

# CAMROSA WATER DISTRICT

BUILDING WATER SELF-RELIANCE

An aerial photograph of a town nestled in a valley. In the background, there are large, rugged mountains with green vegetation. The town itself is spread across the valley floor, featuring a mix of residential houses, commercial buildings, and agricultural fields. Some fields appear to be planted with crops like grapes. In the foreground, there's a large, open area that looks like a fairground or a large parking lot, with some structures and trees. The overall scene is a mix of urban, suburban, and rural landscapes.

**Operating & Capital Budget**

**Fiscal Year 2025-2026**

# CAMROSA WATER DISTRICT



BUILDING WATER  
SELF-RELIANCE

## **MISSION STATEMENT**

*“The Mission of Camrosa Water District is to provide reliable, safe, and cost-effective water and wastewater services.”*

# CAMROSA WATER DISTRICT

## **Board of Directors**

Eugene F. West, President  
Andrew F. Nelson, Vice-President  
Jeffrey C. Brown, Director  
Terry L. Foreman, Director  
Timothy H. Hoag, Director

## **General Manager**

Norman Huff

Adopted June 24, 2025

## Table of Contents

<b>List of Acronyms and Abbreviations .....</b>	<b>7</b>
<b>Glossary.....</b>	<b>8</b>
<b>Budget Message .....</b>	<b>10</b>
The California Water Crisis .....	10
State Mandates and Regulations .....	10
Water Quality Regulations.....	11
Groundwater Management.....	13
The Impact of Weather.....	13
Increases in Imported Water Costs .....	15
Building Self-Reliance Through Strategic Planning .....	17
Developing Mutually Beneficial Partnerships .....	18
Appropriate Rate Setting .....	20
Effective Asset Management.....	21
Leveraging Technology .....	21
Vigilant Cybersecurity.....	22
Externalities.....	22
Excellence in Budget Preparation .....	22
Our Commitment to Trust and Transparency .....	22
<b>Strategic Plan and Goals.....</b>	<b>23</b>
<b>Mission Statement &amp; Vision Statement.....</b>	<b>24</b>
<b>Profile of the District.....</b>	<b>25</b>
District Services and Management.....	25
Board of Directors .....	26
General Manager .....	26
Organizational Structure.....	27
Employee Salaries .....	28
Employee Benefits .....	28
<b>Financial Policies .....</b>	<b>29</b>
Reserve Policy .....	29
Investment Policy .....	29
Debt Policy .....	29
Budget Policy .....	29
Pension Funding Policy .....	29
<b>Basis of Budgeting &amp; Accounting .....</b>	<b>30</b>
Budgetary Control .....	30
Budget Process.....	30
Budget Calendar .....	30
Budget Resolution.....	31
Budget Summary.....	32
<b>Water Program .....</b>	<b>33</b>
<b>Potable Water Program .....</b>	<b>34</b>
<b>Non-Potable Water Program .....</b>	<b>35</b>
<b>Wastewater Program .....</b>	<b>36</b>

<b>Revenues .....</b>	<b>37</b>
<b>Expense Centers .....</b>	<b>39</b>
Human Resources – Program 05 .....	41
General Services – Program 10 .....	43
Resource Planning & Engineering Services – Program 12 .....	47
Water Resource Management – Program 22 .....	49
Customer Service – Program 24 .....	51
Water Quality – Program 25 .....	53
Buildings/Grounds & Rolling Stock – Program 26 .....	55
Potable Water Production & Distribution – Program 52 .....	57
Non-Potable Water Production & Distribution – Program 53 .....	59
Wastewater Collection & Treatment – Program 57 .....	61
<b>Capital Projects Summary .....</b>	<b>63</b>
<b><i>Wastewater De-Watering Press in Construction Carryovers and Closeouts .....</i></b>	<b>63</b>
<b>Capital Projects Carryover Details .....</b>	<b>65</b>
<b>Capital Projects FY2025-26 .....</b>	<b>70</b>
<b>Five-Year Capital Outlay Forecast .....</b>	<b>72</b>
<b>Five-Year Financial Forecast .....</b>	<b>74</b>
<b>Reserves .....</b>	<b>84</b>
Restricted Reserves .....	84
Unrestricted Reserves .....	84
<b>Debt Service .....</b>	<b>90</b>
Water Debt Service Ratio .....	91
Wastewater Debt Service Ratio .....	92
<b>Appendices .....</b>	<b>93</b>
#1 Arroyo Santa Rosa Valley Basin GSA Budget .....	94
#2 All Programs Combined .....	96
#3 Schedule of Water and Wastewater Rates .....	101
#4 Outstanding Debt .....	103
#5 Reserve Fund Policy .....	104
#6 Investment Policy .....	108
#7 Debt Management Policy .....	120
#8 Budget Policy .....	127
#9 Pension Funding Policy .....	130
#10 Community Profile .....	133
#11 Top Ten Customers .....	134
#12 Financial Metrics .....	135
#13 Local Agency Comparison .....	136

## Index of Figures

<b>Figure 1 – Average Rainfall</b> .....	<b>14</b>
<b>Figure 2 – Potable and Non-Potable Water Sales</b> .....	<b>15</b>
<b>Figure 3 – Percentage of Import Water in Total Potable Water Supply</b> .....	<b>16</b>
<b>Figure 4 – Projected Cost of Import Water</b> .....	<b>17</b>
<b>Figure 5 – Historical Water Sources</b> .....	<b>18</b>
<b>Figure 6 – Historical Water Deliveries to Pleasant Valley CWD</b> .....	<b>19</b>
<b>Figure 7 – Water Rate Comparison</b> .....	<b>20</b>
<b>Figure 8 – Sewer Rate Comparison</b> .....	<b>21</b>
<b>Figure 9 – District Map Boundaries</b> .....	<b>25</b>
<b>Figure 10 – FY2024-25 Percent of Water Revenues by Customer Class</b> .....	<b>26</b>
<b>Figure 11 – Comparison of Total Revenues</b> .....	<b>38</b>
<b>Figure 12 – Comparison of Total Expenses</b> .....	<b>39</b>
<b>Figure 13 – Unrestricted Potable Water Reserves</b> .....	<b>87</b>
<b>Figure 14 – Unrestricted Non-Potable Water Reserves</b> .....	<b>88</b>
<b>Figure 15 – Unrestricted Wastewater Reserves</b> .....	<b>89</b>
<b>Figure 16 – Historical Debt Services Coverage Ratios – Water</b> .....	<b>91</b>
<b>Figure 17 – Historical Debt Service Coverage Ratios – Wastewater</b> .....	<b>92</b>



**Meter Replacement**

*California Society of Municipal  
Finance Officers*

*Certificate of Award*

*Operating Budget Excellence Award  
Fiscal Year 2024-2025*

*Presented to the*

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

*February 7, 2025*



*Ernie Reyna*

Ernie Reyna  
2024 CSMFO President

*James Russell-Field*

James Russell-Field, Chair  
Recognition Committee

*Dedicated to Excellence in Municipal Financial Reporting*

## List of Acronyms and Abbreviations

<b>AF</b>	Acre-Foot/Feet
<b>AFY</b>	Acre-Foot/Feet per Year
<b>ACWA</b>	Association of California Water Agencies
<b>ACWA-JPIA</b>	Association of California Water Agencies-Joint Powers Insurance Agency
<b>AMI</b>	Advanced Metering Infrastructure
<b>AMR</b>	Automated Meter Reader/Reading
<b>ASRB</b>	Arroyo Santa Rosa Basin
<b>ASRVBGS</b>	Arroyo Santa Rosa Valley Basin Groundwater Sustainability Agency
<b>CIP</b>	Capital Improvement Program
<b>CMWD</b>	Calleguas Municipal Water District
<b>CSUCI</b>	California State University Channel Islands
<b>CSMFO</b>	California Society of Municipal Finance Officers
<b>CWRF</b>	Camrosa Water Reclamation Facility
<b>DWR</b>	Department of Water Resources
<b>EDU</b>	Equivalent Dwelling Unit
<b>ELAP</b>	Environmental Laboratory Accreditation Program
<b>FCGMA</b>	Fox Canyon Groundwater Management Agency
<b>FY</b>	Fiscal Year
<b>GSA</b>	Groundwater Sustainability Agency
<b>GSP</b>	Groundwater Sustainability Plan
<b>HCF</b>	Hundred Cubic Foot
<b>LAIF</b>	Local Agency Investment Fund
<b>MG</b>	Million Gallons
<b>MGD</b>	Million Gallons per Day
<b>MS</b>	Metering Station
<b>MWD</b>	Metropolitan Water District
<b>NLs</b>	Notification Levels
<b>NPDES</b>	National Pollutant Discharge Elimination System
<b>PDR</b>	Preliminary Design Report
<b>CalPERS</b>	California Public Employees' Retirement System
<b>PFAS</b>	Per- and Polyfluoroalkyl Substances
<b>PS</b>	Pump Station
<b>PV</b>	Pleasant Valley
<b>PVCWD</b>	Pleasant Valley County Water District
<b>PZ</b>	Pressure Zone
<b>RLs</b>	Response Levels
<b>RMWTP</b>	Round Mountain Water Treatment Plant
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>SGMA</b>	Sustainable Groundwater Management Act
<b>SWP</b>	State Water Project
<b>SWPDA</b>	State Water Project Dependent Areas
<b>SWRCB</b>	State Water Resources Control Board
<b>TCP</b>	1, 2, 3,-Trichloropropane

## Glossary

The FY2025-26 budget contains terminology that is unique to public finance and budgeting. The following Budget Glossary assists in understanding these terms.

**Accrual Basis of Accounting:** The basis of accounting under which transactions are recognized when they occur, regardless of the timing of cash receipts and disbursements.

**Acre-Foot:** The volume of water that will cover one acre to a depth of one foot. One acre-foot equals 435.6 units or 325,850 gallons.

**Appropriation:** The annual budget adopted by the District's Board for monitoring and control purposes, serving as a financial plan.

**Balanced Budget:** A balanced financial plan for a specified period of time that matches all planned revenues and expenditures with various services. The District uses a fiscal year beginning July 1 and ending June 30 for budgetary and financial reporting purposes.

**Bond:** A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are authorized in a District bond resolution. Bonds are frequently used for the construction of large capital projects such as buildings, reservoirs, pipelines, and pump stations.

**Capital Budget:** The portion of the annual budget that appropriates funds for the purchase of capital equipment items and capital improvements. These expenditures are separate from regular operating items, such as salaries, utilities, and office supplies.

**Calleguas Municipal Water District:** The District has access to Metropolitan Water District (MWD) imported water through Calleguas Municipal Water District's entitlement as a member agency of MWD.

**Capital Improvement Program:** A long-range plan for the construction, rehabilitation, and modernization of district-owned and operated infrastructure.

**Class of Service:** All customers are classified based on the primary use of water on their parcel; broad classifications include (but are not limited to) residential, industrial, agricultural, etc. The water rate per unit is determined by this classification.

**Debt Service Coverage Ratio:** The ratio of net revenue to annual interest and principal payments on debt.

**Debt Service:** The District's obligation to pay the principal and interest of bonds and other debt instruments according to a predetermined payment schedule.

**Depreciation:** An expense recorded to allocate a tangible asset's cost over its useful life.

**Enterprise Fund:** A fund that provides goods or services to the public for a fee that makes the entity self-supporting.

**Equivalent Dwelling Unit:** A single-family dwelling unit or its equivalent. An equivalent dwelling unit is assumed to discharge wastewater at a flow and strength equal to that of an average single-family dwelling.

**Expenditure:** These terms refer to the outflow of funds paid or to be paid for assets, goods, or services obtained regardless of when actually paid. \*Note: An encumbrance is not an expenditure; an encumbrance reserves funds to be expended in a future period.

**Fiscal Year:** A twelve-month term designating the beginning and ending period for recording financial transactions. The District has specified July 1 to June 30 as its fiscal year.

**Fixed Asset:** Items with an original cost greater than \$10,000 Typically, a fixed asset has an economically useful life longer than three years; maintains its identity, either as a separate item or as an identifiable component; is not a repair part or supply item; and is used to conduct District activities.

**Fund Balances:** The current funds on hand resulting from the historical collection and use of monies. The difference between assets and liabilities reported in the District's Operating Fund plus residual equities or balances and changes therein.

**Interest Income:** Earnings from the investment portfolio.

**Late Charges/Penalties:** Charges and penalties are imposed on customer accounts for late payments, returned payments, and other infringements of the District's Rules and Regulations.

**Meter Service Charge:** Each water service customer pays a monthly meter service charge for water system replacement, maintenance, and operation expenses. The charge is based on the size of the meter and the class of service.

**Metropolitan Water District:** MWD is one of 29 agencies that have contracted for imported water service from the State Water Project, owned by the State and operated by the California Department of Water Resources.

**Set-up Fees for Accounts:** A charge is added for each new account and whenever an existing account is transferred to another customer. This fee contributes to the administrative costs associated with establishing new accounts.

**State Water Project:** The State Water Project (SWP) transports water from the Sacramento-San Joaquin Delta via the California Aqueduct to four delivery points near the northern and eastern boundaries of the MWD service area. The SWP is owned by the State and operated by the California Department of Water Resources.

**System Capacity Fee:** Charges paid by customers to connect to the District's water and wastewater system for service. The capacity fee is the cost of buying a proportional share of the existing system and incremental planned capital improvements, as determined by the meter size and wastewater equivalent dwelling unit.

**Unit:** 748 gallons of water equals a single Hundred Cubic Feet (HCF) Unit. The District bills its customers in HCF Units.

**Water Rates:** Rates vary among classes of service and are measured in HCF Units. Most rates in the District are based on a two-tier accelerated block structure. Tier 1 is the first 12 HCF Units and Tier 2 is water use above 12 HCF Units in a billing period.

## **Budget Message**

The Camrosa Water District (District) is pleased to present its Fiscal Year (FY) 2025-26 Operating and Capital Budget. The purpose of this document is to identify and allocate the resources necessary to accomplish the District's mission: to deliver reliable, safe, and cost-effective water and wastewater service to its varied customer base. It is also intended to present the financial health of the District in a clear and concise manner for the Board of Directors, our customers, and other stakeholders while highlighting opportunities and challenges facing the District. California presents a variety of challenges to water suppliers, from disappointing State water resource management policies to weather whiplash to increasingly complex regulatory requirements and conservation mandates. Through it all, Camrosa takes on these challenges by exploring and implementing a wide range of self-reliance solutions.

### **The California Water Crisis**

California's water supply crisis is the outcome of decades of substandard State water policy. California has prioritized perpetual demand management and stretching depleted supplies with conservation policies instead of seizing opportunities to develop new supplies or maximizing the capture of abundant supply in wet years through the development of additional storage reservoirs and modernized conveyance. The California Department of Water Resources (DWR) stood by while litigants and legislators whittled away its ability to effectively manage resources or maintain and improve the State Water Project infrastructure. Equally culpable is the Metropolitan Water District (MWD) which has failed to invest in reliable supplies and adequate conveyance. MWD has applied a portion of every dollar it has ever collected from its ratepayers to build out and maintain its Colorado River Aqueduct system. However, despite this massive investment, MWD's conveyance is still unable to move significant quantities of Colorado River water to certain areas within its service region, including areas served by Camrosa. These areas have been categorized as State Water Project Dependent Areas (SWPDA) because most—or all—of their imported water supplies are from the State Water Project. With or without conveyance, persistent drought and disagreements over Colorado River water rights between the seven states comprising the Upper and Lower Basins make the future availability of that supply uncertain. These failures and deficiencies have resulted in the DWR and MWD being unable to provide sufficient supply to meet normal demands in times of drought. This demonstrates the need to accelerate Camrosa's timeline for self-reliance and its ability to significantly reduce dependence on MWD and the State Water Project. Compounding the problem, MWD's mismanagement and its ever-growing bureaucracy have resulted in rate increases that will make imported water even more expensive this year and every year for the foreseeable future.

Camrosa's core mission is to provide a reliable, affordable source of water for our customers. With our core mission in mind, we have been focused on building the District's self-reliance to buffer against this cycle of planning failure and reactive edicts by MWD and the State. The Camrosa Board of Directors does not believe that restrictive or mandated conservation should become "a way of life," as it is presented in recent State legislation, or that "brown is the new green." While conservation can be a useful strategy when needed, such as during a drought emergency, it is not a permanent water supply solution. Sustainable water supply solutions should plan for abundance rather than fight over scarcity.

In the prior fiscal year, the District supported common-sense legislation (SB 366) that would establish long-term water supply targets for the State to achieve by specific deadlines and require state agencies to develop a plan to achieve those targets. Despite passing the bill through the Senate and Assembly unanimously, the Governor vetoed the bill, citing budgetary constraints. This fiscal year the District is committed to working with the bill's sponsor, Senator Caballero, to reintroduce this critical legislation.

The District Board and staff will continue to advocate for responsible, sustainable resource management through our elected officials, regulators, and partner agencies during this fiscal year and into the future.

### **State Mandates and Regulations**

Over the past decade and a half, the state of California has moved toward centralizing management of its water resources by consolidating various functions under and expanding the reach of the State Water Resources Control Board (SWRCB). Shifts toward standardizing water planning while accounting for climate projections have resulted in landmark water-use legislation and expanded rulemaking. However, many of these state policies fail to realistically account for local conditions and do not leave suppliers with enough autonomy to employ the best course of action for their service areas.

The California Legislature and the SWRCB have continued extending legislative and administrative control over water suppliers through a variety of new laws, policies, and regulations. Several recent examples include: the updated Individual System Water Loss Standards; upcoming drinking water regulations; continuing conservation legislation; and additional compliance and reporting requirements. A specific example is AB1572, a prohibition of watering non-functional turf with potable water targeting large users, municipalities, and homeowner associations. Implementation of the first of its four phases is set to begin in 2027. Water loss control is also a key component of the State's approach to demand management. Legislation required that the SWRCB develop water loss performance standards. The finalized Water Loss Performance Standards were adopted in October of 2022, and the rulemaking became effective in 2023. Updated Water Loss Standards for each Urban Retail Water Supplier, including Camrosa Water District, were posted on April 9, 2024. Camrosa has until January 1, 2028, to comply with the Updated Water Loss Standards. The legislation recognizes that mitigating and preventing water loss should be done on a cost-effective basis, as explained in the Updated Economic Model released on April 15, 2021. However, due to real-world conditions, the true cost-effectiveness may differ from the Updated Economic Model.

One of the most sweeping regulations in recent history is titled Making Conservation a California Way of Life, which went into effect on January 1, 2025. The comprehensive reporting mandated under this regulation, the Annual Urban Water Use Objective and Water Use Report was due on that very same day. This regulation was touted as a new way of managing urban water use by establishing unique efficiency goals for each Urban Retail Water Supplier in California. Independent analysis disputed the State's purported savings of \$7 Billion and showed that potential costs could exceed \$13 Billion. This regulation was intended to implement both the "California Water Supply Strategy" released by Governor Newsom in August 2022, and SB 606 and AB 1668, collectively known as the Water Conservation and Drought Planning Act, signed by Governor Brown in May 2018. The act built upon Governor Brown's 2016 Executive Order B-37-16, "Making Conservation a Way of Life." The California State Water Resources Control Board unanimously adopted the Making Conservation a California Way of Life regulation on July 3, 2024. The regulation requires suppliers to comply with individualized urban water use objectives, implement Commercial, Industrial, and Institutional (CII) performance measures, and submit annual progress reports. A supplier's water use objective is the sum of standards-based budgets for residential indoor use, residential outdoor use, CII landscapes with dedicated irrigation meters, and real water losses. The regulation requires significant water use reductions from many Urban Water Suppliers and extensive and costly reporting from all Urban Water Suppliers. Camrosa met its objective for the reporting cycle that ended January 1, 2025, and current projections show that the District will continue to have a zero percent water use reduction requirement (i.e. no reduction required) over the three benchmark periods called for in the regulation. Camrosa is actively monitoring the regulation's potential impacts on the District and its customers. The District is factoring the legislation into its long-term budget forecasting and is partnering with vendor Eagle Aerial Solutions to fully realize monitoring and reporting software platforms to efficiently ensure that the District complies with this regulation and its extensive annual reporting requirements.

Recent devastating Southern California wildfires have placed California water suppliers—and Southern California Urban Water Suppliers specifically—at the center of increased scrutiny, with additional regulations likely to follow. Local Assemblymember Bennett's AB367, currently making its way through the legislature, is one such proposed regulation. Although the Assemblymember has engaged in dialogue with local water suppliers regarding the text of the proposed legislation, if signed into law, the bill would still place additional significant compliance and cost burdens on water suppliers with limited or no benefit to properties in the path of similarly destructive wildfires as were recently experienced in Southern California.

Additionally, as discussed in the following section, water suppliers must abide by increasingly stringent water quality standards. Several pages of these upcoming regulations, which are in process or planned, are posted on the SWRCB's website.

Year in and year out, water suppliers are subject to ever-increasing regulations with each new one adding to the already lengthy list of current regulations and requirements. While many of these current and proposed laws, policies, and regulations carry well-intended benefits, they are also accompanied by substantial compliance costs which must be passed on to the ratepayers.

### [Water Quality Regulations](#)

Drinking water in California is heavily regulated and many of California's regulations exceed federal regulations set by the U.S. EPA. Primary maximum contaminant levels (MCLs) address health concerns; public health goals

(PHGs) are concentrations of drinking water contaminants that do not pose significant health risks if consumed over a lifetime (based on best available science); and secondary MCLs which address water appearance, taste, and odor. California Health & Safety Code §116365(a) requires a contaminant's MCL to be established at a level as close to its PHG as technically and economically feasible while prioritizing protecting public health. There are also "detection limits for purposes of reporting" (DLRs), which are designated minimum contaminant levels that require reporting to the State Board. An analytical lab must achieve a DLR equal to or less than the state-set DLR in order to report its findings to the State for regulatory purposes.

Technological advancements now allow the detection of drinking water contaminants at ever-lower concentrations, which allows the State to set maximum contaminant levels (MCLs) at even more stringent levels. Additionally, as the understanding of the adverse effects of drinking water contaminants improves over time, more contaminants are added to the list of regulated contaminants, and even more are being studied as emerging contaminants. While increasingly stringent MCLs and the addition of new contaminants to the list of regulated contaminants are intended to address health concerns, they also carry associated mitigation costs. Meeting new or more stringent standards significantly increases drinking water production, treatment, and regulatory compliance costs.

One example of emerging contaminants with recently enacted MCLs is per- and polyfluoroalkyl substances (known together as PFAS). PFAS are a group of synthetic chemicals that, under typical conditions, do not break down in the environment. Common uses of these chemicals are in food packaging, non-stick cookware, textiles, cleaning products, and fire-fighting foams. On April 10, 2024, the U.S. EPA established federal MCLs for six types of PFAS. Two types, PFOA and PFOS, each have MCLs established at 4 parts per trillion (ppt) (also expressed as ng/L). Three chemicals, HFPO-DA (also known as GenX Chemicals), PFHxS, and PFNA, have MCLs set at 10 ppt. The District completed construction in 2023 and currently operates a Granular Activated Carbon (GAC) filtration plant that treats groundwater from four District wells for both 1,2,3 Trichloropropane (TCP123) and residual PFAS chemicals.

Another upcoming contaminant, microplastics, may become an issue in the future. Microplastics in drinking water are defined as solid polymeric materials to which chemical additives or other substances may have been added, which are particles that have at least three dimensions that are greater than 1 nm and less than 5,000 micrometers (µm). Polymers that are derived in nature that have not been chemically modified (other than by hydrolysis) are excluded. Further studies will be required to fully implement microplastics regulations.

Another contaminant, manganese is listed on the SWRCB's list of Upcoming Drinking Water Regulations. It can occur naturally in both surface and groundwater and is widespread in California's groundwater basins. It is currently regulated with a secondary MCL, with notification levels (NLs) and response levels (RLs). A NL is a nonregulatory, health-based advisory level established for drinking water contaminants for which MCLs have not been established. NLs are established as precautionary measures for contaminants that may have MCLs in the future but have not completed the regulatory process for the development of MCLs. They are issued by the SWRCB and developed based on recommendations by the Office of Environmental Health Hazard Assessment (OEHHA). RLs are set higher than NLs and represent a recommended chemical concentration level at which water systems consider taking a water source out of service or providing treatment if that option is available to them. On February 16, 2023, the SWRCB proposed revised NLs and RLs for manganese. Based on the SWRCB proposing revised NLs of 500 µg/L, or parts per billion, and RLs of 5000 µg/L for manganese, a manganese primary MCL at or below 20 µg/L is likely to be established in the future. The establishment of manganese primary MCLs will impact the cost of producing local water. Two of Camrosa's local water resources, the Woodcreek and Lynnwood Wells, have manganese levels that sometimes exceed the Secondary MCL for manganese, currently set at 50 µg/L and imported water is purchased to blend the water to manganese levels that meet these requirements. In FY2024-25, Camrosa completed the design phase for iron and manganese removal technologies for the treatment of water from the Woodcreek and Lynnwood Wells. In FY2025-26 the District expects to complete construction of these treatment facilities which will improve the water quality and reduce the amount of import water purchased for blending.

