 7,046 | | 7,046 | 14,118 |
| Outside Services | | | | **2,000** | 2,000 | | 2,000 | 2,000 |
| Contingency | | | | **1,000** | 1,000 | | 1,000 | 1,000 |
| **Total Project** | **7,118** | **7,072** | **46** | **10,000** | **10,046** | **0** | **10,046** | **17,118** |

ACCOUNT NO.: 01-06-78-51880
DEPARTMENT: Operations

# CAPITAL PROJECT REQUEST

## Electric Motor Soft Starters

| | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| Continuing Project | Replacement | Capital Reserves | N/A | 6 | V |

**PROJECT DESCRIPTION:**

Replacement of the existing electric motor soft starters for potable water pumps. The existing starters have a life expectancy of 10 years and were installed between 2006 and 2012. The new starters will have advanced monitoring, protection functions and ethernet communication, which will allow staff to remotely troubleshoot problems and change operating parameters. The project will be completed in phases, with the following sites scheduled for Fiscal Year 2026-2027.

Betsworth Pump Station
Miller Pump Station

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | **5,000** | 5,000 | | 5,000 | 5,000 |
| Construction | 14,206 | 8,800 | 5,406 | **20,000** | 25,406 | | 25,406 | 34,206 |
| Outside Services | | | | | | | | |
| Contingency | | | | | | | | |
| **Total Project** | **14,206** | **8,800** | **5,406** | **25,000** | **30,406** | **0** | **30,406** | **39,206** |

**ACCOUNT NO.:** 01-06-78-51370
**DEPARTMENT:** Operations

# CAPITAL PROJECT REQUEST

## Vehicles

| Continuing Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Double-Click | N/A | 10, 12 | II |

**PROJECT DESCRIPTION:**

1) New Extra Cab ½ ton truck with 4-wheel drive, LED light bar, two-way radio, and accessories. This vehicle will replace Truck No. 41, a 2019 Chevrolet, extra cab truck with 4-wheel drive and approximately 133,847 miles.

2) New Extra Cab ½ ton truck with 4-wheel drive, LED light bar, two-way radio, and accessories. This vehicle will replace Truck No. 61, a 2017 Ford F150, extra cab truck with 4-wheel drive and approximately 159,140 miles.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Pickup Truck 1 | | | | **61,000** | 61,000 | | 61,000 | 61,000 |
| Pickup Truck 2 | | | | **61,000** | 61,000 | | 61,000 | 61,000 |
| **Total Project** | **0** | **0** | **0** | **122,000** | **122,000** | **0** | **122,000** | **122,000** |

**ACCOUNT NO.:** 01-06-78-51376
**DEPARTMENT:** **Operations**

# CAPITAL PROJECT REQUEST

## Backhoe Loader Replacements

| Continuing Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Double-Click | N/A | 10, 12 | II |

**PROJECT DESCRIPTION:**

On June 15, 2008, the California Air Resources Board implemented the Regulation for In-Use Off-Road Diesel-Fueled Fleets. The purpose of the regulation is to reduce oxides of nitrogen, diesel particulate matter, and other criteria pollutant emissions from in-use off-road diesel-fueled vehicles. The regulation requires fleets to meet increasingly stringent annual fleet average emission targets by replacing, repowering, retiring or installing a verified diesel emission control strategy. Fleets that do not meet the annual fleet average emission target are required to turnover 10% of the fleet's engine horsepower each compliance year until the target is met.

Since 2008, staff has implemented various strategies to utilized exceptions within the regulation and earn Best Available Control Technology credits to minimize the financial impact to the District. Starting on January 1, 2027 the Districts annual fleet average emission index will not meet the average target and the District will be required to turnover 10% of its fleet horsepower annually until the fleet average target is achieved. This will require the replacement of the Districts three Backhoe Loaders over the next three years.

The replacement backhoe loaders listed below will be replaced with new backhoe loaders, equipped with Tier 4 emissions rated engines, environmental cabs, and four-wheel drive.

1) Backhoe Loader FY 2025 / 2026: This backhoe loader will replace #507, a 2002 Caterpillar 420D Backhoe with a Tier 1 emissions rated engine. ---***Complete***---

2) Backhoe Loader FY 2026 / 2027: This backhoe loader will replace #501, a 2006 Caterpillar 430E Backhoe with a Tier 2 emissions rated engine.

3) Backhoe Loader FY 2027 / 2028: This backhoe loader will replace #508, a 2008 Caterpillar 420E Backhoe with a Tier 3 emissions rated engine.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Backhoe 1 FY25/26 | 200,000 | 190,605 | 9,395 | | 9,395 | | 9,395 | 200,000 |
| Backhoe 2 FY26/27 | | | | **200,000** | 200,000 | | 200,000 | 200,000 |
| Backhoe 3 FY27/28 | | | | | | 214,000 | 214,000 | 214,000 |
| Contingency | 10,000 | | 10,000 | | 10,000 | | 10,000 | 10,000 |
| **Total Project** | **210,000** | **190,605** | **19,395** | **200,000** | **219,395** | **214,000** | **433,395** | **624,000** |

# Lower Moosa Canyon Water Reclamation Facility

# Lower Moosa Canyon Water Reclamation Facility

Personnel Requirements (FTE's)

| | *Budget FY 2025-26* | *Actual FY 2025-26* | *Proposed FY 2026-27* |
|---|---|---|---|
| Wastewater Systems Supervisor | 0.7 | 0.7 | 0.6 |
| Senior Wastewater System Technician | 0.6 | 0.6 | 0.0 |
| Wastewater Systems Technician III | 0.9 | 0.9 | 1.0 |
| Wastewater Systems Technician II | 1.0 | 1.0 | 1.1 |
| Wastewater Systems Technician I | 0.5 | 0.5 | 1.1 |
| **Total** | **3.7** | **3.7** | **3.8** |

## FUNCTION OVERVIEW

Wastewater collection, treatment and disposal services are provided to the communities of Hidden Meadows, Rimrock, Lawrence Welk Village, Castle Creek, Champagne Village, the Treasures, Islands, High Vista and Oak Woodlands subdivisions by the Lower Moosa Canyon Water Reclamation Facility. The influent is treated to a secondary treatment level and is discharged to percolation ponds located along Camino Del Rey. The groundwater basin at the percolation limits the discharge capacity to an average of 440,000 gallons per day (gpd). Unit processes within the facility are designed to treat up to 500,000 gpd.

A gravity collection system provides service to the majority of the area with the Rimrock, High Vista and Welcome View areas served by a Low-Pressure Sewer (LPS) collection system. The gravity system has two lift stations, the Islands and Meadows Lift Stations, that provide service to the Islands subdivision and portion of the Meadows subdivision. The LPS system has two odor control facilities (one of which operates as a lift station pending further connections in the area) and numerous private on-site LPS pump systems that are maintained by the wastewater division.

The wastewater division strives to operate the facility in the most efficient manner while meeting the requirements of the Waste Discharge Permit issued by the Regional Water Quality Control Board (RWQCB). Currently, the plant is processing an average of 0.26 million gallons per day; which is much lower in recent years due to customer implementation of water conservation measures.

Funding for the operation and maintenance of the facilities comes from a wastewater service charge for all properties connected to the system.

Funding for replacement and upgrade of capital facilities identified in the Lower Moosa Canyon Water Reclamation Facility 2023 Master Plan Update is from a separate capital improvement charge.

Funding for maintenance of the private pump systems required for the connecting to the LPS collection system is from an additional LPS Pump Maintenance Charge.

# Lower Moosa Canyon
# Water Reclamation Facility

## MOOSA WASTEWATER TREATMENT FUND

The Moosa Wastewater Treatment Plant serves approximately 2,476 customers in a limited geographic area on the west side of the District. For Fiscal Year 2026-27, budgeted operating revenues of $2,604,244 are up $103,564, or 4.1%, from the previous year budget. The preliminary budget includes an increase to the wastewater service charge of 3.8% to offset inflationary impacts and ensure a contribution to the capital program. The budget also includes a 3.8% increase to the low-pressure wastewater collection system maintenance fee to continue closing the deficit between the revenues from the low-pressure wastewater collection system fee and the expenses associated with maintaining that system. The Capital Improvement Charge will generate approximately $356,200 at the current rate of $12/EDU/Month.

The major components of the budgeted operating expenses are summarized as shown on the following page.

*Birdseye view of the Lower Moosa Canyon Water Reclamation Facility.*

# Lower Moosa Canyon Water Reclamation Facility

**RECAP OF MOOSA WASTEWATER TREATMENT BUDGET**

| | 2025-26 Adopted Budget | Percent | 2026-27 Proposed Budget | Percent | Change | Percent Change |
|---|---|---|---|---|---|---|
| **Revenues** | $ 2,500,680 | 100.0% | $ 2,604,244 | 100.0% | $ 103,564 | 4.1% |
| **Operating Expenses:** | | | | | | |
| Labor | $ 886,300 | 35.4% | $ 933,800 | 35.9% | $ 47,500 | 5.4% |
| Electricity | 175,000 | 7.0% | 130,000 | 5.0% | (45,000) | -25.7% |
| Chemicals | 35,000 | 1.4% | 38,000 | 1.5% | 3,000 | 8.6% |
| Administrative allocation | 278,531 | 11.1% | 382,366 | 14.7% | 103,835 | 37.3% |
| Maintenance | 122,000 | 4.9% | 122,000 | 4.7% | - | 0.0% |
| Vehicle Maintenance | 4,000 | 0.2% | 4,000 | 0.2% | - | 0.0% |
| Regulatory | 43,000 | 1.7% | 43,100 | 1.7% | 100 | 0.2% |
| Outside Services | 168,500 | 6.7% | 178,500 | 6.9% | 10,000 | 5.9% |
| Insurance | 33,260 | 1.3% | 37,050 | 1.4% | 3,790 | 11.4% |
| Debt Service Interest | 76,110 | 3.0% | 58,753 | 2.3% | (17,357) | 100.0% |
| Other | 25,400 | 1.0% | 27,000 | 1.0% | 1,600 | 6.3% |
| **Total Operating Expenses** | $ 1,847,101 | 73.9% | $ 1,954,569 | 75.1% | $ 107,468 | 5.8% |
| **Net Operating Income** | 653,579 | 26.1% | 649,675 | 24.9% | 3,904 | 0.6% |
| Capital Projects | - | | (16,000) | | (16,000) | |
| **Net Change** | $ 653,579 | | $ 633,675 | | $ (12,096) | |

Staff is projecting that the Moosa operating revenues will exceed the projected operating expenses for a budget surplus of $633,675.

The budgeted surplus of $633,675 is necessary in order to meet the debt coverage requirements of the State Water Resources Control Board for future Clean Water State Revolving Fund (CWSRF) Loans. The Moosa Master Plan, approved in February 2023 outlines the capital improvement requirements over the next 20 years and discusses the need for leveraging the net sewer service charge revenues through short-term funding from the District's General Fund and long-term Clean Water State Revolving Fund (CWSRF) Loans. Refer to page 11-11 and Appendix E for details regarding Capital Outlay requirements at the Lower Moosa Water Reclamation Facility.

# Lower Moosa Canyon Water Reclamation Facility

| Fiscal Year 2025-2026<br>Recent Accomplishments & Performance Indicators | Performance Standard | Strategic Plan Goal*: Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Inspected and assessed 30% of all the collection system manholes for condition and preventative maintenance per the District's Sewer System Management Plan (SSMP). | 12 | | ✓ | | | | |
| As part of the video inspection, continued to performed in-house cleaning of the gravity collection system to eliminate potential blockages and reduce outside service expenditures. Located inflow and infiltration sources at manholes and collection system piping. These areas were resealed and coated to eliminate unwanted flows entering the treatment facility. | | | ✓ | | | | |
| Completed the design and advertised for construction of the Meadows Lift Station; Completed design and applied for Federal Appropriations grant for the priority projects identified in the Lower Moosa Canyon WRF Master Plan Update including the proposed improvements. | 8,9 | | ✓ | | | | |
| Continued to implement operational changes that reduced equipment run times and energy consumption and improved effluent quality. | | | | | | ✓ | |
| Continued inspections, record keeping and reporting for compliance with Statewide Sanitary Sewer System Waste Discharge General Order. | 12 | | ✓ | | | | |
| Updated the Commercial Waste Discharge Program pursuant to the recently updated Sanitary Sewer Management Plan (SSMP). | 12 | | ✓ | | | | |
| Continued implementation and enforcement of the fats, oils and grease (FOG) program at local commercial properties. Developed maintenance and tracking log to annually inspect facilities that are recorded and approved with the District. | 12 | | ✓ | | | | |
| Continued ongoing process control monitoring for greater plant efficiency and improved effluent quality which will lead to recommendations for future process control upgrade project. | | | ✓ | | | | |
| Continued to maintain and clean the influent line and grit channel for overflow prevention, improved effluent quality, reduced odors and wear and tear on the facility's mechanical equipment. | | | ✓ | | | | |
| Continued to respond to Alarms and maintain the Private Low Pressure Sewer On-Site pump systems. | | | ✓ | | | | |
| Continued to clean and maintain holding tanks throughout the system and within the Low Pressure Collection System. | | | ✓ | | | | |
| Continued to maintain and clean Meadows and Islands Lift Stations and the High Vista Odor Control/Lift Station of grit, grease and debris, helping to prolong life of equipment, improve influent quality, which prevents unnecessary overflows and cleanings within the sewer collection system. | | | ✓ | | | | |
| Continued to perform equipment maintenance and repair for efficient operations. | | | ✓ | | | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

# Lower Moosa Canyon Water Reclamation Facility

| Fiscal Year 2026-2027 Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Continue to perform in-house cleaning and videoing of at least 20% of the gravity collection system each year to eliminate potential blockages, reduce outside service expenditures, locate inflow and infiltration sources, and monitor pipe condition. | 10 | | ✓ | | | | |
| Continue collection system evaluations and work through documented repair list developed from prior year's video monitoring. | 10 | | ✓ | | | | |
| Monitor the solar generation from the Power Purchase Agreement and record annual savings. | 7 | | | ✓ | | ✓ | |
| Respond to Alarms and Maintain the Private Low Pressure Sewer On-Site pump systems. | 10 | | ✓ | | | | |
| Update the existing Operation and Maintenance Manuals describing and documenting the procedures for efficient operation of the wastewater facilities, including not only the treatment plant, but also, the collection system. | 12 | | ✓ | | | | |
| Secure funding for the construction of priority projects identified in the Lower Moosa Canyon WRF Master Plan Update; Bid and award the project once funding is secured. | 8, 9 | | ✓ | | | | |
| Continue to monitor the progress of County approvals of the development projects in, and adjacent to, the service area for possible impact on the expansion planning efforts for the facility. | | | ✓ | | | | |
| Continue inspections, record-keeping, and reporting to comply with the Statewide Sanitary Sewer System Waste Discharge General Order. | 10 | | ✓ | | | | |
| Continue implementation and enforcement of the fats, oils, and grease (FOG) program at local commercial properties. Utilize the maintenance and tracking log to annually inspect facilities that are recorded and approved by the District. | 10 | | ✓ | | | | |

| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Plan for future replacement and upgrade of aging infrastructure to meet increasing wastewater capacity needs of the service area, while maintaining required effluent quality standards. | 12 | | ✓ | | ✓ | ✓ | |
| Explore potential for reuse of the facility's treated effluent to augment potable water supplies through either Title 22 recycled water irrigation or Indirect Potable Reuse. | | ✓ | | | | | |
| Continue improvements in the SCADA system to provide for more automated and remote plant and collection system operation. | | | | | ✓ | | |
| Continue to research and implement strategies or new technologies to improve efficiencies and maximize cost savings in all aspects of the District's wastewater procedures. | | | | | ✓ | ✓ | |

This page intentionally left blank

# Lower Moosa Wastewater

## Recap of Budget and Source of Financing

## July 1, 2025 to June 30, 2027

| Fund |
|---|
| 13 |

| | Capacity Charge Fund | Capital Improvement Fund | Continuing Projects Fund | LPS Reserve Fund |
|---|---|---|---|---|
| **ACTUAL BALANCE JULY 1, 2025** | **620,576** | **487,932** | **610,675** | **0** |
| Revenue 2025-2026 | | | | |
| Wastewater Service Charges | | | | |
| Wastewater Lateral & Inspection Fees | | | | |
| Interest | | | | |
| Wastewater LPS Charges | | | | 71,715 |
| Capital Improvement Charge | | 356,300 | | |
| Capacity Charges | 0 | | | |
| **Total Revenue** | **0** | **356,300** | **0** | **71,715** |
| Estimated Expenditures 2025-2026 | 0 | | (44,963) | (65,056) |
| Debt Service | | (371,859) | | |
| Transfers | | | (120,752) | |
| **Net Change** | **0** | **(15,559)** | **(165,715)** | **6,659** |
| **ESTIMATED BALANCE JUNE 30, 2026** | **620,576** | **472,373** | **444,960** | **6,659** |
| Revenue 2026-2027 | | | | |
| Wastewater Service Charges | | | | |
| Interest | | | | |
| Wastewater LPS Charges | | | | 77,500 |
| Capital Improvement Charge | | 356,544 | | |
| **Total Revenue** | **0** | **356,544** | **0** | **77,500** |
| Proposed Expenditures 2026-2027 | | | (16,000) | (96,300) |
| Expenditures of Continuing Projects | | | (444,960) | |
| Debt Service | | (389,562) | | |
| Transfers | | | 16,000 | 12,141 |
| **Net Change** | **0** | **(33,018)** | **(444,960)** | **(6,659)** |
| **ESTIMATED BALANCE JUNE 30, 2027** | **620,576** | **439,355** | **0** | **0** |

# Lower Moosa Wastewater

## Recap of Budget and Source of Financing

## July 1, 2025 to June 30, 2027

| Fund |
|---|
| 13 |

| | Replacement Fund | Operating Fund | Total |
|---|---|---|---|
| **ACTUAL BALANCE JULY 1, 2025** | **0** | **0** | **1,719,183** |
| Revenue 2025-2026 | | | |
| Wastewater Service Charges | 373,194 | 1,589,285 | 1,962,479 |
| Wastewater Lateral & Inspection Fees | | 1,350 | 1,350 |
| Interest | 7,500 | 89,087 | 96,587 |
| Wastewater LPS Charges | | | 71,715 |
| Capital Improvement Charge | | | 356,300 |
| Capacity Charges | | | 0 |
| **Total Revenue** | **380,694** | **1,679,722** | **2,488,431** |
| Estimated Expenditures 2025-2026 | | (1,632,349) | (1,742,368) |
| Debt Service | (76,911) | | (448,770) |
| Transfers | (239,962) | 360,714 | 0 |
| **Net Change** | **63,821** | **408,087** | **297,293** |
| **ESTIMATED BALANCE JUNE 30, 2026** | **63,821** | **408,087** | **2,016,476** |
| Revenue 2026-2027 | | | |
| Wastewater Service Charges | 373,194 | 1,683,106 | 2,056,300 |
| Interest | 9,400 | 104,500 | 113,900 |
| Wastewater LPS Charges | | | 77,500 |
| Capital Improvement Charge | | | 356,544 |
| **Total Revenue** | **382,594** | **1,787,606** | **2,604,244** |
| Proposed Expenditures 2026-2027 | | (1,799,516) | (1,911,816) |
| Expenditures of Continuing Projects | | | (444,960) |
| Debt Service | (58,753) | | (448,315) |
| Transfers | (81,843) | 53,702 | 0 |
| **Net Change** | **241,998** | **41,792** | **(200,847)** |
| **ESTIMATED BALANCE JUNE 30, 2027** | **305,819** | **449,879** | **1,815,629** |

## Revenue Estimate

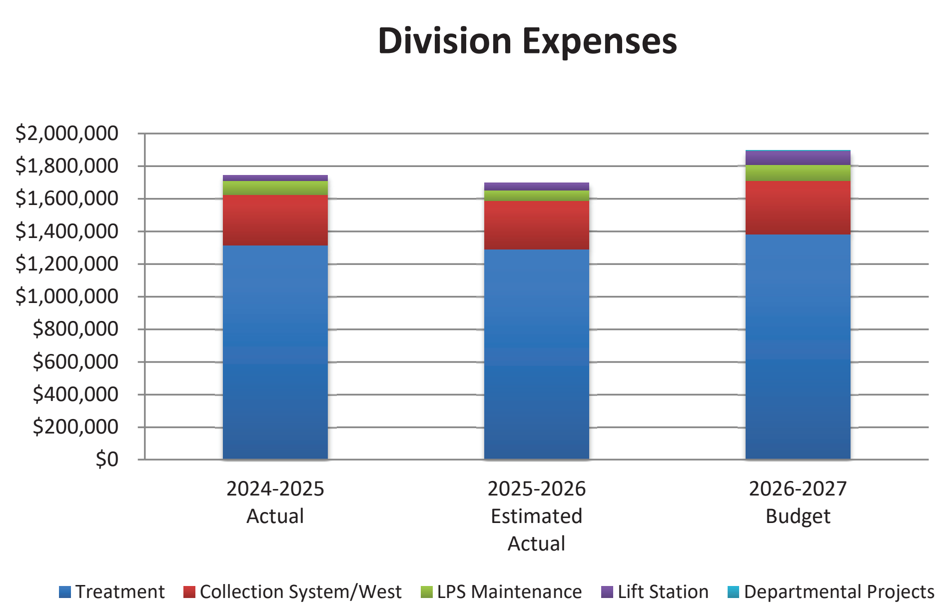
| Fund | Department |
|---|---|
| 13 | 00 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 81-41001 | Wastewater Service Charge | 1,852,810 | 1,966,400 | 1,962,093 | 2,055,300 |
| 81-41012 | Wastewater Capacity Reservation Fee | 0 | 1,000 | 0 | 1,000 |
| 81-41013 | Wastewater Capital Improvement Charge | 356,115 | 356,200 | 356,300 | 356,544 |
| 81-41005 | Wastewater Inspection Fee | 150 | 0 | 150 | 0 |
| 81-41006 | LPS Wastewater Inspection Fee | 3,600 | 0 | 1,200 | 0 |
| 84-41000 | Interest - Operating & Replace. Res. | 123,697 | 105,500 | 96,587 | 113,900 |
| 81-42900 | Wastewater LPS Charges | 66,384 | 71,580 | 71,715 | 77,500 |
| 86-43300 | Service Availability Charge | 386 | 0 | 386 | 0 |
| 89-41002 | Capacity Charges | (5,315) | 0 | 0 | 0 |
| | **Total** | **2,397,827** | **2,500,680** | **2,488,431** | **2,604,244** |