Contaminant regulations will continue to become more rigorous, as they have since the passage of the Safe Drinking Water Act in 1974. Camrosa is responsibly planning for additional costs incurred in meeting and exceeding regulatory requirements and will continue to do so in the future. Future regulations may also shift the relationship between local and imported sources, as the costs of producing water and importing water change. Camrosa remains committed to meeting the current and future water needs of the community by prioritizing self-reliance and providing reliable, safe, and cost-effective water and wastewater services.

## Groundwater Management

Another landmark change in water management that will affect the availability and cost of water is the Sustainable Groundwater Management Act (SGMA) of 2014. SGMA requires the formation of local groundwater sustainability agencies (GSAs) for what the state determined were high- or medium-priority basins to assess conditions and develop Groundwater Sustainability Plans (GSPs). These GSPs are intended to define sustainability and chart a path to achieving that over the next twenty years.

The Fox Canyon Groundwater Management Agency (FCGMA) is the Groundwater Sustainability Agency (GSA) for the Pleasant Valley Basin (among other areas), from which the Woodcreek and Lynnwood Wells pump groundwater. FCGMA established an allocation plan and has developed projects with the goal of maintaining the sustainable yield of the basin. Adjudication papers were filed by a group of landowners/pumpers in the basin, as was a lawsuit contesting the CEQA process for the GSP and the allocation plan designed to reach basin sustainability objectives required by SGMA. SGMA provides that the GSP proceed as written during the adjudication process, which can take several years. This litigious environment does not provide an environment for the amicable resolution of conflict or for the kind of collaboration needed for sustainable, regional project development. Still, going into the adjudication process, Camrosa has worked with plaintiff and defendant groups to further mediation efforts with the goal of mutually beneficial solutions for stakeholders, while providing for the future sustainability of the basin's water resources.

Camrosa also created GSAs for other basins, within their service area, but that were outside of other GSA boundaries. These include the Las Posas and Pleasant Valley basins, as well as the Oxnard sub-basin. Because the majority area of these basins falls within the FCGMA's boundaries, Camrosa works closely with the FCGMA as a coordinating GSA for basin management. Since the primary management of these basins falls within the FCGMA's jurisdiction, these GSAs do not hold responsibility for primary management functions and so do not incur related costs. No District funds are budgeted for these GSAs.

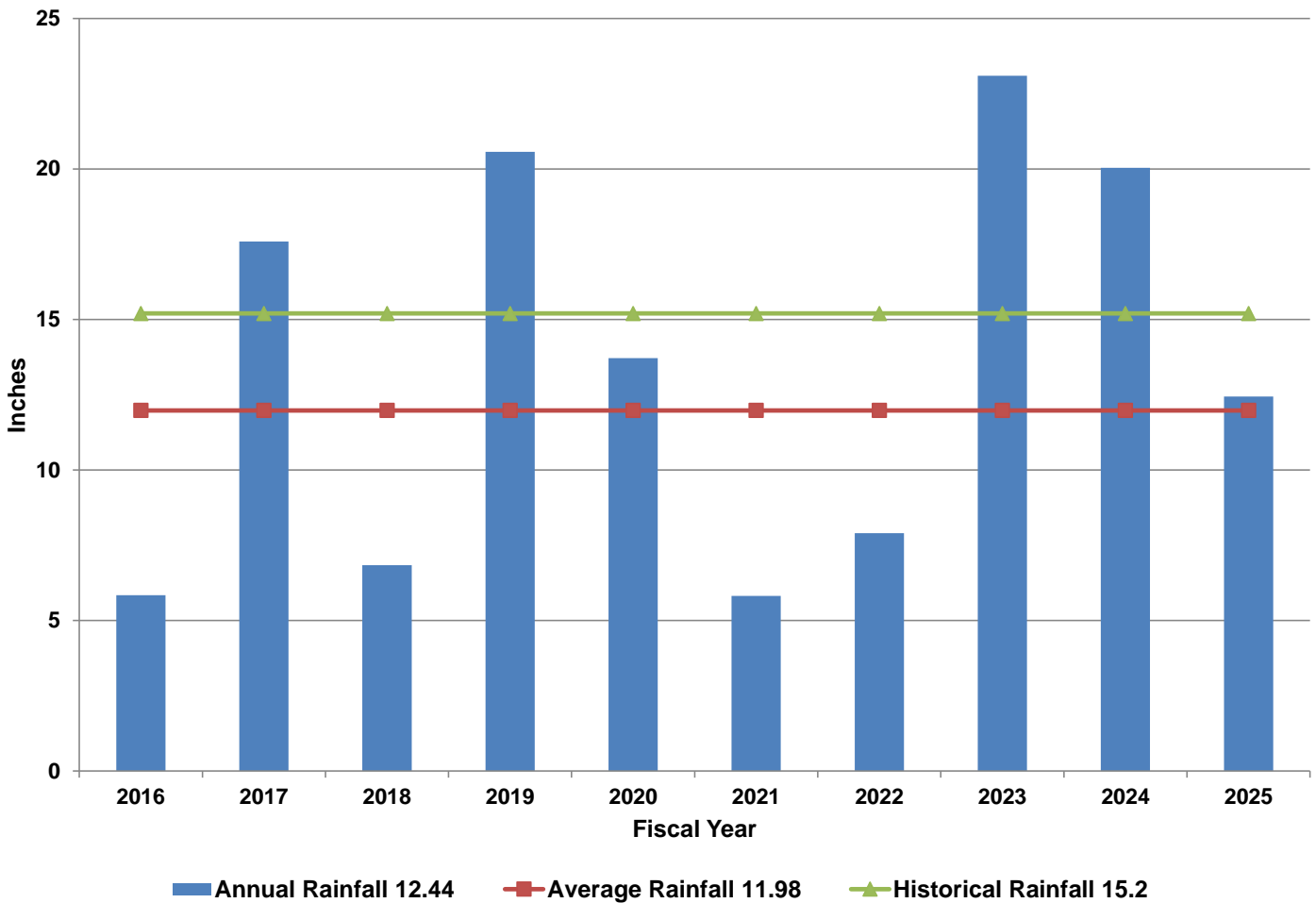
The Arroyo Santa Rosa Groundwater Basin, which lies wholly within the Camrosa service area and from which the majority of Camrosa's local groundwater is produced, was originally designated as a medium-priority basin due to high nitrate concentrations. In 2016, the County of Ventura and Camrosa formed the Arroyo Santa Rosa Valley Basin Groundwater Sustainability Agency (ASRVBGSA) to develop and submit a GSP for the basin and manage that portion of it east of the Bailey Fault (outside the FCGMA). The County of Ventura provided \$127,602 as seed money to the GSA. In April 2018, DWR awarded the ASRVBGSA a Sustainable Groundwater Planning Grant to support the development of the GSP, up to \$177,081. The ASRVBGSA held a public hearing on May 25, 2023, to adopt the GSP, which was approved by the DWR's Sustainable Groundwater Management Office on April 28, 2025. Projects to reach sustainability and/or increase Arroyo Santa Rosa Valley Basin yield were explored as part of the GSP process. Because Camrosa is the primary groundwater producer in the basin, pumping by initial estimates over 50% of the basin's annual yield, the District has a vested interest in developing projects that ensure sustainability. Once the projects identified in the GSP have been developed, estimated costs of sustainability projects will be included in the District's budgeting process. Ongoing administrative costs to support the operation of the ASRVBGSA are provided by Camrosa. The ASRVBGSA's budget for FY2025-26 is included as Appendix #1.

## The Impact of Weather

Climate impacts the overall supply of available water resources while also affecting customer demand. In the last ten years, Southern California has seen the wettest and driest months on record. These dramatic weather swings, depicted in the following figure 1, exemplify the difficulty of forecasting water sales and highlight the necessity of maintaining a conservative financial outlook.

Locally, rainfall was 12.44 inches during FY2024-25 through April 30th, recorded from the Camarillo Leisure Village station, which is slightly more than the ten-year average rainfall for the District of 11.98 inches a year and the historical average of 15.2 inches a year. The wet periods provide an important recharging of the local groundwater basins, from which we produce our local supplies and plan to increasingly rely on in the future. Camrosa has developed plans to adaptively manage its groundwater basins to maximize aquifer storage and recharge water—whether it's rainwater or other sources.

## Average Rainfall Fiscal Years 2016-2025



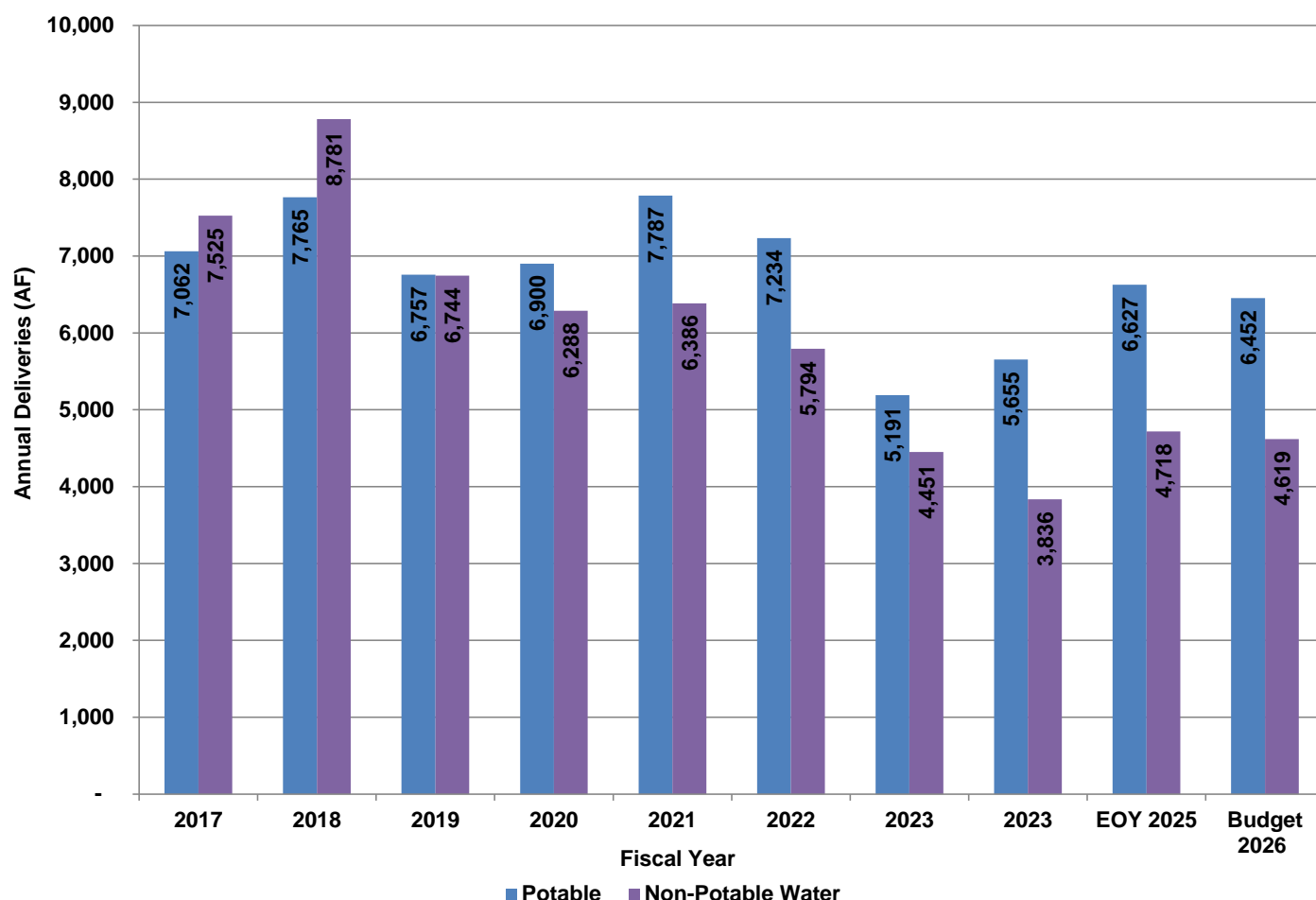
**Figure 1 – Average Rainfall**

Due to atmospheric rivers in 2023, DWR allocated 100% of State Water Contractors' Table A water for delivery. A 100% allocation is a rare opportunity as the long-term average delivery capability of the State Water Project is only 56%. Prior to this, the last time the SWP allocated 100 percent was in 2006. On April 29, 2025, DWR announced a 50 percent allocation as a result of the latest snow survey and Lake Oroville storage. This is up from 40 percent announced in March, 35 percent in February, 20 percent in January, and the initial 5 percent announced in December. Although reservoirs are nearing capacity and snowpack at 90%, the Delta exports have been running at less than half capacity. This mismatch in hydrology and supplies requires action to retain environmental protections while also increasing stored supplies when reservoirs are spilling and there is significant sustained runoff through the Delta.

Local precipitation can and does impact demand, especially among agricultural customers and those with large landscapes. Camrosa has seen significant reductions in the demand for potable and non-potable water over the previous fiscal years and as we enter the next. Whether or not the trend toward lower demand continues and whether it is primarily based on precipitation levels remains to be seen. Camrosa continues to monitor these trends and apply them to budgets and incorporate them in the rate-setting process.

In general terms, the District went from delivering approximately 17,000 AFY before the FY2014-15 drought to slightly less than 10,000 AFY in FY2022-23. Variable weather in the years since makes it difficult to determine the cause for water-use patterns in the District service area, but generally speaking the trend is toward less per capita water use than in previous decades. The FY2025-26 budget was developed using a three-year average of water sales to arrive at a projection of 11,071 AFY. This is a slight increase from the FY2024-25 budget of 10,686 AF and decrease from the projected end-of-year sales for FY2024-25 of 11,345 AFY as depicted in figure 2 below.

## Potable and Non-Potable Water Sales



**Figure 2 – Potable and Non-Potable Water Sales**

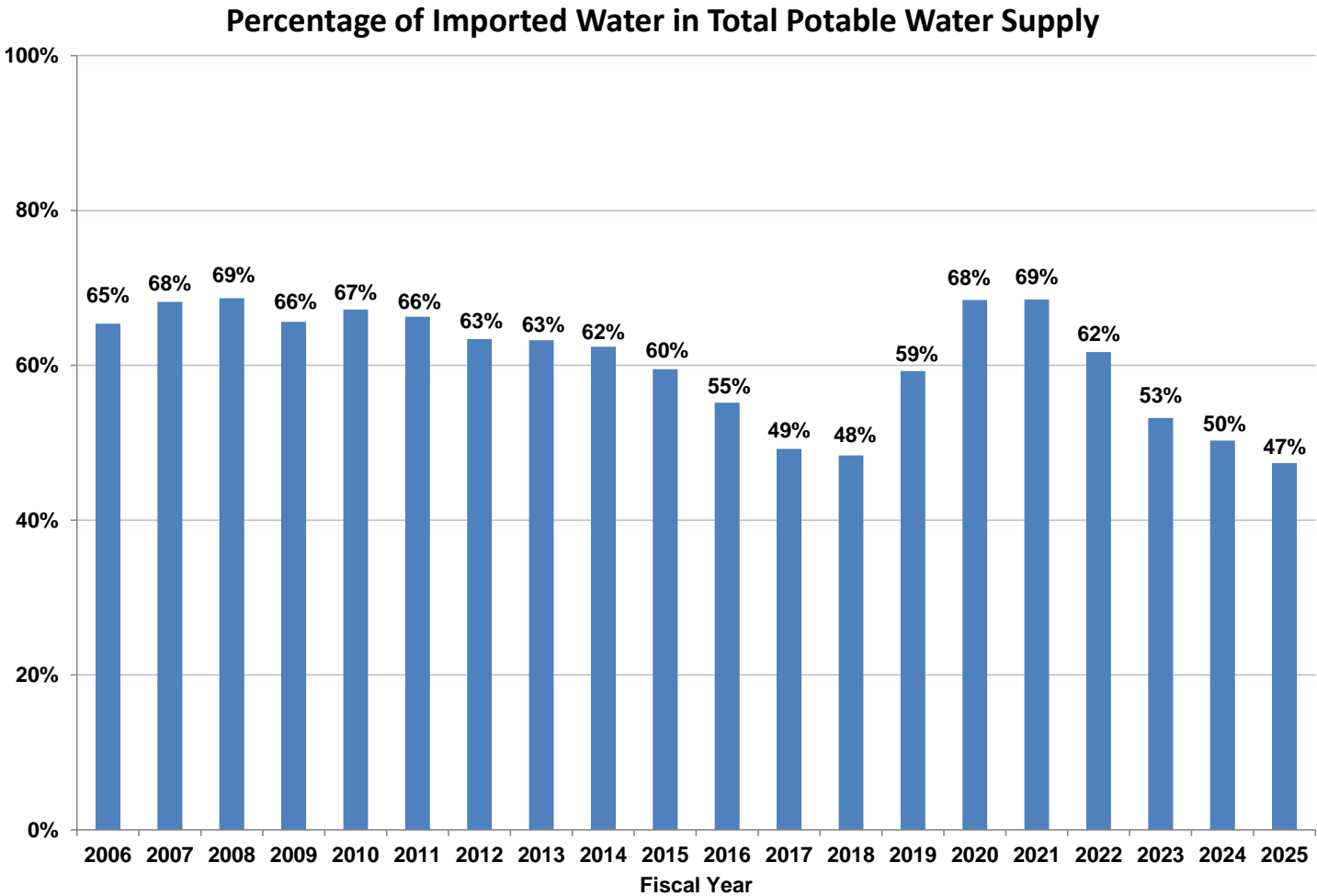
### Increases in Imported Water Costs

Camrosa lies within the Metropolitan Water District service area and the “imported water” we purchase from them, via Calleguas, is primarily State Water Project (SWP) water from the Sacramento-San Joaquin Delta. It is the most expensive water in Camrosa’s supply portfolio. The District’s primary strategy for decades has been to reduce dependence on imported water by developing local resources. Reducing the proportion of Camrosa’s water supply that we must import helps mitigate the costs of imported water. Figure 3 below reflects the District’s efforts to develop self-reliance over the last 20 years.

The trend was temporarily reversed in 2019, when the District’s largest local resource, the Conejo Wellfield, was taken offline ahead of building a treatment plant to treat for the newly-regulated contaminants, 1,2,3–Trichloropropane (TCP) and Per- and polyfluoroalkyl substances (PFAS). TCP is a synthetic organic compound that was an impurity in certain soil fumigants used in agriculture and PFAS are a group of more than 4,000 synthetic chemicals that have been used in consumer products since the 1950s. PFAS are also known as “forever chemicals” because they don’t break down easily in the environment. The Camrosa Board of Directors insisted that Camrosa ratepayers should not bear the costs of treatment for the TCP contamination and successfully persuaded the manufacturers of the offending pesticides to pay for the construction of the treatment plant. Camrosa is currently part of a settlement agreement with chemical companies DuPont, 3M, BASF, and Tyco to receive additional compensation needed to mitigate the treatment cost for PFAS. The Granular Activated Carbon (GAC) filtration system at the Conejo Wellfield to remove these contaminants was completed and went online in October 2023.

In the meantime, Camrosa worked very hard to bring another new source online, the Lynnwood Well. The new Lynnwood Well came online in September 2020, providing a much-needed boost to local production.

Adjustments to the well in the fall of 2021 doubled production. In 2024 Camrosa performed a rehabilitation of the nearby Woodcreek well that will extend its useful life for another decade. With these improvements to existing sources, along with the development of new sources, and the bringing the GAC Treatment Plant at the Conejo Wellfield online, we expect to increase local groundwater production even further and offset imported water purchases. These ongoing efforts will significantly reduce the percentage of imported water in the District’s potable water supply. In FY2024-25, imported water comprised about 47% of the potable water supply. The FY2025-26 budget assumes that imported water will constitute about 38% of Camrosa’s potable water supply, with the remaining 62% coming from local groundwater. The fiscal year will also see significant progress in providing redundancy for the University Well and a third Pleasant Valley Basin Well (the Valencia Well).



**Figure 3 – Percentage of Imported Water in Total Potable Water Supply**

The expectation that wholesale rates will continue to escalate provides another incentive to increase self-reliance. There are many factors that influence the ever-increasing cost of imported water. One of the greatest factors to affect imported water rates comes when water sales decrease due to regulators mandating conservation during drought and demand drops during wet periods. MWD recently explained that due to this primary factor, additional revenues are necessary in the form of much higher rates. In addition, MWD’s expenses have increased as inflation has driven up commodity prices, labor, and energy costs. In the past, MWD used reserves to minimize rate increases. This unsustainable practice now places them in the position where they must substantially increase rates to fully recover costs and replenish depleted reserves.

In 2025, the MWD Tier 1 wholesale rates increased by 11%, and in 2026 the Tier 1 wholesale rates will increase by an additional 10%. In addition to MWD’s rate increases, Calleguas increased its Capital Construction Surcharge, Readiness-to-Serve Charge, and Capacity Reservation Charge, for a combined wholesale rate increase to the District of approximately 9.5% in 2025 and 8.6% in 2026.

The following Figure 4 illustrates the projected ever-increasing cost of imported water.

### Projected Cost of Imported Water

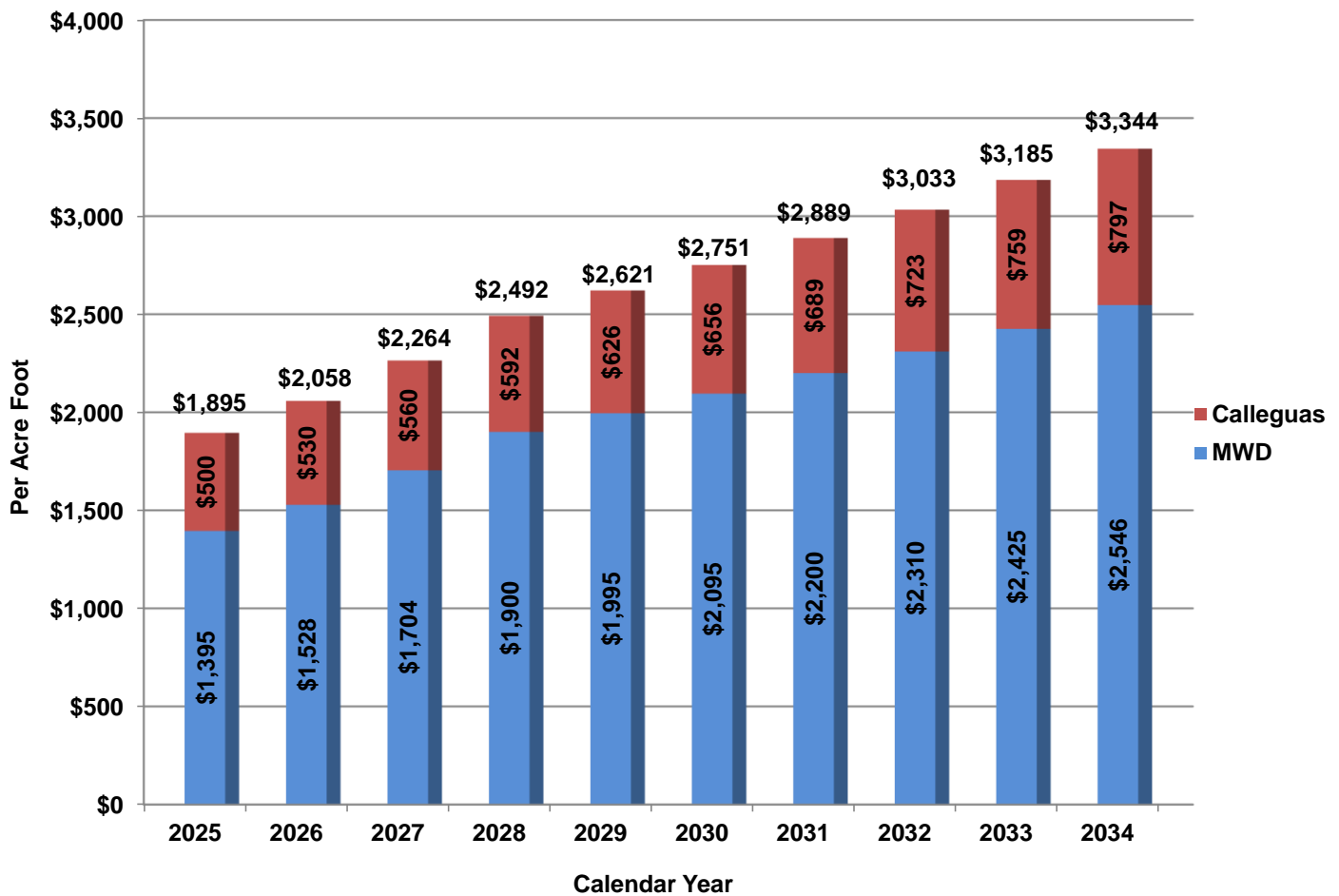


Figure 4 – Projected Cost of Import Water

### Building Self-Reliance Through Strategic Planning

The District's purpose is to provide the amount of water our customers need. Of course, responsible, sustainable stewardship of our water resources is an important element in accomplishing this purpose. Efficiency and accountability are important when managing water resources as well as other vital resources the District oversees, including energy and public funds. In accordance with our purpose and guided by our core mission, we have significantly reduced our dependence on imported water over the last twenty years, developing local projects like a brackish groundwater desalter, advanced treatment for groundwater, new wells, and a non-potable distribution system. All of these efforts work in concert to secure a more independent water supply portfolio. Doubling down on self-reliance will form the backbone of Camrosa's planning efforts for years to come. The following figure 5 below demonstrates the effects of Camrosa's commitment to building self-reliance over the last 20 years. As the diversity of supply sources increases, the percentage of the portfolio filled by imported water has decreased. Optimizing operations—filling reservoirs, moving water, blending water—has also allowed us to further reduce imports. Reductions in total water use since 2014 reflect conservation measures that have now become common practice by many of Camrosa's customers. Along with continued conservation and water use efficiencies, Camrosa will continue to develop local and regional water resource projects to build water self-reliance. This last fiscal year saw many of these projects identified through the ongoing development of Technical Memorandums (TMs) and an Integrated Master Plan that focuses on water supply alternatives. This work focused on implementation through a phased approach.