## Department Summary by Division

| Fund | Department |
|---|---|
| 13 | 03 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 26 | Treatment | 1,314,311 | 1,276,461 | 1,292,544 | 1,381,296 |
| 27 | Collection System/West | 308,160 | 304,880 | 295,805 | 330,270 |
| 29 | LPS Maintenance | 88,230 | 99,300 | 65,056 | 96,300 |
| 38 | Lift Station | 32,707 | 90,350 | 44,000 | 85,950 |
| 19 | Debt Service - Interest Expense | 85,157 | 76,110 | 76,911 | 58,753 |
| 78 | Capital Projects | 1,815,467 | 0 | 44,963 | 16,000 |
| 90 | Departmental Projects | 0 | 0 | 0 | 2,000 |
| **TOTAL MOOSA TREATMENT** | | **3,644,032** | **1,847,101** | **1,819,279** | **1,970,569** |



# Lower Moosa Wastewater Treatment

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 26 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 572,271 | 515,300 | 596,200 | 527,400 |
| 50002 | Temporary Labor | 5,464 | 0 | 0 | 0 |
| 50003 | Overtime | 28,760 | 30,000 | 32,500 | 30,000 |
| 50025 | Outside Professional Services | 145,215 | 135,000 | 132,500 | 145,000 |
| 50030 | Special Department Expenses | 3,834 | 3,500 | 3,200 | 3,500 |
| 50032 | Telephone | 2,780 | 3,000 | 2,500 | 3,000 |
| 50038 | Regulatory Permits & Fees | 30,783 | 36,000 | 30,783 | 36,000 |
| 50042 | Insurance | 29,496 | 29,930 | 30,000 | 33,230 |
| 50045 | Electricity | 112,799 | 148,500 | 93,730 | 120,000 |
| 50049 | Water | 5,261 | 5,000 | 4,500 | 5,000 |
| 50324 | Chemicals | 30,736 | 35,000 | 35,200 | 37,000 |
| 50341 | Hazardous Waste Disposal Costs | 0 | 300 | 300 | 300 |
| 50451 | Maintenance of Vehicles | 662 | 1,500 | 750 | 1,500 |
| 50452 | Maintenance of Facilities | 41,654 | 49,000 | 47,000 | 49,000 |
| 50459 | Software Technical Support | 2,844 | 3,900 | 2,850 | 6,000 |
| 50082 | Administrative Overhead | 283,488 | 278,531 | 278,531 | 382,366 |
| 50085 | Capital Planning | 18,264 | 0 | 0 | 0 |
| 50087 | Bad Debt Expense | 0 | 2,000 | 2,000 | 2,000 |
| | **Total** | **1,314,311** | **1,276,461** | **1,292,544** | **1,381,296** |

# Lower Moosa Wastewater Treatment

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 26 |

| Total Budget Request |
|---|
| **$1,344,296** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | 527,400 |
| | Full Time Equivalents | 2.88 | |
| 50002 | Temporary Labor | | 0 |
| 50003 | Overtime | | 30,000 |
| 50025 | Outside Professional Services | | 145,000 |
| | Pumper Trucks - for Grit Removal | 20,700 | |
| | Lab Analysis | 32,200 | |
| | Sludge Removal | 64,500 | |
| | SCADA System Maintenance | 5,000 | |
| | Muffin Monster Service/Screening Auger | 6,000 | |
| | Flow Meter Calibration and Repair | 2,000 | |
| | Lab Equipment Service & Calibration | 2,000 | |
| | Generator Load Testing & Fuel Tank Inspections | 2,500 | |
| | Property Clearing | 3,600 | |
| | Confined Space Standby | 6,500 | |
| 50030 | Special Department Expenses | | 3,500 |
| | Lab Supplies | 2,000 | |
| | Tools | 500 | |
| | Equipment | 1,000 | |
| 50032 | Telephone | | 3,000 |
| | Leased Lines and Alarm Monitoring | 1,500 | |
| | T-1 Network Line | 1,500 | |
| 50038 | Regulatory Permits & Fees | | 36,000 |
| | State Water Resources Control Board | 26,000 | |
| | HazMat Permit | 5,000 | |
| | Air Pollution Control District fees | 5,000 | |
| 50042 | Insurance | | 33,230 |
| 50045 | Electricity | | 120,000 |
| 50049 | Water | | 5,000 |
| 50324 | Chemicals | | 37,000 |
| | Polymer | 15,000 | |
| | Sodium Hypochlorite | 5,200 | |
| | Sodium Hydroxide | 600 | |
| | Laboratory Chemicals | 16,200 | |

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 26 |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50341 | Hazardous Waste Disposal Costs | | 300 |
| | Recycling Oil, Flters, Solvents | | |
| 50451 | Maintenance of Vehicles | | 1,500 |
| 50452 | Maintenance of Facilities | | 49,000 |
| | SCADA Computer Equipment Maintenance | 3,000 | |
| | Building and Grounds Maintenance Equipment | 3,500 | |
| | Electrical Equipment | 4,000 | |
| | Electric Motor Maintenance | 8,000 | |
| | Filter Replacement | 2,000 | |
| | Tractor Maintenance | 4,000 | |
| | Hardware | 5,000 | |
| | Pipe and Fittings | 2,000 | |
| | Mechanical Plugs | 3,000 | |
| | Building and Yard Maintenance | 12,000 | |
| | Manhole Sensors - Smart Cover | 2,500 | |
| 50459 | Software Technical Support | | 6,000 |
| | Inductive Automation | 3,000 | |
| | Granitenet | 3,000 | |
| 50082 | Administrative Overhead | | 382,366 |
| 50087 | Bad Debt Expense | | 2,000 |

# Lower Moosa Wastewater Collection System West

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 27 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 256,129 | 245,000 | 250,100 | 277,800 |
| 50002 | Temporary Labor | 1,969 | 0 | 0 | 0 |
| 50003 | Overtime | 1,551 | 5,500 | 4,200 | 5,500 |
| 50025 | Outside Professional Services | 30,937 | 27,350 | 26,000 | 27,350 |
| 50030 | Special Department Expenses | 361 | 1,200 | 800 | 1,200 |
| 50038 | Regulatory Permits & Fees | 6,455 | 7,000 | 3,945 | 4,100 |
| 50042 | Insurance | 3,278 | 3,330 | 2,100 | 3,820 |
| 50049 | Water | 2,178 | 2,000 | 2,300 | 2,000 |
| 50451 | Maintenance of Vehicles | 607 | 1,500 | 860 | 1,500 |
| 50452 | Maintenance of Facilities | 4,695 | 12,000 | 5,500 | 7,000 |
| | **Total** | **308,160** | **304,880** | **295,805** | **330,270** |

# Lower Moosa Wastewater Collection System/West

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 27 |

| Total Budget Request |
|---|
| **$330,270** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | 277,800 |
| | Full Time Equivalents | 1.69 | |
| 50002 | Temporary Labor | | 0 |
| 50003 | Overtime | | 5,500 |
| 50025 | Outside Professional Services | | 27,350 |
| | Sewer Cleaning/Repair | 16,700 | |
| | Manhole Sensors | 3,700 | |
| | Pumping | 2,650 | |
| | Property Clearing | 2,500 | |
| | Special Repairs | 1,800 | |
| 50030 | Special Department Expenses | | 1,200 |
| 50038 | Regulatory Permits and Fees | | 4,100 |
| 50042 | Insurance | | 3,820 |
| 50049 | Water | | 2,000 |
| 50451 | Maintenance of Vehicles | | 1,500 |
| 50452 | Maintenance of Facilities | | 7,000 |

# Lower Moosa Wastewater
# Low Pressure Sewer (LPS) Maintenance

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 29 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 28,708 | 44,800 | 10,700 | 38,300 |
| 50003 | Overtime | 2,775 | 3,500 | 3,150 | 3,500 |
| 50025 | Outside Professional Services | 2,730 | 5,000 | 2,500 | 3,500 |
| 50451 | Maintenance of Vehicles | 776 | 1,000 | 1,000 | 1,000 |
| 50452 | Maintenance of Facilities | 53,241 | 45,000 | 47,706 | 50,000 |
| | **Total** | **88,230** | **99,300** | **65,056** | **96,300** |

# Valley Center Municipal Water District

## Lower Moosa Wastewater
## Low Pressure Sewer (LPS) Maintenance

### Division Detail

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 29 |

| Total Budget Request |
|---|
| **$96,300** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | 38,300 |
| | Full Time Equivalents | 0.23 | |
| 50003 | Overtime | | 3,500 |
| 50025 | Outside Professional Services | | 3,500 |
| | Pumping of Tanks | 3,500 | |
| 50451 | Maintenance of Vehicles | | 1,000 |
| 50452 | Maintenance of Facilities | | 50,000 |
| | Pump Rebuild Kits | 12,500 | |
| | Replacement Pumps | 25,000 | |
| | Retrofit STEP System Pumps | 12,500 | |

# Lower Moosa Wastewater
# Lift Station

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 38 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 14,437 | 41,700 | 13,600 | 50,800 |
| 50003 | Overtime | 163 | 500 | 250 | 500 |
| 50025 | Outside Professional Services | 2,390 | 2,650 | 2,400 | 2,650 |
| 50038 | Regulatory Permits & Fees | 0 | 0 | 2,838 | 3,000 |
| 50045 | Electricity | 7,480 | 26,500 | 8,412 | 10,000 |
| 50049 | Water | 0 | 2,000 | 2,000 | 2,000 |
| 50324 | Chemicals | 0 | 1,000 | 0 | 1,000 |
| 50452 | Maintenance of Facilities | 8,237 | 16,000 | 14,500 | 16,000 |
| | **Total** | **32,707** | **90,350** | **44,000** | **85,950** |

# Lower Moosa Wastewater
# Lift Station

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 38 |

| Total Budget Request |
|---|
| **$85,950** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | 50,800 |
| | Full Time Equivalents | 0.30 | |
| 50003 | Overtime | | 500 |
| 50025 | Outside Professional Services | | 2,650 |
| | Pumping Tanks | 1,650 | |
| | Generator Load Testing | 1,000 | |
| 50038 | Regulatory Permits and Fees | | 3,000 |
| 50045 | Electricity | | 10,000 |
| 50049 | Water | | 2,000 |
| 50324 | Chemicals | | 1,000 |
| 50452 | Maintenance of Facilities | | 16,000 |
| | Motors Dip and Bake | 1,000 | |
| | Pump Repair | 4,000 | |
| | Replacement Pump | 3,000 | |
| | SCADA | 1,500 | |
| | Air Conditioner Repair | 1,000 | |
| | Valves and Solenoids, Grinder Servicing | 1,500 | |
| | Manhole Sensors - Smart Cover | 4,000 | |

## Lower Moosa Wastewater
## Departmental Projects

### Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 90 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 93030 | Wastewater O&M Manual Development | 0 | 0 | 0 | 1,000 |
| 93250 | Grinder Pump Processing Inspection | 0 | 0 | 0 | 1,000 |
| | **Total** | **0** | **0** | **0** | **2,000** |

## Lower Moosa Wastewater
## Debt Service

### Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 19 |

| Total Outstanding Balance for all 2 Loans |
|---|
| **$1,033,008** |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 00-00-21130 | Principal on Interim GF Loan | 201,071 | 210,119 | 210,119 | 219,574 |
| 00-00-21140 | Principal on Interim WVR Loan | 0 | 161,740 | 161,740 | 169,988 |
| | **Total Principal** | **201,071** | **371,859** | **371,859** | **389,562** |
| 50071 | Interest on Interim GF Funding Loan | 47,244 | 38,088 | 38,088 | 28,527 |
| 50073 | Interest on Interim WVR Funding Loan | 37,913 | 38,022 | 38,823 | 30,226 |
| | **Total Debt Service Interest** | **85,157** | **76,110** | **76,911** | **58,753** |
| | **Total Debt Service** | **286,228** | **447,969** | **448,770** | **448,315** |
| **SOURCE OF FINANCING** | | | | | |
| | Replacement Reserve | 286,228 | 447,969 | 448,770 | 448,315 |
| | **Total** | **286,228** | **447,969** | **448,770** | **448,315** |

# Lower Moosa Wastewater
# Interim Loan Payment Schedule 2024

## General Fund
## Moosa Capital Improvements

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 19 |

| Outstanding Balance |
|---|
| **$469,236** |

| Due Date | Ref Num | Beginning Balance | Principal Payment | Interest Rate % | Interest Payment | Total Payment | Ending Balance |
|---|---|---|---|---|---|---|---|
| 3/31/2025 | 1 | $ 1,100,000.00 | $ 201,070.80 | 4.50% | $ 49,500.00 | $ 250,570.80 | $ 898,929.20 |
| 3/31/2026 | 2 | $ 898,929.20 | $ 210,118.99 | 4.50% | $ 40,451.81 | $ 250,570.80 | $ 688,810.21 |
| 3/31/2027 | 3 | $ 688,810.21 | $ 219,574.35 | 4.50% | $ 30,996.45 | $ 250,570.80 | $ 469,235.86 |
| 3/31/2028 | 4 | $ 469,235.86 | $ 229,455.19 | 4.50% | $ 21,115.61 | $ 250,570.80 | $ 239,780.67 |
| 3/31/2029 | 5 | $ 239,780.67 | $ 239,780.67 | 4.50% | $ 10,790.13 | $ 250,570.80 | $ - |
| **Total** | | | **$1,100,000.00** | | **$152,854.00** | **$1,252,854.00** | |

# Lower Moosa Wastewater
# Interim Loan Payment Schedule 2025

## Woods Valley Fund
## Moosa Capital Improvements

| Fund | Department | Division |
|---|---|---|
| 13 | 03 | 19 |

| Outstanding Balance |
|---|
| **$563,772** |

| Due Date | Ref Num | Beginning Balance | Principal Payment | Interest Rate % | Interest Payment | Total Payment | Ending Balance |
|---|---|---|---|---|---|---|---|
| 8/31/2025 | 1 | $ 895,500.00 | $ 161,739.53 | 5.10% | $ 45,670.50 | $ 207,410.03 | $ 733,760.47 |
| 8/31/2026 | 2 | $ 733,760.47 | $ 169,988.24 | 5.10% | $ 37,421.79 | $ 207,410.03 | $ 563,772.23 |
| 8/31/2027 | 3 | $ 563,772.23 | $ 178,657.64 | 5.10% | $ 28,752.39 | $ 207,410.03 | $ 385,114.59 |
| 8/31/2028 | 4 | $ 385,114.59 | $ 187,769.18 | 5.10% | $ 19,640.85 | $ 207,410.03 | $ 197,345.41 |
| 8/31/2029 | 5 | $ 197,345.41 | $ 197,345.41 | 5.10% | $ 10,064.62 | $ 207,410.03 | $ - |
| **Total** | | | **$895,500.00** | | **$141,550.15** | **$1,037,050.15** | |

# Lower Moosa Canyon Water Reclamation Facility

# Capital Outlay

# Valley Center Municipal Water District

## Capital Outlay Budget Summary

## Lower Moosa Canyon Water Reclamation Facility

| Fund | Department | Division |
|---|---|---|
| 13 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Mid-Year Budget Adjustments 2025-2026 | Total Approved Budget 2025-2026 | Total Estimated Expenditures 2025-2026 | Recaptured or Not Carried Forward to 2026-2027 | Estimated Budget Carried Forward to 2026-2027 | New Appropriation 2026-2027 | Total Approved Budget 2026-2027 |
|---|---|---|---|---|---|---|---|---|---|
| 53030 | | Wastewater O&M Manual Development | | 20,752 | - | (20,752) | - | | - |
| 53140 | | Collection System Vitrified Clay Pipe Lining | | 54,300 | - | | 54,300 | | 54,300 |
| 53200 | | Moosa Improvements Project | | 286,283 | 26,283 | | 260,000 | | 260,000 |
| 53290 | | Meadows Lift Station Improvement Project | | 113,680 | 18,680 | | 95,000 | | 95,000 |
| 53550 | | Moosa Minor Upgrades | | 135,660 | - | (100,000) | 35,660 | | 35,660 |
| 53661 | 11-15 | Return Activated Sludge (RAS) Flow Meter | | | | | | **16,000** | 16,000 |
| **Total Capital Projects** | | | **0** | **610,675** | **44,963** | **(120,752)** | **444,960** | **16,000** | **460,960** |

# Lower Moosa Canyon Water Reclamation Facility

## Estimated Expenditures by Year

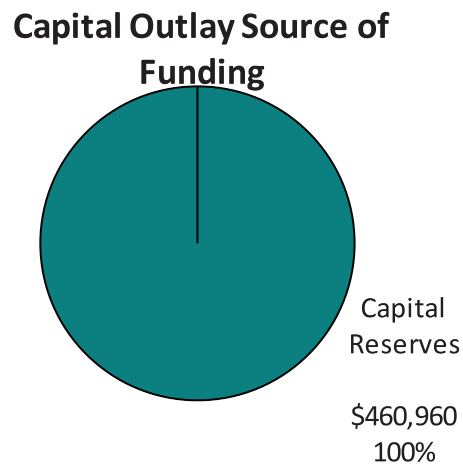
| Fund | Department | Division |
|---|---|---|
| 13 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Estimated Budget Carried Forward to 2026-2027 | New Appropriation 2026-2027 | Total Approved Budget 2026-2027 | Estimated Actual Expenditures 2026-2027 | Estimated Actual Expenditures 2027-2028 | Estimated Project Balance after 2 years |
|---|---|---|---|---|---|---|---|---|
| 53030 | | Wastewater O&M Manual Development | - | - | - | - | | |
| 53140 | | Collection System Vitrified Clay Pipe Lining | 54,300 | - | 54,300 | 54,300 | | |
| 53200 | | Moosa Improvements Project | 260,000 | - | 260,000 | 260,000 | | |
| 53290 | | Meadows Lift Station Improvement Project | 95,000 | - | 95,000 | 95,000 | | |
| 53550 | | Moosa Minor Upgrades | 35,660 | - | 35,660 | 35,660 | | |
| 53661 | 11-15 | Return Activated Sludge (RAS) Flow Meter | - | **16,000** | 16,000 | 16,000 | | |
| **Total Capital Projects** | | | **444,960** | **16,000** | **460,960** | **460,960** | **0** | **0** |

# Capital Outlay Source of Funding
# Lower Moosa Canyon Reclamation Facility

All projects are funded by one or more of the following methods:

- **Capital Reserves:** There are three types of Capital Reserves.
    1. Reserve for Continuing Projects are unexpended appropriations carried forward from prior years.
    2. Reserve for Capital Improvements are funds collected solely from the fixed Capital Improvement Charge. The charge provides a means needed to extend the service life of the existing facilities, provide greater operational redundancy, and enhance reliability and operational efficiencies to accommodate changes in the waste stream characteristics and flow.
    3. Capacity Charge Reserves are funds collected for public facilities in existence at the time a capacity charge is imposed or for new facilities to be acquired or constructed in the future.




- **Short-Term Interim Funding:** Funding will be provided with a loan from the District's General Fund with repayment including interest from net Moosa revenues over a term of 3 - 5 years.
- **Local Funds:** Local Funds refers to the current year annual revenues collected for Capital Improvement Change and 50% of the Sewer Service Charges.
- **Replacement Reserve:** The Replacement Reserve is funded through the budget appropriation of these local revenues designated for capital use equal to 100% of annual depreciation plus earning not reserved for other purposes.

Each Capital Project Request beginning on page 11-15 of this budget document displays a table at the top of the page that looks similar to the one below.

| New Item | Master Plan | | | Source of Funding | Strategic Plan | |
|---|---|---|---|---|---|---|
| | Type | Priority | Project ID | 2026/2027 | Standard | Goal |
| | Replacement | A | CV010 | Local Funds | 8, 9 | II |

| Indicates whether the project request is for a new item, a replacement, or a continuing project. | Correlates to the District's Master Plan document, not included in this budget. A copy can be provided upon request. | Correlates to the Source of Funding described above. | Correlates to the Strategic Plan Goals and Performance Standards described in the Budget Message of this budget document. |
|---|---|---|---|

The table on the following page includes all capital projects with their source of funding identified.

# Capital Outlay Source of Funding

## Lower Moosa Canyon Water Reclamation Facility

| Fund | Department | Division |
|---|---|---|
| 13 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Source of Funding: Capital Reserves | Source of Funding: Short-Term Interim Funding | Source of Funding: Capital Improvement Charge Reserve | Total Approved Budget 2026-2027 |
|---|---|---|---|---|---|---|
| 53030 | | Wastewater O&M Manual Development | - | | | - |
| 53140 | | Collection System Vitrified Clay Pipe Lining | 54,300 | | | 54,300 |
| 53200 | | Moosa Improvements Project | 260,000 | | | 260,000 |
| 53290 | | Meadows Lift Station Improvement Project | 95,000 | | | 95,000 |
| 53550 | | Moosa Minor Upgrades | 35,660 | | | 35,660 |
| 53661 | 11-15 | Return Activated Sludge (RAS) Flow Meter | 16,000 | | | 16,000 |
| **Total Capital Projects** | | | **460,960** | **0** | **0** | **460,960** |

**ACCOUNT NO.:** 13-06-78-53661
**DEPARTMENT:** **Lower Moosa**

# CAPITAL PROJECT REQUEST

## Return Activated Sludge Flow Meter

| Replacement Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Capital Reserves | N/A | N/A | N/A |

**PROJECT DESCRIPTION:**

Upgrade and replace Return Activated Sludge (RAS) flow meter. The existing flow meter was installed in 1998 and has exceeded its lifecycle. Replacement parts are no longer manufactured. The RAS meter is a significant piece of equipment in the process and control measures of the treatment operations at Moosa. The new meter will be more compatible with the recently updated SCADA system and RAS pumps.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| RAS Flow Meter | | | | **15,000** | 15,000 | | 15,000 | 15,000 |
| Contingency | | | | **1,000** | 1,000 | | 1,000 | 1,000 |
| **Total Project** | **0** | **0** | **0** | **16,000** | **16,000** | **0** | **16,000** | **16,000** |

# Woods Valley Ranch Wastewater Expansion

# Woods Valley Ranch Wastewater Expansion

**FUNCTION OVERVIEW**

Projects associated with the expansion of the Woods Valley Ranch Water Reclamation Facility (WVRWRF) (Fund 16) are segregated from the main facility (Fund 17) to better identify and account for funds expended for expansion capital improvements from funds expended for operation and maintenance costs, system upgrade costs, and facility replacement projects.