We're continuing this strategic focus this fiscal year with the goal of completing the development of and the adoption of an *Integrated Master Plan* for Local Water Supply Alternative and Infrastructure Integrity Projects that includes: a local Water Supply Alternative 5-year Implementation Plan, an Infrastructure Integrity 15-year Implementation Plan, comprehensive funding opportunities and fiscal impact analysis, integration of partner relationships, and related long-term resource security through a Comprehensive Water Resources Allocation Policy.

Concurrent with the development and adoption of the *Integrated Master Plan*, the District will move forward with the preliminary design, engineering work, and construction of additional wells, backup wells, and treatment facilities as part of Phase I, which will increase our local water production and further reduce our dependence on imported water.

### Historical Water Sources

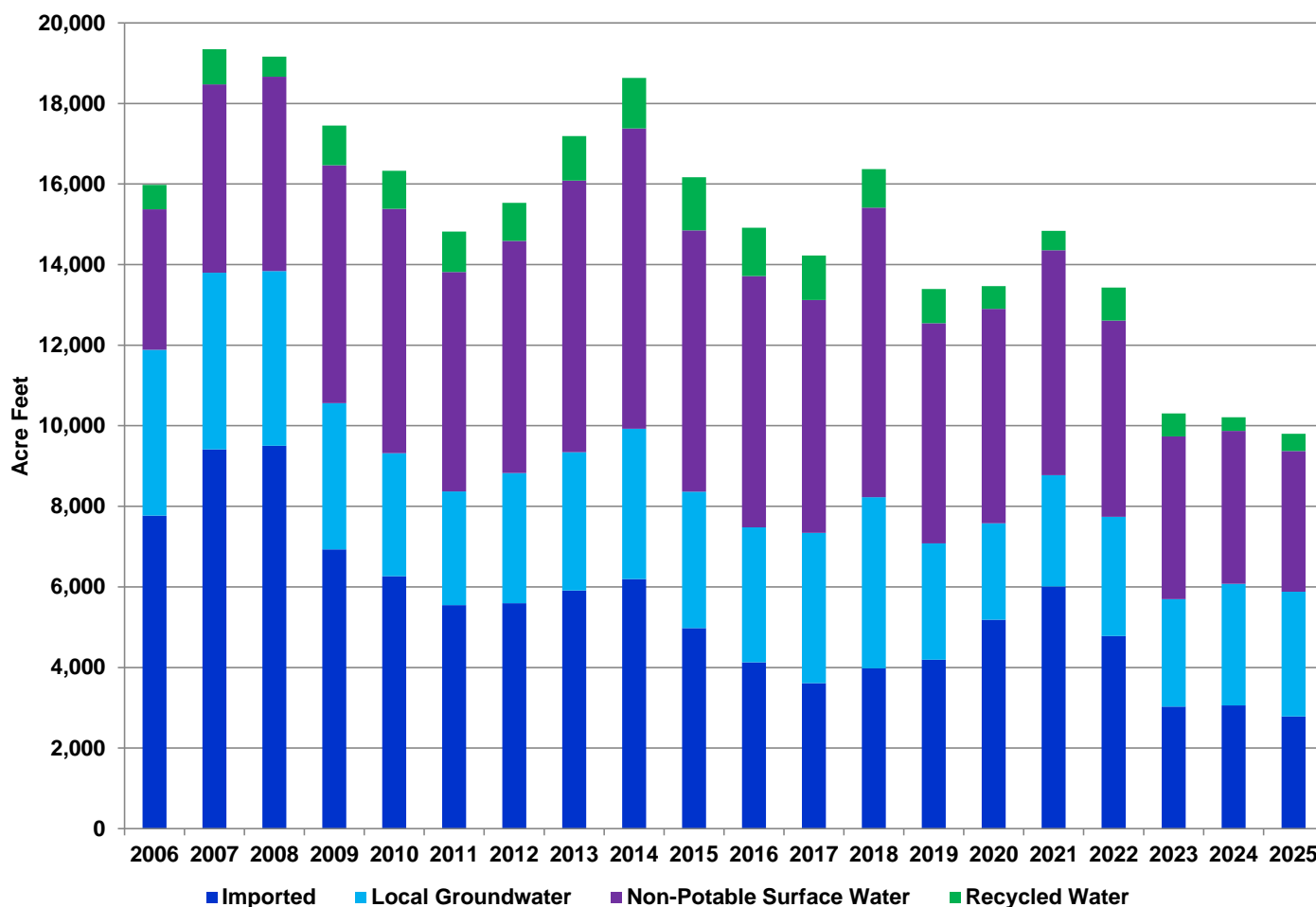


Figure 5 – Historical Water Sources

### Developing Mutually Beneficial Partnerships

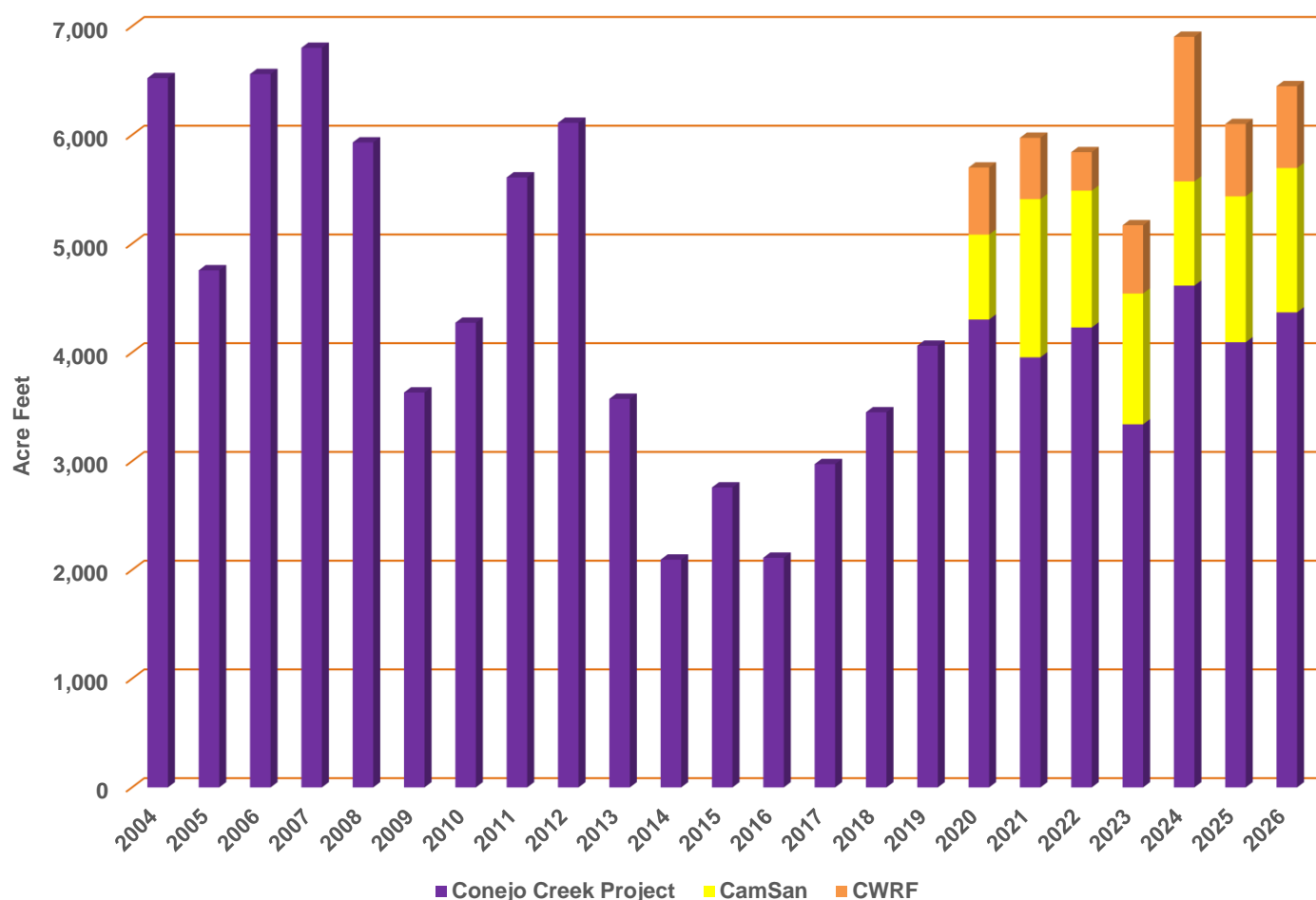
Mutually beneficial partnerships build relationships that bring additional water resources under the Camrosa umbrella and enhance our ability to become more self-reliant while helping our neighbors.

Since 2014, Through the Conejo Creek Project (CCP) Camrosa has sold Conejo Creek water, which originates in The City of Thousand Oaks, to Pleasant Valley County Water District (PVCWD), an agricultural District adjacent to Camrosa on the Oxnard Plain. Under Fox Canyon Groundwater Manager Agency (FCGMA) Resolution 2014-01, PVCWD transfers to Camrosa one pumping credit in the Pleasant Valley Basin (PVB) for each acre-foot of CCP water the District delivers. Camrosa currently pumps these credits from the Woodcreek and Lynnwood Wells in the northeastern Pleasant Valley Basin, where groundwater levels are higher and the basin is less stressed than in the areas where PVCWD has its wells. One aspect of Phase I of the *Integrated Master Plan* for Local Water Supply Alternative which will be implemented in FY2025-26 will be the development another well in the PVB to extract those credits in the future, rather than purchase imported water.

Following the completion of the Camarillo Sanitary District (CamSan) Recycled Water Interconnection project in November 2019, Camrosa began receiving recycled water from the City of Camarillo's CamSan facility. The City of Camarillo has a limited recycled water distribution system but does not have any storage; selling water to Camrosa helps the City avoid discharging this surplus recycled water to the creek and violating their NPDES permit or incurring the cost of discharging to the Salinity Management Pipeline (SMP). Camrosa can store CamSan's recycled water in the District's Storage Ponds and then sell it to PVCWD, a practice codified in Camrosa's latest Waste Discharge Requirement permit authorized by the Los Angeles Regional Water Quality Control Board on October 10, 2019. Recycled water does not accrue pumping credits as CCP water does, however, this interconnection increases Camrosa revenue, improves Camrosa operations, and contributes to regional water supply resilience. The amount of water available or for how long CamSan will continue to have excess recycled water is uncertain, but in the meantime, it is clearly a beneficial project for all three agencies.

Camrosa projects that in FY2024-25 it will have delivered 4,846 AF of CCP water, 761 AF of CWRP recycled water, and 1,497 AF of CamSan recycled water. In FY2025-26 the District is budgeting to deliver 4,369 AF of CCP water, 753 AF of CWRP recycled water, and 1,327 AF of CamSan recycled water to PVCWD as depicted in Figure 6 below.

### Historical Water Deliveries to Pleasant Valley CWD



**Figure 6 – Historical Water Deliveries to Pleasant Valley CWD**

Another key strategic regional partner is Calleguas Municipal Water District (CMWD, Calleguas). With the development of the Calleguas Strategic Plan in 2023, an important element was brought forward, a strategic priority to provide regional leadership in water resource management. One of their first initiatives was the Water Resources Implementation Strategy (WRIS). Under Calleguas' leadership, WRIS brought together regional stakeholders to identify a portfolio of regional projects that could increase the sustainability, resilience, and reliability of the region's water resources. Several of Camrosa's *Integrated Master Plan* projects rose to the top of the final list. As this is an ongoing program, the results are yet to be realized. What has developed is a clear demonstration of Calleguas' commitment to supporting their purveyors in furthering these important goals. A key

element to the success of Camrosa’s projects will be the coordination with Calleguas on the Salinity Management Pipeline (SMP) extension to support a Conejo Wellfield Desalter and the development of a Regional Exchange Framework (wheeling and banking) policy that will provide significant efficiencies for Camrosa’s self-reliance initiatives.

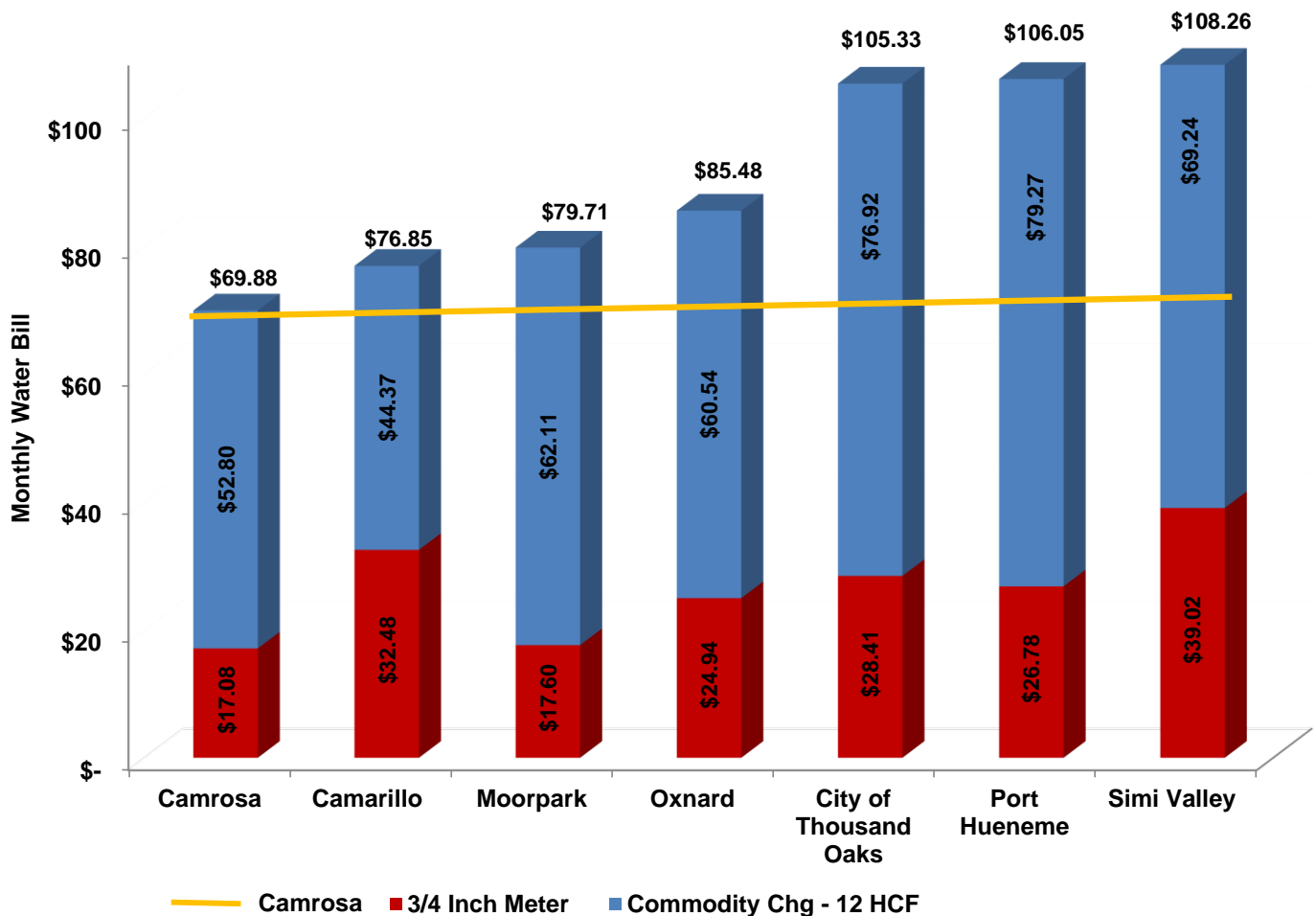
This ongoing collaborative work with Camrosa’s neighbors, Calleguas, and other regional partners will continue to be an important element of what makes and keeps Camrosa innovative, respected, and relevant within the region.

### Appropriate Rate Setting

In FY2023-24 the District undertook a comprehensive Water and Wastewater Rate Study to evaluate the existing water and wastewater rates to determine the best way to adequately fund water and wastewater utility operations and capital projects while keeping rates as affordable as possible. Included in the rate study was a review of the commodity component of rates, fixed meter service fees, and the District’s aging infrastructure and preventative maintenance requirements. On June 6, 2024, the District adopted a five-year Schedule of Rates for Water and Wastewater Services. Even with the rate increases, the District’s rates continue to be among the lowest in Ventura County as a result of investing in local water supply to build self-reliance. The District also strives to remain cost-effective in its rate setting by controlling operating costs.

The following Figure 7 is a comparison of local water utilities’ monthly water bills for a single-family usage of 12 hundred cubic feet (HCF) and a ¾-inch meter service charge.

### Utility Comparison 12 HCF - ¾ Inch Meter



**Figure 7 – Water Rate Comparison**

The following Figure 8 is a comparison of local wastewater utilities' monthly wastewater bills.

### Sewer Rate Comparison

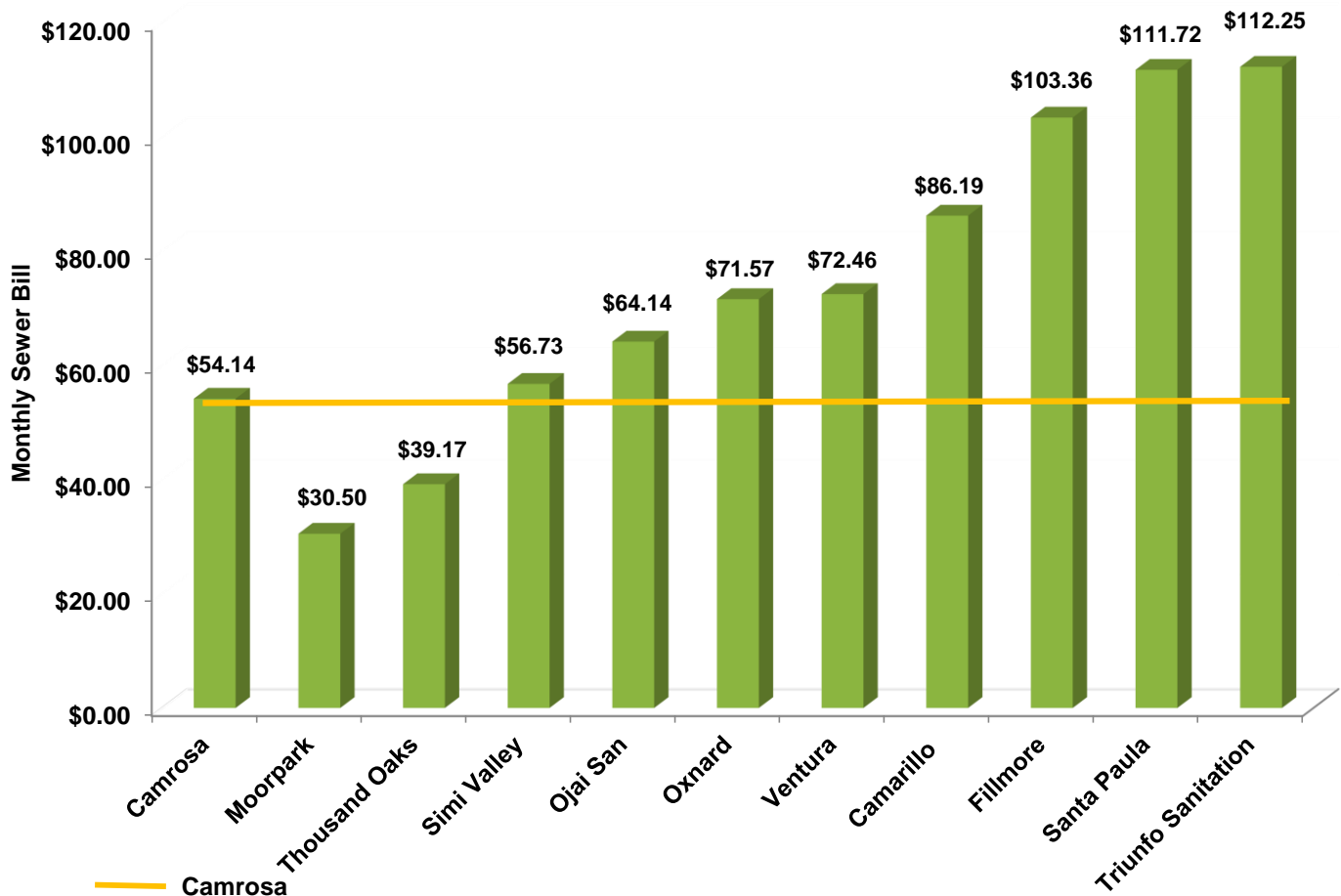


Figure 8 – Sewer Rate Comparison

#### Effective Asset Management

Camrosa Water District was established in 1962; some of what became the District's infrastructure predates even that. As the systems and infrastructure age, the value of the system decreases through depreciation while the costs of keeping the system functioning properly increase. As described previously, the District has been working on the development of an *Integrated Master Plan* with two key elements: a near-term plan focused on the rehabilitation, replacement, and maintenance of the District's existing aging infrastructure; and a long-term water resources plan to envision projects to achieve water self-reliance. These elements were incorporated into the five-year comprehensive rate study to ensure adequate rates, through which appropriate reserves would be set aside to invest in these top priorities. Aging infrastructure projects include the rehabilitation or replacement of pipeline segments, reservoirs (tanks), pump stations, treatment facilities, and key elements of the wastewater collection and treatment systems. Setting aside reserves today for these repairs and replacements will prevent the District from being susceptible to untimely financial burdens and ultimately having to excessively raise rates.

#### Leveraging Technology

As new technology becomes available, the District will evaluate and adopt technologies that increase efficiencies, provide better access to relevant data, and enhance our customers' experience. Advances in Artificial Intelligence (AI) will continue to provide opportunities for additional efficiencies in staff workload management, data acquisition and analysis, predictive maintenance of infrastructure, real-time leak detection, demand forecasting, energy optimization, and enhanced customer engagement through personalized services. The upgrade of the District's Customer Information System (CIS) will be completed towards the beginning of the fiscal year and will include new tools that provide real-time interfaces for customers to view and track usage,

interact with customer service, and facilitate the exchange of information. This year's budget includes allocations for new software to enhance the District's compliance reporting capabilities as well as provide fiscal forecasting with real-time analysis of cash-flows, rate impacts, and future reserves and revenue requirements in light of asset management, self-reliance, and infrastructure integrity initiatives. As the District makes initial and ongoing investments in emerging technology, the effects will be seen across the organization and through all areas of customer service, water quality and reliability, operational efficiency, infrastructure monitoring and maintenance, data-driven decision-making, environmental sustainability, and emergency response readiness.

### Vigilant Cybersecurity

The District continues to focus its efforts to ensure the security of its Information Technology systems. Because new cyber threats, vulnerabilities, and risks are always emerging, Camrosa applies a process of continuous improvement regarding cybersecurity that allows for threat identification, mitigation planning, execution, and assessment with the goals of protecting the District's network assets, and safeguarding customers' personally identifiable information. Also, Camrosa's layered approach to cybersecurity focuses on network resiliency, stringent access controls, network segmentation, and cloud-based endpoint monitoring. Additionally, Camrosa continues to ensure all staff are properly trained to identify, respond to, and report malware attacks and phishing attempts.

### Externalities

Although supply chain issues have eased, equipment and material delays still occur, especially related to electrical equipment, generators, and complex mechanical machinery, which could translate to longer lead times on orders and longer timelines on projects. In addition, the general construction and materials industries, along with professional and construction labor continue to see rising costs across the country. These increases have greatly impacted overall project budgets. Persistent inflation continues to put pressure on operational costs within the District with energy, chemical, and supply costs often outpacing inflation. Recent tariff actions have increased uncertainties in procurement for planned projects when it comes to the cost and availability of key pieces of equipment and needed materials.

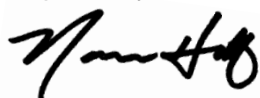
### Excellence in Budget Preparation

As part of the California Society of Municipal Finance Officers (CSMFO) mission to promote excellence in financial management, the CSMFO has established a program that evaluates the budgets of municipal entities from across the state. This program is intended to "encourage and assist local governments to prepare budget documents of the very highest quality that reflect the guidelines established by the National Advisory Council on State and Local Budgeting." The FY2024-25 budget was submitted to the CSMFO and the District received an Operating Budget Excellence Award for a twelfth consecutive year, an upgrade from the District's first submission of the FY2013-14 budget, Meritorious Award. This award is valid for a period of one year only. The budget document does not include any structural changes from the prior fiscal year; we believe our current budget continues to conform to program requirements and are submitting it to CSMFO for their evaluation.

### Our Commitment to Trust and Transparency

The challenges to water reliability and quality are greater than ever before—as is the District's resolve and ability to meet them. Our customers give us their trust every day to fulfill their basic needs, for their families, their farms, and their businesses. It is vital that we honor that trust in everything we do, moving toward self-reliance, investing in preventive maintenance, and timely infrastructure rehabilitation and replacement, all while continuing to improve the organization's capacity and effectiveness. A well-structured budget is critical to this effort, and I am confident that the District's FY2025-26 budget document provides a detailed and comprehensive overview of our ability to transform the challenges we face into new opportunities.

Respectfully submitted,



Norman Huff  
General Manager

## Strategic Plan and Goals

Water and wastewater service providers face an evolving landscape of diverse challenges as they strive to provide clean, safe, reliable, and affordable services to their communities. Navigating this dynamic and complex array of challenges requires a proactive approach, including strategic planning, leveraging technological advancements, and substantial investment to ensure the delivery of safe, reliable, and affordable services that our customers desire today and into the future.

Recent experience has shown that imported water costs have increased, as expected, but so has its unreliability. Between climatic, legislative, litigatory, and political pressures on the State Water Project, it no longer represents a dependable water supply as it once did. At the same time, the cost of producing local water has also increased, driven by an ever-increasing demand for a limited supply, an ever-expanding regulatory environment, and the high costs of new wells, treatment facilities, and pipelines.

At its core, strategic planning enables Camrosa to anticipate and prepare for future demands, risks, and opportunities, rather than merely reacting to crises as they arise. By identifying short- and long-term goals and mapping out the necessary steps to achieve them, Camrosa can ensure that we are equipped to meet the needs of our community both now and in the future.

In support of a robust planning process, the District held four strategic planning workshops in the Spring of 2022 and adopted the 2022 Strategic Plan in the Summer of 2022.

The 2022 Strategic Plan identified five strategic vision goals:

- Water Supply Independence
- Infrastructure Integrity
- Prudent Financial Management
- Public Trust
- Service Excellence Through Organizational Development

As part of the Budget development process for FY2025-26, the Board and staff developed specific Strategic Plan-related goals to be accomplished this fiscal year. These goals are:

- Complete the development of and adopt an *Integrated Master Plan* for Local Water Supply Alternatives and Infrastructure Integrity Projects that includes:
  - a Local Water Supply Alternatives 5-year Implementation Plan,
  - an Infrastructure Integrity 15-year Implementation Plan,
  - comprehensive funding opportunities and fiscal impact analysis,
  - and the integration of partner relationships and related long-term resource security.
- Create and implement a robust public outreach campaign to engage the public concerning the *Integrated Master Plan*.
- Develop and adopt a *Comprehensive Water Resources Allocation Policy* that preserves and enhances existing available resources and uses them to the greatest benefit of District customers, while also exploring opportunities to develop new resources.
- Place a renewed focus on the retention of Camrosa's talented and dedicated team members through positive engagement and professional development while filling all allocated positions with individuals who share the Camrosa vision for excellence.

## Mission Statement & Vision Statement

Revised Mission and Vision Statements were established as part of the 2022 Strategic Plan. The *Mission Statement* reflects the District's responsibility to provide reliable, safe, and cost-effective water and wastewater services. The *Vision Statement* connotes a higher purpose founded on visionary leadership and a deep commitment to enriching the lives of those we serve.

### Our Mission

*"The mission of Camrosa Water District is to provide reliable, safe, and cost-effective water and wastewater services."*

### Our Vision

*"Camrosa Water District preserves and improves the quality of life for our customers through innovative leadership and exceptional customer service."*



*Recycled Water Serving Valley Agriculture*

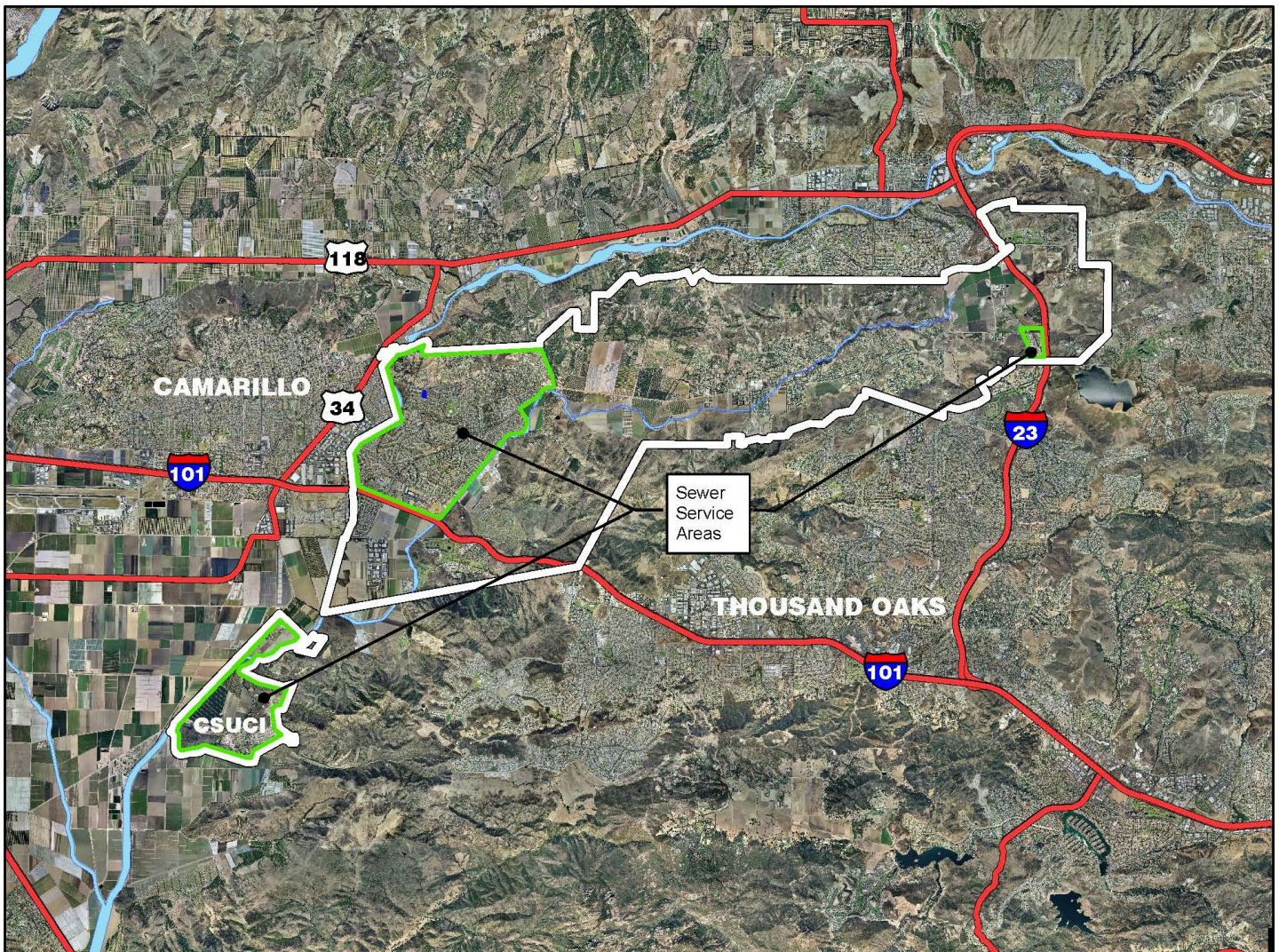
## Profile of the District

### District Services and Management

The Camrosa Water District, located over 31 square miles in the County of Ventura, California, is an independent special District that operates under the authority of Division 12 of the California Water Code. The District was originally formed under the law in 1962 as the Camarillo County Water District for the purpose of supplying potable water. The District has changed its name twice, first to the Camrosa County Water District in 1965, and then to its present name in 1987. Subsequently, the District expanded its operations to include wastewater collection and treatment in a portion of its service area.

Currently, the District provides three classes of water (potable, non-potable, and recycled) to a population of more than 32,700 people through approximately 11,450 service connections, which includes three master-metered communities. The majority of these connections are residential with the remainder serving commercial, industrial, and agricultural.

Potable water is a blend of imported State Water Project (SWP) water from the Sacramento-San Joaquin Delta and local groundwater; non-potable surface water is a combination of diverted surface water and local groundwater; and recycled water is tertiary-treated product from the Camrosa Water Reclamation Facility (CWRF). Wastewater service is limited to 9,474 equivalent dwelling units (EDUs), including California State University of Channel Islands (CSUCI), a portion of the City of Camarillo, and a sliver of the City of Thousand Oaks. The remainder of the District is either served by the Camarillo Sanitary District or on private septic systems.



**Figure 9 – District Map Boundaries**

The following graph sets forth the District’s various water customer classes. Residential and Agricultural customers account for approximately 77% of the District’s projected water service revenue for the fiscal year ending June 30, 2025. The residential customer class includes both indoor and outdoor water usage.

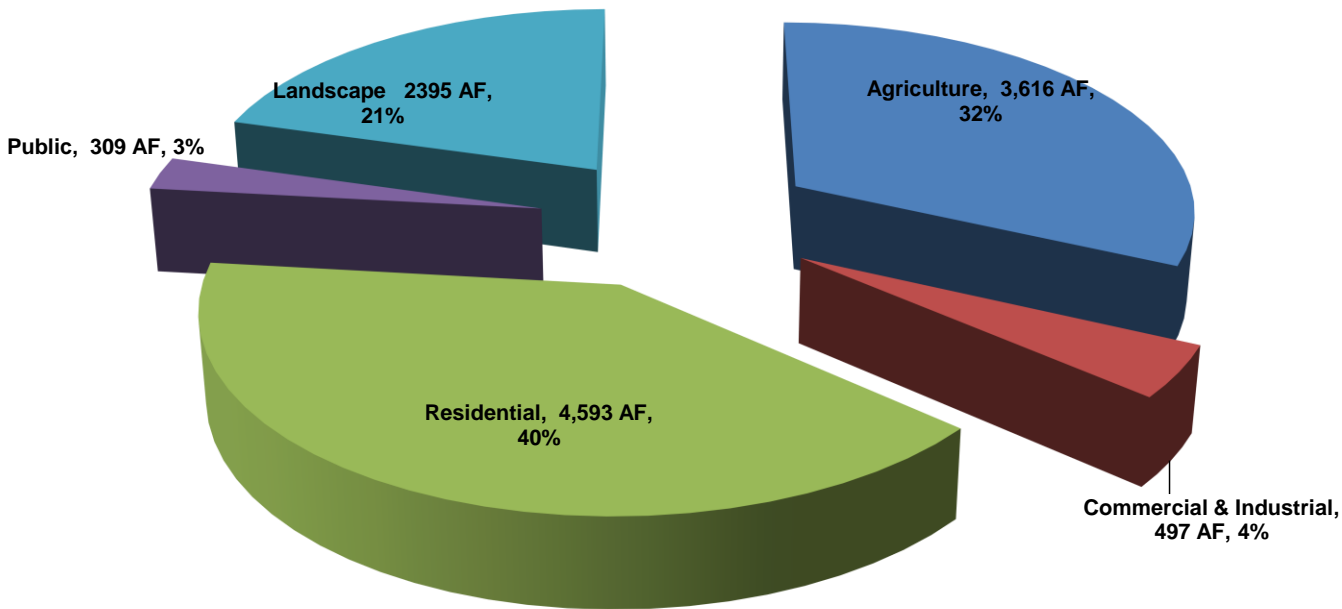


Figure 10 – FY2024-25 Percent of Water Revenues by Customer Class

**Board of Directors**

The District is governed by a five-member Board of Directors, elected at large from five geographical “divisions” within the District’s service area. The District’s Board of Directors meets on the second and fourth Tuesdays of each month. Meetings are publicly noticed, and residents are encouraged to attend.

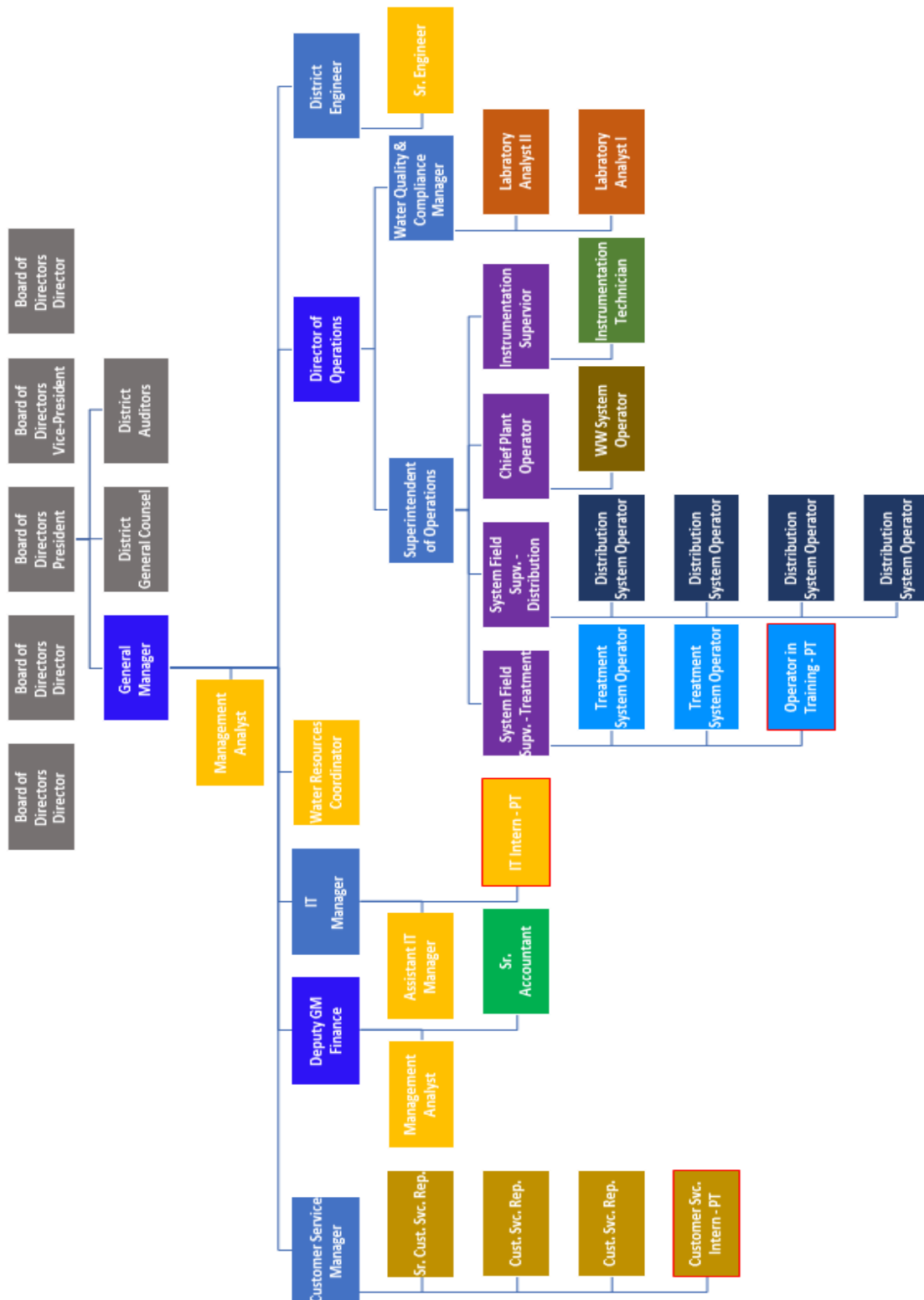
Director	Title	Division	Expiration of Term	Occupation
Eugene F. West	President	Division 4	November 2028	Attorney
Andrew F. Nelson	Vice-President	Division 1	November 2026	Healthcare Research
Jeffrey C. Brown	Director	Division 2	November 2026	Investment Consultant
Terry L. Foreman	Director	Division 5	November 2026	Geologist/Hydrogeologist
Timothy H. Hoag	Director	Division 3	November 2028	Pharmacist/Teacher

**General Manager**

Daily operation of the District falls under the responsibility of the General Manager, Norman Huff. The General Manager administers the day-to-day operations of the District in accordance with policies and procedures established by the Board of Directors. As General Manager, Mr. Huff is responsible for the general oversight of the production and distribution of potable and non-potable water, as well as wastewater collection, treatment, and water recycling at the District’s Water Reclamation Facility.

## Organizational Structure

In FY2024-25, the District budgeted for 31 full-time employees, but only 29 were allocated by the Board. For FY2025-26 the District budgeted for and the Board allocated 31 full-time positions.



## Employee Salaries

In FY2024-25 the Board allocated 3.1% for a newly-created Annual Inflation Adjustment (AIA) policy. They also allocated 1.0% for salary adjustments and promotions. For FY2025-26 the Board allocated 3.2% for AIA and 1.75% for salary adjustments and promotions.

## Employee Benefits

The District is a member of the California Public Employees' Retirement System (CalPERS). In FY2019-20 the District made an Additional Discretionary Payment (ADP) to pay off the CalPERS Unfunded Accrued Liability (UAL) in the amount of \$5.0 million. A similar ADP was made in FY2024-25 of \$1.6 million. The total ADPs made to date amount to \$6,776,019. Due to the high cost of the UAL, in FY2024-25 the District formed an Ad hoc Committee to explore alternative retirement benefit plans. The work of this committee, along with an Employee Advisory Group, is ongoing with the primary goal of finding a less-costly alternative retirement benefit that provides equal to or better benefits than the current CalPERS plan. In FY2025-26, the District will be invoiced \$35,739 for the required UAL payment for classic employees and \$512 for PEPPRA employees. The employer contribution rate of 11.94% for classic employees will be collected as a percentage of payroll. In FY2020-21 and prior years, the District was paying 7% of the classic employee's retirement contribution. The Board decided to shift that portion of the retirement cost back to the employee and did so by ramping up the employee's contribution 1% a year until the employee was paying the full 7%. To lessen the impact on the employee, the Board also implemented a discretionary offset. This year the District will pay 2% of the 7% employee contributions for qualifying classic employees and provide a discretionary offset of 5%. The District's retirement contribution will be reduced by 1% per year with an increase of the discretionary offset at the same percentage provided to classic employees hired before July 1, 2021, until the employees' contribution and the discretionary offset reach the maximum of 7%. Any classic employees hired after July 1, 2021, pays the full seven percent of the employee contribution and is not eligible for the discretionary offset. The employer contribution rate for any new employees hired since January 1, 2013, who were not subject to reciprocity as defined in the Public Employee's Pension Reform Act (PEPPRA), will be 7.96%.

The District provides a range of medical insurance plans and dental and vision insurance through ACWA-JPIA. The FY2025-26 budget assumes an increase of 5% effective January 1, 2025, for medical, which represents an average of the last three years' increases. Dental and Vision are expected to remain flat or increase by less than 2%.



*Employee Picnic & Cornhole Tournament*

## **Financial Policies**

### **Reserve Policy**

The District's Reserve Policy, (Appendix #5), the most recent version of which was adopted by Resolution of the Board on October 14, 2021, is intended to assure adequate reserves for ongoing needs while minimizing the need for new debt. The reserve levels established in the policy also help provide rate stabilization and ensure adequate fund levels to meet aging infrastructure replacements, unanticipated emergencies, and future enlargement of the District's customer base. The Board receives reports of the reserve levels quarterly and again during the budget preparation process to ensure continued conformance with long-term Board strategy.

### **Investment Policy**

The District's Investment Policy, the most recent version of which was adopted by Resolution of the Board on March 13, 2025, is intended to provide guidelines and restrictions for prudent investment of the District's cash reserves. The District's portfolio is carefully monitored by a four-member committee that includes the General Manager, the Manager of Finance, and two Board members. The full Board receives quarterly reports on the type of investments, the current yield, maturity dates, and market value, as appropriate. The criteria for selecting investment options are, in order of priority, safety, liquidity, and yield. Generally, maturities are limited to five-year periods, and to the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. Investments are generally limited to government-issued or government-insured securities; the District currently has approximately \$7.5 million (as of April 30) invested in the State's Local Agency Investment Fund (LAIF) and \$34.5 million in Treasuries. (Appendix #6).

### **Debt Policy**

The District's overriding goal in issuing debt is to respond to and provide for its infrastructure, capital projects, and other financing needs while ensuring that debt is used and managed prudently in order to maintain a sound fiscal position and protect credit quality. The District's Debt Policy (Appendix #7) developed and adopted by Resolution of the Board on August 11, 2016, is intended to provide guidelines for the use of debt for financing District water, sewer, and recycled water infrastructure and project needs. The policy provides the following: 1) establishes criteria for the issuance of debt obligations so that acceptable levels of indebtedness are maintained; 2) transmits the message to investors and rating agencies that the District is committed to sound financial management; and 3) provides consistency and continuity to public policy development when the elected Board of Directors work from guidelines that govern the planning and execution of transactions and projects.

### **Budget Policy**

The District's budget is presented as a policy document, an operational tool, a financial planning tool, and a communication tool to the District's community and stakeholders. The purpose of the Budget Policy is to provide guidelines that will influence and direct the financial management practice of the District. The District's Budget Policy (Appendix #8) developed and adopted by Resolution of the Board on January 26, 2017, is intended to establish procedures to ensure consistent practices for developing the yearly budget.

### **Pension Funding Policy**

The District's Pension Funding Policy (Appendix #9) was developed and adopted by Resolution of the Board on January 14, 2021, and is intended to provide guidance and strategies to current and future Board of Directors for addressing the District's retirement liabilities. This policy includes internal budgeting, policy directives, and financing mechanisms.

## **Basis of Budgeting & Accounting**

The District maintains its accounts on an accrual basis. Revenues are recognized when earned, and expenses are recognized when incurred.

The District is operated and reported as a single enterprise fund, which is an accounting entity that finances and accounts for the acquisition, operation, and maintenance of governmental facilities and services that are entirely or predominately self-supporting through user charges.

### **Budgetary Control**

The District views the budget as an essential tool for proper financial management. This budget is developed with input from the various program managers of the organization and is adopted prior to the start of each fiscal year. The Board of Directors must approve all supplemental appropriations to the budget. The level of budgetary control (i.e., the level at which expenditures cannot exceed the appropriated amount) is at the Fund level. The Board monitors the budget through Quarterly Financial Reports, Quarterly Investment Reports, and Year-End Budget Reports.

### **Budget Process**

The budget planning and preparation process is an important District activity and provides an opportunity for the Board of Directors, Management, and Staff to reassess goals and objectives for the upcoming and future years.

During the budget process, Management and Staff update current objectives and develop new ones for the upcoming fiscal year, all of which is discussed with the Board of Directors. The process is used to develop the draft budget that is presented to the Board of Directors for initial review. The Board reviews the draft budget and makes changes it deems appropriate. The budget is posted on the District's website.

### **Budget Calendar**

The following is the budget calendar for the development of the FY2024-25 budget.