The Woods Valley Ranch Wastewater Expansion Project (Expansion Project) was a joint Property Owner/Developer/District project to extend wastewater service to parcels owned by participating developers and property owners in the South and North Village areas of Valley Center. These areas are identified on the County General Plan as the higher density areas generally along Valley Center Road from Woods Valley Road north through Cole Grade Road. The service area is anticipated to have an ultimate average day wastewater demand of up to 475,000 gallons per day for a project ultimate demand of 3,000 Equivalent Dwelling Units (EDUs). The extension of wastewater service to the area would be accomplished through voluntary property owner participation in multiple expansion phases as required to meet the requested wastewater capacity timing and demands.

This fund consists of multiple projects for the planning, design and construction of various components of the Woods Valley Ranch Wastewater Expansion Project (“Expansion Project”). Funding for the Expansion Project was provided by various property owners in the service area through the formation of an assessment district and from a funding commitment from the State for three Clean Water State Revolving Fund (SRF) Loans; 1) South Village Collection System, 2) WVRWRF Phase 2 Expansion, and 3) Charlan Road Seasonal Storage Facility. The total amount of the three loans is $24,772,974 at 2.20% annual interest. Repayment of this debt began in August 2017 for the Collection System, October 2017 for the Seasonal Storage, and December 2017 for the Treatment Plant. There are three separate debt schedules, one for each component (see pages 12-7A, 12-7B and 12-7C under the Woods Valley Expansion tab for detailed schedules). Debt service payments amount to $1,542,388 for Fiscal Year 2026-27. The total outstanding balance of all three loans at end of Fiscal Year 2026-27 is expected to be $13,707,046. A summary and complete debt schedules can be found beginning on page 12-7.

Assessment District 2012-1 (AD 2012-1) issued Limited Obligation Improvement Bonds, the first in July 2018, and the second April 2022 under the Improvement Act of 1915 to fund the fourth Expansion Project component, the North Village Collection System (the “NV Bond”), in the amount of $4,035,000 and $700,000, respectively, with an annual interest rate of 2.2%. These bonds are not an obligation of the District but are secured by annual assessments that are billed to and collected from property owners within the assessment district and are not presented in this report.

The NV Bond included the design of the proposed Orchard Run and North Village Lift Stations. The Orchard Run Lift Station has been completed and bonds sold to reimburse the cost of construction. While funding for the design of the North Village Lift Station remains available from the NV Bond, construction of the lift station would be funded by the developers benefitting from the lift stations or land secured indebtedness secured by property within the lift station service area. For Fiscal Year 2026-27, the total annual assessments for Assessment District 2012-1 are budgeted at $1,165,000.

Construction of the Orchard Run Lift Station.

# Woods Valley Ranch Wastewater Expansion

On May 18, 2020, at the request of the developer, Touchstone Communities, a Community Facilities District (CFD), was formed encompassing the Park Circle East/West developments to allocate the cost of wastewater capacity to the individual residential parcels based on the type and size of the homes as opposed to an Equivalent Dwelling Unit basis. The wastewater capacity costs included the CFD's share of the assessment district debt, construction of the Orchard Run Lift Station and future design and construction of the Phase 3 facilities needed for the balance of the development and would be funded from the Special Tax levy authorized with formation of the CFD. Touchstone Communities provided financial securities for the design and construction of the Orchard Run Lift Station and the Phase 3 Facilities in accordance with CFD Financing Agreement until such time as CFD Bonds could be sold to reimburse the developer. Construction of the Orchard Run Lift station was completed in Fiscal Year 2023-24. The Board of Directors authorized staff to proceed with the issuance of special tax bonds needed to reimburse the developer for the construction of Orchard Run Lift Station. The sale and issuance of Bonds occurred in December 2024. The total special tax to be collected in Fiscal Year 2026-27 is budgeted at $871,000.

| Fiscal Year 2025-2026<br>Recent Accomplishments & Performance Indicators | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Successfully processed a capacity transfer of 218.5 EDUs to provide the wastewater capacity needed for the balance of the Park Circle development, eliminating the need for participation in the Phase 3 expansion of the WVRWRF by the Community Facilities District No. 2020-1(Park Circle East/West). | 1 | | ✓ | ✓ | | | |
| Amended the Recycled Water Use Agreement with the Native Oaks Golf Club to increase the amount of Recycled Water allowed to be used by the Golf Course up to the approved discharge limits of the WVRWRF Reclamation Permit. | 12 | | ✓ | | | | |

| Fiscal Year 2026-2027<br>Goals & Objectives | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Coordinate planning efforts for increased capacity requests in the North Village area and participation in the Phase 3 Expansion of the WVRWRF. | | | ✓ | | | | |
| Assist individual property owners with the transfer of wastewater capacity from those that no longer desire the capacity to those that do. | 1 | | | ✓ | | | |
| Assist North Village developers with wastewater planning and acquisition of a suitable site for the North Village Lift Station. | | | ✓ | ✓ | | | |
| Complete the design of the North Village Lift Station and acquisition of the lift station site as needed for the North Village area. | | | ✓ | ✓ | | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

# Woods Valley Ranch Wastewater Expansion

| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal* Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Work with the developers and property owners in the Woods Valley Ranch WRF Service Area to prepare planning documents and agreements necessary for the implementation of a Phase 3 and future expansion projects in accordance with the approved Master Plan to meet the wastewater treatment needs of property in the South and North Village area. | | | ✓ | ✓ | | | |
| Development of a reclamation plan that provides for the perpetual beneficial reuse of the treated effluent generated by the wastewater customers. | | | ✓ | | | | |
| Pursue Federal funding opportunities to assist with the expansion of the facility to develop recycled water supplies to offset imported potable water irrigation demands, improve ground water quality, and help reduce costs to provide wastewater service to new and existing customers within the designated service area. | | ✓ | ✓ | ✓ | | | |

* See page 1-23 of this Budget document for the full Strategic Plan.

# Woods Valley Ranch Wastewater Expansion

## Recap of Budget and Source of Financing

## July 1, 2025 to June 30, 2027

| Funds |
|---|
| 15 & 16 |

| | Replacement Fund | Debt Service Reserve Fund | Continuing Projects Fund | Operating Fund | Total |
|---|---|---|---|---|---|
| **ACTUAL BALANCE JULY 1, 2025** | **1,278,260** | **1,542,387** | **3,430,882** | **0** | **6,251,529** |
| Add: Revenue 2025-2026 | | | | | |
| AD 2012-1 Assessment | 861,221 | | | | 861,221 |
| CFD Special Tax (Phase 3) | 530,000 | | | | 530,000 |
| Interest | 59,216 | | | 199,716 | 258,932 |
| **Total Revenue** | **1,450,437** | **0** | **0** | **199,716** | **1,650,153** |
| LESS: Estimated Expenditures 2025-2026 | | | 0 | (72,000) | (72,000) |
| Debt Service | (1,187,987) | | | (354,401) | (1,542,388) |
| Transfers | (226,685) | | | 226,685 | 0 |
| **Net Change** | **35,765** | **0** | **0** | **0** | **35,765** |
| **Intrafund Transfers:** | | | | | |
| Fixed Charge Special Assessments from General Fund | 76,020 | | | | 76,020 |
| **ESTIMATED BALANCE JUNE 30, 2026** | **1,390,045** | **1,542,387** | **3,430,882** | **0** | **6,363,314** |
| Add: Revenue 2026-2027 | | | | | |
| AD 2012-1 Assessment | 861,100 | | | | 861,100 |
| CFD Special Tax (Phase 3) | 530,000 | | | | 530,000 |
| Interest | 57,354 | | | 57,800 | 115,154 |
| **Total Revenue** | **1,448,454** | **0** | **0** | **57,800** | **1,506,254** |
| LESS: Proposed Expenditures 2026-2027 | | | 0 | (80,000) | (80,000) |
| Expenditures of Continuing Projects | | | (3,430,882) | | (3,430,882) |
| Debt Service | (1,214,122) | | | (328,266) | (1,542,388) |
| Transfers | (350,466) | | 0 | 350,466 | 0 |
| **Net Change** | **(116,134)** | **0** | **(3,430,882)** | **0** | **(3,547,016)** |
| **Intrafund Transfers:** | | | | | |
| Fixed Charge Special Assessments from General Fund | 76,020 | | | | 76,020 |
| **ESTIMATED BALANCE JUNE 30, 2027** | **1,349,931** | **1,542,387** | **0** | **0** | **2,892,318** |

## Revenue Estimate

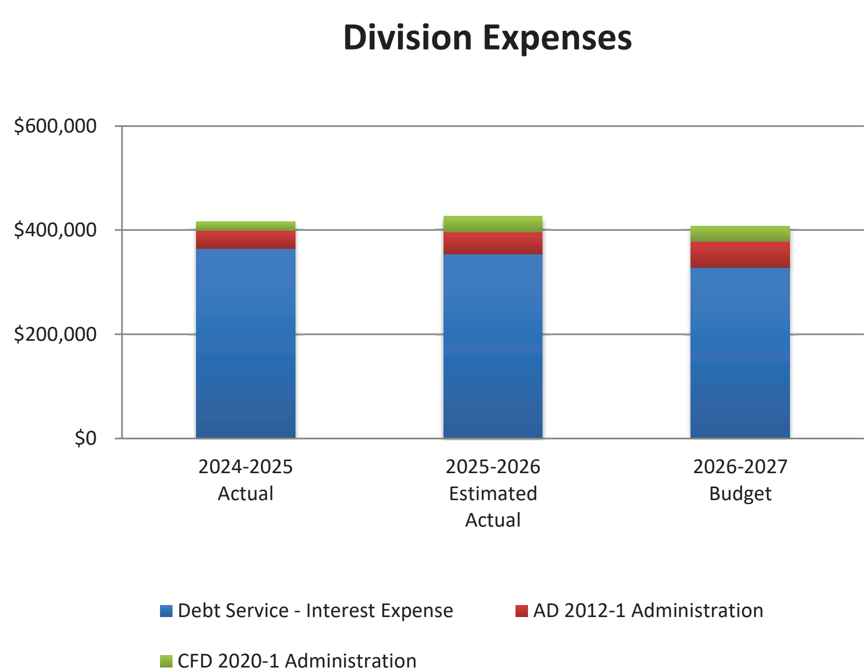
| Fund | Department |
|---|---|
| 15/16 | 00 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 81-41110 | Assessment District 2012-1 South Village | 774,961 | 861,100 | 861,221 | **861,100** |
| 15/81-41120 | CFD Special Tax (Phase 3) | 526,769 | 530,000 | 530,000 | **530,000** |
| 15/84-41000 | Interest Allocation | 363,161 | 127,277 | 258,932 | **115,154** |
| | **Total** | **1,664,891** | **1,518,377** | **1,650,153** | **1,506,254** |

## Department Summary by Division

| Fund | Department |
|---|---|
| 15/16 | 03 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 19 | Debt Service - Interest Expense | 364,516 | 354,401 | 354,401 | 328,266 |
| 35 | AD 2012-1 Administration | 34,721 | 50,000 | 42,000 | 50,000 |
| 37 | CFD 2020-1 Administration | 17,039 | 30,000 | 30,000 | 30,000 |
| 78 | Capital Projects | 382,335 | 0 | 22,713 | 0 |
| | **TOTAL WOODS VALLEY RANCH** | **798,611** | **434,401** | **449,114** | **408,266** |



## Woods Valley Ranch Wastewater Expansion
# AD 2012-1 Administration

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 16 | 03 | 35 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 23,710 | 31,700 | 20,000 | 15,300 |
| 50025 | Outside Professional Services | 11,011 | 18,300 | 22,000 | 34,700 |
| 50030 | Special Department Expenses | 0 | 0 | 0 | 0 |
| | **Total** | **34,721** | **50,000** | **42,000** | **50,000** |

# Woods Valley Ranch Wastewater Expansion
# AD 2012-1 Administration

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 16 | 03 | 35 |

| Total Budget Request |
|---|
| **$50,000** |

| Account No. | Detail and Justification | | | Budget Request |
|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | | 15,300 |
| | | Full Time Equivalents | 0.05 | |
| 50003 | Overtime | | | 0 |
| 50025 | Outside Professional Services | | | 34,700 |
| 50030 | Special Department Expense | | | 0 |

# Woods Valley Ranch Wastewater Expansion
# CFD 2020-1 Administration

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 15 | 03 | 37 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 8,228 | 20,800 | 15,000 | 13,100 |
| 50003 | Overtime | 0 | 0 | 0 | 0 |
| 50025 | Outside Professional Services | 8,811 | 9,200 | 15,000 | 16,900 |
| | **Total** | **17,039** | **30,000** | **30,000** | **30,000** |

# Woods Valley Ranch Wastewater Expansion
# CFD 2020-1 Administration

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 15 | 03 | 37 |

| Total Budget Request |
|---|
| **$30,000** |

| Account No. | Detail and Justification | | | Budget Request |
|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | | 13,100 |
| | | Full Time Equivalents | 0.04 | |
| 50003 | Overtime | | | 0 |
| 50025 | Outside Professional Services | | | 16,900 |

# Woods Valley Ranch Wastewater Expansion
# Debt Service

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 16 | 03 | 19 |

| Total Outstanding Balance for all 3 Loans |
|---|
| **$13,707,046** |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 00-00-21025 | Principal on SRF Debt Collection System | 123,251 | 125,963 | 125,963 | 128,734 |
| 00-00-22065 | Principal on SRF Debt Seasonal Storage | 222,069 | 226,954 | 226,954 | 231,947 |
| 00-00-23085 | Principal on SRF Debt Treatment Plant | 817,094 | 835,070 | 835,070 | 853,441 |
| | **Total Principal** | **1,162,414** | **1,187,987** | **1,187,987** | **1,214,122** |
| 50070 | Interest on SRF Debt Collection System | 37,828 | 37,486 | 37,486 | 34,715 |
| 50072 | Interest on SRF Debt Seasonal Storage | 69,224 | 67,725 | 67,725 | 62,732 |
| 50073 | Interest on SRF Debt Treatment Plant | 257,464 | 249,190 | 249,190 | 230,819 |
| | **Total Interest** | **364,516** | **354,401** | **354,401** | **328,266** |
| | **Total Debt Service** | **1,526,930** | **1,542,388** | **1,542,388** | **1,542,388** |
| **SOURCE OF FINANCING** | | | | | |
| | Assessment AD 2012-1 | 1,049,309 | 1,049,309 | 1,049,309 | 1,049,309 |
| | CFD 2020-1 | 493,079 | 493,079 | 493,079 | 493,079 |
| | **Total** | **1,542,388** | **1,542,388** | **1,542,388** | **1,542,388** |

# Valley Center Municipal Water District

## Woods Valley Ranch Wastewater Expansion

## State Revolving Fund Loan Payment Schedule

California Clean Water Collection System

| Fund | Department | Division |
|---|---|---|
| 16 | 03 | 19 |

| Outstanding Balance |
|---|
| **$1,449,228** |

| Due Date | Ref Num | Beginning Balance | Principal Payment | Interest Rate % | Interest Payment | Total Payment | Ending Balance |
|---|---|---|---|---|---|---|---|
| 8/15/2017 | 1 | $ 2,337,188.60 | $ 110,666.53 | 2.20% | $ 33,977.92 | $ 144,644.45 | $ 2,226,522.07 |
| 8/15/2018 | 2 | $ 2,515,986.07 | $ 111,226.24 | 2.20% | $ 52,223.04 | $ 163,449.28 | $ 2,404,759.83 |
| 8/15/2019 | 3 | $ 2,404,759.83 | $ 110,544.56 | 2.20% | $ 52,904.72 | $ 163,449.28 | $ 2,294,215.27 |
| 8/15/2020 | 4 | $ 2,294,215.27 | $ 112,976.54 | 2.20% | $ 50,472.74 | $ 163,449.28 | $ 2,181,238.73 |
| 8/15/2021 | 5 | $ 2,181,238.73 | $ 115,462.03 | 2.20% | $ 47,987.25 | $ 163,449.28 | $ 2,065,776.70 |
| 8/15/2022 | 6 | $ 2,065,776.70 | $ 118,002.19 | 2.20% | $ 45,447.09 | $ 163,449.28 | $ 1,947,774.51 |
| 8/15/2023 | 7 | $ 1,947,774.51 | $ 120,598.24 | 2.20% | $ 42,851.04 | $ 163,449.28 | $ 1,827,176.27 |
| 8/15/2024 | 8 | $ 1,827,176.27 | $ 123,251.40 | 2.20% | $ 40,197.88 | $ 163,449.28 | $ 1,703,924.87 |
| 8/15/2025 | 9 | $ 1,703,924.87 | $ 125,962.93 | 2.20% | $ 37,486.35 | $ 163,449.28 | $ 1,577,961.94 |
| 8/15/2026 | 10 | $ 1,577,961.94 | $ 128,734.12 | 2.20% | $ 34,715.16 | $ 163,449.28 | $ 1,449,227.82 |
| 8/15/2027 | 11 | $ 1,449,227.82 | $ 131,566.27 | 2.20% | $ 31,883.01 | $ 163,449.28 | $ 1,317,661.55 |
| 8/15/2028 | 12 | $ 1,317,661.55 | $ 134,460.73 | 2.20% | $ 28,988.55 | $ 163,449.28 | $ 1,183,200.82 |
| 8/15/2029 | 13 | $ 1,183,200.82 | $ 137,418.86 | 2.20% | $ 26,030.42 | $ 163,449.28 | $ 1,045,781.96 |
| 8/15/2030 | 14 | $ 1,045,781.96 | $ 140,442.08 | 2.20% | $ 23,007.20 | $ 163,449.28 | $ 905,339.88 |
| 8/15/2031 | 15 | $ 905,339.88 | $ 143,531.80 | 2.20% | $ 19,917.48 | $ 163,449.28 | $ 761,808.08 |
| 8/15/2032 | 16 | $ 761,808.08 | $ 146,689.50 | 2.20% | $ 16,759.78 | $ 163,449.28 | $ 615,118.58 |
| 8/15/2033 | 17 | $ 615,118.58 | $ 149,916.67 | 2.20% | $ 13,532.61 | $ 163,449.28 | $ 465,201.91 |
| 8/15/2034 | 18 | $ 465,201.91 | $ 153,214.84 | 2.20% | $ 10,234.44 | $ 163,449.28 | $ 311,987.07 |
| 8/15/2035 | 19 | $ 311,987.07 | $ 156,585.56 | 2.20% | $ 6,863.72 | $ 163,449.28 | $ 155,401.51 |
| 8/15/2036 | 20 | $ 155,401.51 | $ 155,401.51 | 2.20% | $ 3,418.83 | $ 158,820.34 | $ - |
| **Total** | | | **$2,626,652.60** | | **$618,899.23** | **$3,245,551.83** | |

## Woods Valley Ranch Wastewater Expansion

## California Clean Water State Revolving Fund Loan Payment Schedule

Seasonal Storage

| Fund | Department | Division |
|---|---|---|
| 16 | 03 | 19 |

| Outstanding Balance |
|---|
| **$2,619,494** |

| Due Date | Ref Num | Beginning Balance | Principal Payment | Interest Rate % | Interest Payment | Total Payment | Ending Balance |
|---|---|---|---|---|---|---|---|
| 10/20/2017 | 1 | $ 4,752,615.89 | $ 216,600.23 | 2.20% | $ 78,078.86 | $ 294,679.09 | $ 4,536,015.66 |
| 10/20/2018 | 2 | $ 4,536,015.66 | $ 194,886.75 | 2.20% | $ 99,792.34 | $ 294,679.09 | $ 4,341,128.91 |
| 10/20/2019 | 3 | $ 4,341,128.91 | $ 199,174.25 | 2.20% | $ 95,504.84 | $ 294,679.09 | $ 4,141,954.66 |
| 10/20/2020 | 4 | $ 4,141,954.66 | $ 203,556.09 | 2.20% | $ 91,123.00 | $ 294,679.09 | $ 3,938,398.57 |
| 10/20/2021 | 5 | $ 3,938,398.57 | $ 208,034.32 | 2.20% | $ 86,644.77 | $ 294,679.09 | $ 3,730,364.25 |
| 10/20/2022 | 6 | $ 3,730,364.25 | $ 212,611.08 | 2.20% | $ 82,068.01 | $ 294,679.09 | $ 3,517,753.17 |
| 10/20/2023 | 7 | $ 3,517,753.17 | $ 217,288.52 | 2.20% | $ 77,390.57 | $ 294,679.09 | $ 3,300,464.65 |
| 10/20/2024 | 8 | $ 3,300,464.65 | $ 222,068.87 | 2.20% | $ 72,610.22 | $ 294,679.09 | $ 3,078,395.78 |
| 10/20/2025 | 9 | $ 3,078,395.78 | $ 226,954.38 | 2.20% | $ 67,724.71 | $ 294,679.09 | $ 2,851,441.40 |
| 10/20/2026 | 10 | $ 2,851,441.40 | $ 231,947.38 | 2.20% | $ 62,731.71 | $ 294,679.09 | $ 2,619,494.02 |
| 10/20/2027 | 11 | $ 2,619,494.02 | $ 237,050.22 | 2.20% | $ 57,628.87 | $ 294,679.09 | $ 2,382,443.80 |
| 10/20/2028 | 12 | $ 2,382,443.80 | $ 242,265.33 | 2.20% | $ 52,413.76 | $ 294,679.09 | $ 2,140,178.47 |
| 10/20/2029 | 13 | $ 2,140,178.47 | $ 247,595.16 | 2.20% | $ 47,083.93 | $ 294,679.09 | $ 1,892,583.31 |
| 10/20/2030 | 14 | $ 1,892,583.31 | $ 253,042.26 | 2.20% | $ 41,636.83 | $ 294,679.09 | $ 1,639,541.05 |
| 10/20/2031 | 15 | $ 1,639,541.05 | $ 258,609.19 | 2.20% | $ 36,069.90 | $ 294,679.09 | $ 1,380,931.86 |
| 10/20/2032 | 16 | $ 1,380,931.86 | $ 264,298.59 | 2.20% | $ 30,380.50 | $ 294,679.09 | $ 1,116,633.27 |
| 10/20/2033 | 17 | $ 1,116,633.27 | $ 270,113.16 | 2.20% | $ 24,565.93 | $ 294,679.09 | $ 846,520.11 |
| 10/20/2034 | 18 | $ 846,520.11 | $ 276,055.65 | 2.20% | $ 18,623.44 | $ 294,679.09 | $ 570,464.46 |
| 10/20/2035 | 19 | $ 570,464.46 | $ 282,128.87 | 2.20% | $ 12,550.22 | $ 294,679.09 | $ 288,335.59 |
| 10/20/2036 | 20 | $ 288,335.59 | $ 288,335.59 | 2.20% | $ 6,343.38 | $ 294,678.97 | - |
| **Total** | | | **$4,752,615.89** | | **$1,140,965.79** | **$5,893,581.68** | |

# Valley Center Municipal Water District

## Woods Valley Ranch Wastewater Expansion

## California Clean Water Treatment Plant State Revolving Fund Loan Payment Schedule

| Fund | Department | Division |
|---|---|---|
| 16 | 03 | 19 |

| Outstanding Balance |
|---|
| **$9,638,324** |

| Due Date | Ref Num | Beginning Balance | Principal Payment | Interest Rate % | Interest Payment | Total Payment | Ending Balance |
|---|---|---|---|---|---|---|---|
| 12/15/2017 | 1 | $ 15,525,647.27 | $ 700,177.27 | 2.20% | $ 315,105.48 | $ 1,015,282.75 | $ 14,825,470.00 |
| 12/15/2018 | 2 | $ 15,628,318.00 | $ 720,517.51 | 2.20% | $ 363,742.42 | $ 1,084,259.93 | $ 14,907,800.49 |
| 12/15/2019 | 3 | $ 16,693,528.00 | $ 732,853.70 | 2.20% | $ 351,406.23 | $ 1,084,259.93 | $ 15,960,674.30 |
| 12/15/2020 | 4 | $ 15,240,156.79 | $ 748,976.48 | 2.20% | $ 335,283.45 | $ 1,084,259.93 | $ 14,491,180.31 |
| 12/15/2021 | 5 | $ 14,491,180.31 | $ 765,453.96 | 2.20% | $ 318,805.97 | $ 1,084,259.93 | $ 13,725,726.35 |
| 12/15/2022 | 6 | $ 13,725,726.35 | $ 782,293.95 | 2.20% | $ 301,965.98 | $ 1,084,259.93 | $ 12,943,432.40 |
| 12/15/2023 | 7 | $ 12,943,432.40 | $ 799,504.42 | 2.20% | $ 284,755.51 | $ 1,084,259.93 | $ 12,143,927.98 |
| 12/15/2024 | 8 | $ 12,143,927.98 | $ 817,093.51 | 2.20% | $ 267,166.42 | $ 1,084,259.93 | $ 11,326,834.47 |
| 12/15/2025 | 9 | $ 11,326,834.47 | $ 835,069.57 | 2.20% | $ 249,190.36 | $ 1,084,259.93 | $ 10,491,764.90 |
| 12/15/2026 | 10 | $ 10,491,764.90 | $ 853,441.10 | 2.20% | $ 230,818.83 | $ 1,084,259.93 | $ 9,638,323.80 |
| 12/15/2027 | 11 | $ 9,638,323.80 | $ 872,216.81 | 2.20% | $ 212,043.12 | $ 1,084,259.93 | $ 8,766,106.99 |
| 12/15/2028 | 12 | $ 8,766,106.99 | $ 891,405.58 | 2.20% | $ 192,854.35 | $ 1,084,259.93 | $ 7,874,701.41 |
| 12/15/2029 | 13 | $ 7,874,701.41 | $ 911,016.50 | 2.20% | $ 173,243.43 | $ 1,084,259.93 | $ 6,963,684.91 |
| 12/15/2030 | 14 | $ 6,963,684.91 | $ 931,058.86 | 2.20% | $ 153,201.07 | $ 1,084,259.93 | $ 6,032,626.05 |
| 12/15/2031 | 15 | $ 6,032,626.05 | $ 951,542.16 | 2.20% | $ 132,717.77 | $ 1,084,259.93 | $ 5,081,083.89 |
| 12/15/2032 | 16 | $ 5,081,083.89 | $ 972,476.08 | 2.20% | $ 111,783.85 | $ 1,084,259.93 | $ 4,108,607.81 |
| 12/15/2033 | 17 | $ 4,108,607.81 | $ 993,870.56 | 2.20% | $ 90,389.37 | $ 1,084,259.93 | $ 3,114,737.25 |
| 12/15/2034 | 18 | $ 3,114,737.25 | $ 1,015,735.71 | 2.20% | $ 68,524.22 | $ 1,084,259.93 | $ 2,099,001.54 |
| 12/15/2035 | 19 | $ 2,099,001.54 | $ 1,038,081.90 | 2.20% | $ 46,178.03 | $ 1,084,259.93 | $ 1,060,919.64 |
| 12/15/2036 | 20 | $ 1,060,919.64 | $ 1,060,919.64 | 2.20% | $ 23,340.23 | $ 1,084,259.87 | $ (0.00) |
| **Total** | | | **$17,393,705.27** | | **$4,222,516.09** | **$21,616,221.36** | |

This page intentionally left blank

# Woods Valley Ranch Wastewater Expansion

# Capital Outlay

# Capital Outlay Budget Summary

## Woods Valley Ranch Expansion

| Fund | Department | Division |
|---|---|---|
| 16 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Mid-Year Budget Adjustments 2025-2026 | Total Approved Budget 2025-2026 | Total Estimated Expenditures 2025-2026 | Recaptured or Not Carried Forward to 2026-2027 | Estimated Budget Carried Forward to 2026-2027 | New Appropriation 2026-2027 | Total Approved Budget 2026-2027 |
|---|---|---|---|---|---|---|---|---|---|
| **Phase II Expansion** | | | | | | | | | |
| 561XX | | WVR Wastewater Reclamation Facility | | 2,416,161 | - | | 2,416,161 | | 2,416,161 |
| 56120 | | Land | | 250,000 | - | | 250,000 | | 250,000 |
| 56170 | | WVGC Seasonal Storage | | 450,000 | - | | 450,000 | | 450,000 |
| 56260 | | GP Flow Meter Installation | | 24,721 | - | | 24,721 | | 24,721 |
| | | | | | | | | | - |
| **Subtotal Phase II Expansion** | | | | **3,140,882** | **-** | **-** | **3,140,882** | **-** | **3,140,882** |
| **Assessment District 2012-1** | | | | | | | | | |
| 56320 | | North Village Lift Station | | 290,000 | - | | 290,000 | | 290,000 |
| | | | | | | | | | - |
| **Subtotal Assessment District 2012-1** | | | | **290,000** | **-** | **-** | **290,000** | **-** | **290,000** |
| **Total Capital Projects** | | | **-** | **3,430,882** | **-** | **-** | **3,430,882** | **-** | **3,430,882** |

# Woods Valley Ranch Expansion

## Estimated Expenditures by Year

| Fund | Department | Division |
|---|---|---|
| 16 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Estimated Budget Carried Forward to 2026-2027 | New Appropriation 2026-2027 | Total Approved Budget 2026-2027 | Estimated Actual Expenditures 2026-2027 | Estimated Actual Expenditures 2027-2028 | Estimated Project Balance after 2 years |
|---|---|---|---|---|---|---|---|---|
| **Phase II Expansion** | | | | | | | | |
| 561XX | | WVR Wastewater Reclamation Facility | 2,416,161 | | 2,416,161 | 2,416,161 | | |
| 56120 | | Land | 250,000 | | 250,000 | 250,000 | | |
| 56170 | | WVGC Seasonal Storage | 450,000 | | 450,000 | 450,000 | | |
| 56260 | | GP Flow Meter Installation | 24,721 | | 24,721 | 24,721 | | |
| **Subtotal Phase II Expansion** | | | **3,140,882** | **-** | **3,140,882** | **3,140,882** | **-** | **-** |
| **Assessment District 2012-1** | | | | | | | | |
| 56320 | | North Village Lift Station | 290,000 | | 290,000 | 290,000 | | |
| **Subtotal Assessment District 2012-1** | | | **290,000** | **-** | **290,000** | **290,000** | **-** | **-** |
| **Total Capital Projects** | | | **3,430,882** | **-** | **3,430,882** | **3,430,882** | **-** | **-** |

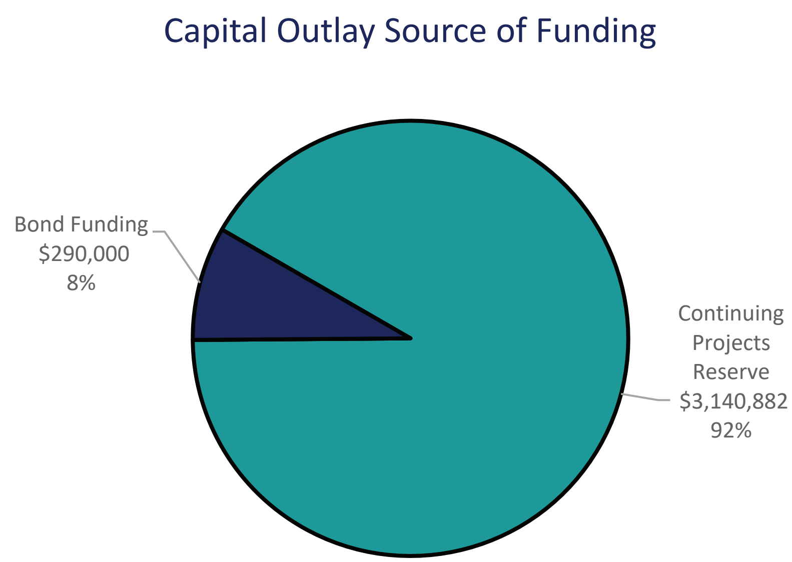
# Capital Outlay Source of Funding
# Woods Valley Ranch Expansion

All projects are funded by one or more of the following methods:

- **Continuing Projects Reserve:** The Reserve for Continuing Projects are unexpended appropriations for capital projects carried forward from prior years.

- **2026/2027 Annual Assessments and Special Taxes:** This refers to the current budget year 2026/2027 annual Fixed Charge Special Assessments for Assessment District No. 2012-1 and Special Taxes for CFD 2020-1 not allocated to debt service plus earnings not reserved for other purposes.

- **Bond Funding:** Limited Obligation Improvement Bonds (LOI Bonds) have been sold to fund a portion of the Assessment District 2012-1 capital requirements. Additional LOI Bonds will need to be sold to fund the construction of the permanent Orchard Run Lift Station facility. The bonds will be issued by CFD No. 2020-1 and represent the first of 2 Bond issuance series anticipated for the CFD. Repayment of the bonds will be from special taxes levied on the property within the CFD. Bond Issuance expenses funded by the CFD special taxes will later be reimbursed from the bond proceeds.




The table on the following page includes all capital projects with their source of funding identified.

# Capital Outlay Source of Funding

## Woods Valley Ranch Expansion

| Fund | Department | Division |
|---|---|---|
| 16 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Source of Funding: Continuing Projects Reserve | Source of Funding: 2026-2027 Annual Assessment and Special Taxes | Source of Funding: Bond Funding | Total Approved Budget 2026-2027 |
|---|---|---|---|---|---|---|
| **Phase II Expansion** | | | | | | |
| 561XX | | WVR Wastewater Reclamation Facility | 2,416,161 | | | 2,416,161 |
| 56120 | | Land | 250,000 | | | 250,000 |
| 56170 | | WVGC Seasonal Storage | 450,000 | | | 450,000 |
| 56260 | | GP Flow Meter Installation | 24,721 | | | 24,721 |
| | | | - | | | |
| **Subtotal Phase II Expansion** | | | **3,140,882** | **-** | **-** | **3,140,882** |
| **Assessment District 2012-1** | | | | | | |
| 56320 | | North Village Lift Station | - | | 290,000 | 290,000 |
| | | | - | | | |
| **Subtotal Assessment District 2012-1** | | | **-** | **-** | **290,000** | **290,000** |
| **Total Capital Projects** | | | **3,140,882** | **-** | **290,000** | **3,430,882** |

This page intentionally left blank

# Woods Valley Ranch Water Reclamation Facility

# Woods Valley Ranch Water Reclamation Facility

Personnel Requirements (FTE's)

| | Budget FY 2025-26 | Actual FY 2025-26 | Proposed FY 2026-27 |
|---|---|---|---|
| Wastewater Systems Supervisor | 0.3 | 0.3 | 0.4 |
| Senior Wastewater System Technician | 0.4 | 0.4 | 0.0 |
| Wastewater Systems Technician III | 1.1 | 1.1 | 1.0 |
| Wastewater Systems Technician II | 1.0 | 1.0 | 0.9 |
| Wastewater Systems Technician I | 0.5 | 0.5 | 0.9 |
| **Total** | **3.3** | **3.3** | **3.2** |

## FUNCTION OVERVIEW

Wastewater collection, treatment and disposal services are provided to the Woods Valley Ranch Development and the South and North Village Areas by the 275,000 gallon per day (gpd), Woods Valley Ranch Water Reclamation Facility (WVRWRF) and the South and North Village Low Pressure Sewer (LPS) Collection System. The LPS Collection System has numerous on-site private grinder pumps in the North and South Village Areas that are maintained by the wastewater division.

A gravity collection system provides service to the Woods Valley Ranch Subdivision directly to the treatment facilities influent lift station. The Bear Peak and Park Circle Subdivisions are served by a gravity collection system and Orchard Run Lift Station.

*Woods Valley Ranch WRF* recycled water on the Native Oaks Golf Club.

The wastewater division strives to operate the facility in the most efficient manner while meeting the requirements of the Waste Discharge Permit issued by the Regional Water Quality Control Board (RWQCB). Currently, the plant is processing an average of 0.135 million gallons per day; while customer implementation of water conservation measures has reduced the average flow per connection the total influent flow rate has increased since last year due to additional connections from the new developments.

Funding for the operation and maintenance of the facilities comes from:

1) A fixed charge special assessment on the property tax roll consisting of either a wastewater service charge for properties connected to the system or a wastewater standby fee for properties that have not yet connected to the wastewater system, and
2) Proceeds from the sale of reclaimed water to the golf course for irrigation.

Funding for the maintenance of the private grinder pumps comes from a Grinder Pump Maintenance Charge for those properties connected to the collection system with a grinder pump installation. This charge is also assessed on the property tax roll.

# Woods Valley Ranch
# Water Reclamation Facility

## WOODS VALLEY RANCH WASTEWATER TREATMENT FUND

The Woods Valley Ranch Wastewater Treatment Plant serves approximately 1,000 customers in a limited geographic area on the central area of the District. This Budget includes funds for the operation of the Woods Valley Ranch Wastewater Treatment Facility (WRF) which treats 275,000 gallons per day. Included in the budget is funding for both a replacement reserve and operating expenses. Revenues for the Woods Valley Ranch Wastewater budget are collected by a fixed charge special assessment on the development. A summary of the budget follows:

### RECAP OF WOODS VALLEY RANCH WASTEWATER TREATMENT BUDGET

| | 2025-26 Adopted Budget | Percent | 2026-27 Proposed Budget | Percent | Change | Percent Change |
|---|---|---|---|---|---|---|
| **Revenues** | $ 1,886,900 | 100.0% | $ 2,057,940 | 100.0% | $ 171,040 | 9.1% |
| **Operating Expenses:** | | | | | | |
| Labor | $ 700,600 | 37.1% | $ 733,200 | 35.6% | $ 32,600 | 4.7% |
| Electricity | 114,000 | 6.0% | 116,000 | 5.6% | 2,000 | 1.8% |
| Chemicals | 44,500 | 2.4% | 44,500 | 2.2% | - | 0.0% |
| Administrative allocation | 287,984 | 15.3% | 304,412 | 14.8% | 16,428 | 5.7% |
| Maintenance | 41,000 | 2.2% | 41,000 | 2.0% | - | 0.0% |
| Vehicle Maintenance | 1,700 | 0.1% | 1,700 | 0.1% | - | 0.0% |
| Regulatory | 43,000 | 2.3% | 43,900 | 2.1% | 900 | 2.1% |
| Outside Services | 151,500 | 8.0% | 154,500 | 7.5% | 3,000 | 2.0% |
| Insurance | 49,150 | 2.6% | 55,000 | 2.7% | 5,850 | 11.9% |
| Other | 12,850 | 0.7% | 15,100 | 0.7% | 2,250 | 17.5% |
| **Total Operating Expenses** | $ 1,446,284 | 76.6% | $ 1,509,312 | 73.3% | $ 63,028 | 4.4% |
| **Net Operating Income** | 440,616 | 23.4% | 548,628 | 26.7% | 108,012 | 24.5% |
| **Capital Projects** | (655,000) | | (27,000) | | 628,000 | |
| **Net Change** | $ (214,384) | | $ 521,628 | | $ 736,012 | |

The increase in revenues of $171,040 (9.1%) is due to a 10% increase to the wastewater service charge that was approved at a Public Hearing on January 5, 2026 to go into effect on July 1, 2026. The monthly sewer service charge is $103.50 per equivalent dwelling unit (EDU) and is collected by an annual assessment on the property tax roll. It is approved to increase 10%, or $10.35 per month, to $113.85 for Fiscal Year 2026-27.

# Woods Valley Ranch
# Water Reclamation Facility

Woods Valley Ranch Water Reclamation Facility honored as the San Diego Section Plant of the Year in 2025 by the California Water Environment Association (CWEA), recognizing exceptional operations, innovation, and commitment to public service.

| Fiscal Year 2025-2026<br>Recent Accomplishments & Performance Indicators | Performance Standard | Strategic Plan Goal* | | | | | |
|---|---|---|---|---|---|---|---|
| | | Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
| Staff assisted property owner participants with planning and installation of their grinder pump units for connection to the Low Pressure Sewer System. | 1 | | ✓ | | | | |
| Reviewed and tested sludge dewatering devices to lower hauling costs. | 1 | | | | ✓ | ✓ | |
| Performed in-house cleaning and video inspection of 60% of the gravity collection system to eliminate potential blockages and reduce outside service expenditures. No sewer overflows occurred during Fiscal Year 2025-2026. | 1, 10 | | ✓ | | | | |
| Continued to provide assistance and support to property owner participants with connections to the low pressure sewer system. | 1 | | ✓ | | | | |
| Continued to respond to Alarms and maintain the Private Low Pressure Sewer On-Site pump systems. | 1 | | ✓ | | | | |
| Completed the annual fats, oils and grease inspections on commercial businesses. | 12 | | ✓ | | | | |
| Updated the Commercial Waste Discharge Program pursuant to the recently updated Sanitary Sewer Management Plan (SSMP). | 12 | | ✓ | | | | |
| Continued assisting with the training, testing and implementation of the City Works Asset Management Software to improve efficiencies in the Wastewater Division. | 1 | | | | ✓ | | |
| Initiated the upgrade of the HMI Software from Ignition Vision to Ignition Perspective, providing a standard operating system and allowing the operators to operate the facility from all mobile devices. | | | ✓ | | ✓ | | |

# Woods Valley Ranch
# Water Reclamation Facility

| Fiscal Year 2026-2027 Goals & Objectives | Performance Standard | Strategic Plan Goal* Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Assist property owner participants with connection to the Low Pressure Sewer System. | | | ✓ | | | | |
| Continue to reduce energy consumption and costs by implementing operational improvements. | 7 | | | ✓ | | ✓ | |
| Inspect and clean collection system sewer lines per District's Sanitary Sewer Management Plan (SSMP). | 12 | | ✓ | | | | |
| Implementation of the City Works Asset Management Software for better efficiency. | | | | | ✓ | | |
| Complete Salt-Nutrient Management Plan. | 12 | | ✓ | | | | |
| Continue to research dewatering systems that will reduce sludge hauling costs. | 8, 9 | | ✓ | ✓ | | | |
| Ongoing development and implementation of improved operational strategies to reduce equipment run times and labor cost. | | | | | | ✓ | |
| Respond to Alarms and Maintain the Private Low Pressure Sewer On-Site pump systems. | | | ✓ | | | | |
| Inspection of the Woods Valley Golf Course reclamation water usage and operations to ensure that the course complies with all the Department of Health and Water Quality Control Board's Rules and Regulations. | 12 | ✓ | | | | | |
| Complete the update of the existing Operation and Maintenance Manual describing and documenting the procedures for efficient operation of the wastewater facilities, including not only the treatment plant, but also the collection system, seasonal storage facility and the recycled water distribution system. | | | | ✓ | | | |
| Complete repair of Aeration Air Piping. | 8, 9 | | ✓ | ✓ | | | |
| Continue to monitor and reduce odor levels. | 8, 9 | | ✓ | ✓ | | | |
| Completed the annual fats, oils and grease inspections on commercial businesses. | 12 | | ✓ | | | | |
| Complete the HMI Software upgrade from Ignition Vision to Ignition Perspective. | | | ✓ | | ✓ | | |

| Long-Term Goals & Objectives | Performance Standard | Strategic Plan Goal* Water Supply | Infrastructure | Finance | Technology | Energy | Compensation & Benefits |
|---|---|---|---|---|---|---|---|
| Continue to efficiently and effectively operate and maintain the water reclamation facility producing an effluent that will meet or exceed the California Title 22 Water Quality Requirements for irrigation of the golf course facility. | 12 | ✓ | | | | | |
| Operate and maintain the plant to be self-supporting without financial consideration from the General Fund. | | | | ✓ | | | |