3/1/2025	Present Program Accomplishments FY24-25 Present Program Goals for FY25-26
4/24/2025	FY25-26 Capital Projects Proposal FY25-26 Fixed Asset Proposal
4/24/2025	Projected End-of-Year Budget FY24-25 FY24-25 Capital Projects Projections
4/24/2025	Draft Expense Budget Draft Revenue Budget
5/27/2025	3rd Quarter Review
5/27/2025	FY25-26 Draft Expense & Revenue Budget Update Appropriation Limit FY25-26
6/10/2025	Draft FY25-26 Operating & Capital Budget
6/24/2025	Adoption of FY25-26 Operating & Capital Budget

**Resolution No: 25-14**

A Resolution of the Board of Directors  
of Camrosa Water District

**Adopting the Operating and Capital Budget  
for Fiscal Year 2025-2026**

**Whereas**, Staff and Management of the Camrosa Water District have developed a one-year operating and capital budget for Fiscal Year 2025-2026; and

**Whereas**, the budget includes projections of operating and capital revenues and expenditures as well as changes in cash reserves in all District funds for Fiscal Year 2025-2026; and

**Whereas**, on May 27, 2025, and June 10, 2025, the proposed draft budget for Fiscal Year 2025-2026 was presented and reviewed at a regular meeting of the Board of Directors of the District; and

**Whereas**, the final budget for Fiscal Year 2025-2026 was presented and considered by the Board of Directors at a regular meeting on June 24, 2025; and

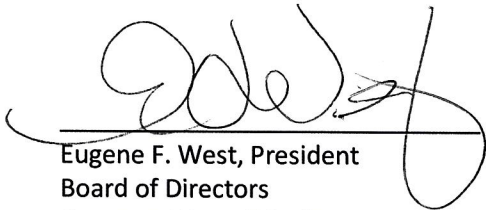
**Whereas**, the Board of Directors has determined that the proposed budget is consistent with the effective delivery of services by the District; and


**Whereas**, the Board of Directors has determined that the budget shows that with necessary Board action, there will be sufficient District revenues and financial reserves to meet the District's financial obligations over the next fiscal year; and

**Whereas**, it is the desire of the Board of Directors to adopt the Operating and Capital Budget for Fiscal Year 2025-2026.

**Now, Therefore, Be It Resolved** by the Camrosa Water District Board of Directors that the Operating and Capital Budget for Fiscal Year 2025-2026, attached hereto, is hereby approved and adopted.

**Adopted, Signed, and Approved** this 24<sup>th</sup> day of June 2025.

  
Eugene F. West, President  
Board of Directors  
Camrosa Water District

 (ATTEST)  
Norman Huff, Secretary  
Board of Directors  
Camrosa Water District

## Budget Summary

Budget Summary	Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Revenues</b>								
Water Sales:								
Potable	\$ 12,280,448	\$ 9,209,757	\$ 10,602,546	\$ 11,871,600	\$ 13,272,982	\$ 13,671,300	\$ 1,799,700	15.16%
Recycle/Non-Potable	4,383,675	3,573,563	3,304,164	4,028,400	4,120,825	4,015,538	(12,862)	-0.32%
Water Sales Pleasant Valley	1,677,229	1,608,935	1,998,484	1,566,400	1,753,000	1,643,766	77,366	4.94%
Meter Service Charge	2,515,456	2,608,044	2,717,519	3,291,700	2,927,607	3,642,600	350,900	10.66%
Sewer Service Charge	4,092,891	4,426,781	4,764,475	5,513,600	5,325,219	6,282,400	768,800	13.94%
Special Services	65,543	65,432	77,630	88,000	73,100	76,000	(12,000)	-13.64%
Pump Zone Charges	47,212	35,239	31,408	35,000	42,000	35,000	-	0.00%
Miscellaneous	23,872	51,038	5,877	-	2,250	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 25,086,326</b>	<b>\$ 21,578,789</b>	<b>\$ 23,502,103</b>	<b>\$ 26,394,700</b>	<b>\$ 27,516,983</b>	<b>\$ 29,366,604</b>	<b>\$ 2,971,904</b>	<b>11.26%</b>
<b>Operating Expenses</b>								
Import Water Purchases-Calleguas	\$ 7,701,097	\$ 5,070,510	\$ 5,461,450	\$ 4,401,600	\$ 6,820,834	\$ 5,637,137	\$ 1,235,537	28.07%
Calleguas Fixed Charge	913,008	906,822	937,050	980,200	1,019,000	1,077,252	97,052	9.90%
Conejo Creek Project-Thousand Oaks	702,978	132,123	1,113,387	938,800	940,500	1,014,104	75,304	8.02%
CamSan	72,109	816,017	157,354	58,100	150,000	158,736	100,636	173.21%
Salinity Management Pipeline-Calleguas	203,701	75,237	148,758	254,400	137,100	277,152	22,752	8.94%
Pumping & Production Power	1,790,639	1,718,085	2,015,969	2,776,800	2,289,500	3,168,180	391,380	14.09%
<b>Total Production</b>	<b>\$ 11,383,532</b>	<b>\$ 8,718,794</b>	<b>\$ 9,833,968</b>	<b>\$ 9,409,900</b>	<b>\$ 11,356,934</b>	<b>\$ 11,332,561</b>	<b>\$ 1,922,661</b>	<b>20.43%</b>
Regular Salaries	\$ 2,607,415	\$ 2,813,711	\$ 3,265,586	\$ 4,188,104	\$ 3,577,044	\$ 4,178,199	\$ (9,905)	-0.24%
Overtime/Standby	104,133	152,105	208,699	261,159	237,331	212,319	(48,840)	-18.70%
Part Time	16,949	25,197	39,576	64,782	46,285	98,099	33,317	51.43%
Benefits	976,251	958,028	1,053,663	1,475,512	1,235,034	1,437,371	(38,141)	-2.58%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 3,704,748</b>	<b>\$ 3,949,041</b>	<b>\$ 4,567,524</b>	<b>\$ 5,989,557</b>	<b>\$ 5,095,694</b>	<b>\$ 5,925,988</b>	<b>\$ (63,569)</b>	<b>-1.06%</b>
Outside Contracts	\$ 1,507,766	\$ 1,974,882	\$ 2,438,557	\$ 3,854,440	\$ 3,404,891	\$ 4,367,163	\$ 512,723	13.30%
Professional Services	1,075,087	703,768	776,095	1,218,450	470,256	1,379,130	160,680	13.19%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 2,582,853</b>	<b>\$ 2,678,650</b>	<b>\$ 3,214,652</b>	<b>\$ 5,072,890</b>	<b>\$ 3,875,147</b>	<b>\$ 5,746,293</b>	<b>\$ 673,403</b>	<b>13.27%</b>
Utilities	\$ 105,509	\$ 97,746	\$ 106,824	\$ 134,500	\$ 125,000	\$ 129,500	\$ (5,000)	-3.72%
Communications	75,190	89,688	67,054	80,350	70,000	84,600	4,250	5.29%
Pipeline Repairs	441,364	401,863	309,793	490,000	500,000	490,000	-	0.00%
Small Tools & Equipment	15,025	29,169	30,949	47,350	43,200	47,350	-	0.00%
Materials & Supplies	683,329	554,248	739,909	1,513,214	1,459,500	1,563,715	50,501	3.34%
Repair Parts & Equipment Maintenance	631,705	783,513	1,039,666	1,383,000	1,135,000	1,465,000	82,000	5.93%
Legal Services	57,714	50,660	138,128	150,000	182,000	305,000	155,000	103.33%
Dues & Subscriptions	48,092	52,945	40,592	63,051	57,300	57,000	(6,051)	-9.60%
Conference & Travel	15,245	24,266	25,726	24,900	32,100	28,400	3,500	14.06%
Safety & Training	24,672	21,888	28,397	66,200	45,000	57,000	(9,200)	-13.90%
Board Expense	126,254	156,485	149,382	180,000	170,000	177,000	(3,000)	-1.67%
Bad Debt	7,826	10,757	6,523	10,000	6,500	10,000	-	0.00%
Fees & Charges	205,883	288,658	202,657	342,875	308,665	356,375	13,500	3.94%
Insurance	93,408	116,009	149,930	180,000	180,000	216,500	36,500	20.28%
<b>Total Supplies &amp; Services</b>	<b>\$ 2,531,216</b>	<b>\$ 2,677,895</b>	<b>\$ 3,035,530</b>	<b>\$ 4,665,440</b>	<b>\$ 4,314,265</b>	<b>\$ 4,987,440</b>	<b>\$ 322,000</b>	<b>6.90%</b>
<b>Total Expenses</b>	<b>\$ 20,202,349</b>	<b>\$ 18,024,380</b>	<b>\$ 20,651,674</b>	<b>\$ 25,137,787</b>	<b>\$ 24,642,040</b>	<b>\$ 27,992,282</b>	<b>\$ 2,854,495</b>	<b>11.36%</b>
<b>Net Operating Revenues</b>	<b>\$ 4,883,977</b>	<b>\$ 3,554,409</b>	<b>\$ 2,850,429</b>	<b>\$ 1,256,913</b>	<b>\$ 2,874,943</b>	<b>\$ 1,374,322</b>	<b>\$ 117,409</b>	<b>9.34%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 1,044,631	\$ 1,035,331	\$ 1,039,931	\$ 1,036,631	\$ 1,036,631	\$ 1,048,931	\$ 12,300	1.19%
Rate Stabilization Contribution	150,000	70,000	-	70,000	70,000	70,000	-	-
Unfunded Accrued Liability Contribution	-	-	-	300,000	231,750	231,750	(68,250)	-
Capital Replacement Contribution	4,495,500	4,266,300	4,426,361	2,221,500	3,817,500	3,057,000	835,500	37.61%
<b>Total Non-Operating Expenses</b>	<b>\$ 5,690,131</b>	<b>\$ 5,371,631</b>	<b>\$ 5,466,292</b>	<b>\$ 3,628,131</b>	<b>\$ 5,155,881</b>	<b>\$ 4,407,681</b>	<b>\$ 779,550</b>	<b>21.49%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	\$ 129,914	\$ 1,276,286	\$ 2,089,721	\$ 1,760,000	\$ 1,703,000	\$ 1,316,000	\$ (444,000)	-25.23%
Taxes	721,241	772,770	805,988	850,000	843,500	885,120	35,120	5.66%
Rate Stabilization Contribution	-	-	-	-	-	945,541	945,541	-
<b>Total Non-Operating Revenues</b>	<b>\$ 851,155</b>	<b>\$ 2,049,056</b>	<b>\$ 2,895,709</b>	<b>\$ 2,610,000</b>	<b>\$ 2,546,500</b>	<b>\$ 3,146,661</b>	<b>\$ 536,661</b>	<b>20.56%</b>
<b>Net Operating Results</b>	<b>\$ 45,001</b>	<b>\$ 231,834</b>	<b>\$ 279,846</b>	<b>\$ 238,782</b>	<b>\$ 265,562</b>	<b>\$ 113,302</b>	<b>\$ (125,480)</b>	
Capital Fees	\$ -	\$ 289,325	\$ 1,982,125	\$ -	\$ 24,000	\$ -	\$ -	-
Mitigation & In-Lieu Fees	-	298,743	4,205,860	-	6,489	-	-	-
GAC Reimbursement	16,191,774	-	-	-	-	-	-	-
Grants	187	-	-	-	-	-	-	-
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 16,191,961</b>	<b>\$ 588,068</b>	<b>\$ 6,187,985</b>	<b>\$ -</b>	<b>\$ 30,489</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Capital Fees &amp; Grants</b>	<b>\$ 16,236,962</b>	<b>\$ 819,902</b>	<b>\$ 6,467,831</b>	<b>\$ 238,782</b>	<b>\$ 296,051</b>	<b>\$ 113,302</b>	<b>\$ (125,480)</b>	

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget

## Water Program

Water Program	Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Revenues</b>								
Water Sales:								
Potable	\$ 12,280,448	\$ 9,209,757	\$ 10,602,546	\$ 11,871,600	\$ 13,272,982	\$ 13,671,300	\$ 1,799,700	15.16%
Recycle/Non-Potable	4,383,675	3,573,563	3,304,164	4,028,400	4,120,825	4,015,538	(12,862)	-0.32%
Water Sales Pleasant Valley	1,677,229	1,608,935	1,998,484	1,566,400	1,753,000	1,643,766	77,366	4.94%
Meter Service Charge	2,515,456	2,608,044	2,717,519	3,291,700	2,927,607	3,642,600	350,900	10.66%
Special Services	50,750	48,513	58,024	67,000	52,100	54,000	(13,000)	-19.40%
Pump Zone Charges	47,212	35,239	31,408	35,000	42,000	35,000	-	0.00%
Miscellaneous	15,804	47,591	4,156	-	1,500	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 20,970,574</b>	<b>\$ 17,131,642</b>	<b>\$ 18,716,301</b>	<b>\$ 20,860,100</b>	<b>\$ 22,170,014</b>	<b>\$ 23,062,204</b>	<b>\$ 2,202,104</b>	<b>10.56%</b>
<b>Operating Expenses</b>								
Import Water Purchases-Calleguas	\$ 7,701,097	\$ 5,070,510	\$ 5,461,450	\$ 4,401,600	\$ 6,820,834	\$ 5,637,137	\$ 1,235,537	28.07%
Calleguas Fixed Charge	913,008	906,822	937,050	980,200	1,019,000	1,077,252	97,052	9.90%
Conejo Creek Project	702,978	132,123	1,113,387	938,800	940,500	1,014,104	75,304	8.02%
CamSan	72,109	816,017	157,354	58,100	150,000	158,736	100,636	173.21%
Salinity Management Pipeline-Calleguas	192,180	67,384	139,624	245,400	126,000	268,152	22,752	9.27%
Pumping & Production Power	1,790,639	1,718,085	2,015,969	2,776,800	2,289,500	3,168,180	391,380	14.09%
<b>Total Production</b>	<b>\$ 11,372,011</b>	<b>\$ 8,710,941</b>	<b>\$ 9,824,834</b>	<b>\$ 9,400,900</b>	<b>\$ 11,345,834</b>	<b>\$ 11,323,561</b>	<b>\$ 1,922,661</b>	<b>20.45%</b>
Regular Salaries	\$ 1,694,820	\$ 1,828,912	\$ 2,122,631	\$ 2,722,267	\$ 2,325,079	\$ 2,715,829	\$ (6,438)	-0.24%
Overtime/Standby	67,686	98,868	135,654	169,753	154,265	138,007	(31,746)	-18.70%
Part Time	11,017	16,378	25,724	42,108	30,085	63,764	21,656	51.43%
Benefits	634,563	622,718	684,881	959,083	802,772	934,291	(24,792)	-2.58%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 2,408,086</b>	<b>\$ 2,566,876</b>	<b>\$ 2,968,890</b>	<b>\$ 3,893,211</b>	<b>\$ 3,312,201</b>	<b>\$ 3,851,891</b>	<b>\$ (41,320)</b>	<b>-1.06%</b>
Outside Contracts	\$ 772,568	\$ 1,002,474	\$ 1,404,853	\$ 2,342,336	\$ 1,985,554	\$ 2,668,331	\$ 325,995	13.92%
Professional Services	953,167	464,348	570,443	911,042	401,803	980,809	69,767	7.66%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 1,725,735</b>	<b>\$ 1,466,822</b>	<b>\$ 1,975,296</b>	<b>\$ 3,253,378</b>	<b>\$ 2,387,357</b>	<b>\$ 3,649,140</b>	<b>\$ 395,762</b>	<b>12.16%</b>
Utilities	\$ 82,105	\$ 73,477	\$ 81,885	\$ 98,925	\$ 89,250	\$ 93,925	\$ (5,000)	-5.05%
Communications	48,873	58,297	43,585	52,227	45,500	54,990	2,763	5.29%
Pipeline Repairs	418,343	400,694	309,793	480,000	490,000	460,000	(20,000)	-4.17%
Small Tools & Equipment	13,128	24,663	27,297	34,452	32,655	34,452	-	0.00%
Materials & Supplies	538,205	400,902	575,850	1,284,869	1,232,475	1,329,945	45,076	3.51%
Repair Parts & Equipment Maintenance	575,464	696,805	952,656	1,200,825	970,000	1,271,625	70,800	5.90%
Legal Services	37,514	32,929	122,718	136,000	157,500	261,250	125,250	92.10%
Dues & Subscriptions	31,260	34,346	26,385	40,983	37,245	37,050	(3,933)	-9.60%
Conference & Travel	9,909	15,773	16,722	16,185	20,865	18,460	2,275	14.06%
Safety & Training	16,037	14,227	18,458	43,030	29,250	37,050	(5,980)	-13.90%
Board Expense	82,065	101,715	97,098	117,000	110,500	115,050	(1,950)	-1.67%
Bad Debt	5,087	6,992	4,240	6,500	4,225	6,500	-	0.00%
Fees & Charges	141,783	214,184	125,870	225,870	229,736	240,295	14,425	6.39%
Insurance	60,715	75,406	97,454	117,000	117,000	140,725	23,725	20.28%
<b>Total Supplies &amp; Services</b>	<b>\$ 2,060,488</b>	<b>\$ 2,150,410</b>	<b>\$ 2,500,011</b>	<b>\$ 3,853,866</b>	<b>\$ 3,566,201</b>	<b>\$ 4,101,317</b>	<b>\$ 247,451</b>	<b>6.42%</b>
<b>Total Expenses</b>	<b>\$ 17,566,320</b>	<b>\$ 14,895,049</b>	<b>\$ 17,269,031</b>	<b>\$ 20,401,355</b>	<b>\$ 20,611,593</b>	<b>\$ 22,925,909</b>	<b>\$ 2,524,554</b>	<b>12.37%</b>
<b>Net Operating Revenues</b>	<b>\$ 3,404,254</b>	<b>\$ 2,236,593</b>	<b>\$ 1,447,270</b>	<b>\$ 458,745</b>	<b>\$ 1,558,421</b>	<b>\$ 136,295</b>	<b>\$ (322,450)</b>	<b>-70.29%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 853,681	\$ 845,806	\$ 852,031	\$ 844,931	\$ 844,931	\$ 858,319	\$ 13,388	1.58%
Rate Stabilization Contribution	70,000	70,000	-	60,000	60,000	60,000	-	-
Unfunded Accrued Liability Contribution	-	-	-	195,000	126,750	126,750	(68,250)	-
Capital Replacement Contribution	3,265,500	3,020,475	2,895,194	1,408,500	2,493,500	1,900,000	491,500	34.90%
<b>Total Non-Operating Expenses</b>	<b>\$ 4,189,181</b>	<b>\$ 3,936,281</b>	<b>\$ 3,747,225</b>	<b>\$ 2,508,431</b>	<b>\$ 3,525,181</b>	<b>\$ 2,945,069</b>	<b>\$ 436,638</b>	<b>17.41%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	\$ 102,841	\$ 1,074,433	\$ 1,690,219	\$ 1,410,000	\$ 1,363,000	\$ 1,053,000	\$ (357,000)	-25.32%
Taxes	721,241	772,770	805,988	850,000	843,500	885,120	35,120	4.13%
Rate Stabilization Contribution	-	-	-	-	-	945,541	945,541	-
<b>Total Non-Operating Revenues</b>	<b>\$ 824,082</b>	<b>\$ 1,847,203</b>	<b>\$ 2,496,207</b>	<b>\$ 2,260,000</b>	<b>\$ 2,206,500</b>	<b>\$ 2,883,661</b>	<b>\$ 623,661</b>	<b>27.60%</b>
<b>Net Operating Results</b>	<b>\$ 39,155</b>	<b>\$ 147,515</b>	<b>\$ 196,252</b>	<b>\$ 210,314</b>	<b>\$ 239,740</b>	<b>\$ 74,887</b>	<b>\$ (135,427)</b>	
Capital Fees	\$ -	\$ 55,575	\$ 177,575	\$ -	\$ 24,000	\$ -	\$ -	-
Mitigation & In-Lieu Fees	-	298,743	4,205,860	-	6,489	-	-	-
Grants	187	-	-	-	-	-	-	-
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 16,191,961</b>	<b>\$ 354,318</b>	<b>\$ 4,383,435</b>	<b>\$ -</b>	<b>\$ 30,489</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 16,231,116</b>	<b>\$ 501,833</b>	<b>\$ 4,579,687</b>	<b>\$ 210,314</b>	<b>\$ 270,229</b>	<b>\$ 74,887</b>	<b>\$ (135,427)</b>	
<b>Debt Ratio</b>	<b>10.71</b>	<b>5.25</b>	<b>9.77</b>	<b>3.22</b>	<b>4.49</b>	<b>3.52</b>		

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget

## Potable Water Program

Potable Water Program	Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	% Change over PY
<b>Revenues</b>								
Water Sales:								
Potable	\$ 12,280,448	\$ 9,209,757	\$ 10,602,546	\$ 11,871,600	\$ 13,272,982	\$ 13,671,300	\$ 1,799,700	15.16%
Water Sales to Pleasant Valley -CamSan	-	-	-	385,100	593,000	552,122	167,022	43.37%
Meter Service Charge	2,387,210	2,465,061	2,565,609	3,096,100	2,813,126	3,507,000	410,900	13.27%
Special Services	30,107	30,488	38,471	42,000	33,100	34,000	(8,000)	-19.05%
Pump Zone Charges	28,351	20,682	19,255	20,000	25,000	20,000	-	0.00%
Miscellaneous	8,612	3,328	2,622	-	800	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 14,734,728</b>	<b>\$ 11,729,316</b>	<b>\$ 13,228,503</b>	<b>\$ 15,414,800</b>	<b>\$ 16,738,008</b>	<b>\$ 17,784,422</b>	<b>\$ 2,369,622</b>	<b>15.37%</b>
<b>Operating Expenses</b>								
Import Water Purchases-Calleguas	\$ 7,111,433	\$ 4,746,238	\$ 5,037,612	\$ 3,902,200	\$ 6,077,834	\$ 4,972,600	\$ 1,070,400	27.43%
Calleguas Fixed Charge	913,008	906,822	937,050	870,800	924,000	951,772	80,972	9.30%
CamSan	-	-	-	58,100	150,000	158,736	100,636	-
Salinity Management Pipeline-Calleguas	192,180	67,384	139,624	245,400	126,000	268,152	22,752	9.27%
Pumping & Production Power	790,387	714,850	925,682	1,787,300	1,155,000	1,860,041	72,741	4.07%
<b>Total Production</b>	<b>\$ 9,007,008</b>	<b>\$ 6,435,294</b>	<b>\$ 7,039,968</b>	<b>\$ 6,863,800</b>	<b>\$ 8,432,834</b>	<b>\$ 8,211,301</b>	<b>\$ 1,347,501</b>	<b>20.94%</b>
Regular Salaries	\$ 1,101,633	\$ 1,188,793	\$ 1,379,710	\$ 1,769,474	\$ 1,511,301	\$ 1,765,289	\$ (4,185)	-0.24%
Overtime/Standby	43,996	64,264	88,175	110,340	100,272	89,704	(20,636)	-18.70%
Part Time	7,161	10,646	16,721	27,370	19,555	41,446	14,076	51.43%
Benefits	412,466	404,767	445,173	623,404	521,802	607,289	(16,115)	-2.59%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 1,565,256</b>	<b>\$ 1,668,470</b>	<b>\$ 1,929,779</b>	<b>\$ 2,530,588</b>	<b>\$ 2,152,930</b>	<b>\$ 2,503,728</b>	<b>\$ (26,860)</b>	<b>-1.06%</b>
Outside Contracts	\$ 470,823	\$ 638,796	\$ 942,632	\$ 1,505,555	\$ 1,308,488	\$ 1,728,112	\$ 222,557	14.78%
Professional Services	555,074	265,255	354,456	596,882	338,563	592,280	(4,602)	-0.77%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 1,025,897</b>	<b>\$ 904,051</b>	<b>\$ 1,297,088</b>	<b>\$ 2,102,437</b>	<b>\$ 1,647,051</b>	<b>\$ 2,320,392</b>	<b>\$ 217,955</b>	<b>10.37%</b>
Utilities	\$ 72,720	\$ 64,305	\$ 73,341	\$ 85,041	\$ 75,210	\$ 80,041	\$ (5,000)	-5.88%
Communications	25,414	30,314	22,664	27,158	23,660	28,595	1,437	5.29%
Pipeline Repairs	397,705	385,542	204,877	380,000	400,000	380,000	-	0.00%
Small Tools & Equipment	11,943	22,736	21,574	25,175	24,241	25,175	-	0.00%
Materials & Supplies	483,875	332,173	504,304	1,187,732	1,136,087	1,232,971	45,239	3.81%
Repair Parts & Equipment Maintenance	365,973	413,411	492,731	775,829	636,400	836,645	60,816	7.84%
Legal Services	19,507	17,123	68,629	123,520	135,660	150,250	26,730	21.64%
Dues & Subscriptions	16,255	17,860	13,720	21,311	19,367	19,266	(2,045)	-9.60%
Conference & Travel	5,153	8,202	8,695	8,416	10,850	9,599	1,183	14.06%
Safety & Training	8,339	7,398	9,598	22,376	15,210	19,266	(3,110)	-13.90%
Board Expense	42,674	52,892	50,491	60,840	57,460	59,826	(1,014)	-1.67%
Bad Debt	2,645	3,636	2,205	3,380	2,197	3,380	-	0.00%
Fees & Charges	125,856	193,154	107,923	193,588	188,723	195,729	2,141	1.11%
Insurance	31,572	39,211	50,676	60,840	60,840	73,177	12,337	20.28%
<b>Total Supplies &amp; Services</b>	<b>\$ 1,609,631</b>	<b>\$ 1,587,957</b>	<b>\$ 1,631,428</b>	<b>\$ 2,975,206</b>	<b>\$ 2,785,905</b>	<b>\$ 3,113,920</b>	<b>\$ 138,714</b>	<b>42.98%</b>
<b>Total Expenses</b>	<b>\$ 13,207,792</b>	<b>\$ 10,595,772</b>	<b>\$ 11,898,263</b>	<b>\$ 14,472,031</b>	<b>\$ 15,018,720</b>	<b>\$ 16,149,341</b>	<b>\$ 1,677,310</b>	<b>11.59%</b>
<b>Net Operating Revenues</b>	<b>\$ 1,526,936</b>	<b>\$ 1,133,544</b>	<b>\$ 1,330,240</b>	<b>\$ 942,769</b>	<b>\$ 1,719,288</b>	<b>\$ 1,635,081</b>	<b>\$ 692,312</b>	<b>73.43%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 823,036	\$ 815,588	\$ 821,677	\$ 814,961	\$ 814,961	\$ 827,514	\$ 12,553	1.54%
Rate Stabilization Contribution	-	-	-	60,000	60,000	60,000	-	-
Unfunded Accrued Liability Contribution	-	-	-	126,750	126,750	126,750	-	-
Capital Replacement Contribution	1,176,500	1,522,475	2,202,761	1,342,000	2,047,500	1,900,000	558,000	41.58%
<b>Total Non-Operating Expenses</b>	<b>\$ 1,999,536</b>	<b>\$ 2,338,063</b>	<b>\$ 3,024,438</b>	<b>\$ 2,343,711</b>	<b>\$ 3,049,211</b>	<b>\$ 2,914,264</b>	<b>\$ 570,553</b>	<b>24.34%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	78,726	887,287	1,340,854	1,100,000	1,063,000	823,000	\$ (277,000)	-25.18%
Taxes	432,745	463,662	483,593	510,000	505,500	531,070	21,070	4.13%
<b>Total Non-Operating Revenues</b>	<b>\$ 511,471</b>	<b>\$ 1,350,949</b>	<b>\$ 1,824,447</b>	<b>\$ 1,610,000</b>	<b>\$ 1,568,500</b>	<b>\$ 1,354,070</b>	<b>\$ (255,930)</b>	<b>-21.05%</b>
<b>Net Operating Results</b>	<b>\$ 38,871</b>	<b>\$ 146,430</b>	<b>\$ 130,249</b>	<b>\$ 209,058</b>	<b>\$ 238,577</b>	<b>\$ 74,887</b>	<b>\$ (134,171)</b>	<b>-64.18%</b>
Capital Fees	\$ -	\$ 55,575	\$ 177,575	\$ -	\$ 24,000	\$ -	\$ -	-
Mitigation & In-Lieu Fees	-	298,743	4,205,860	-	6,489	-	-	-
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 16,191,774</b>	<b>\$ 354,318</b>	<b>\$ 4,383,435</b>	<b>\$ -</b>	<b>\$ 30,489</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
	<b>\$ 16,230,645</b>	<b>\$ 500,748</b>	<b>\$ 4,513,684</b>	<b>\$ 209,058</b>	<b>\$ 269,066</b>	<b>\$ 74,887</b>	<b>\$ (134,171)</b>	