# Woods Valley Ranch Wastewater
## Recap of Budget and Source of Financing
## July 1, 2025 to June 30, 2027

| Fund |
|---|
| 17 |

| | Replacement Fund | Continuing Projects Fund | Grinder Pump Fund | Operating Fund | Total |
|---|---|---|---|---|---|
| **ACTUAL BALANCE JULY 1, 2025** | 2,959,645 | 1,030,597 | 68,182 | 711,242 | 4,769,666 |
| Add: Revenue 2025-2026 | | | | | |
| Wastewater Service Charge | 300,000 | | | 917,603 | 1,217,603 |
| Wastewater Standby Fee | 397,606 | | | | 397,606 |
| Grinder Pump Maintenance Charge | | | 19,882 | | 19,882 |
| Reclaimed Water & Meter Charge | | | | 86,000 | 86,000 |
| Interest | 140,290 | | | 38,823 | 179,113 |
| Other | 579 | | | | 579 |
| **Total Revenue** | **838,475** | **0** | **19,882** | **1,042,426** | **1,900,783** |
| LESS: Estimated Expenditures 2025-2026 | | (129,553) | (12,050) | (1,194,756) | (1,336,359) |
| Transfers | (25,721) | (15,044) | | 40,765 | 0 |
| **Net Change** | **812,754** | **(144,597)** | **7,832** | **(111,565)** | **564,424** |
| **Intrafund Transfers:** | | | | | |
| Fixed Charge Special Assessments from General Fund | 24,214 | | 1,128 | 3,726 | 29,068 |
| **ESTIMATED BALANCE JUNE 30, 2026** | 3,796,613 | 886,000 | 77,142 | 603,403 | 5,363,158 |
| ADD: Revenue 2026-2027 | | | | | |
| Wastewater Service Charge | 300,000 | | | 1,066,200 | 1,366,200 |
| Wastewater Standby Fee | 397,606 | | | | 397,606 |
| Grinder Pump Maintenance Charge | | | 21,900 | | 21,900 |
| Reclaimed Water & Meter Charge | | | | 79,100 | 79,100 |
| Interest | 162,908 | | | 30,226 | 193,134 |
| **Total Revenue** | **860,514** | **0** | **21,900** | **1,175,526** | **2,057,940** |
| LESS: Proposed Expenditures 2026-2027 | | (27,000) | (23,800) | (1,485,512) | (1,536,312) |
| Expenditures of Continuing Projects | | (886,000) | | | (886,000) |
| Transfers | (484,513) | 27,000 | | 457,513 | 0 |
| **Net Change** | **376,001** | **(886,000)** | **(1,900)** | **147,527** | **(364,372)** |
| **Intrafund Transfers:** | | | | | |
| Fixed Charge Special Assessments from General Fund | 24,214 | | 1,128 | 3,726 | 29,068 |
| **ESTIMATED BALANCE JUNE 30, 2027** | **4,196,828** | **0** | **76,370** | **754,656** | **5,027,854** |

## Revenue Estimate

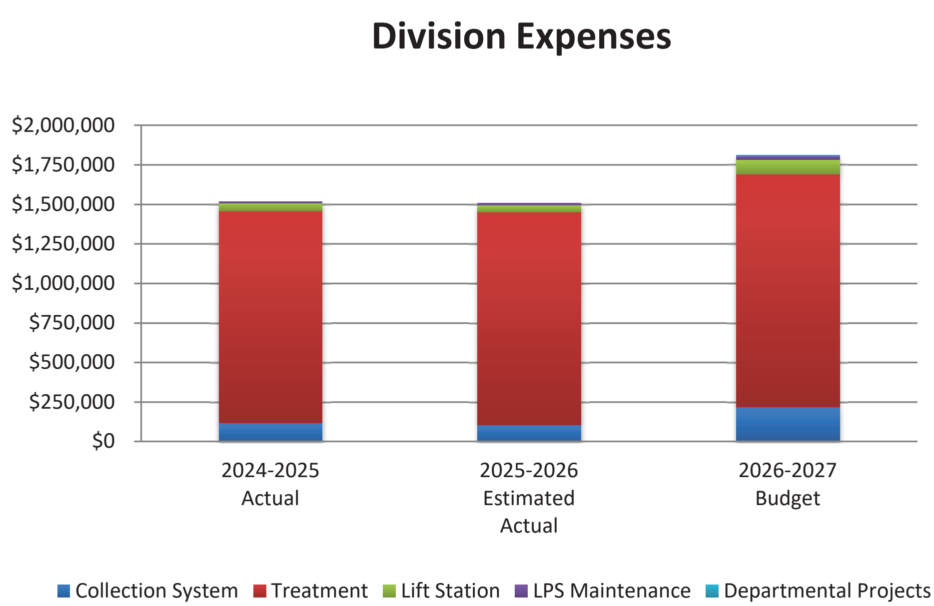
| Fund | Department |
|---|---|
| 17 | 00 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 81-41001 | Wastewater Service Charge | 1,152,279 | 1,246,968 | 1,217,603 | 1,366,200 |
| 81-41003 | Sewer Standby Fee (SA-1) | 550 | 550 | 550 | 550 |
| 81-41005 | Sewer Standby Fee (SA-2) | 401,448 | 397,056 | 397,056 | 397,056 |
| 81-41014 | Grinder Pump Maintenance (SA-2) | 19,629 | 19,900 | 19,882 | 21,900 |
| 81-44001 | Reclaimed Water Meter Charge | 2,426 | 2,500 | 2,600 | 2,900 |
| 81-44100 | Reclaimed Water | 106,556 | 40,000 | 83,400 | 76,200 |
| 84-41000 | Interest - Operating & Replace. Res. | 89,556 | 141,904 | 140,290 | 162,908 |
| 84-41021 | Interest - Interim Loan 2025 to Moosa | 37,913 | 38,022 | 38,823 | 30,226 |
| 86-43300 | Service Availability Charge | 386 | 0 | 579 | 0 |
| 89-42000 | Contributions In Kind | 5,782,190 | 0 | 0 | 0 |
| 87-44500 | Other Income | 520,000 | 0 | 0 | 0 |
| | **Total** | **8,112,933** | **1,886,900** | **1,900,783** | **2,057,940** |

## Department Summary by Division

| Fund | Department |
|---|---|
| 17 | 03 |

| Division No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 30 | Collection System | 117,885 | 213,700 | 104,951 | 217,900 |
| 31 | Treatment | 1,341,093 | 1,436,784 | 1,346,567 | 1,472,112 |
| 36 | Lift Station | 50,580 | 72,000 | 43,238 | 91,500 |
| 39 | LPS Maintenance | 7,115 | 23,800 | 12,050 | 23,800 |
| 78 | Capital Projects | 25,314 | 655,000 | 129,553 | 27,000 |
| 90 | Departmental Projects | 0 | 0 | 0 | 4,000 |
| **TOTAL WOODS VALLEY RANCH** | | **1,541,987** | **2,401,284** | **1,636,359** | **1,836,312** |



# Woods Valley Ranch Wastewater Collection System

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 30 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 102,123 | 193,700 | 87,500 | 197,800 |
| 50002 | Temporary Labor | 1,803 | 0 | 0 | 0 |
| 50003 | Overtime | 2,286 | 2,000 | 1,800 | 2,000 |
| 50025 | Outside Professional Services | 7,020 | 6,000 | 6,530 | 7,000 |
| 50030 | Special Department Expenses | 0 | 2,000 | 1,250 | 2,000 |
| 50038 | Regulatory Permits & Fees | 4,653 | 5,000 | 5,371 | 4,100 |
| 50452 | Maintenance of Facilities | 0 | 5,000 | 2,500 | 5,000 |
| | **Total** | **117,885** | **213,700** | **104,951** | **217,900** |

# Woods Valley Ranch Wastewater Collection System

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 30 |

| Total Budget Request |
|---|
| **$217,900** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | 197,800 |
| | Full Time Equivalents | 1.17 | |
| 50002 | Temporary Labor | | 0 |
| 50003 | Overtime | | 2,000 |
| 50025 | Outside Professional Services | | 7,000 |
| 50030 | Special Department Expenses | | 2,000 |
| 50038 | Regulatory Permit & Fees | | 4,100 |
| 50452 | Maintenance of Facilities including collection system | | 5,000 |
| | Pump Rebuilds | 2,500 | |
| | Replacement Pump(s) | 2,500 | |

# Woods Valley Ranch Wastewater Treatment

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 31 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 388,675 | 431,600 | 365,000 | 444,900 |
| 50002 | Temporary Labor | 3,633 | 0 | 0 | 0 |
| 50003 | Overtime | 17,227 | 16,000 | 14,500 | 16,000 |
| 50025 | Outside Professional Services | 149,013 | 140,000 | 137,000 | 140,000 |
| 50030 | Special Department Expenses | 755 | 1,600 | 850 | 1,000 |
| 50032 | Telephone | 184 | 300 | 1,150 | 1,200 |
| 50038 | Regulatory Permits & Fees | 34,643 | 38,000 | 34,524 | 38,000 |
| 50042 | Insurance | 55,644 | 49,150 | 52,000 | 55,000 |
| 50045 | Electricity | 82,344 | 98,000 | 84,109 | 98,000 |
| 50049 | Water | 904 | 1,500 | 1,400 | 1,500 |
| 50324 | Chemicals | 32,674 | 42,550 | 40,500 | 42,000 |
| 50451 | Maintenance of Vehicles | 775 | 1,200 | 800 | 1,200 |
| 50452 | Maintenance of Facilities | 15,809 | 25,000 | 23,500 | 25,000 |
| 50459 | Software Technical Support | 3,624 | 3,900 | 3,250 | 3,900 |
| 50082 | Administrative Overhead | 253,229 | 287,984 | 287,984 | 304,412 |
| 50085 | Capital Planning | 1,960 | 0 | 0 | 0 |
| | **Total Treatment Operations** | **1,041,093** | **1,136,784** | **1,046,567** | **1,172,112** |
| 50078 | Contribution to Replacement Reserve | 300,000 | 300,000 | 300,000 | 300,000 |
| | **Total** | **1,341,093** | **1,436,784** | **1,346,567** | **1,472,112** |

# Woods Valley Ranch Wastewater Treatment

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 31 |

| Total Budget Request |
|---|
| **$1,472,112** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | 444,900 |
| | Full Time Equivalents | 2.42 | |
| 50002 | Temporary Labor | | 0 |
| 50003 | Overtime | | 16,000 |
| 50025 | Outside Professional Services | | 140,000 |
| | Pumper Trucks - Haul waste | 55,000 | |
| | Laboratory Testing Services | 40,000 | |
| | Courier Service | 25,500 | |
| | Sewer Cleaning | 4,000 | |
| | SCADA Maintenance | 1,000 | |
| | Generator Load Testing | 2,000 | |
| | Wonderware Service Support | 2,000 | |
| | Confined Space Standby | 6,500 | |
| | Property Clearing | 4,000 | |
| 50030 | Special Department Expenses | | 1,000 |
| | Tools & Equipment | 1,000 | |
| 50032 | Telephone | | 1,200 |
| 50038 | Regulatory Permits & Fees | | 38,000 |
| 50042 | Insurance | | 55,000 |
| 50045 | Electricity | | 98,000 |
| 50049 | Water | | 1,500 |
| 50324 | Chemicals | | 42,000 |
| 50451 | Maintenance of Vehicles | | 1,200 |
| 50452 | Maintenance of Facilities | | 25,000 |
| | Motor & Pump Repairs | 9,500 | |
| | Safety Material | 3,000 | |
| | Misc Material/Equipment | 9,000 | |
| | Gate Upgrades | 3,500 | |
| 50459 | Software Technical Support | | 3,900 |
| 50078 | Contribution to Capital Replacement Reserve | | 300,000 |
| 50082 | Administrative Overhead | | 304,412 |

# Woods Valley Ranch Wastewater
# Lift Station

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 36 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 23,835 | 39,500 | 18,100 | 55,700 |
| 50003 | Overtime | 1,215 | 3,000 | 1,700 | 3,000 |
| 50025 | Outside Professional Services | 700 | 4,500 | 2,200 | 5,500 |
| 50030 | Special Department Expenses | 0 | 2,500 | 500 | 1,000 |
| 50038 | Regulatory Permits & Fees | 0 | 0 | 0 | 1,800 |
| 50045 | Electricity | 14,615 | 16,000 | 15,738 | 18,000 |
| 50324 | Chemicals | 6,232 | 2,500 | 3,500 | 2,500 |
| 50452 | Maintenance of Facilities | 3,983 | 4,000 | 1,500 | 4,000 |
| | **Total** | **50,580** | **72,000** | **43,238** | **91,500** |

# Woods Valley Ranch Wastewater
# Lift Station

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 36 |

| Total Budget Request |
|---|
| **$91,500** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | 55,700 |
| | Full Time Equivalents | 0.30 | |
| 50003 | Overtime | | 3,000 |
| 50025 | Outside Professional Services | | 5,500 |
| | Property Clearing | 2,500 | |
| | Pumper Trucks-Haul Waste | 2,000 | |
| | Generator Load Testing | 1,000 | |
| 50030 | Special Department Expenses | | 1,000 |
| 50038 | Regulatory Permits and Fees | | 1,800 |
| 50045 | Electricity | | 18,000 |
| 50324 | Chemicals | | 2,500 |
| 50452 | Maintenance of Facilities including collection system | | 4,000 |
| | Grounds Maintenance and Equipment | 1,500 | |
| | Manhole Sensors - Smart Cover | 2,500 | |

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 39 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 50001 | Labor & Benefits - Regular | 4,078 | 13,800 | 1,600 | 12,800 |
| 50003 | Overtime | 739 | 1,000 | 900 | 1,000 |
| 50025 | Outside Professional Services | 0 | 1,000 | 1,900 | 2,000 |
| 50030 | Special Department Expenses | 0 | 500 | 250 | 500 |
| 50451 | Maintenance of Vehicles | 0 | 500 | 500 | 500 |
| 50452 | Maintenance of Facilities | 2,298 | 7,000 | 6,900 | 7,000 |
| | **Total** | **7,115** | **23,800** | **12,050** | **23,800** |

# Woods Valley Ranch Wastewater
# LPS Maintenance

## Division Detail

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 39 |

| Total Budget Request |
|---|
| **$23,800** |

| Account No. | Detail and Justification | | Budget Request |
|---|---|---|---|
| 50001 | Labor & Benefits - Regular | | 12,800 |
| | Full Time Equivalents | 0.07 | |
| 50003 | Overtime | | 1,000 |
| 50025 | Outside Professional Services | | 2,000 |
| | Pumping of Tanks | 2,000 | |
| 50030 | Special Department Expenses | | 500 |
| 50451 | Maintenance of Vehicles | | 500 |
| 50452 | Maintenance of Facilities | | 7,000 |
| | Pump Rebuild Kits | 3,500 | |
| | Replacement Pumps | 3,500 | |

# Woods Valley Ranch Wastewater
# Departmental Projects

## Division Summary by Expense Category

| Fund | Department | Division |
|---|---|---|
| 17 | 03 | 90 |

| Account No. | Description | 2024-2025 Actual | 2025-2026 Budget | 2025-2026 Estimated Actual | 2026-2027 Budget |
|---|---|---|---|---|---|
| 97030 | Wastewater O&M Manual Development | 0 | 0 | 0 | 1,000 |
| 97250 | Grinder Pump Processing Inspection | 0 | 0 | 0 | 1,000 |
| 97880 | Wastewater Permit Requirements | 0 | 0 | 0 | 1,000 |
| 97270 | Aeration Piping Evaluation | 0 | 0 | 0 | 1,000 |
| | **Total** | **0** | **0** | **0** | **4,000** |

This page intentionally left blank

# Woods Valley Ranch Water Reclamation Facility

# Capital Outlay

# Capital Outlay Budget Summary

## Woods Valley Ranch Wastewater Treatment

| Fund | Department | Division |
|---|---|---|
| 17 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Mid-Year Budget Adjustments 2025-2026 | Total Approved Budget 2025-2026 | Total Estimated Expenditures 2025-2026 | Recaptured or Not Carried Forward to 2026-2027 | Estimated Budget Carried Forward to 2026-2027 | New Appropriation 2026-2027 | Total Approved Budget 2026-2027 |
|---|---|---|---|---|---|---|---|---|---|
| 57030 | | Wastewater O&M Manual Development | | 81,117 | - | (81,117) | - | | - |
| 57510 | | HMI Upgrade | | 439,553 | 109,553 | (200,000) | 130,000 | | 130,000 |
| 57880 | | Wastewater Permit Requirements | | 121,650 | - | (121,650) | - | | - |
| 57270 | | Aeration Piping Evaluation | | 24,777 | - | (24,777) | - | | - |
| 57280 | | Rapid Thickener | | 750,000 | 10,000 | (185,000) | 555,000 | | 555,000 |
| 57290 | | Odor Scrubber Media and Blower | | 28,500 | - | | 28,500 | | 28,500 |
| 57520 | | Chlorine Room Modification | | 240,000 | 10,000 | (57,500) | 172,500 | | 172,500 |
| 57220 | 13-14 | Influent Sewage Pumps | | | | | | **27,000** | 27,000 |
| **Total Capital Projects** | | | **-** | **1,685,597** | **129,553** | **(670,044)** | **886,000** | **27,000** | **913,000** |

## Valley Center Municipal Water District

# Woods Valley Ranch Wastewater Treatment

## Estimated Expeditures by Year

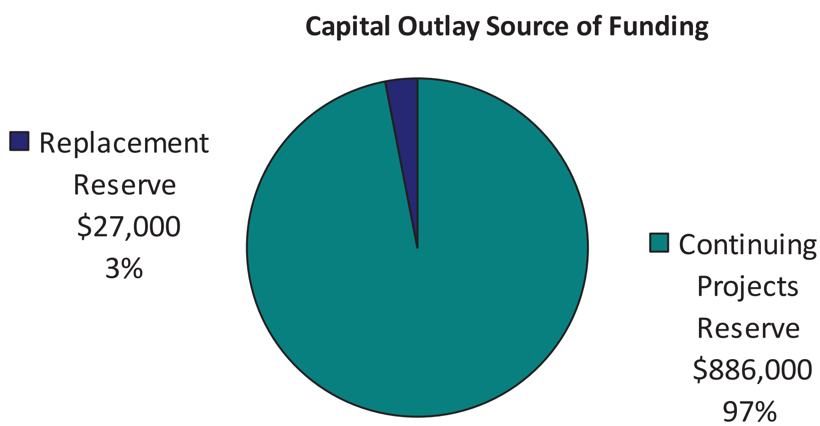
| Fund | Department | Division |
|---|---|---|
| 17 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Estimated Budget Carried Forward to 2026-2027 | New Appropriation 2026-2027 | Total Approved Budget 2026-2027 | Estimated Actual Expenditures 2026-2027 | Estimated Actual Expenditures 2027-2028 | Estimated Project Balance after 2 years |
|---|---|---|---|---|---|---|---|---|
| 57030 | | Wastewater O&M Manual Development | - | **-** | - | - | | |
| 57510 | | HMI Upgrade | 130,000 | **-** | 130,000 | 130,000 | | |
| 57880 | | Wastewater Permit Requirements | | **-** | - | - | | |
| 57270 | | Aeration Piping Evaluation | | **-** | - | - | | |
| 57280 | | Rapid Thickener | 555,000 | **-** | 555,000 | 555,000 | | |
| 57290 | | Odor Scrubber Media and Blower | 28,500 | **-** | 28,500 | 28,500 | | |
| 57520 | | Chlorine Room Modification | 172,500 | **-** | 172,500 | 172,500 | | |
| 57220 | 13-14 | Influent Sewage Pumps | - | **27,000** | 27,000 | 27,000 | | |
| **Total Capital Projects** | | | **886,000** | **27,000** | **913,000** | **913,000** | **-** | **-** |

# Capital Outlay Source of Funding
# Woods Valley Ranch

All projects are funded by one or more of the following methods:

- **Continuing Projects Reserve:** The Reserve for Continuing Projects are unexpended appropriations for capital projects carried forward from prior years.
- **Local Funds:** Local Funds refers to the current year annual revenues collected for Sewer Service Charges and the Grinder Pump Maintenance Charges.
- **Replacement Reserve:** The Replacement Reserve is funded through the budget appropriation of these local revenues designated for capital use is equal $300,000 annual depreciation plus earning not reserved for other purposes.




Each Capital Project Request beginning on page 13-14 of this budget document displays a table at the top of the page that looks similar to the one below.

| New Item | Master Plan | | | Source of Funding | Strategic Plan | |
|---|---|---|---|---|---|---|
| | Type | Priority | Project ID | 2026/2027 | Standard | Goal |
| | Replacement | A | CV010 | Local Funds | 8, 9 | II |

Indicates whether the project request is for a new item, a replacement, or a continuing project.

Correlates to the District's Master Plan document, not included in this budget. A copy can be provided upon request.

Correlates to the Source of Funding described above.

Correlates to the Strategic Plan Goals and Performance Standards described in the Budget Message of this budget document.

The table on the following page includes all capital projects with their source of funding identified.

# Capital Outlay Source of Funding

## Woods Valley Ranch Wastewater Treatment

| Fund | Department | Division |
|---|---|---|
| 17 | 06 | 78 |

| Acct. No. | Capital Project Request See Page | Description | Source of Funding: Continuing Projects Reserve | Source of Funding: Replacement Reserve | Source of Funding: 2026-2027 Local Funds | Total Approved Budget 2026-2027 |
|---|---|---|---|---|---|---|
| 57030 | | Wastewater O&M Manual Development | - | | | - |
| 57510 | | HMI Upgrade | 130,000 | | | 130,000 |
| 57880 | | Wastewater Permit Requirements | - | | | - |
| 57270 | | Aeration Piping Evaluation | - | | | - |
| 57280 | | Rapid Thickener | 555,000 | | | 555,000 |
| 57290 | | Odor Scrubber Media and Blower | 28,500 | | | 28,500 |
| 57520 | | Chlorine Room Modification | 172,500 | | | 172,500 |
| 57220 | 13-14 | Influent Sewage Pumps | | 27,000 | | 27,000 |
| **Total Capital Projects** | | | **886,000** | **27,000** | **-** | **913,000** |

**ACCOUNT NO.:** 17-06-78-57220
**DEPARTMENT:** **Woods Valley**

# CAPITAL PROJECT REQUEST

## Influent Sewage Pumps

| Replacement Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | Capital Reserves | N/A | N/A | N/A |

**PROJECT DESCRIPTION:**

Two, influent submersible sewage pumps. These new pumps will be used as replacement/redundant pumps for the existing pumps that are currently operating within the equalization basin at the Woods Valley Reclamation Facility. Current pumps have been in operation since 2017. With the recent increase in flows to the facility these pumps have become more vital to the operations of the facility. Over the past years, it has become difficult to obtain equipment in a reasonable amount of time. These new pumps will allow for short down times during current pump rebuilds and maintenance and act as a back- up during blower failures.

The following table summarizes the project funding requirements and expense allocations:

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Influent Sewage Pumps | | | | **26,000** | 26,000 | | 26,000 | 26,000 |
| Contingency | | | | **1,000** | 1,000 | | 1,000 | 1,000 |
| **Total Project** | **0** | **0** | **0** | **27,000** | **27,000** | **0** | **27,000** | **27,000** |

# Appendix

# Appendix
# Glossary

**Accrual Basis of Accounting -** The method of recording financial transactions in the period in which those transactions take place, rather than only after cash is received or paid.

**ACFR -** See Annual Comprehensive Financial Report.

**Acre Foot -** 325,829 gallons or 435.6 hundred cubic feet of water.

**Actuarial Valuation** - An estimate of the current cost of future obligations of the considering inflation and growth factors.

**ACWA -** Association of California Water Agencies.

**Administrative Code -** Document which compiles all ordinances adopted by the Board of Directors.

**Advanced Metering Infrastructure (AMI) -** an architecture for automated, two-way communication between a smart utility meter with and a utility company.

**Annual Comprehensive Financial Report (ACFR) -** The official annual report, including financial statements, statistical information, and extensive narration.

**Appropriation** - Authorization by the Board of Directors to make expenditures for specific purposes, usually limited in time and amount.

**Assessment District (AD) –** a financing vehicle used by public agencies to fund the construction of public improvements or maintenance of public improvements that will directly benefit the parcels within the boundary of the district.

**Budget** – A financial plan showing authorized expenditures and their funding sources.

**CalPERS -** See PERS.

**Capital Outlay -** Expenditures for the purchase of fixed assets.

**Consumer Price Index -** The Consumer Price Index (CPI) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

**Depreciation -** A portion of the cost of a fixed asset which is charged as an expense during a year, representing an estimate of the value of the asset used up during that year.

**Debt Service** - The current year portion of interest costs and current year principal payments incurred on long-term debt.

**Disbursements -** Payments made on obligations.

**Effluent –** Liquid waste from sewage treatment or industrial processes, water mixed with waste matter.

**Enterprise Fund -** A fund which accounts for operations financed and operated similar to a private business where costs are recovered primarily through user charges.

**Equivalent Dwelling Unit (EDU) -** A single-family residential household. It is the unit of measure by which the user is charged for sewer services provided by the District.

**Expenditure -** An amount paid for an obligation, including operating expenses, debt service, and capital outlay.

**Expense Credit -** The portion of expenses which have been reimbursed by or allocated to another fund.

**Fiscal Year -** The 12 month period used for accounting and budgeting purposes, in this case from July 1 to June 30.

**Fixed Asset -** A tangible item which provides benefit over more than one year, such as property, plant, and equipment. The District further limits fixed assets to those items with an initial value of at least $2,000.

**Fund -** A set of accounts used to account for a specific activity, such as a water system or sewer treatment plant.

**Fund Balance –** The difference between total fund assets and liabilities.

**Generally Accepted Accounting Principles (GAAP) –** The uniform minimum standards for the presentation of financial reports. For local governments GAAP is set by the Government Accounting Standards Board.

**General Fund –** For the District, the fund used to account for water system operations. It also includes general expenses, a portion of which are allocated to other funds.

**Geographical Information System (GIS) –** An information system integrating maps with electronic data.

**IAWP** - See Interim Agricultural Water Program.

**Interim Agricultural Water Program (IAWP) -** A program by MWD which reduces the cost of water to certified agricultural customers in exchange for reduced access to water supplies in the event of an emergency or drought.

**JPIA -** Joint Powers Insurance Authority of the Association of California Water Agencies.

**Memorandum of Understanding (MOU) -** a legal document describing an agreement between parties.

**Metropolitan Water District of Southern California (MWD) -** Imports water from the Colorado River and Northern California and sells it at wholesale to its 27 member agencies, which include the San Diego County Water Authority.

**MOU -** See Memorandum of Understanding

**MWD -** Metropolitan Water District of Southern California.

**Performance Measurement Standard -** A standard of service efforts and accomplishments used to determine operating effectiveness and efficiency.

**PERS -** Public Employees' Retirement System. Also known as CalPERS. Provides retirement benefits to the District's employees, along with the employees of many other state and local California agencies.

**Permanent Special Agricultural Water Rate (PSAWR) -** A program by the San Diego County Water Authority which reduces the cost of water to certified agricultural customers. Effective 01/01/2021.

**Reserve -** A portion of fund balance that is held for a specific future use.

**SanDAG -** San Diego Association of Governments.

**San Diego County Water Authority (SDCWA or CWA) -** Transports water from MWD pipelines to its 23 member agencies, including the District.

**SCADA -** Supervisory Control and Data Acquisition. Uses computer technology to monitor and control remote facilities such as pumps and reservoirs.

**State Revolving Fund (SRF) -** Program provides low-cost financing to public agencies for a wide variety of infrastructure projects.

**STEP -** Septic Tank Effluent Pump. Includes a holding tank and pump at the customer's property to pump effluent into a pressurized wastewater collection system.

**Strategic Plan -** A document which states the major goals and performance measurement standards for the District.

**Tertiary –** The purification of wastewater by removal of fine particles, nitrates, and phosphates.

**Vulnerability Assessment –** The examination of a system to identify critical infrastructure or related components that may be at risk of attack and the procedures that can be implemented to reduce that risk.

# Appendix
# Budget Policies

From Administrative Code Section 50.2: The following policies shall be followed both in preparing the annual budget and during the course of financial operations of the District.

(a) Reserves. Reserves are to be established and used as follows. Reserves may carry negative balances if it is probable that the deficits will be recovered within a reasonable time.

Reserves funds will not earn interest unless noted below.

The disposition of funds collected in excess of limits shown is at the discretion of the Board of Directors.

All reserves have specific funding sources except for the Operating and Capital Improvement Reserves which will be funded in the order presented from accumulated net earnings.

1. Rate Stabilization Reserves:

   A. Water Rate Stabilization Reserve: The District component of sales in excess of budgeted water sales and revenue collected for fixed charges in excess of those fixed expenses incurred shall be placed in a rate stabilization reserve to fill any deficit resulting from the water sales volume falling below projected budget figures. It could also be used to defer future increases in the District's component of the water commodity rate and fixed wholesale charges. Fixed wholesale charges include the Metropolitan Water District's Capacity Reservation Charge and the San Diego County Water Authority's Customer Service Charge and Emergency Storage Project Charge. The reserve shall be limited to no more than 50% of the District component of budgeted water sales and fixed wholesale charges.

   B. Pumping Rate Stabilization Reserve: Pumping revenues in excess of the cost of electrical and natural gas power, the cost of the operation and maintenance of all pumping facilities, and the cost of pumping facility capital projects shall be placed in this reserve to defer future increases in the pumping charge rates. The reserve shall be limited to no more than 50% of budgeted pump charge revenues.

2. Operating Reserve:

   A. A reserve shall be established for the asset categories listed below to provide funding for emergencies and natural disasters, such as fire, earthquake, flooding, etc. This reserve need not be funded in the budget.

      (1) General Fund
      (2) Lower Moosa Canyon Water Reclamation Facility
      (3) Woods Valley Ranch Water Reclamation Facility

   The Operating Reserves and the Rate Stabilization Reserves together are considered to be discretionary reserves, unrestricted or uncommitted reserves not anticipated to be used in the current fiscal year. The District shall endeavor to maintain these discretionary reserves at a minimum three and a maximum six months operations and maintenance budget (excluding wholesale water and power purchases for the General Fund Operating Reserve).

3. Restricted Reserves:

A. Debt Service Reserve: This reserve includes debt service taxes collected but not yet payable to debt holders, reserves required by debt agreements, and unexpended proceeds from debt issues, and will be used to fulfill debt requirements in accordance with debt covenants. This reserve shall earn interest in accordance with state statute.

B. Replacement Reserves: Reserves for the following asset categories shall be established.

(1) Lower Moosa Canyon Water Reclamation Facility
(2) Woods Valley Ranch Water Reclamation Facility
(3) Woods Valley Ranch Low Pressure Sewer System
(4) Lower Moosa Canyon Water Reclamation Facility Low Pressure Sewer System

Each reserve shall receive an annual budget appropriation based on a percentage of the current annual depreciation of the asset category as determined from the estimated current replacement cost, service life and age of facility. Proceeds from the sale of these assets shall be credited to these reserves. The "Buy-In" component of the capacity charges for the asset category shall be credited to these reserves. This reserve shall earn interest in accordance with state statute.

These reserves may be used for the replacement of assets or facilities or installation of system upgrades, but not for installation of additional assets or facilities needed for increasing capacity. The reserve shall not exceed the replacement value of the assets covered. With Board approval, funds may be loaned from this reserve for other purposes subject to full repayment of the principle amount plus interest.

C. Capital Improvement Charge (CIC) Reserve(s): Capital Improvement Charges shall be credited to the capital improvement charge reserve to provide funding for capital improvement projects or debt service for capital improvement projects.

These reserves may be used for the replacement of assets or facilities, installation of system upgrades, or to make debt service payments (principal and interest) related to capital improvement projects. The reserve shall not exceed the replacement value of the assets covered.

4. Capital Reserves:

A. Continuing Projects Reserves: Unexpended appropriations for capital projects which are not completed in a fiscal year will be carried forward to the following fiscal year.

B. Capacity Charges Reserves: Capacity charges shall be credited to the capacity charges reserve in accordance with state statute to provide funding for future capital projects identified in the facility master plan. This reserve shall earn interest in accordance with state statute.

i. The "Buy-In" component of the water capacity charge shall be credited to the Capacity Charges Reserve. The reserve shall not exceed the current estimated cost of all projects outlined in the Water Master Plan which are (1) not allocable to future demand, (2) not previously appropriated, and (3) not contingent on outside factors.

ii. The "Incremental" component of capacity charges shall be credited to the Capacity Charges Reserve in accordance with Board approved allocations for Specific Benefit Area (SBA) Projects.

C. Capital Improvements Reserve: Water availability charges not allocated to the readiness-to-serve charge and debt service, and property taxes not otherwise allocated shall be credited to the capital improvements reserve to provide funding for future capital projects. In addition, retained earnings not reserved for other purposes shall be transferred to this reserve.

The following table provides reference to reserves. For complete details refer to Section 50.2:

| Reserve | Source | Use | Minimum | Maximum | Index |
|---|---|---|---|---|---|
| Rate Stabilization Reserves: | | | | | |
| Rate Stabilization | Water revenues over water budgeted and fixed wholesale charges | Deficits resulting from sales volume below budget projections and to moderate future rate increases | None | 50% of budgeted District component of water sales and fixed wholesale charges | No |
| Pumping Rate Stabilization | Pumping revenues over costs | Defer future pumping rate increases; construction of pump facilities | None | 50% of budgeted pump charge revenue | No |
| Operating Reserve: | | | | | |
| Operating Reserve | Earnings not reserved for other purposes | Emergencies or natural disasters | Operating and Rate Stabilization Reserves at three months operating budget (excluding water & power) | Operating and Rate Stabilization Reserves at six months operating budget (excluding water & power) | No |
| Restricted Reserves: | | | | | |
| Debt Service | Debt service taxes, reserves under debt agreements, and unexpended debt proceeds | Fulfill debt requirements in accordance with debt covenants | Per debt agreements | Per debt agreements | Per debt agree-ments |
| Replacement:<br>◦ Lower Moosa Canyon WRF<br>◦ Woods Valley Ranch WRF<br>◦ Low Pressure Sewer System | Budget appropriation equal to a percentage of annual depreciation on related assets, plus proceeds from sales of those assets | Replacement of assets, System Upgrades | None | Replacement cost of assets | Interest |

| Reserve | Source | Use | Minimum | Maximum | Index |
|---|---|---|---|---|---|
| Capital Reserves: | | | | | |
| Capital Improvement Charge Reserve(s) | Capital Improvement Charges | Capital Improvement Projects or Debt Service for Capital Improvement Projects | None | Projects outlined in Master Plan | No |
| Continuing Projects | Unexpended appropriations for capital projects carried forward | Budgeted capital projects | None | Unexpended appropriations | No |
| Capacity Charges | "Buy-In" Component | Future capital projects | None | Projects outlined in Master Plan | Interest |
| | "Incremental" Component for SBA | | | Authorized SBA Total Reimbursement Amount | |
| Capital Improvements | Availability charges not allocated to RTS and debt service, property taxes, and earnings not reserved for other purposes | Future capital projects | None | Projects outlined in Master Plan | No |

The following charts provide reference to the flow of funds into the reserves. For complete details refer to Section 50.2:

## Water System Reserves:

Net Water Revenues

↓

| | | |
|---|---|---|
| Water revenues over water budgeted & fixed wholesale charges | → | Rate Stabilization Reserve |
| Pump revenues over expenditures | → | Pumping Rate Stabilization Reserve |
| Debt service taxes and bond proceeds | → | Debt Service Reserve |
| Capital budget carry-overs | → | Continuing Projects Reserve |
| Capacity charges ("Incremental" Component) | → | Capacity Charges Reserve |
| Water availability charges and property taxes | → | Capital Improvements Reserve |

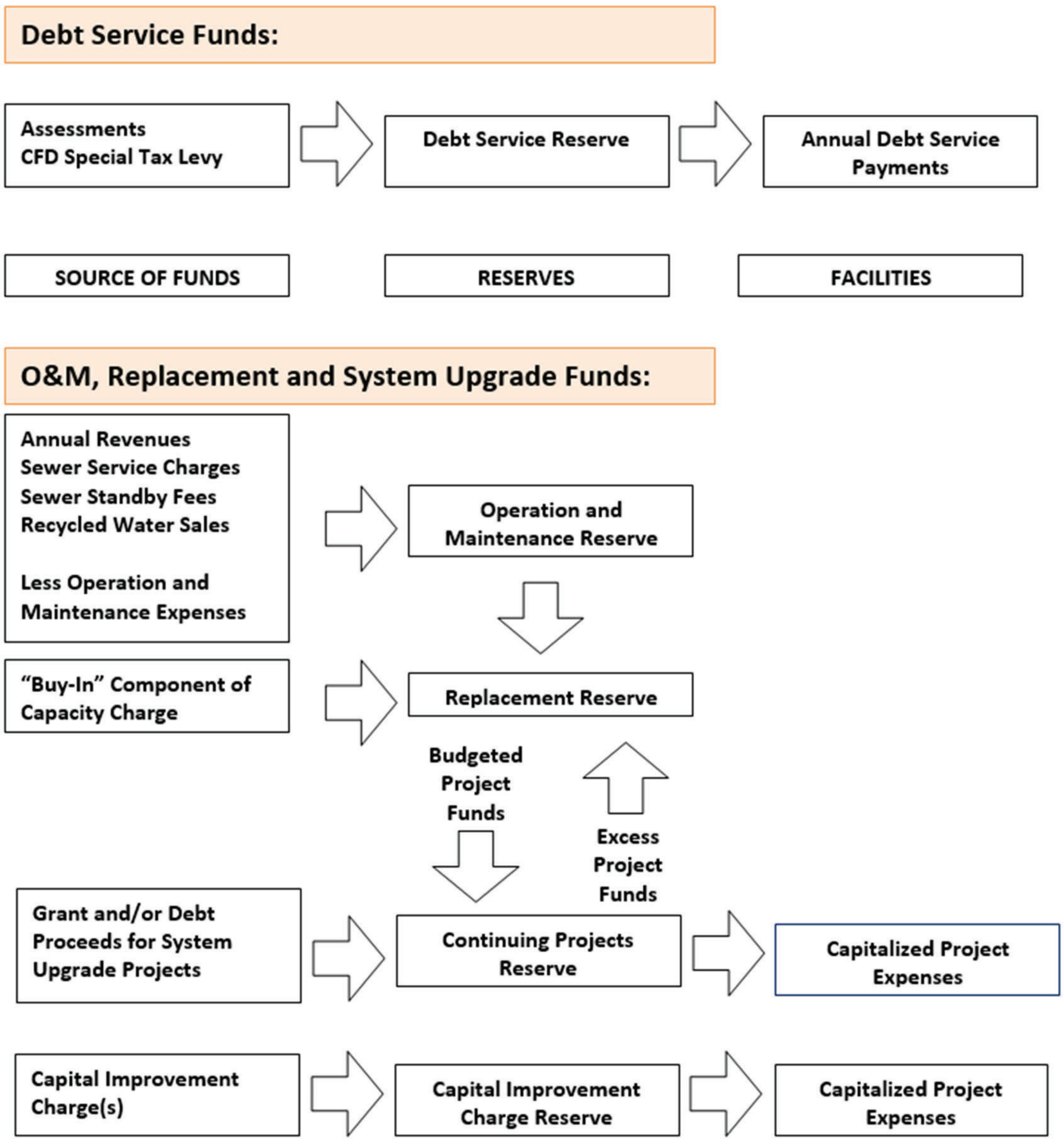
↓

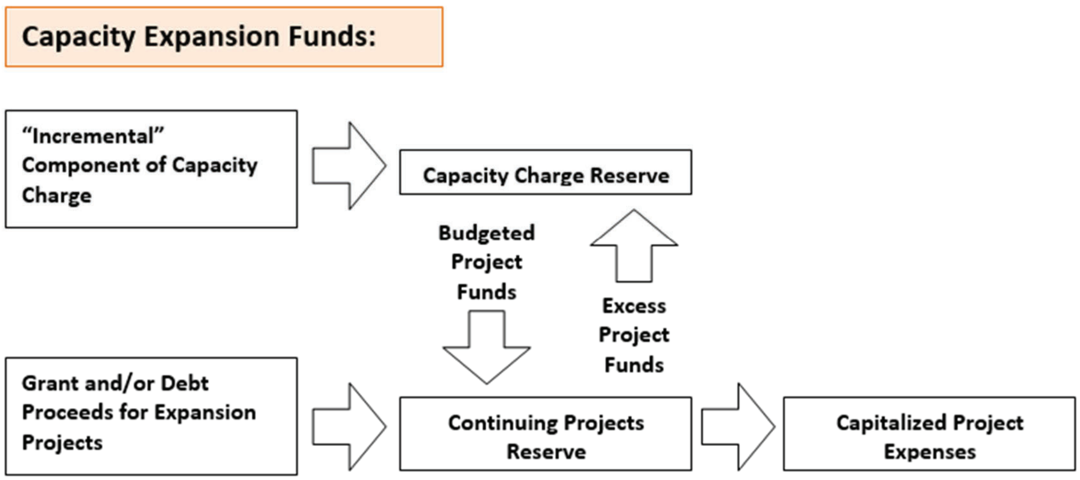
Operating Reserve

↓

Capital Improvements Reserve

Wastewater System Reserves






(b) Fees and Charges. Each water and wastewater system ultimately shall be self-sufficient. Administrative costs incurred by the District shall be allocated to each system in accordance with general practices and reimbursed to the general fund.

Interest earnings on cash held by the general fund for other funds shall be allocated to the respective funds annually.

In accordance with Section 160.3(g), all fees and charges for wholesale water and water related services shall be passed through to District customers by action of the Board of Directors.

(c) Debt – See Section 50.3, Debt Policy

(d) Use of One-time and Unpredictable Revenues. One-time revenues, except when immaterial, should be allocated to the source of the revenue or refunded expenditure or, if not directly allocable, to the rate stabilization fund. Nonrecurring revenues shall not be used to initiate new programs which result in ongoing expenditures without specific notification to and approval by the Board of Directors.

Revenues which cannot be predicted, such as capacity fees, property taxes, and interest, should be forecast conservatively in the budget.

(e) Balancing the Operating Budget. It is the policy and goal of the District that the current annual operating expenditures shall be funded with current revenues, including but not limited to those provided by the Monthly Meter Service Charge and the Valley Center MWD Commodity Rate. Reserves can be used to provide budgetary funding for the purposes for which the reserves were established as detailed above.

The adopted operating budget shall be prepared on the accrual basis of accounting.

(f) Revenue Diversification. When rate increases are needed to cover District costs, other than wholesale pass through costs, consideration should be given to meeting at least 60% of the District's fixed operating expenditures with the Monthly Meter Service Charge revenue.

(g) Contingencies. Emergencies are addressed in Article 225.

(h) Authority for Budget Transfers. The General Manager is authorized to transfer up to $35,000 between the budget accounts without prior Board approval. Transfers above that amount must have prior Board approval.

# General Fund
## Five-Year History

| | \|------ -- ACTUALS --- ------\| 2022-2023 | 2023-2024 | 2024-2025 | Estimated 2025-2026 | Budget 2026-2027 |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Water Sales (Acre Feet) | 13,021 | 11,493 | 13,885 | 12,200 | 12,000 |
| **General Fund:** | | | | | |
| Operating Revenues: | | | | | |
| Water Sales (including pumping) | 28,487,027 | 27,624,355 | 36,460,590 | 31,583,000 | 37,530,000 |
| Meter Service Charges | 7,861,835 | 8,212,007 | 8,925,467 | 10,388,000 | 12,225,000 |
| New Connection Sales | 984,220 | 477,360 | 363,814 | 537,500 | 357,800 |
| Other Revenue | 1,119,980 | 1,127,513 | 1,294,815 | 1,445,300 | 1,435,620 |
| Investment Income | 1,498,278 | 1,582,805 | 1,590,492 | 1,203,000 | 1,230,000 |
| Total Operating Revenue | 39,951,340 | 39,024,040 | 48,635,178 | 45,156,800 | 52,778,420 |
| Debt Service Revenues - Water Availability Charges | 52,544 | 93,829 | 106,725 | 137,016 | 133,480 |
| Capital Project Revenues: | | | | | |
| Grant Proceeds | 0 | 0 | 0 | 0 | 3,775,000 |
| Capacity Charges | 1,387,916 | 391,791 | 270,624 | 296,000 | 82,000 |
| Capital Improvement Charges | 0 | 0 | 0 | 286,300 | 729,000 |
| Capital Contributions | 551,781 | 1,895,701 | 3,346,842 | 500,000 | 525,000 |
| Property Taxes | 3,153,256 | 3,417,610 | 3,588,652 | 3,838,000 | 3,889,000 |
| Water Availability Charges | 517,662 | 469,211 | 455,123 | 425,984 | 424,520 |
| Total Capital Project Revenue | 5,610,615 | 6,174,313 | 7,661,241 | 5,346,284 | 9,424,520 |
| **Total Budgeted Revenues** | **45,614,499** | **45,292,182** | **56,403,144** | **50,640,100** | **62,336,420** |
| **EXPENDITURES:** | | | | | |
| Water Purchases (Acre Feet) | 13,458 | 12,236 | 14,691 | 12,700 | 12,770 |
| **General Fund:** | | | | | |
| Operating Expenses: | | | | | |
| General Administration | 826,386 | 851,489 | 988,799 | 1,110,552 | 1,397,889 |
| Information Technology | 1,025,035 | 1,059,932 | 1,143,383 | 1,179,576 | 1,224,227 |
| Finance | 6,347,337 | 1,258,710 | 1,628,845 | 3,046,469 | 3,351,574 |
| Engineering | 2,068,969 | 2,345,235 | 2,175,299 | 2,053,850 | 2,713,147 |
| Field Operation | 7,784,666 | 7,730,891 | 8,093,440 | 8,486,890 | 9,576,205 |
| Source of Supply | 26,187,377 | 25,691,831 | 32,714,850 | 30,788,859 | 34,570,275 |
| Total Operating Expenses | 44,239,770 | 38,938,088 | 46,744,616 | 46,666,196 | 52,833,317 |
| Debt Service - Interest Expense | 52,544 | 93,829 | 106,725 | 137,016 | 133,480 |
| Depreciation | 3,241,580 | 3,554,527 | 3,726,661 | 3,806,900 | 3,883,000 |
| **Total General Fund Expenditures** | **47,533,894** | **42,586,444** | **50,578,002** | **50,610,112** | **56,849,797** |
| **NET REVENUE before Capital Project Appropriations** | **(1,919,395)** | **2,705,738** | **5,825,142** | **29,988** | **5,486,623** |
| **FUNDING FROM (TO) RESERVES** | 6,088,552 | 5,386,627 | 2,371,099 | 513,701 | 2,923,674 |
| Beginning Fund Balance | 22,011,060 | 14,003,113 | 11,322,224 | 14,776,267 | 14,292,554 |
| **Ending Fund Balance** | **14,003,113** | **11,322,224** | **14,776,267** | **14,292,554** | **16,855,503** |

NOTE: This projection is for information only based on assumptions about costs and does not adopt policy or budgetary authority.