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget

## Non-Potable Water Program

Non-Potable Water Program	Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	**% Change over PY
<b>Revenues</b>								
Water Sales:								
Recycle/Non-Potable	\$ 4,383,675	\$ 3,573,563	\$ 3,304,164	\$ 4,028,400	\$ 4,120,825	\$ 4,015,538	\$ (12,862)	-0.32%
Water Sales Pleasant Valley - CCP/CWRF	1,677,229	1,608,935	1,998,484	1,181,300	1,160,000	1,091,644	(89,656)	-7.59%
Meter Service Charge	128,246	142,983	151,910	195,600	114,481	135,600	(60,000)	-30.67%
Special Services	20,643	18,025	19,553	25,000	19,000	20,000	(5,000)	-20.00%
Pump Zone Charges	18,861	14,557	12,153	15,000	17,000	15,000	-	0.00%
Miscellaneous	7,192	44,263	1,534	-	700	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 6,235,846</b>	<b>\$ 5,402,326</b>	<b>\$ 5,487,798</b>	<b>\$ 5,445,300</b>	<b>\$ 5,432,006</b>	<b>\$ 5,277,782</b>	<b>\$ (167,518)</b>	<b>-3.08%</b>
<b>Operating Expenses</b>								
Import Water Purchases-Calleguas	\$ 589,664	\$ 324,272	\$ 423,838	\$ 499,400	\$ 743,000	\$ 664,537	\$ 165,137	33.07%
Calleguas Fixed Charge	-	-	-	109,400	95,000	125,480	16,080	-
Conejo Creek Project	702,978	132,123	1,113,387	938,800	940,500	1,014,104	75,304	8.02%
CamSan	72,109	816,017	157,354	-	-	-	-	-
Production Power	1,000,252	1,003,235	1,090,287	989,500	1,134,500	1,308,139	318,639	32.20%
<b>Total Production</b>	<b>\$ 2,365,003</b>	<b>\$ 2,275,647</b>	<b>\$ 2,784,866</b>	<b>\$ 2,537,100</b>	<b>\$ 2,913,000</b>	<b>\$ 3,112,260</b>	<b>\$ 575,160</b>	<b>22.67%</b>
Regular Salaries	\$ 593,187	\$ 640,119	\$ 742,921	\$ 952,793	\$ 813,778	\$ 950,540	\$ (2,253)	-0.24%
Overtime/Standby	23,690	34,604	47,479	59,413	53,993	48,303	(11,110)	-18.70%
Part Time	3,856	5,732	9,003	14,738	10,530	22,318	7,580	51.43%
Benefits	222,097	217,951	239,708	335,679	280,970	327,002	(8,677)	-2.58%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 842,830</b>	<b>\$ 898,406</b>	<b>\$ 1,039,111</b>	<b>\$ 1,362,623</b>	<b>\$ 1,159,271</b>	<b>\$ 1,348,163</b>	<b>\$ (14,460)</b>	<b>-1.06%</b>
Outside Contracts	\$ 301,745	\$ 363,678	\$ 462,221	\$ 836,781	\$ 677,066	\$ 940,219	\$ 103,438	12.36%
Professional Services	398,093	199,093	215,987	314,160	63,240	388,529	74,369	23.67%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 699,838</b>	<b>\$ 562,771</b>	<b>\$ 678,208</b>	<b>\$ 1,150,941</b>	<b>\$ 740,306</b>	<b>\$ 1,328,748</b>	<b>\$ 177,807</b>	<b>15.45%</b>
Utilities	\$ 9,385	\$ 9,172	\$ 8,544	\$ 13,884	\$ 14,040	\$ 13,884	\$ -	0.00%
Communications	23,459	27,983	20,921	25,069	21,840	26,395	1,326	5.29%
Pipeline Repairs	20,638	15,152	104,916	100,000	90,000	80,000	(20,000)	-20.00%
Small Tools & Equipment	1,185	1,927	5,723	9,277	8,414	9,277	-	0.00%
Materials & Supplies	54,330	68,729	71,546	97,137	96,388	96,974	(163)	-0.17%
Repair Parts & Equipment Maintenance	209,491	283,394	459,925	424,996	333,600	434,980	9,984	2.35%
Legal Services	18,007	15,806	54,089	12,480	21,840	111,000	98,520	789.42%
Dues & Subscriptions	15,005	16,486	12,665	19,672	17,878	17,784	(1,888)	-9.60%
Conference & Travel	4,756	7,571	8,027	7,769	10,015	8,861	1,092	14.06%
Safety & Training	7,698	6,829	8,860	20,654	14,040	17,784	(2,870)	-13.90%
Board Expense	39,391	48,823	46,607	56,160	53,040	55,224	(936)	-1.67%
Bad Debt	2,442	3,356	2,035	3,120	2,028	3,120	-	0.00%
Fees & Charges	15,927	21,030	17,947	32,282	41,013	44,566	12,284	38.05%
Insurance	29,143	36,195	46,778	56,160	56,160	67,548	11,388	20.28%
<b>Total Supplies &amp; Services</b>	<b>\$ 450,857</b>	<b>\$ 562,453</b>	<b>\$ 868,583</b>	<b>\$ 878,660</b>	<b>\$ 780,296</b>	<b>\$ 987,397</b>	<b>\$ 108,737</b>	<b>12.38%</b>
<b>Total Expenses</b>	<b>\$ 4,358,528</b>	<b>\$ 4,299,277</b>	<b>\$ 5,370,768</b>	<b>\$ 5,929,324</b>	<b>\$ 5,592,873</b>	<b>\$ 6,776,568</b>	<b>\$ 847,244</b>	<b>14.29%</b>
<b>Net Operating Revenues</b>	<b>\$ 1,877,318</b>	<b>\$ 1,103,049</b>	<b>\$ 117,030</b>	<b>\$ (484,024)</b>	<b>\$ (160,867)</b>	<b>\$ (1,498,786)</b>	<b>\$ (1,014,762)</b>	<b>209.65%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 30,645	\$ 30,218	\$ 30,354	\$ 29,970	\$ 29,970	\$ 30,805	\$ 835	2.79%
Rate Stabilization Contribution	70,000	70,000	-	-	-	-	-	-
Unfunded Accrued Liability Contribution	-	-	-	68,250	-	-	(68,250)	-
Capital Replacement Contribution	2,089,000	1,498,000	692,433	66,500	446,000	-	(66,500)	-100.00%
<b>Total Non-Operating Expenses</b>	<b>\$ 2,189,645</b>	<b>\$ 1,598,218</b>	<b>\$ 722,787</b>	<b>\$ 164,720</b>	<b>\$ 475,970</b>	<b>\$ 30,805</b>	<b>\$ (133,915)</b>	<b>-81.30%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	\$ 24,115	\$ 187,146	\$ 349,365	\$ 310,000	\$ 300,000	\$ 230,000	\$ (80,000)	-25.81%
Taxes	288,496	309,108	322,395	340,000	338,000	354,050	14,050	4.13%
Rate Stabilization Contribution	-	-	-	-	-	945,541	945,541	-
<b>Total Non-Operating Revenues</b>	<b>\$ 312,611</b>	<b>\$ 496,254</b>	<b>\$ 671,760</b>	<b>\$ 650,000</b>	<b>\$ 638,000</b>	<b>\$ 1,529,591</b>	<b>\$ 879,591</b>	<b>135.32%</b>
<b>Net Operating Results</b>	<b>\$ 284</b>	<b>\$ 1,085</b>	<b>\$ 66,003</b>	<b>\$ 1,256</b>	<b>\$ 1,163</b>	<b>\$ (0)</b>	<b>\$ (1,256)</b>	
Grants	187	-	-	-	-	-	-	-
	<b>\$ 187</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		
<b>Net Operating Results After Capital Fees &amp; Grants</b>								
	<b>\$ 471</b>	<b>\$ 1,085</b>	<b>\$ 66,003</b>	<b>\$ 1,256</b>	<b>\$ 1,163</b>	<b>\$ (0)</b>	<b>\$ (1,256)</b>	

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget

## Wastewater Program

Wastewater Program	Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	% Change over PY
<b>Revenues</b>								
Sewer Service Charge	\$ 4,092,891	\$ 4,426,781	\$ 4,764,475	\$ 5,513,600	\$ 5,325,219	\$ 6,282,400	\$ 768,800	13.94%
Special Services	14,793	16,919	19,606	21,000	21,000	22,000	1,000	4.76%
Miscellaneous	8,068	3,447	1,721	-	750	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 4,115,752</b>	<b>\$ 4,447,147</b>	<b>\$ 4,785,802</b>	<b>\$ 5,534,600</b>	<b>\$ 5,346,969</b>	<b>\$ 6,304,400</b>	<b>\$ 769,800</b>	<b>13.91%</b>
<b>Operating Expenses</b>								
Salinity Management Pipeline-Calleguas	\$ 11,521	\$ 7,853	\$ 9,134	\$ 9,000	\$ 11,100	\$ 9,000	-	0.00%
<b>Total Production</b>	<b>\$ 11,521</b>	<b>\$ 7,853</b>	<b>\$ 9,134</b>	<b>\$ 9,000</b>	<b>\$ 11,100</b>	<b>\$ 9,000</b>	<b>\$ -</b>	<b>0.00%</b>
Regular Salaries	\$ 912,595	\$ 984,799	\$ 1,142,955	\$ 1,465,837	\$ 1,251,965	\$ 1,462,370	\$ (3,467)	-0.24%
Overtime/Standby	36,447	53,237	73,045	91,406	83,066	74,312	(17,094)	-18.70%
Part Time	5,932	8,819	13,852	22,674	16,200	34,335	11,661	51.43%
Benefits	341,688	335,310	368,782	516,429	432,262	503,080	(13,349)	-2.58%
<b>Total Salaries &amp; Benefits</b>	<b>\$ 1,296,662</b>	<b>\$ 1,382,165</b>	<b>\$ 1,598,634</b>	<b>\$ 2,096,346</b>	<b>\$ 1,783,493</b>	<b>\$ 2,074,097</b>	<b>\$ (22,249)</b>	<b>-1.06%</b>
Outside Contracts	\$ 735,198	\$ 972,408	\$ 1,033,704	\$ 1,512,104	\$ 1,419,337	\$ 1,698,832	\$ 186,728	12.35%
Professional Services	121,920	239,420	205,652	307,408	68,453	398,321	90,913	29.57%
<b>Total Outside Cont/Profess Services</b>	<b>\$ 857,118</b>	<b>\$ 1,211,828</b>	<b>\$ 1,239,356</b>	<b>\$ 1,819,512</b>	<b>\$ 1,487,790</b>	<b>\$ 2,097,153</b>	<b>\$ 277,641</b>	<b>15.26%</b>
Utilities	\$ 23,404	\$ 24,269	\$ 24,939	\$ 35,575	\$ 35,750	\$ 35,575	\$ -	0.00%
Communications	26,317	31,391	23,469	28,123	24,500	29,610	1,487	5.29%
Pipeline Repairs	23,021	1,169	-	10,000	10,000	30,000	20,000	200.00%
Small Tools & Equipment	1,897	4,506	3,652	12,898	10,545	12,898	-	0.00%
Materials & Supplies	145,124	153,346	164,059	228,345	227,025	233,770	5,425	2.38%
Repair Parts & Equipment Maintenance	56,241	86,708	87,010	182,175	165,000	193,375	11,200	6.15%
Legal Services	20,200	17,731	15,410	14,000	24,500	43,750	29,750	212.50%
Dues & Subscriptions	16,832	18,599	14,207	22,068	20,055	19,950	(2,118)	-9.60%
Conference & Travel	5,336	8,493	9,004	8,715	11,235	9,940	1,225	14.06%
Safety & Training	8,635	7,661	9,939	23,170	15,750	19,950	(3,220)	-13.90%
Board Expense	44,189	54,770	52,284	63,000	59,500	61,950	(1,050)	-1.67%
Bad Debt	2,739	3,765	2,283	3,500	2,275	3,500	-	0.00%
Fees & Charges	64,100	74,474	76,787	117,005	78,929	116,080	(925)	-0.79%
Insurance	32,693	40,603	52,476	63,000	63,000	75,775	12,775	20.28%
<b>Total Supplies &amp; Services</b>	<b>\$ 470,728</b>	<b>\$ 527,485</b>	<b>\$ 535,519</b>	<b>\$ 811,574</b>	<b>\$ 748,064</b>	<b>\$ 886,123</b>	<b>\$ 74,549</b>	<b>9.19%</b>
<b>Total Expenses</b>	<b>\$ 2,636,029</b>	<b>\$ 3,129,331</b>	<b>\$ 3,382,643</b>	<b>\$ 4,736,432</b>	<b>\$ 4,030,447</b>	<b>\$ 5,066,373</b>	<b>\$ 329,941</b>	<b>6.97%</b>
<b>Net Operating Revenues</b>	<b>\$ 1,479,723</b>	<b>\$ 1,317,816</b>	<b>\$ 1,403,159</b>	<b>\$ 798,168</b>	<b>\$ 1,316,522</b>	<b>\$ 1,238,027</b>	<b>\$ 439,859</b>	<b>55.11%</b>
<b>Less: Non-Operating Expenses</b>								
Debt Service 2011A/2016	\$ 190,950	\$ 189,525	\$ 187,900	\$ 191,700	\$ 191,700	\$ 190,613	\$ (1,088)	-0.57%
Rate Stabilization Contribution	80,000	-	-	10,000	10,000	10,000	-	-
Unfunded Accrued Liability Contribution	-	-	-	105,000	105,000	105,000	-	-
Capital Replacement Contribution	1,230,000	1,245,825	1,531,167	813,000	1,324,000	1,157,000	344,000	42.31%
<b>Total Non-Operating Expenses</b>	<b>\$ 1,500,950</b>	<b>\$ 1,435,350</b>	<b>\$ 1,719,067</b>	<b>\$ 1,119,700</b>	<b>\$ 1,630,700</b>	<b>\$ 1,462,613</b>	<b>\$ 342,913</b>	<b>30.63%</b>
<b>Add: Non-Operating Revenues</b>								
Interest Revenues	\$ 27,073	\$ 201,853	\$ 399,502	\$ 350,000	\$ 340,000	\$ 263,000	\$ (87,000)	-24.86%
<b>Total Non-Operating Revenues</b>	<b>\$ 27,073</b>	<b>\$ 201,853</b>	<b>\$ 399,502</b>	<b>\$ 350,000</b>	<b>\$ 340,000</b>	<b>\$ 263,000</b>	<b>\$ (87,000)</b>	<b>-24.86%</b>
<b>Net Operating Results</b>	<b>\$ 5,846</b>	<b>\$ 84,319</b>	<b>\$ 83,594</b>	<b>\$ 28,468</b>	<b>\$ 25,822</b>	<b>\$ 38,415</b>	<b>\$ 9,947</b>	
Capital Fees	-	233,750	1,804,550	-	-	-	-	-
		\$ 233,750	\$ 1,804,550	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Operating Results After Capital Fees &amp; Grants</b>	<b>\$ 5,846</b>	<b>\$ 318,069</b>	<b>\$ 1,888,144</b>	<b>\$ 28,468</b>	<b>\$ 25,822</b>	<b>\$ 38,415</b>	<b>\$ 9,947</b>	
<b>Debt Ratio</b>	<b>7.89</b>	<b>9.25</b>	<b>19.20</b>	<b>5.99</b>	<b>8.64</b>	<b>7.87</b>		
<i>*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget</i>								

## Revenues

Camrosa's revenues are received from seven major sources. Water Sales represent approximately 61% of the total revenues, Water Meter Service Charges are 12% of revenues, Sewer Service Charges are about 20%, Taxes 3%, Interest 4%, and a small amount from Special Service fees (new account starts, plan check fees, late penalties, and reconnection fees), and Pump Zone surcharges.

### FY2024-25

Total operating and non-operating revenues for FY2024-25 are projected to be \$30,093,972 or approximately \$1,089,272 above budget. Total projected water sales served within the District of approximately 11,345 AF is above the budgeted sales of 10,686 AF.

### FY2025-26

Water Sales The District treats water as a commodity, generating revenue by measuring consumption at the customer's meter. Water sales represent 61% of the Total Revenue. Water sales are greatly dependent on weather patterns.

The District uses a conservative three-year average projection for water sales volume. The budgeted sales for FY2025-26 is 11,071 AF, of which 6,452 AF is potable and 4,619 AF is non-potable/recycled water served within the District. Water sales include the adopted potable commodity and meter rates effective July 1, 2025. FY2025-26 water sales revenues are projected to be \$17,686,838 within the District's service area. The District's Schedule of Water and Wastewater Rates is located in Appendix #3.

Non-potable water sold to Pleasant Valley County Water District (PVCWD) is captured in separate expense and revenue line items in the District's budget. The FY2025-26 budget projection for PVCWD water sales in the amount of \$1,643,766 of which 4,369 AF of Conejo Creek and 753 AF CWRP recycled water, using a three-year average of deliveries, and 1,327AF of CamSan recycled water.

Meter Service Charges are monthly customer fees based on the size of the meter installed. Meter Service Charges account for 12% of Total Revenue for FY2025-26. FY2025-26 meter service charge revenue is expected to be \$3,642,600, based upon the average number of service connections and the meter service fee rates effective July 1, 2025. The District's Schedule of Water and Wastewater Rates is located in Appendix #3.

Sewer Service Charge revenues for the FY2025-26 budget year are expected to be \$6,282,400 or 20% of Total Revenue. Sewer Service Charges are billed to all customers at a flat monthly rate per Equivalent Dwelling Unit (EDU), currently \$54.14 (effective July 1, 2025). The estimated revenue for Sewer Service Charges is based on the District's number of EDUs at the current flat monthly rate.

Interest revenue is budgeted at \$1,316,000 or 4% of the Total Revenue. Interest income is earned on the cash balance held in either the Local Agency Investment Fund (LAIF), or Treasury Bills, or held in reserves with the District's Fiscal Trustee. The budget uses a 4.37% rate of return in projected LAIF balances.

Tax revenue is budgeted at \$885,120 for FY2025-26, or 3% of the Total Revenue. Tax revenue is based upon an average of five years of historical receipts. The District receives property tax revenues collected by the County of Ventura via the Property Tax Roll and are remitted to the District semi-annually.

Spending limits for the District are governed by the 1979 passage of California Proposition 4, Limitations of Government Appropriations (Article XIII B of the California Constitution, commonly known as the GANN limit). Proposition 4 places an appropriations limit on most spending from tax proceeds. The District's FY2025-26 Gann Limit is \$1,089,956.

Capital Fees are not being projected as part of the FY2025-26 budget. The District is near build-out, approximately at 95 percent, and while a few small developments may begin construction within the five-year financial forecast, their timing is uncertain and their capital contribution would be negligible.

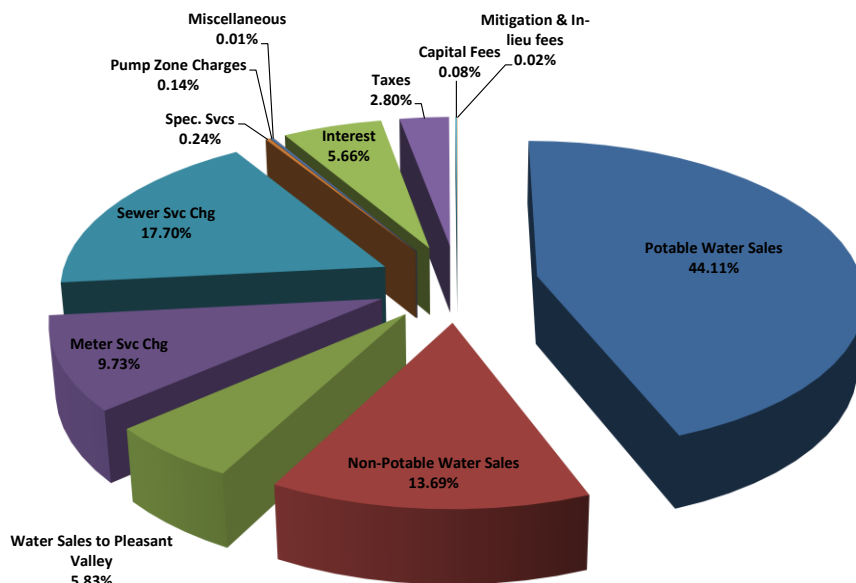
Special Services are various fees for turn-off/turn-on, late fees, and other miscellaneous administrative fees. Special Services revenues are budgeted at \$76,000. Revenue from Special Services is based upon our projected revenues for FY2024-25.

Pump Zone/Miscellaneous revenue applies to certain areas in the District that are situated at higher elevations and therefore require additional pumping. Revenues are estimated to be \$35,000 for FY2025-26 based on projected deliveries.