# General Fund

## Five-Year Forecast

| | PROJECTED | | | | |
|---|---|---|---|---|---|
| | 2027-2028 | 2028-2029 | 2029-2030 | 2030-2031 | 2031-2032 |
| **REVENUES:** | | | | | |
| Water Sales (Acre Feet) | 12,000 | 11,500 | 11,500 | 11,000 | 11,000 |
| **General Fund:** | | | | | |
| Operating Revenues: | | | | | |
| Water Sales (including pumping) | 39,781,800 | 42,170,034 | 44,700,236 | 47,383,222 | 50,226,215 |
| Meter Service Charges | 12,836,250 | 13,478,063 | 14,151,966 | 14,859,564 | 15,602,542 |
| New Connection Sales | 364,956 | 372,255 | 379,700 | 391,091 | 402,824 |
| Other Revenue | 1,471,511 | 1,508,298 | 1,546,006 | 1,584,656 | 1,624,272 |
| Investment Income | 1,242,300 | 1,254,723 | 1,267,270 | 1,279,943 | 1,292,742 |
| Total Operating Revenue | 55,696,817 | 58,783,373 | 62,045,178 | 65,498,476 | 69,148,596 |
| Debt Service Revenues - Water Availability Charges | 129,500 | 123,870 | 118,160 | 112,360 | 106,490 |
| Capital Project Revenues: | | | | | |
| Grant Proceeds | 0 | 0 | 0 | 0 | 0 |
| Capacity Charges | 83,640 | 85,313 | 87,019 | 88,759 | 90,535 |
| Capital Improvement Charges | 1,093,500 | 1,458,000 | 1,822,500 | 2,187,000 | 2,187,000 |
| Capital Contributions | 551,250 | 578,813 | 607,753 | 638,141 | 670,048 |
| Property Taxes | 3,966,780 | 4,085,783 | 4,208,357 | 4,334,608 | 4,464,646 |
| Water Availability Charges | 428,500 | 434,130 | 439,840 | 445,640 | 451,510 |
| Total Capital Project Revenue | 6,123,670 | 6,642,039 | 7,165,469 | 7,694,148 | 7,863,738 |
| **Total Budgeted Revenues** | **61,949,987** | **65,549,282** | **69,328,807** | **73,304,984** | **77,118,824** |
| **EXPENDITURES:** | | | | | |
| Water Purchases (Acre Feet) | 12,800 | 12,200 | 12,200 | 11,700 | 11,702 |
| **General Fund:** | | | | | |
| Operating Expenses: | | | | | |
| General Administration | 1,432,836 | 1,475,821 | 1,520,096 | 1,565,699 | 1,612,670 |
| Information Technology | 1,260,954 | 1,298,782 | 1,337,746 | 1,377,878 | 1,419,215 |
| Finance | 3,468,879 | 3,590,290 | 3,715,950 | 3,846,008 | 3,980,619 |
| Engineering | 2,808,107 | 2,892,350 | 2,979,121 | 3,068,494 | 3,160,549 |
| Field Operation | 9,863,491 | 10,159,396 | 10,464,178 | 10,778,103 | 11,101,446 |
| Source of Supply | 36,644,492 | 38,559,658 | 40,873,237 | 43,326,520 | 45,926,111 |
| Total Operating Expenses | 55,478,759 | 57,976,298 | 60,890,328 | 63,962,703 | 67,200,610 |
| Debt Service - Interest Expense | 129,500 | 123,870 | 118,160 | 112,360 | 106,490 |
| Depreciation | 3,999,490 | 4,119,475 | 4,243,059 | 4,370,351 | 4,501,461 |
| **Total General Fund Expenditures** | **59,607,749** | **62,219,642** | **65,251,547** | **68,445,414** | **71,808,561** |
| **NET REVENUE before Capital Project Appropriations** | **2,342,238** | **3,329,639** | **4,077,260** | **4,859,570** | **5,310,263** |
| **FUNDING FROM (TO) RESERVES** | 3,883,000 | 3,999,000 | 4,119,000 | 4,243,000 | 4,370,000 |
| Beginning Fund Balance | 16,855,503 | 15,314,741 | 14,645,380 | 14,603,640 | 15,220,211 |
| **Ending Fund Balance** | **15,314,741** | **14,645,380** | **14,603,640** | **15,220,211** | **16,160,474** |

NOTE: This projection is for information only based on assumptions about costs and does not adopt policy or budgetary authority.

# Appendix
## Five-Year History - Wastewater

| | | ACTUAL 2022-2023 | | ACTUAL 2023-2024 | | ACTUAL 2024-2025 | | ESTIMATED 2025-2026 | | BUDGET 2026-2027 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Moosa Wastewater Treatment Fund** | | | | | | | | | | |
| **Revenues** | $ | 1,942,650 | $ | 2,147,231 | $ | 2,397,827 | $ | 2,488,431 | $ | 2,604,244 |
| **Budget Requirement** | | | | | | | | | | |
| Operating/Treatment | $ | 1,324,899 | $ | 1,196,989 | $ | 1,314,311 | $ | 1,292,544 | $ | 1,383,296 |
| Collection System/West | $ | 304,595 | $ | 295,899 | $ | 308,160 | $ | 295,805 | $ | 330,270 |
| Lift Station | $ | - | $ | - | $ | 32,707 | $ | 44,000 | $ | 85,950 |
| LPS Maintenance | $ | 56,723 | $ | 77,800 | $ | 88,230 | $ | 65,056 | $ | 96,300 |
| Debt Service - Interest | $ | - | $ | 12,341 | $ | 85,157 | $ | 76,911 | $ | 58,753 |
| **Total Operating Budget Requirement** | $ | 1,686,217 | $ | 1,583,029 | $ | 1,828,565 | $ | 1,774,316 | $ | 1,954,569 |
| **Net Operating Revenues** | $ | 256,433 | $ | 564,202 | $ | 569,262 | $ | 714,115 | $ | 649,675 |

| | | ACTUAL 2022-2023 | | ACTUAL 2023-2024 | | ACTUAL 2024-2025 | | ESTIMATED 2025-2026 | | BUDGET 2026-2027 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Woods Valley Ranch Wastewater Treatment Fund** | | | | | | | | | | |
| **Revenues** | $ | 3,434,827 | $ | 5,309,936 | $ | 9,777,824 | $ | 4,060,497 | $ | 3,405,277 |
| **Budget Requirement** | | | | | | | | | | |
| Operating/Collection & Treatment | $ | 1,135,423 | $ | 1,179,819 | $ | 1,458,978 | $ | 1,451,518 | $ | 1,694,012 |
| Lift Station | $ | 59,546 | $ | 42,601 | $ | 50,580 | $ | 43,238 | $ | 91,500 |
| LPS Maintenance | $ | 1,350 | $ | 3,329 | $ | 7,115 | $ | 12,050 | $ | 23,800 |
| AD 2012-1 Administration | $ | 31,573 | $ | 43,267 | $ | 34,721 | $ | 42,000 | $ | 50,000 |
| CFD 2020-1 Administration | $ | 20,341 | $ | 40,177 | $ | 17,039 | $ | 30,000 | $ | 30,000 |
| Debt Service - Interest Expense | $ | 414,681 | $ | 389,871 | $ | 364,516 | $ | 354,401 | $ | 328,266 |
| **Total Budget Requirement** | $ | 1,662,914 | $ | 1,699,064 | $ | 1,932,949 | $ | 1,933,207 | $ | 2,217,578 |
| **Net Operating Revenues** | $ | 1,771,913 | $ | 3,610,872 | $ | 7,844,875 | $ | 2,127,290 | $ | 1,187,699 |

NOTE: This projection is for information only based on assumptions about costs and does not adopt policy or budgetary authority.

# Appendix
## Five-Year Forecast - Wastewater

| | PROJECTED 2027-2028 | 2028-2029 | 2029-2030 | 2030-2031 | 2031-2032 |
|---|---|---|---|---|---|
| **Moosa Wastewater Treatment Fund** | | | | | |
| **Revenues** | $ 2,656,300 | $ 2,709,400 | $ 2,763,600 | $ 2,818,900 | $ 2,875,300 |
| **Budget Requirement** | | | | | |
| Operating/Treatment | $ 1,411,000 | $ 1,439,200 | $ 1,468,000 | $ 1,497,400 | $ 1,527,300 |
| Collection System/West | $ 336,900 | $ 343,600 | $ 350,500 | $ 357,500 | $ 364,700 |
| Lift Station | $ 87,700 | $ 89,500 | $ 91,300 | $ 93,100 | $ 95,000 |
| LPS Maintenance | $ 98,200 | $ 100,200 | $ 102,200 | $ 104,200 | $ 106,300 |
| Debt Service - Interest | $ 59,900 | $ 61,100 | $ 62,300 | $ 63,500 | $ 64,800 |
| **Total Operating Budget Requirement** | $ 1,993,700 | $ 2,033,600 | $ 2,074,300 | $ 2,115,700 | $ 2,158,100 |
| **Net Operating Revenues** | $ 662,600 | $ 675,800 | $ 689,300 | $ 703,200 | $ 717,200 |
| **Woods Valley Ranch Wastewater Treatment Fund** | | | | | |
| **Revenues** | $ 3,447,800 | $ 3,490,900 | $ 3,534,500 | $ 3,578,700 | $ 3,623,400 |
| **Budget Requirement** | | | | | |
| Operating/Collection & Treatment | $ 1,727,900 | $ 1,762,500 | $ 1,797,800 | $ 1,833,800 | $ 1,870,500 |
| Lift Station | $ 93,300 | $ 95,200 | $ 97,100 | $ 99,000 | $ 101,000 |
| LPS Maintenance | $ 24,300 | $ 24,800 | $ 25,300 | $ 25,800 | $ 26,300 |
| AD 2012-1 Administration | $ 51,000 | $ 52,000 | $ 53,000 | $ 54,100 | $ 55,200 |
| CFD 2020-1 Administration | $ 30,600 | $ 31,200 | $ 31,800 | $ 32,400 | $ 33,000 |
| Debt Service - Interest Expense | $ 328,266 | $ 301,555 | $ 274,257 | $ 246,358 | $ 217,845 |
| **Total Budget Requirement** | $ 2,255,366 | $ 2,267,255 | $ 2,279,257 | $ 2,291,458 | $ 2,303,845 |
| **Net Operating Revenues** | $ 1,192,434 | $ 1,223,645 | $ 1,255,243 | $ 1,287,242 | $ 1,319,555 |

NOTE: This projection is for information only based on assumptions about costs and does not adopt policy or budgetary authority.

# Appendix D
# Community History

## Valley Center has grown with its water district[1]

Making the desert bloom. That's what our local water district has accomplished in the nearly 70 years of its existence.

Although settlers first came to Valley Center in the 1860s, the town's population stayed at just a few hundred people throughout the first part of the 20th Century. On the eve of the formation of the district, the population was about 900, according to the Valley Center History Museum. But in 1954 the voters of the community voted overwhelmingly to create the Valley Center Municipal Water District (VCMWD). From then on, the town has grown with the water district, which made it possible to grow to the population it is today, around 22,000 (VCMWD's total service area population is 29,700.)


**San Diego leaders of the time celebrating the completion of the First Aqueduct.**

What made that all possible was the creation of the San Diego County Water Authority (SDCWA) in 1944 and the completion of the 1st San Diego Aqueduct in the later 1940s. The Aqueduct's purpose was to bring water from the Colorado River to San Diego County, from the Metropolitan Water District of Southern California (the "Met") to provide something more than the area's limited groundwater and streams that flowed during rainy seasons like we have had this year, but otherwise not so much.

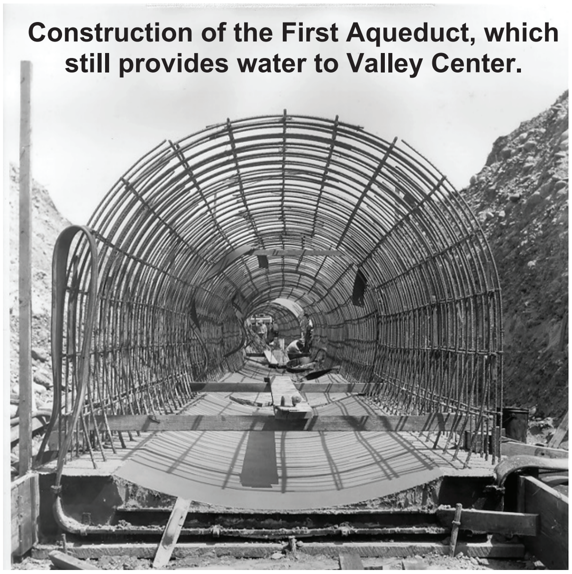
However, communities like Valley Center couldn't just tap into the Aqueduct. It had to vote to form a municipal water district, join SDCWA and pass bonds to build and operate a public water system. The water was waiting, but as someone has written: "It was there but it was up to dedicated individuals with vision and initiative to lead their communities to taking on the physical, political and financial challenges to secure the benefits of an imported water supply."

The election to form the water district was held June 21, 1954. It was officially annexed to the San Diego County Water Authority (SDCWA) and Metropolitan Water District of Southern California on May 9, 1955, thereby securing access to a then ample and reliable source of imported water to serve the community's growing agricultural industry.

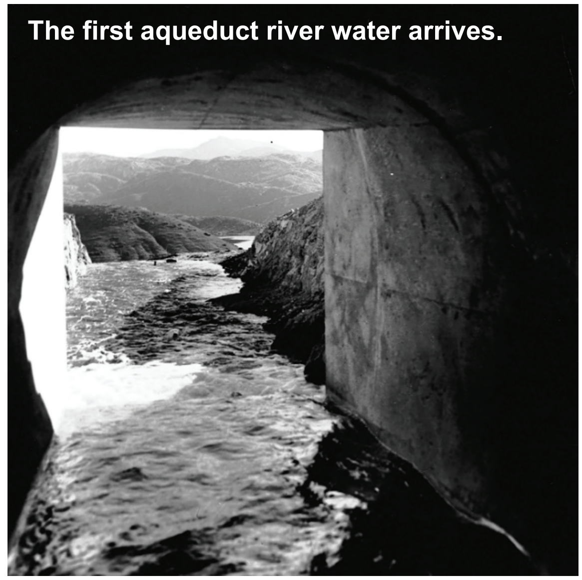
---

[1] Ross, D. (2023) Valley Center has grown with its water district. Valley Roadrunner, 19 Jul. Available at: https://www.valleycenter.com/2023/07/19/?post_type=oht_article [Accessed 31 May 2024].

# Appendix D
# Community History



Construction of the First Aqueduct, which still provides water to Valley Center.



The first aqueduct river water arrives.

In 1955, the new district set to the task of planning, funding and then building the facilities needed to connect to the aqueducts and deliver water. Approved by the Board of Directors in 1955, the district's first Water System Master Plan called for the construction of three connections to the San Diego County Water Authority's First Aqueduct, 47 miles of the backbone distribution system (6" to 18" diameter pipe), five pumping stations, and three reservoirs totaling 3.0 million gallons of water storage.

Once the Master Plan was approved, the next step was to secure the funding for construction. That required a bond, and bond funding to build a water system from scratch in a sparsely populated rural community with low assessed land values needed permission from the federal government. It also needed landowners willing to take on heavy tax rates. That took people with both vision in the future and faith. In 1956, by a vote of four to one, the voters approved of $1.6 million in General Obligation bonds secured by property tax payments from lands having $2.9 million in assessed valuation for the entire 56,224-acre service area.

In the 1950s the needs of agricultural growth drove the creation of the water system to deliver the affordable and reliable imported water from the Colorado River. In the 1960s it became clear that the first water facilities built at the birth of the district could not keep up with demand.

Once again, the landowners indebted themselves, this time with a $1.75 million general obligation bond issued in 1964 and a $2.8 million bond issued in 1966.

During the same time the district purchased and absorbed several small private water companies and formed several improvement districts, designated as "U" Districts. They were used to fund additional landowner approved debt to finance construction of additional water distribution and storage systems fed by the general obligation bond funded backbone system.

The 1960s were a period of great growth of agricultural in Valley Center, a phenomenon that continued through the 1970s and into the 1980s, when agriculture water used accounted for about 85% of water use in the district. During that time VCMWD took advantage of low interest rate loan programs from both the state and federal governments. It borrowed from the Federal Bureau of Reclamation 984 Program and the California Safe Drinking Water Act to expand pipeline and pumping station capacities and add more storage including the 1,600 Lake Turner Dam and Reservoir.

Since the 1950s there have been three GO bond issues, the formation of 12 water system improvement areas, and several federal grants and loans, and contributions from private developers. VCMWD's water system has grown to include 302 miles of pipe, seven aqueduct connections, 29 pumping stations, 113 pumps, and 41 covered reservoirs with 137 million gallons of water storage.


**Wastewater Projects**

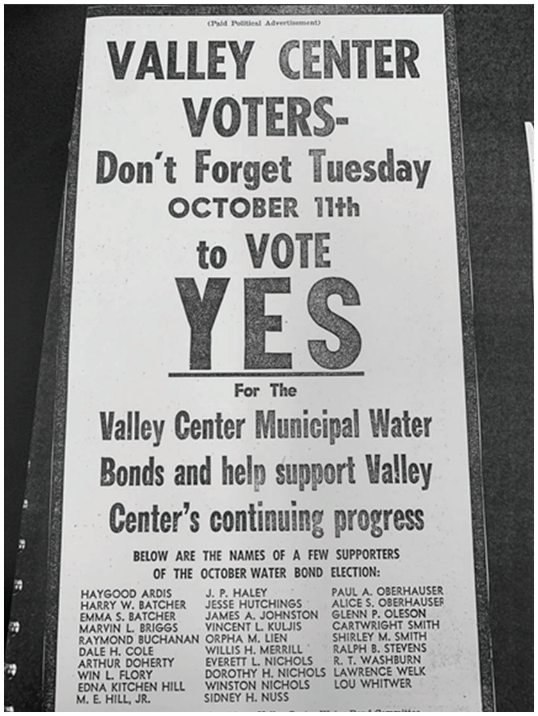
When the district was founded, few would have predicted that someday it would build wastewater treatment systems and water reclamation plants and sell the treated water to customers such as a golf course. This was mainly the result of local soils to absorb domestic waste such as in septic systems—which are only appropriate for a rural, sparsely populated area.

The first part of the district to require this service was in the higher density residential and commercial development on the western edge of the District in the late 1960's. This required wastewater treatment and disposal facilities —although initially on a small-scale treatment and disposal operation to serve the small Hidden Meadows, Welk's Village and Circle R.

However, it was always anticipated that there would be more development along the then Old Highway 395 Corridor—Note: this was before the construction of Interstate 15 began.

To meet these needs VCMWD sought grant funding from the state and federal government under the Clean Water Act. An 87.5% grant, supplemented by a local match of 12.5%, was secured to build the Lower Moosa Canyon Water Reclamation Facility. Completed in 1975,

# Appendix D
# Community History




**A political advertisement from the period of the forming of the Valley Center Municipal Water District.**

Lower Moosa Canyon still operates today. It treats about 300,000 gallons per day of domestic and commercial wastewater to advanced secondary standards for indirect water recycling through recharging into the groundwater. Eventually an expansion of the water system to upgrade to tertiary treatment for direct recycling is seen as a possibility.

**The Sewer Wars**

In the 1970s local leaders began to want to deal with the problem of the 5,000 acres of the Central Valley of Valley Center having a high-water table problem that would make it harder for the town to develop there.

Studies in the late 1970's determined that it would be very difficult to deal with this situation with local funding alone. Some local leaders appealed to the County Board of Supervisors to declare a sewer moratorium in order to make it easier for the area to obtain federal and state funding for a sewer system. As it had for the Lower Moosa Canyon system, the water district secured initial approval for grants and began designing a low pressure (STEP) system to serve this area.

Initially the project was not controversial, however in the early 1980s opposition began to grow against this project—some of it by land owners who didn't want a sewer and didn't want to be included in the sewer map involuntarily—which was required for the project to be cost effective.

The other, larger contingent of opposition came from residents who opposed the growth that the project would bring to the Central Valley. This period, which became known locally as "The Sewer Wars" was particularly divisive in that it turned residents against residents. It eventually led to an initiative that, first, required that large projects of the water district be approved by the voters. On the same 1988 ballot was the sewer project itself, which was rejected by the voters by a margin of about two to one. That ended the Central Valley Sewer project, which would have been 87% funded by state and federal funds.