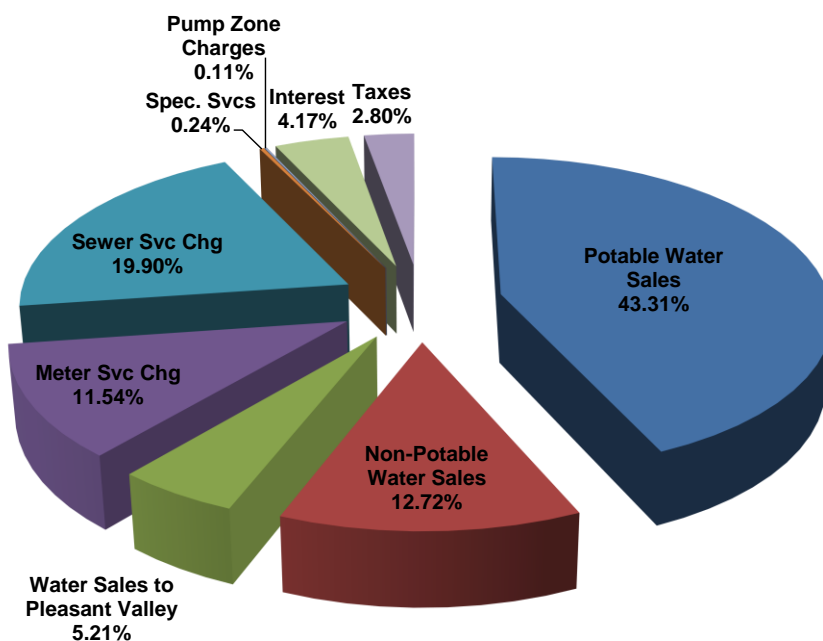
Total Revenues are expected to reach \$31,567,724 on June 30, 2026.

### Comparison of Total Revenues

#### **FY2024-25 Projected Operating & Non-Operating Revenues - \$30,093,972**



#### **FY2025-26 Budgeted Operating & Non-Operating Revenues \$31,567,724**



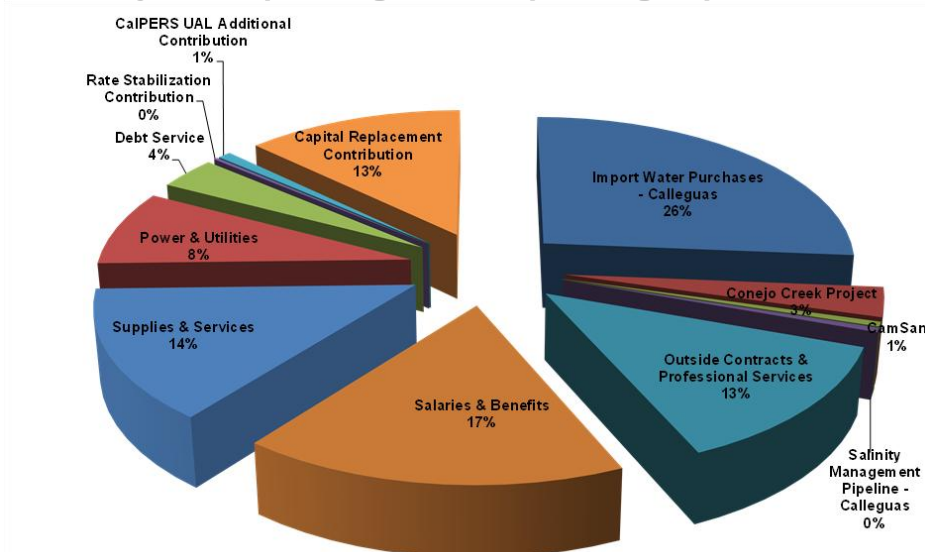
**Figure 11 – Comparison of Total Revenues**

## Expense Centers

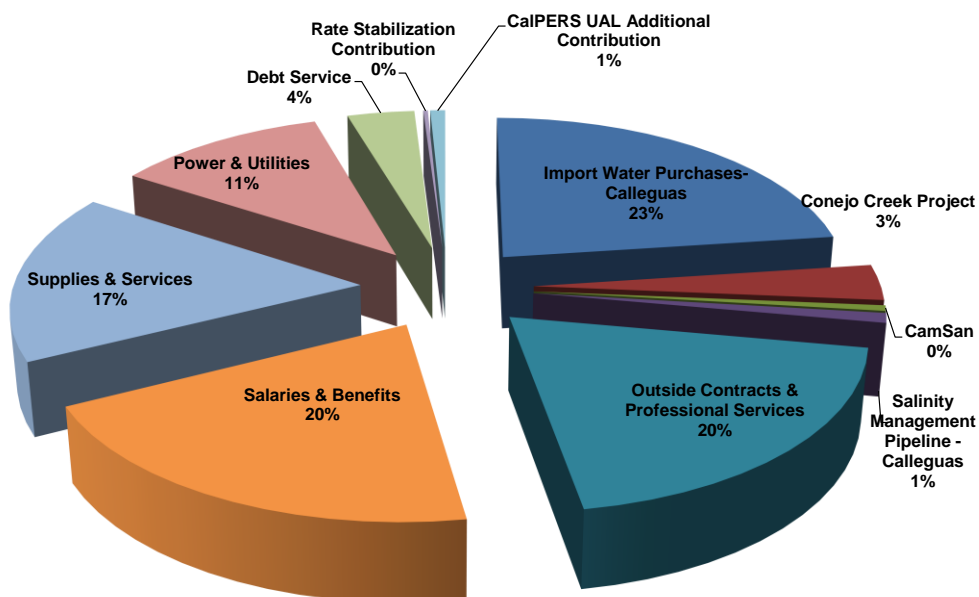
The following pages summarize the District's individual Expense Programs; a detailed accounting is provided in Appendix #2. The Potable (Program 52) and Non-Potable (Program 53) programs both fall under Water Operations; Wastewater Operations stands alone (Program 57). All other programs indirectly support both the Water and Wastewater Operations and distributed to Water Operations 65%, which is distributed 52:48 between Potable and Non-Potable program and Wastewater Operations 35%. The District's Salaries & Benefits are budgeted in Human Resources (Program 5) and allocated to Water Operations 65% and Wastewater Operations 35%, with the exception of the Water Quality Program, which is distributed 50:50 between the two programs. Within the Water Operations, Salaries & Benefits are distributed 65% to Potable Program and 35% to Non-Potable Program. This allocation is based on what percentage of time staff spend on either system. An informal survey was conducted to determine the percentage Debt Service costs are allocated to Water and Wastewater Operations based on the level of debt originally incurred in each enterprise.

## Comparison of Total Expenses

### **FY2024-25 Projected Operating & Non-Operating Expenses - \$29,797,921**



### **FY2025-26 Budgeted Operating & Non-Operating Expenses - \$32,399,963**



**Figure 12 – Comparison of Total Expenses**



***Santa Rosa Valley***

## Human Resources – Program 05

The objective of the Human Resources program is twofold: to capture all human resource costs in a single program in order to compare the total costs of this resource by fiscal year, and to capture all costs for later allocation to the three cost centers to simplify the accounting necessary to track labor costs. Included in this program are all Salaries and Benefits for both full-time and part-time personnel, temporary contract labor, and miscellaneous personnel support costs such as uniforms, certification fees, training, and travel. These costs are allocated as overhead to the three cost centers.

### Prior Year Goals

### Achieved

Zero lost-time accidents.	<input checked="" type="checkbox"/>
Enhance staff training and certification.	<input checked="" type="checkbox"/>
Continue evaluation of alternative retirement plans.	<input checked="" type="checkbox"/>
Continue outreach of the Part-Time Student Employee Program.	<input checked="" type="checkbox"/>
Develop an employee mentoring program.	<input checked="" type="checkbox"/>
Develop an Operator-in-Training (OIT) program to recruit, train, and develop the next generation of water and wastewater operators.	<input checked="" type="checkbox"/>
Increase staffing to meet the needs of the District and support succession planning. Successfully recruited a Superintendent of Operations, Control System Supervisor, System Field Supervisor-Distribution, Management Analyst, Engineer, and Assistant IT Manager.	<input checked="" type="checkbox"/>
Develop a strong core organizational structure to support the District Strategic Plan.	<input checked="" type="checkbox"/>

### Prior Year Additional Achievements

Enhanced the 457 Deferred Compensation and 401 Profit Share Plans platforms.  
Additional Discretionary Payment applied to CalPERS Unfunded Accrued Liability.

### Goals for 2025-2026

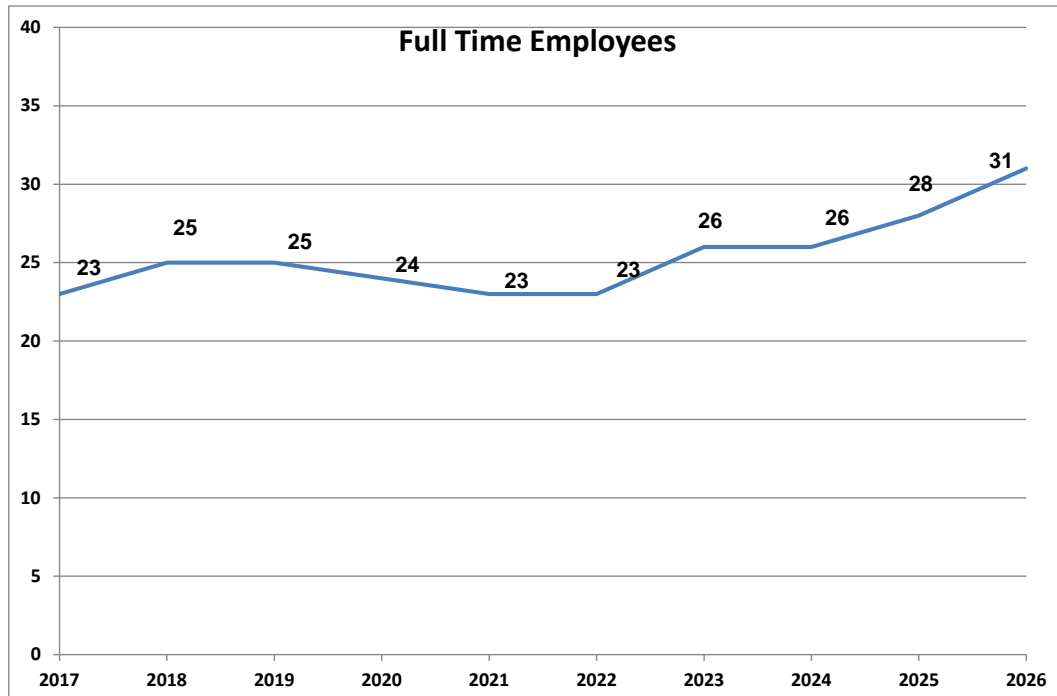
Zero lost-time accidents.  
Enhance staff training and certification.  
Complete evaluation of alternative retirement plans.  
Continue outreach of the Part-Time Student Employee Program and actively engage with regional workforce development programs and groups.  
Continue an Operator-in-Training (OIT) program to recruit, train, and develop the next generation of water and wastewater operators.  
Increase staffing to meet the needs of the District and support succession planning.  
Continue to refine a strong core organizational structure to support the District's Strategic Plan.

## Human Resources – Program 05

Human Resources Program 05		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	** Change over PY
<b>Salaries &amp; Benefits</b>									
Regular Salaries	50100	\$ 2,607,416	\$ 2,813,711	\$ 3,265,586	\$ 4,188,105	\$ 3,577,044	\$ 4,178,199	\$ (9,906)	-0.24%
Overtime	50110	77,086	125,299	182,055	230,063	207,790	178,830	(51,233)	-22.27%
Part Time	50120	16,949	25,197	39,576	64,782	46,285	98,099	33,317	51.43%
Standby	50130	27,047	26,805	26,645	31,095	29,541	33,489	2,394	7.70%
Benefits	50140	976,250	958,027	1,053,663	1,475,512	1,235,035	1,437,371	(38,141)	-2.58%
<b>Total Salaries &amp; Benefits</b>		<b>\$ 3,704,748</b>	<b>\$ 3,949,039</b>	<b>\$ 4,567,525</b>	<b>\$ 5,989,557</b>	<b>\$ 5,095,695</b>	<b>\$ 5,925,988</b>	<b>\$ (63,569)</b>	<b>-1.06%</b>
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	17,729	20,364	12,553	23,100	17,500	23,100	\$ -	0.00%
Professional Services	50230	-	-	-	75,000	15,000	10,000	10,000	-
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 17,729</b>	<b>\$ 20,364</b>	<b>\$ 12,553</b>	<b>\$ 98,100</b>	<b>\$ 32,500</b>	<b>\$ 33,100</b>	<b>\$ (65,000)</b>	<b>-66.26%</b>
<b>Services &amp; Supplies</b>									
Dues & Subscriptions	50290	4,488	4,896	4,136	7,000	5,300	7,000	\$ -	0.00%
Conference & Travel	50300	4,474	3,959	7,659	6,600	11,100	6,600	-	0.00%
Safety & Training	50310	24,672	21,888	28,396	66,200	45,000	57,000	(9,200)	-13.90%
Fees & Charges	50350	157	91	53	250	25	250	-	0.00%
Insurance	50360	-	1,755	-	-	-	-	-	-
<b>Total Services &amp; Supplies</b>		<b>\$ 33,791</b>	<b>\$ 32,589</b>	<b>\$ 40,244</b>	<b>\$ 80,050</b>	<b>\$ 61,425</b>	<b>\$ 70,850</b>	<b>\$ (9,200)</b>	<b>-11.49%</b>
<b>Total Operating Expenditures</b>		<b>\$ 3,756,267</b>	<b>\$ 4,001,992</b>	<b>\$ 4,620,322</b>	<b>\$ 6,167,707</b>	<b>\$ 5,189,620</b>	<b>\$ 6,029,938</b>	<b>\$ (137,769)</b>	<b>-2.23%</b>
Fixed Assets	50600	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 3,756,267</b>	<b>\$ 4,001,992</b>	<b>\$ 4,620,322</b>	<b>\$ 6,167,707</b>	<b>\$ 5,189,620</b>	<b>\$ 6,029,938</b>	<b>\$ (137,769)</b>	<b>-2.23%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget

The District's staffing needs have transitioned over time due to the addition of local supply facilities in pursuit of self-reliance, increasing technical sophistication, and ever-expanding regulatory demands. The table below shows the historic numbers of employees at year-end through FY2024-25 and the number of employees budgeted for FY2025-26. The District will end the fiscal year with 28 employees, with one vacancy, and budgeting for 31 employees for FY2025-26. Going forward, the Board will evaluate the staffing needs to ensure the District goals identified in the Strategic Plan and the Master Plan can be met.



## General Services – Program 10

The General Management program provides funds for expenses related to the general management of the District, including administrative, accounting, insurance, annual fees and charges, and other general expenses of the District. The program also contains funds for all Director-related expenses, including meeting fees, membership dues, conference and travel, and legal services. These costs are allocated as overhead to the three cost centers.

### Prior Year Goals

### Achieved

- |   |                                     |
|---|-------------------------------------|
| Continue to support Board Member participation on regional Boards and organizations.  | <input checked="" type="checkbox"/> |
| Continue to support Board Member participation in industry and association conferences  | <input checked="" type="checkbox"/> |
| Selection of a new auditor.   | <input checked="" type="checkbox"/> |
| Evaluated auditor options and pursued future audit services from our current auditor.   |                                     |
| Pursue electronic accounts payable automation within the financial system.  | <input checked="" type="checkbox"/> |
| Pursue grant funding where available and appropriate.   | <input type="checkbox"/>            |
| Developed a Technical Memorandum (TM) of potential grant opportunities for Master Plan projects.  |                                     |
| Update and implement the District's Record Retention Policy.  | <input type="checkbox"/>            |
| Developed a Request for Proposals (RFP) to update and implement the District's Record Retention Policy. This project will continue and be included in the updating and consolidating of District Policies along with the development of an Administrative Code. |                                     |

### Prior Year Additional Achievements

- Began updates and consolidation of District Policies and the development of an Administrative Code.
- Selected General Counsel Legal Services.
- Updated the Capital Asset Policy.
- Received the CSMFO Operational Budgeting Excellence Award for the twelfth consecutive year.
- Received Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the tenth consecutive year.

### Goals for 2025-2026

- Continue to support Board Member participation on regional Boards and with regional organizations.
- Continue to support Board Member participation in industry and association conferences.
- Continue evaluation of electronic accounts payable automation within the financial system.
- Continue updating and consolidating District Policies along with the development of an Administrative Code. This will include updating the Record Retention Policy and evaluating a new Electronic Document Management System.
- Support and manage *Integrated Master Plan* internal and external personnel and consultants.
- Pursue grant funding where available and appropriate.

## General Administration – Program 10

General Administration Program 10		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 4,448	\$ 18,395	\$ 25,042	\$ 29,500	\$ 19,000	\$ 33,500	\$ 4,000	13.56%
Professional Services	50230	230,338	638,119	533,284	635,450	100,000	861,630	226,180	35.59%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 234,786</b>	<b>\$ 656,514</b>	<b>\$ 558,326</b>	<b>\$ 664,950</b>	<b>\$ 119,000</b>	<b>\$ 895,130</b>	<b>\$ 230,180</b>	<b>36.35%</b>
<b>Services &amp; Supplies</b>									
Small Tools & Equipment	50250	\$ 1,049	\$ 264	\$ 3,712	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	0.00%
Materials & Supplies	50260	15,669	24,531	19,351	28,000	28,000	33,500	5,500	19.64%
Legal Services	50280	57,714	50,659	44,028	40,000	70,000	125,000	85,000	212.50%
Dues & Subscriptions	50290	43,604	47,945	38,206	55,550	52,000	50,000	(5,550)	-9.99%
Conference & Travel	50300	10,771	20,307	18,067	18,300	21,000	21,800	3,500	19.13%
Board Expense	50330	126,254	156,485	149,382	180,000	170,000	177,000	(3,000)	-1.67%
Bad Debt	50340	7,826	10,758	6,524	10,000	6,500	10,000	-	0.00%
Fees & Charges	50350	45,553	47,030	44,563	58,550	56,000	52,050	(6,500)	-11.10%
Insurance	50360	93,408	114,254	149,930	180,000	180,000	216,500	36,500	20.28%
<b>Total Services &amp; Supplies</b>		<b>\$ 401,848</b>	<b>\$ 472,233</b>	<b>\$ 473,763</b>	<b>\$ 574,400</b>	<b>\$ 587,500</b>	<b>\$ 689,850</b>	<b>\$ 36,500</b>	<b>20.10%</b>
<b>Total Operating Expenses</b>		<b>\$ 636,634</b>	<b>\$ 1,128,747</b>	<b>\$ 1,032,089</b>	<b>\$ 1,239,350</b>	<b>\$ 706,500</b>	<b>\$ 1,584,980</b>	<b>\$ 345,630</b>	<b>27.89%</b>
Fixed Assets	50600	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 636,634</b>	<b>\$ 1,128,747</b>	<b>\$ 1,032,089</b>	<b>\$ 1,239,350</b>	<b>\$ 706,500</b>	<b>\$ 1,584,980</b>	<b>\$ 345,630</b>	<b>27.89%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Camrosa Staff**

## Information Services – Program 11

The purpose of the Information Services program is to manage and improve communication. This involves communication with our customers, other agencies, and internally among Staff. The program tracks the cost of developing, maintaining, and delivering the information necessary to manage the District effectively. The program includes costs for developing and maintaining the computer network and its accessibility. This includes secure access to information databases such as web, email, billing, financial, AMR, GIS, SCADA, and Intranet and Internet Services across the local and wide area networks of the District. The costs for all voice and satellite communications, as well as secure access to all support subscriptions to hosted and onsite data services, are included in this program. Provides integral support for administrative and operational activities. Costs are allocated as overhead to the three cost centers.

### Prior Year Goals

### Achieved

- |   |                                     |
|---|-------------------------------------|
| Start the upgrade of the District's Workstations from Windows 10 to Windows 11.                             | <input checked="" type="checkbox"/> |
| Upgraded 39 of 73 District Workstations from Windows 10 to Windows 11.                                      |                                     |
| Complete the migration of existing P: and H: drive file repositories to Microsoft SharePoint cloud hosting. | <input checked="" type="checkbox"/> |
| Complete evaluation of pilot migration of existing on-premise Alchemy databases to Microsoft SharePoint.    | <input checked="" type="checkbox"/> |
| Complete Advanced CIS Billing System V3 to V5 Upgrade.  | <input checked="" type="checkbox"/> |
| Investigate migration from Tyler Incode Parallels thin-client to web-based interface.                       | <input checked="" type="checkbox"/> |
| Staff determined after evaluation that Tyler's web-based interface is in early development.                 |                                     |

### Prior Year Additional Achievements

- Stood up fixed asset replacements for Offsite VPN access and Front Office Enterprise printer.
- Implemented Internet VPN connection to Lynnwood Wellsite for SCADA Communications.
- Increased internet bandwidth from 200 Mbps to 2.0 Gbps.

### Goals for 2025-2026

- Complete migration of District Workstations from Windows 10 to Windows 11.
- Migrate Alchemy to Microsoft SharePoint and train users on the new interface.
- Upgrade server farm (approximately 20 servers) from MS Windows 2019 to MS Windows 2025.
- Transition from CAMROSA.COM to CAMROSA.CA.GOV internet domain.
- Investigate automation of state/local reporting and AI data-mining/data-analytic capabilities.
- Recreate CISv5 backend queries used in CISv3.
- Provide succession training for IT Manager position.



*IT Servers*

## Information Services – Program 11

Information Services Program 11		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*** Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 313,438	\$ 480,472	\$ 569,359	\$ 702,840	\$ 650,000	\$ 836,763	\$ 133,923	19.05%
Professional Services	50230	-	-	-	-	-	65,000	65,000	-
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 313,438</b>	<b>\$ 480,472</b>	<b>\$ 569,359</b>	<b>\$ 702,840</b>	<b>\$ 650,000</b>	<b>\$ 901,763</b>	<b>\$ 198,923</b>	<b>28.30%</b>
<b>Services &amp; Supplies</b>									
Communications	50210	\$ 75,191	\$ 89,688	\$ 67,053	\$ 80,350	\$ 70,000	\$ 84,600	\$ 4,250	5.29%
Materials & Supplies	50260	-	-	-	-	-	-	-	-
Repair Parts & Equipment Maintenance	50270	8,564	8,216	10,315	40,000	30,000	72,000	32,000	80.00%
Dues & Subscriptions	50290	-	-	-	500	-	-	(500)	-100.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 83,755</b>	<b>\$ 97,904</b>	<b>\$ 77,368</b>	<b>\$ 120,850</b>	<b>\$ 100,000</b>	<b>\$ 156,600</b>	<b>\$ 35,750</b>	<b>29.58%</b>
<b>Total Operating Expenses</b>		<b>\$ 397,193</b>	<b>\$ 578,376</b>	<b>\$ 646,727</b>	<b>\$ 823,690</b>	<b>\$ 750,000</b>	<b>\$ 1,058,363</b>	<b>\$ 234,673</b>	<b>28.49%</b>
Fixed Assets	50600	\$ 42,276	\$ 11,241	\$ 17,027	\$ 15,000	\$ -	\$ -	\$ (15,000)	-
<b>Total Expenses</b>		<b>\$ 439,469</b>	<b>\$ 589,617</b>	<b>\$ 663,754</b>	<b>\$ 838,690</b>	<b>\$ 750,000</b>	<b>\$ 1,058,363</b>	<b>\$ 219,673</b>	<b>26.19%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Reservoir 1B Communications**

## Resource Planning & Engineering Services – Program 12

The Resource Planning program plans and develops water resources and wastewater treatment capacity to serve Camrosa's current and future customers. This involves researching and analyzing alternatives, developing and implementing programs, planning and managing capital projects, and facilitating institutional relations to increase and manage available water. The program also manages Camrosa's environmental review process and related permitting.

Engineering Services manages capital projects and assists in the evaluation, planning, and execution of projects to improve the efficiency of the water and wastewater systems. The program provides development oversight by calculating fees and charges, checking plans for compliance with District standards, inspecting developments and District projects, managing maps and records of completed projects, and providing underground facilities locations for new construction or repairs by other utilities. These costs are allocated as overhead to the three cost centers.