This settled the project from one source—but owners of property in the Central Valley did not give up their dream of a sewer. Eventually, however, they had to settle for a much less grandiose project—and one that was largely self-funded, although with low-interest loans from the state.

The first attempt was initiated in 1990 to form an assessment district to build a sewer system to serve the Central Valley. The price tag of the project, and affordability led to the Board of Supervisors slamming the door on the attempt in 1997. That ended an attempt to build with County support.

However, property owners approached the water district for a self-funded system that was dubbed the Woods Valley Ranch Water Reclamation Facility (WVRWRF), which was very modest compared to what had been proposed in the 1980's. It was completed in 2005 to serve the residential and golf course development by the same name, with the tertiary treated recycled water from the residences transported back to the golf course for storage and irrigation.

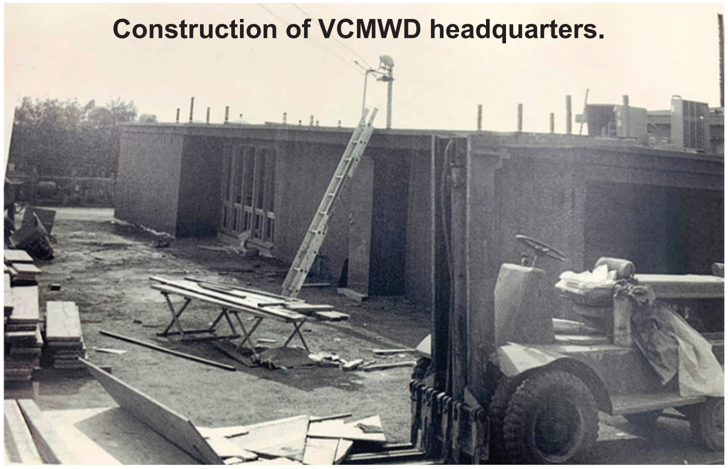
Once the first phase of this facility was completed, local efforts began to secure this treatment and recycling services for the properties that were dubbed the North and South Villages of Valley Center. This has led to proposals for building commercial projects that are ongoing today, but with density that was adopted by the County to fit the treatment capacity of the WVRWRF.

**VCMWD Today**

Today the principal challenge facing the ratepayers of the district is that community and District are in transition from being predominantly agricultural to a rural, residential and agricultural community. Once the second largest water purchaser in the SDCWA service area (second only to the city of San Diego), VCMWD water demand has dropped from 45-50,000 AF (acre feet) per year (one-acre foot covers a football field 1 foot deep in water) to 12,000 to 13,000 AF. This has resulted in a drop in revenue to cover its fixed costs, resulting in each customer bearing a higher share of those costs. Though agricultural demand has waned sharply due the rapid rise in imported water costs, residential and commercial development has brought new water connections and customers to help share the cost of District operations.


The 57 million gallon Cool Valley Reservoir under construction in 1975.

Beyond the financial issues, VCMWD still has a very large water system, built and designed to serve three times the water demand it has today. Where once getting enough water in the summer months to meet high demands



Construction of VCMWD headquarters.

was the challenge, the test today is managing the water supply to keep it "fresh" meeting the very stringent state and federal water quality standards. Taking reservoirs off line, moving water between pressure zones, and locally supplementing the disinfection levels are all tools our water system operators use to keep the water safe for our customers. Currently, the district has been evaluating automated systems which on a real time basis monitor reservoir water quality and add treatment to ensure its safety. "Whether it was the early days when the voters heavily indebted themselves to build the water system, operate the system 'wide open' to meeting agricultural demands, or mange to supply to secure its safety, the community, district and its water/wastewater professionals have risen to meet the challenges," said Gary Arant, longtime general manager at VCMWD.

**Into the Future**

For the future, VCMWD will adapt as the community changes. It will continue re-investing in its aging water and wastewater infrastructure, using a combination of local revenue, developer contributions, Federal Grants and low-interest State Revolving Funds Loans. It will keep investing in and incorporate e-business technologies, such as GIS mapping, Automated Service/Work Order/Asset Management Systems, real-time customer access technologies (WaterSmart) to control labor costs and improve customer service.

Arant added a comment, "In my 34 years here at VCMWD, it has been on ongoing process of improvement through adaptation to changing conditions within our service area, our San Diego Region and our state political and regulatory landscape. With our continued board Leadership and committed water and wastewater professionals, VCMWD will continue to evolve to cost effectively serve our community."

THE SAN DIEGO UNION

SAN DIEGO COUNTY

THURSDAY MORNING, AUGUST 6, 1964

A22

—Dennis Anderson Photo

NEW PUMPS TO SPEED WATER DELIVERY

One of six new pumps being installed by Valley Center Municipal Water District to speed deliveries of Colorado River water is checked by Frank Helm, left, a district worker, and Tom Carter, electrical contractor. Growth in 6,000-acre district has spurred unprecedented demands.

**A newspaper from the period chronicling installation of pumps.**

# Appendix E
# Capital Projects Requiring Outside Financing

## CAPITAL PROGRAM – WATER FUND

Included in the Fiscal Year 2026-27 Budget are continuing water projects totaling $3,287,011 and new water capital appropriations totaling $7,308,500. A list of all Water projects can be found on page 10-2.

Funding is not currently available for the following water facility capital improvement projects and will need to be obtained from outside funding sources through leveraging the annual net revenues from water service charges, commodity rates, water availability charges, capital improvement charges, property tax assessments and other miscellaneous District fees and charges.

Staff has applied for low interest rate long-term financial assistance from the State Water Resources Control Board - Drinking Water State Revolving Fund ("SRF") Program for the North Broadway Pipeline Relocation Project. Funding applications are in the review process at the SWRCB and staff expects to be approved in summer 2026. Staff has submitted a joint application for federal appropriations, along with Rainbow Municipal Water District, Fallbrook Public Utility District, and Yuima Municipal Water District. The appropriations request for this project was $2 million for several water projects, including the Kornblum Reservoir Painting and Recoating Project. It is anticipated that staff will learn the results of the request in August 2026. Once the funding agreements for the SRF loan is approved and the results of the federal appropriations request has been determined, staff will bring a mid-year budget amendment to the Board for approval of the funding and authorization to proceed with the construction phase of the projects listed below:

| Acct. No. | Capital Project Request See Page | Description | | Total Estimated Project Cost |
|---|---|---|---|---|
| 51150 | Appendix E 2 | North Broadway Pipeline Relocation | $ | 4,785,000 |
| 51402 | Appendix E 3 | Kornblum Reservoir Painting and Recoating | | 1,900,000 |
| **Total** | | | **$** | **6,685,000** |

**ACCOUNT NO.:** 01-06-78-51150
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST
## North Broadway Pipeline Relocation

| Continuing Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan | |
|---|---|---|---|---|---|
| | | | | Standard | Goal |
| | Replacement | SRF Loan Approval | RC018 | 8, 9 | II |

**PROJECT DESCRIPTION:**

Constructed in 1994, the 10-inch steel waterline is located in the southern portion of the District south of North Broadway in an area adjacent to the Rincon del Diablo Municipal Water District service area. It serves as one of the main feeds for that area and therefore vital for maintaining reliable service to those customers. Its current alignment is problematic running through private property in an easement where a serious encroachment violation exists. The violation became first known in 2010, when District staff discovered a part of a residential home built close to the waterline alignment, less than 5 feet in some places.

Project scope includes abandoning approximately 1,000 LF of existing 10-inch waterline and construction of 2,000 LF of new 12-inch PVC waterline and appurtenances along an unpaved access road and North Broadway Avenue. The easement acquisition and applicable CEQA review are being completed as part of the current design effort.

The project is proposed to be funded through the State Revolving Fund (SRF) program. The SRF application is in progress, approval expected towards the end of Fiscal Year 2025-2026, with construction potentially able to start near the middle of Fiscal Year 2026-2027. While the SRF Loan will provide long term funding for the project, the project will be funded on a reimbursement basis. Project expenses are paid from the project account and then submitted to the State for reimbursement. Preparing the disbursement requests and subsequent review, approval and funding by the SWRCB can take up to 6-9 months from payment of expenses to receipt of reimbursement. A short term “Bridge Loan” will be needed to provide the cash flow needed during construction, while waiting for receipt of the loan. The interest on the bridge loan is not included in the long term SRF and will be funded from the project budget. The project will be presented to the Board of Directors at a future date for approval of the construction funding through the bridge loan.

The following table summarizes the project funding requirements and expense allocations:

| North Broadway Pipeline Relocation (51150) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Project Budget** | Prior Budget | Prior Estimated Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost | Current Total Authorized Budget |
| Staff | 150,375 | 146,375 | 4,000 | **10,000** | 14,000 | 414,000 | 428,000 | 574,375 | 160,375 |
| Engineering | 284,625 | 258,625 | 26,000 | **40,000** | 66,000 | 60,000 | 126,000 | 384,625 | 324,625 |
| Construction | - | - | | | | 2,825,000 | 2,825,000 | 2,825,000 | - |
| Construction Support | - | - | | | | 198,000 | 198,000 | 198,000 | - |
| Miscellaneous | 45,000 | 45,000 | | | | 18,000 | 18,000 | 63,000 | 45,000 |
| Capitalized Interest | - | - | | | | 175,000 | 175,000 | 175,000 | - |
| Contingency (14.9%) | - | - | | | | 565,000 | 565,000 | 565,000 | - |
| **Total Project** | **480,000** | **450,000** | **30,000** | **50,000** | **80,000** | **4,255,000** | **4,335,000** | **4,785,000** | **530,000** |

**ACCOUNT NO.:** 01-06-78-51402
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Kornblum Reservoir Painting and Recoating

| New Project | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| | Replacement | R23 | R23 | 8, 9 | II |

**PROJECT DESCRIPTION:**

Constructed in 1990, Kornblum Reservoir is a 2.4 million gallon above ground welded steel reservoir that is the sole provider for the 1205 pressure zone. Initial coating was applied at the time of initial construction and the reservoir has not been recoated. Service life for the steel reservoir paint and coatings from that time is expected to be around 15-20 years, after which, corrosion of the shell and rafters become visible and will increase in severity over time.

As part of staff's effort to prepare as scope of work for the project, a preliminary inspection will be conducted to verify the size and condition of structural components in the reservoir. The scope of work is expected to include; cleaning and painting the exterior surface, removing the existing interior coating, repairing any structural components impacted by corrosion and re-coating the interior surfaces. The new interior coating and exterior paint will have a service life expectancy of 20-25 years.  This project was included in a federal appropriations request submitted by staff in February 2026.  Based on the pending status of that request construction funds are not being requested with the fiscal year budget. Staff will present a request for appropriation for construction funds to the Board of Directors after the bid documents have been developed for the project.

The following table summarizes the project funding requirements and expense allocations:

| **Project Budget** | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | | | | **50,000** | 50,000 | 70,000 | 120,000 | 120,000 |
| Construction | | | | | | 1,600,000 | 1,600,000 | 1,600,000 |
| Consultant Inspection | | | | | | | | |
| Miscellaneous | | | | | | 20,000 | 20,000 | 20,000 |
| Contingency | | | | | | 160,000 | 160,000 | 160,000 |
| **Total Project** | **0** | **0** | **0** | **50,000** | **50,000** | **1,850,000** | **1,900,000** | **1,900,000** |

# Appendix E
# Capital Projects Requiring Outside Financing

## CAPITAL PROGRAM – MOOSA WASTEWATER FUND

Included in the Fiscal Year 2026-27 Budget are continuing wastewater projects totaling $444,960 and new Moosa capital appropriations totaling $16,000. Details of that project can be found on page 11-15.

Funding is not currently available for the following Lower Moosa Canyon capital improvement projects and therefore it will need to be obtained from outside funding sources through leveraging the annual Moosa sewer service charge net revenues and the Moosa capital improvement charge. Initially staff applied for low interest rate long-term financial assistance for the projects from the State Water Resources Control Board - Clean Water State Revolving Fund Program. However, the projects did not score high enough on the SWRCB criteria scale to be considered for funding from the CWSRF program. Staff has submitted a joint application for federal appropriations, along with Rainbow Municipal Water District and Fallbrook Public Utility District. The appropriations request for this project was $2 million for the Moosa Improvements Project and it is anticipated that staff will learn the results of the request in August 2026. In lieu of an SRF loan, the District will seek funding from the more readily available higher interest rate municipal bond market and other outside long-term debt sources. Staff anticipates including in the bond sale, or loan, sufficient additional funds to establish a one-year debt service reserve and potentially additional funding to maintain the majority of replacement reserve balance until completion of construction. Repayment of the bonds, or loan, will be from Moosa Sewer Service Charge net revenues and the revenues from the recently established Capital Improvement Charge for the Moosa Service Area. Once all funding sources have been determined, staff will present a request for appropriation of funds to the Board of Directors for the construction phase of the projects listed below:

| Acct. No. | Project Request See Page | Description | | Estimated Project Cost |
|---|---|---|---|---|
| 53200 | Appendix E 5 | Moosa Improvements Project | $ | 8,900,000 |
| 53290 | Appendix E 6 | Meadows Lift Station Project | | 1,750,000 |
| **Total** | | | **$** | **10,650,000** |

**ACCOUNT NO.:** 13-06-78-53200
**DEPARTMENT:** Engineering

# CAPITAL PROJECT REQUEST

## Moosa Improvements Project

| | Type | Source of Funding | Master Plan Project ID | Strategic Plan | |
|---|---|---|---|---|---|
| | | | | Standard | Goal |
| Continuing Project | Replacement | Construction Loan | | 8, 9 | II |

**PROJECT DESCRIPTION:**

The primary goal of this project is for the construction of the Priority Projects identified in the adopted 2023 Master Plan Update for the Lower Moosa Canyon Water Reclamation Facility. The Master Plan Update outlined and prioritized the facility upgrades and replacements needed at the facility site on a priority scale from 1 to 4. Priority 1 upgrades have been funded and have either been completed or are in the process of being completed. This project includes the next level of priority projects proposed in the Master Plan Update and consisting of the following improvements: Flow Equalization, Influent Lift station, Grit Removal, the WAS Pump upgrades, and site lighting upgrades.

Construction funding for the Moosa Improvements Project was originally intended to be from a Clean Water State Revolving Fund (SRF) loan from the California State Water Resources Control Board (SWRCB). However, early on in the application process it was determined that the Moosa Improvements Project would not score high enough on the Clean Water SRF (CWSRF) approval criteria to be awarded financial assistance from the SWRCB. Competition for CWSRF funding has increased significantly over the recent years. Available funding sources for wastewater projects are becoming limited to funds available from the municipal bond market and other outside long-term debt sources. Staff has submitted a joint application for federal appropriations, along with Rainbow Municipal Water District and Fallbrook Public Utility District. The appropriations request for this project was $2 million and it is anticipated that staff will learn the results of the request in August 2026. The proposed budget does not include any cost associated with the bond sale or interim funded as was needed with the SRF loans. It also does not include the potential for federal appropriations. The bond sale is assumed to occur prior to award and all funds would be available prior to construction start. Staff anticipates including in the bond sale sufficient additional funds to establish a one-year debt service reserve and potentially additional funding to maintain the majority of replacement reserve balance until completion of construction. Repayment of the bonds will be from Moosa Sewer Service Charge net revenues and the revenues from the recently established Capital Improvement Charge for the Moosa Service Area.

The table on the following page summarizes the project funding requirements and expense allocations for the Moosa Improvements Project and represents the estimated project cost to be included in a proposed bond sale:

**ACCOUNT NO.:** 13-06-78-53200
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Moosa Improvements Project (continued)

**Moosa WRF Improvements Project Funding Requirements (53200)**

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | 155,000 | 110,000 | 45,000 | | 45,000 | 630,000 | 675,000 | 785,000 |
| Design Phase | 690,000 | 564,000 | 126,000 | | 126,000 | | 126,000 | 690,000 |
| Engineering Consultant | 640,000 | 549,000 | 91,000 | | 91,000 | | 91,000 | 640,000 |
| Electrical Review | 50,000 | 15,000 | 35,000 | | 35,000 | | 35,000 | 50,000 |
| Construction | | | | | | 5,580,000 | 5,580,000 | 5,580,000 |
| Construction Services | | | | | | 744,000 | 744,000 | 744,000 |
| Miscellaneous | 20,000 | 1,000 | 19,000 | | 19,000 | 11,000 | 30,000 | 31,000 |
| Contingency | 70,000 | | 70,000 | | 70,000 | 1,000,000 | 1,070,000 | 1,070,000 |
| **Total Project** | **935,000** | **675,000** | **260,000** | **0** | **260,000** | **7,965,000** | **8,225,000** | **8,900,000** |

**ACCOUNT NO.:** 13-06-78-53290
**DEPARTMENT:** **Engineering**

# CAPITAL PROJECT REQUEST

## Meadows Lift Station Improvement Project

| | Type | Source of Funding | Master Plan Project ID | Strategic Plan Standard | Strategic Plan Goal |
|---|---|---|---|---|---|
| Continuing Project | Replacement | Construction Loan | N/A | 8, 9 | II |

**PROJECT DESCRIPTION:**

The initial goal of this project was to replace the Motor Control Center ("MCC") at the lift station. In preparation of the MCC replacement construction documents it became apparent that additional facility upgrades and replacements were needed at the lift station site; site grading and paving improvements, addition of grinder equipment and upgraded SCADA and HMI capabilities. Thus, the project grew beyond just the replacement of the MCC.

Construction funding for the Meadows Lift Station Project will be from a bond sale with repayment from Moosa Service Charge net revenues and the revenues from the recently established Capital Improvement Charge for the Moosa Service Area.

The following table summarizes the project funding requirements and expense allocations:

**Meadows Lift Station Project Funding Requirements (53290)**

| Project Budget | Prior Budget | Prior Estimated Actual Expense | Estimated Budget Remaining | **Proposed Budget Allocation 2026-2027** | Total Budget 2026-2027 | Future Budget Allocation | Future Total Project Budget | Estimated Total Project Cost |
|---|---|---|---|---|---|---|---|---|
| Staff | 95,000 | 65,000 | 30,000 | | 30,000 | 120,000 | 150,000 | 215,000 |
| Design Phase | 162,500 | 139,500 | 23,000 | | 23,000 | | 23,000 | 162,500 |
| Construction | | | | | | 1,055,000 | 1,055,000 | 1,055,000 |
| Construction Services | | | | | | 100,000 | 100,000 | 100,000 |
| Miscellaneous | 5,000 | | 5,000 | | 5,000 | | 5,000 | 5,000 |
| Contingency (16.8%) | 50,000 | | 50,000 | | 50,000 | 162,500 | 212,500 | 212,500 |
| **Total Project** | **312,500** | **204,500** | **108,000** | **0** | **108,000** | **1,437,500** | **1,545,500** | **1,750,000** |

# Index

# Index


Administration, General 4-2
Administration, Finance 6-3
Administration, Engineering 7-3
Administration, Operation & Facilities 8-3
Adopting Resolutions 2-1
Appropriation Limit under Proposition 4 2-5
Automatic Valves 8-8
Backflow Maintenance 8-20
Budget Control 1-11
Budget Message 1-1
Budget Process 1-11
Capital Outlay, General Fund 10-1
Capital Outlay, Wastewater See Wastewater
Capital Projects Requiring
Outside Funding Appendix E
Community History Appendix D
Community Profile 1-13
Consumer Services 6-4
Corporate Facilities Maintenance 8-17
Customer Service, Engineering 7-5
Debt 6-1B
Debt Service 6-9, 11-10, 12-7
Encroachments and Locates 7-6
Energy Costs (See also Utilities) 1-7
Engineering Department 7-1
Expenditure Estimates 1-7, 3-7, 3-10
Facilities Operation (See also
Corporate Facilities Maintenance) 6-5
Finance Department 6-1
Financial Policies 1-12, Appendix B
Fund Recap, Expenditures 3-10
General Administration Department 4-1
General Fund 3-1, 3-7
Glossary Appendix A
History of Water Purchased and Sold 3-11
Human Resources Administration 6-6
Information Technology 5-1
Landscape & Paving Maintenance 8-14
LOWER MOOSA WASTEWATER
TREATMENT FUND 11-1
Capital Outlay 11-11
Collection System West 11-6
Debt Service 11-10
Recap of Budget and
Source of Financing 11-2
Revenue Estimate 11-3
Lift Station 11-8
LPS Maintenance 11-7
Treatment Facility 11-5
Maps & Records, Engineering 7-7
Meter Installation 8-18
Operations & Facilities Department 8-1
Ordinance Adopting Staffing and MOU
Changes 2-10
Organizational
Charts 2-18, 4-1A,5-1A, 6-1A, 7-1A, 8-1B
Performance Measurement Standards 1-20
Personnel (See also Salary Clearing) 1-8
Pipeline and Right of Way Maintenance 8-15
Planning 7-4
Pump Station Maintenance 8-12
Quality Control 8-9
Recap of Budget and Source of Financing 3-2
Reserve Policies Appendix B
Reserves 3-3, Appendix B
Reservoir Maintenance 8-11
Resolution Adopting Budget 2-2
Revenue Estimates 3-4, 3-8
Revenue Sources, Description of Major 3-4
Safety & Regulatory Compliance 8-4
Salary Clearing (See also Personnel) 6-7
SCADA 8-10
Security 8-5
Service Connection Maintenance 8-19
Source of Supply 9-1
Strategic Plan 1-16
Systems Operation 8-6
Training 6-8
Treatment 8-7
Utilities (See also Energy Costs) 9-3B
Valves, Automatic 8-8
Valve Maintenance/Location 8-16
Vehicle and Equipment Maintenance 8-13
WASTEWATER - See:
Lower Moosa Wastewater Fund 11-1
Woods Valley Ranch Wastewater
Expansion Fund 12-1
Woods Valley Ranch Wastewater
Treatment Fund 13-1
Water & Wastewater Projections Appendix C
Water Purchases 9-3
WOODS VALLEY RANCH WASTEWATER
EXPANSION FUND 12-1
AD 2012-1 12-5
Capital Outlay 12-8
CFD 2020-1 12-6
Debt Service 12-7
Recap of Budget and
Source of Financing 12-2
Revenue Estimate 12-3
WOODS VALLEY RANCH WASTEWATER
TREATMENT FUND 13-1
Capital Outlay 13-10
Collection System 13-5
Lift Station 13-7
LPS Maintenance 13-8
Treatment Facility 13-6
Recap of Budget and
Source of Financing 13-2
Revenue Estimate 13-3