### Prior Year Goals

### Achieved

Complete construction for Iron/MN Treatment at PV Well No. 2 (Lynnwood). Completed design and began construction.	<input type="checkbox"/>
Complete construction of PV Well No. 2 (Lynnwood Well) and place well into service.	<input checked="" type="checkbox"/>
Complete PV Well No. 1 (Woodcreek Well) rehabilitation and return to service.	<input checked="" type="checkbox"/>
Completed construction of Heritage Park Monitoring Well.	<input checked="" type="checkbox"/>
Completed CWRP Effluent Pond Improvements.	<input checked="" type="checkbox"/>
Complete construction of Water Quality Sampling Stations (42 sites). Project deferred by the Board.	<input type="checkbox"/>
Complete design and begin construction for PV Well #3. Began design, estimated to be completed in early 2026.	<input type="checkbox"/>
Begin drilling/construction for the new University well for RMWTP. Completed the design and began construction of a new University well for RMWTP.	<input type="checkbox"/>
Complete construction of Solids Dewatering Press Facility at CWRP. Began the construction of the Solids Dewatering Press Facility at CWRP, estimated to be completed in late summer of 2025.	<input type="checkbox"/>
Begin design of new Pump Station for Zone 1 to Zone 2.	<input checked="" type="checkbox"/>
Complete design for the expansion of SR Water Line to 24-inch. Evaluating the hydraulic model to confirm necessity.	<input type="checkbox"/>
Begin design for replacement of PS #4 and Ag2 non-potable water tank.	<input checked="" type="checkbox"/>
Complete design and begin construction for refurbishment of SR-10 Well. Completed Phase 1 and began Phase 2 refurbishment of SR-10 Well.	<input type="checkbox"/>
Complete design and begin construction for refurbishment of Sewer Lift Station #4. Completed design for the refurbishment of Sewer Lift Station #4.	<input type="checkbox"/>

### Prior Year Additional Achievements

Completed design for 4C Hydro-pneumatic pump station.  
Completed construction of Ag3 Non-potable Water Tank.  
Completed design of Sewer Collection Hotspots and began Construction.  
Completed design for the replacement of 7 PLCs at CWRP.  
Completed design for rehabilitation of power distribution at CWRP.  
Finalized acceptance of Tract 5976 (Shea Homes, The Grove).  
Completed design for water quality sampling equipment at Heritage Park Monitoring Well.

## Resource Planning & Engineering Services – Program 12

### Prior Year Additional Achievements (Continued)

Began the development of the PDR for the Conejo Water Treatment RO Plant.

### Goals for 2025-2026

Complete construction for Iron/MN Treatment at PV Well No. 2 (Lynnwood Well).

Complete drilling, development & design of PV Well No. 3 Well (Valencia Well).

Complete Phase 2 of SR-10 Well refurbishment.

Complete construction of Sewer Collections Hotspots.

Complete construction of Solids Dewatering Press Facility at CWRP.

Complete installation of water quality sampling equipment at Heritage Park Monitoring Well.

Complete Conejo Water Treatment Plant PDR.

Complete drilling, development & design for new University Well for RMWTP.

Complete construction for the replacement of 7 PLCs at CWRP.

Complete construction for rehabilitation of power distribution at CWRP.

Begin construction for the refurbishment of Sewer Lift Station No. 4.

Begin design for new booster Pump Station from Zone 1 to Zone 2 @ MS8.

Complete design for the replacement of Reservoir 4C.

Begin design for the refurbishment of Sewer Lift Station No. 2.

Resource Planning & Engineering Services Program 12		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 13,704	\$ 14,702	\$ 21,458	\$ 50,000	\$ 11,190	\$ 50,000	\$ -	0.00%
Professional Services	50230	3,933	-	-	125,000	30,000	85,000	\$ (40,000)	-32.00%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 17,636</b>	<b>\$ 14,702</b>	<b>\$ 21,458</b>	<b>\$ 175,000</b>	<b>\$ 41,190</b>	<b>\$ 135,000</b>	<b>\$ (40,000)</b>	<b>-22.86%</b>
<b>Services &amp; Supplies</b>									
Small Tools & Equipment	50250	\$ -	\$ -	\$ -	\$ 850	\$ -	\$ 850	\$ -	0.00%
Materials & Supplies	50260	546	-	-	250	-	250	-	0.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 546</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,100</b>	<b>\$ -</b>	<b>\$ 1,100</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Total Operating Expenses</b>		<b>\$ 18,182</b>	<b>\$ 14,702</b>	<b>\$ 21,458</b>	<b>\$ 176,100</b>	<b>\$ 41,190</b>	<b>\$ 136,100</b>	<b>\$ (40,000)</b>	<b>-22.71%</b>
Fixed Assets	50600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<b>Total Expenses</b>		<b>\$ 18,182</b>	<b>\$ 14,702</b>	<b>\$ 21,458</b>	<b>\$ 176,100</b>	<b>\$ 41,190</b>	<b>\$ 136,100</b>	<b>\$ (40,000)</b>	<b>-22.71%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Non-Potable Storage Ponds & Pump Station**

## Water Resource Management – Program 22

The primary function of the Water Resource Management (WRM) program is to protect the District's existing sources of supply and develop new ones.

Camrosa's water resources are precious, and the District is committed to ensuring that these resources are not lost to deficiencies in its infrastructure or due to inaccuracies in metering devices or technology. To this end, the WRM program has developed a Comprehensive Water Loss Reduction Strategy and is dedicated to prioritizing these identified best practices to reduce water loss.

Proliferating State mandates exert pressure on the District's ability to meet customer demand and significant WRM activity is directed at working with state agencies and other water suppliers to implement these regulations in ways that don't compromise our existing sources, stifle innovation, or upset cost/benefit analyses. WRM cultivates relationships with state and federal legislators and state agency leadership and staff; participates in statewide working groups; and engages in legislative analysis and advocacy. WRM costs are allocated as overhead to the three cost centers.

### Prior Year Goals

### Achieved

Develop and implement prioritized elements of the Camrosa Comprehensive Water Loss Reduction Strategy that will consistently reduce water loss below 6%.



Performed Zone 2 analysis that identified that the Meter Transmitting Unit (MTU) and meter replacement were successful in reducing apparent water losses in that Zone from  $\approx 10\%$  to  $\approx 4\%$ .

Used analysis of the District's  $\frac{3}{4}$  and 1-inch meter populations to identify meters for replacement based on batch performance and reliability, shifting the District's meter management from a reactive stance to being more proactive.

Submit the completed Lead Service Line Inventory to SWRCB.



Engage with SWRCB/DWR on the implementation of new legislation.



Maintain and strengthen Camrosa's position as a key collaborator on State water policy development with other water agencies and organizations such as ACWA and CMUA.



Continue to support Customer Service public outreach and communication programs.



### Prior Year Additional Achievements

Took the initiative to develop a multivariate comparison between rainfall, water use, and legislation over time as an early-stage tool for resources management and water demand analysis to better inform future decision-making; presented findings at the Calleguas Regional Water Use Efficiency meeting.

### Goals for 2025-2026

Implement strategic, prioritized elements of the Camrosa Comprehensive Water Loss Reduction Strategy to work towards consistently reducing water loss to below 6%.

Successfully prepare and submit the District's 2025 Urban Water Management Plan.

Engage with SWRCB, DWR, and elected officials on key water policy issues and proposed legislation.

Maintain and strengthen Camrosa's position as a key collaborator on State water policy development with other water agencies and organizations such as ACWA and CMUA.

## Water Resource Management – Program 22

Water Resource Management Program 22		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 3,319	\$ 5,763	\$ 2,700	\$ 3,000	\$ 2,700	\$ 13,000	\$ 10,000	333.33%
Professional Services	50230		-	-	-	-	65,000	65,000	-
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 3,319</b>	<b>\$ 5,763</b>	<b>\$ 2,700</b>	<b>\$ 3,000</b>	<b>\$ 2,700</b>	<b>\$ 78,000</b>	<b>\$ 75,000</b>	<b>2500.00%</b>
<b>Services &amp; Supplies</b>									
Materials & Supplies	50260	\$ 489	\$ 866	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Services &amp; Supplies</b>		<b>\$ 489</b>	<b>\$ 866</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Total Operating Expenses</b>		<b>\$ 3,808</b>	<b>\$ 6,629</b>	<b>\$ 2,700</b>	<b>\$ 3,000</b>	<b>\$ 2,700</b>	<b>\$ 78,000</b>	<b>\$ 75,000</b>	<b>2500.00%</b>
Fixed Assets	50600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 3,808</b>	<b>\$ 6,629</b>	<b>\$ 2,700</b>	<b>\$ 3,000</b>	<b>\$ 2,700</b>	<b>\$ 78,000</b>	<b>\$ 75,000</b>	<b>2500.00%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Conejo Creek Diversion**

## Customer Service – Program 24

The Customer Service program plays a crucial role in ensuring the efficient and effective delivery of water and sewer services to Camrosa customers. Customer Service representatives answer customer questions and handle requests for service in a courteous and friendly manner and then, as needed, dispatch technicians to address issues promptly. This program is responsible for generating and issuing bills for water and sewer services to customers, managing the collection of revenues from billings and capital improvement fees, and ensuring timely payments and proper accounting for the funds collected. Other responsibilities include addressing regulatory compliance and promoting conservation efforts by engaging in outreach efforts to promote water conservation among customers while ensuring customers' compliance with regulations regarding water use efficiency and cross-connection control. Costs are allocated as overhead to the three cost centers.

### Prior Year Goals

### Achieved

- |   |                                     |
|---|-------------------------------------|
| Enhance the customer experience by updating the payment and customer engagement portal<br>To make it more user-friendly, intuitive, and efficient by implementing new features, improving navigation, and ensuring compatibility across devices.<br>Successfully transitioned the District's online payment portal from Paymentus to InvoiceCloud.  | <input checked="" type="checkbox"/> |
| Expand efforts to encourage customers to opt for paperless billing and communication by including educational campaigns highlighting the environmental benefits, offering incentives, and simplifying the process for opting to go paperless.   | <input checked="" type="checkbox"/> |
| Increase enrollment in autopay to 50% and paperless e-billing to 25% through customer outreach, streamlined enrollment, targeted marketing, and exploring incentive programs.<br>Increased customer enrollment in Autopay/Recurring Payment Options from 43% to 47%.<br>Increased the number of customers opting for paperless billing from 20% to 24%, resulting in cost savings related to printing and mailing, and the conservation of natural resources. | <input type="checkbox"/>            |
| Strive for ongoing enhancement of customer service standards and operational efficiency by regularly evaluating and refining processes, implementing feedback mechanisms for customers, and staying updated on industry best practices.   | <input checked="" type="checkbox"/> |
| Invest in educating both customers and staff to enhance understanding of water conservation, billing processes, and customer service best practices through workshops, online resources, and targeted outreach efforts.   | <input checked="" type="checkbox"/> |
| Collaborate with other teams to develop and implement strategies aimed at reducing water loss with initiatives such as leak-detection programs, meter replacement/infrastructure upgrades, and public awareness campaigns.  | <input checked="" type="checkbox"/> |
| Development and implementation of recently adopted SWRCB cross-connection requirements.<br>Began development of a new SWRCB-compliant Cross-Connection Control Plan (CCCP).   | <input checked="" type="checkbox"/> |

### Prior Year Additional Achievements

Conducted rigorous testing of the upgraded utility billing system, customer engagement portal, and field workforce management system, demonstrating the District's commitment to improving operational efficiency and customer service quality by streamlining processes, enhancing accuracy, and offering new features and services to customers.

Maintained a 99% Cross-Connection control device annual inspection compliance rate.

### Goals for 2025-2026

Complete the CIS upgrade from V.3 to V.5

Promote the use of the customer engagement portal to check usage and manage billing.

Transition the 2,600 EZPay customers to the InvoiceCloud platform and increase enrollment in autopay to 50% through customer outreach, streamlined enrollment, and targeted marketing.

## Customer Service – Program 24

### Goals for 2025-2026 (Continued)

Expand efforts to encourage customers to opt for paperless billing and communication through educational campaigns to reach a paperless billing goal of 30%.

Strive for ongoing enhancement of customer service standards and operational efficiency by regularly evaluating and refining processes, implementing feedback mechanisms for customers, and staying updated on industry best practices.

Invest in educating both customers and staff to enhance understanding of water resources and conservation through facility tours, workshops, online resources, and targeted outreach efforts.

Collaborate with other teams to develop and implement strategies aimed at reducing water loss with initiatives such as leak detection programs, meter replacement/infrastructure upgrades, and public awareness campaigns.

Implement processes in compliance with the SWRCB cross-connection requirements.

Customer Service Program 24		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 74,150	\$ 74,498	\$ 75,832	\$ 104,000	\$ 87,000	\$ 101,300	\$ (2,700)	-2.60%
Professional Services	50230	-	-	-	-	-	-	-	-
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 74,150</b>	<b>\$ 74,498</b>	<b>\$ 75,832</b>	<b>\$ 104,000</b>	<b>\$ 87,000</b>	<b>\$ 101,300</b>	<b>\$ (2,700)</b>	<b>-2.60%</b>
<b>Services &amp; Supplies</b>									
Materials & Supplies	50260	\$ 37	\$ -	\$ -	\$ 3,500	\$ 3,500	\$ 3,500	\$ -	0.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 37</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,500</b>	<b>\$ 3,500</b>	<b>\$ 3,500</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Total Operating Expenses</b>		<b>\$ 74,187</b>	<b>\$ 74,498</b>	<b>\$ 75,832</b>	<b>\$ 107,500</b>	<b>\$ 90,500</b>	<b>\$ 104,800</b>	<b>\$ (2,700)</b>	<b>-2.51%</b>
Fixed Assets	50600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 74,187</b>	<b>\$ 74,498</b>	<b>\$ 75,832</b>	<b>\$ 107,500</b>	<b>\$ 90,500</b>	<b>\$ 104,800</b>	<b>\$ (2,700)</b>	<b>-2.51%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



### **Customer Service**

## Water Quality – Program 25

The Water Quality program ensures Camrosa meets and exceeds all state and federal water quality standards. We do this by operating two State-accredited environmental laboratories that monitor the District's drinking water wells, distribution system, sewer collection system, and treatment plant so the District can maintain optimal operation and quickly respond to water quality issues. The lab maintains the District's industrial waste program and applies for, negotiates, and manages primary operational permits. In an ever-expanding regulatory environment, Water Quality supports regulatory compliance with TMDLs, participates in legislative/regulatory advocacy, and contributes to internal and interagency studies in pursuit of new supplies and improved operations. Water Quality staff consult internally on project research, planning, and implementation. The costs for this program are allocated as overhead to the three cost centers.

### Prior Year Goals

### Achieved

Zero violations: 100% compliance with all regulations and permits.



Operational Permits are in good standing (TDS and Chloride still exceed permit limits at CWRF on occasion).

Complete the Sequential Chlorination Project at CWRF and receive a conditional approval letter from LARWQCB to perform sequential chlorination at the Wastewater Plant.



Sequential Chlorination Study Submitted (awaiting Regional Board approval).

Complete another round of Copper and Lead Sampling in July as required in the GAC Plant Permit amendment.



Complete the Sampling Station Project.



Project was deferred by the Board.

Participate in the Unregulated Contaminant Monitoring Rule 5 (UCMR 5), which is mandated by the Federal Government to discover more "Constituents of Concern" for regulation.



Convert disinfection at Penny Well from free chlorine to monochloramines.



O&M project requiring operator time not available this year.

Ensure accurate and timely submission of all internal and external reporting.



### Prior Year Additional Accomplishments

Discontinued unused discharge permit for Camrosa Water Reclamation Facility.

Completed a Bacteriological Level 1 assessment of Drinking Water System.

Obtained a letter from Ventura County Planning Department verifying the District's exemption from County Conditional Use Permits at District facilities.

### Goals for 2025-2026

Assess the effect of sludge dewatering on the effluent quality of the wastewater plant.

Assist with the implementation of the Sequential Chlorination Project following Regional Board approval.

Value engineer sampling station project and implement at problematic sampling sites.

Convert disinfection at Penny Well from free chlorine to monochloramines.

Perform another round of Copper and Lead accelerated sampling required by DDW.

## Water Quality – Program 25

Water Quality Program 25		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 40,223	\$ 40,957	\$ 72,066	\$ 92,500	\$ 92,500	\$ 92,500	\$ -	0.00%
Professional Services	50230	-	-	157	-	-	-	-	-
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 40,223</b>	<b>\$ 40,957</b>	<b>\$ 72,223</b>	<b>\$ 92,500</b>	<b>\$ 92,500</b>	<b>\$ 92,500</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Services &amp; Supplies</b>									
Small Tools & Equipment	50250	\$ 1,435	\$ 7,637	\$ 2,447	\$ 11,000	\$ 5,000	\$ 11,000	\$ -	0.00%
Materials & Supplies	50260	29,227	43,871	47,432	38,965	38,000	38,965	-	0.00%
Repair Parts & Equipment Maintenance	50270	4,890	5,511	2,690	10,000	10,000	10,000	-	0.00%
Fees & Charges	50350	3,500	15,500	7,800	15,000	18,140	15,000	-	0.00%
<b>Total Services &amp; Supplies</b>		<b>\$ 39,052</b>	<b>\$ 72,519</b>	<b>\$ 60,369</b>	<b>\$ 74,965</b>	<b>\$ 71,140</b>	<b>\$ 74,965</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Total Operating Expenses</b>		<b>\$ 79,275</b>	<b>\$ 113,476</b>	<b>\$ 132,592</b>	<b>\$ 167,465</b>	<b>\$ 163,640</b>	<b>\$ 167,465</b>	<b>\$ -</b>	<b>0.00%</b>
Fixed Assets	50600	\$ 21,745	\$ 12,025	\$ 12,907	\$ 21,000	\$ -	\$ -	\$ (21,000)	-
<b>Total Expenses</b>		<b>\$ 101,020</b>	<b>\$ 125,501</b>	<b>\$ 145,499</b>	<b>\$ 188,465</b>	<b>\$ 163,640</b>	<b>\$ 167,465</b>	<b>\$ (21,000)</b>	<b>-11.14%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Laboratory**

## **Buildings/Grounds & Rolling Stock – Program 26**

The Buildings/Grounds & Rolling Stock program accounts for the maintenance of all District buildings, 65 acres of District property, approximately two miles of District roads, and the maintenance of the District's fleet and specialized facilities service equipment. This includes janitorial service, grounds maintenance, landscaping, fencing, weed control, and vehicle leasing and maintenance. These services reflect the District's objective of keeping all grounds secured for public safety, appealing to the eye, and optimally maintained. In addition, this program provides resources for a range of reliable vehicles and equipment, minimizing our reliance on outside contractors. Camrosa has 23 motor vehicles, 4 tractors, 3 forklifts, a trailer-mounted non-potable water pump, and multiple trailers in its fleet. These costs are allocated to the three cost centers.

### **Prior Year Goals**

### **Achieved**

Complete routine tree trimming and weed control at District sites.



Develop a District plan to comply with California Zero Emission Vehicle requirements.



Continue exploration and possible implementation of solar power generation opportunities at the non-potable storage ponds.



Procure a new F-550 utility vehicle.



Procurement deferred.

Procure a forklift for the PV well site.



Replace the roof on the O&M building.



Perform a complete facility review to ensure efficient use by District personnel of equipment and material storage and operational facilities.



### **Prior Year Additional Achievements**

Began the fleet lease renewal process.

Completed replacement of the atmospheric monitoring system at CWRF headworks.

### **Goals for 2025-2026**

Complete renewal of fleet vehicle leases.

Complete routine tree trimming and weed control at District sites.

Further develop the District's plan to comply with California Zero Emission Vehicle requirements to use when exemptions are not applicable and as appropriate vehicles become available.

Continue joint exploration with County Fire for dip-tank locations for wildfire fighting.

## Buildings/Grounds & Rolling Stock – Program 26

Buildings/Grounds & Rolling Stock Program 26		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 186,029	\$ 203,952	\$ 228,582	\$ 450,000	\$ 350,000	\$ 444,000	\$ (6,000)	-1.33%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 186,029</b>	<b>\$ 203,952</b>	<b>\$ 228,582</b>	<b>\$ 450,000</b>	<b>\$ 350,000</b>	<b>\$ 444,000</b>	<b>\$ (6,000)</b>	<b>-1.33%</b>
<b>Services &amp; Supplies</b>									
Utilities	50200	\$ 30,081	\$ 29,398	\$ 27,385	\$ 44,500	\$ 45,000	\$ 44,500	\$ -	0.00%
Small Tools & Equipment	50250	1,525	38	1,602	2,000	4,700	2,000	-	0.00%
Materials & Supplies	50260	97,865	96,414	89,061	115,000	120,000	125,000	10,000	8.70%
Repair Parts & Equipment Maintenance	50270	40,590	77,980	71,856	80,500	70,000	80,500	-	0.00%
Fees & Charges	50350	2,645	3,103	839	15,500	15,000	16,500	1,000	6.45%
<b>Total Services &amp; Supplies</b>		<b>\$ 172,706</b>	<b>\$ 206,933</b>	<b>\$ 190,743</b>	<b>\$ 257,500</b>	<b>\$ 254,700</b>	<b>\$ 268,500</b>	<b>\$ 11,000</b>	<b>4.27%</b>
<b>Total Operating Expenses</b>		<b>\$ 358,735</b>	<b>\$ 410,885</b>	<b>\$ 419,325</b>	<b>\$ 707,500</b>	<b>\$ 604,700</b>	<b>\$ 712,500</b>	<b>\$ 5,000</b>	<b>0.71%</b>
Fixed Assets	50600	\$ 21,923	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ (250,000)	-
<b>Total Expenses</b>		<b>\$ 380,658</b>	<b>\$ 410,885</b>	<b>\$ 419,325</b>	<b>\$ 957,500</b>	<b>\$ 604,700</b>	<b>\$ 712,500</b>	<b>\$ (245,000)</b>	<b>-25.59%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Lynnwood Well Forklift**

## Potable Water Production & Distribution – Program 52

The Potable Water Production & Distribution program produces and delivers clean, reliable potable water to the District's 8,200 service connections in a safe and cost-effective manner. The system includes more than 100 miles of transmission and distribution pipelines, a 1-MGD desalter facility, 10 reservoirs, 8 active wells, 11 Calleguas turnouts, 7 booster stations, 10 pressure-reducing stations, 1,300 valves, and 1,214 fire hydrants. These costs are allocated 100% to the potable water cost center.

### Prior Year Goals

### Achieved

Achieve a 60:40 local groundwater production to imported water ratio. Achieved a 52:48 ratio.	<input type="checkbox"/>
Complete construction of PV Well No. 2 and place well into service.	<input checked="" type="checkbox"/>
Complete rehabilitation of the Woodcreek Well.	<input checked="" type="checkbox"/>
Complete construction of Heritage Park Monitoring Well.	<input checked="" type="checkbox"/>
Complete replacement of all meter station control cabinets. O&M project requiring operator time, which was not available this year.	<input type="checkbox"/>
Complete construction for Iron/MN Treatment at PV Well No. 2. Completed design for Iron/MN Treatment and began construction.	<input type="checkbox"/>
Complete construction of Water Quality Sampling Stations (42 sites). Project was deferred by the Board.	<input type="checkbox"/>
Implementation of the well maintenance and rehabilitation program.	<input checked="" type="checkbox"/>
Complete distribution system flushing.	<input checked="" type="checkbox"/>
Complete design and begin construction for a new supply well for the RMWTP. Completed the design and began construction of a new University well for RMWTP.	<input checked="" type="checkbox"/>
Complete AMR/AclaraOne MTU installation District-wide, including 5,245 MTUs.	<input checked="" type="checkbox"/>
Complete Meter Station #11 and Pressure Relief Stations rehabilitation. O&M project requiring operator time, which was not available this year.	<input type="checkbox"/>

### Prior Year Additional Achievements

Identified and replaced 1500 aging water meters.  
Completed annual potable production meter calibration.

### Goals for 2025-2026

Achieve a 60:40 local groundwater production to imported water ratio.  
Complete construction for Iron/MN Treatment at PV Well No. 2 (Lynnwood Well).  
Complete drilling, development & design of PV Well No. 3 (Valencia Well)  
Implementation of the well maintenance and rehabilitation program.  
Identify and replace 1000 aging water meters.  
Complete design, drilling, and development for the new University Well for RMWTP.  
Complete replacement of all meter station control cabinets.  
Complete Meter Station #11 and Pressure Relief Stations rehabilitation.

## Potable Water Production & Distribution – Program 52

Potable Water Production & Distribution Program 52		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2024-25	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Production</b>									
Import Water Purchases-Calleguas	50010	\$ 7,111,433	\$ 4,746,238	\$ 5,037,612	\$ 3,902,200	\$ 6,077,834	\$ 4,972,600	\$ 1,070,400	27.43%
Calleguas Fixed Charges	50012	913,008	906,822	937,050	870,800	924,000	951,772	80,972	9.30%
CamSan	50013	-	-	-	58,100	150,000	158,736	100,636	173.21%
Salinity Management Pipeline-Calleguas	50011	192,180	67,384	139,624	245,400	126,000	268,152	22,752	9.27%
Production Power	50020	790,387	714,850	925,682	1,787,300	1,155,000	1,860,041	72,741	4.07%
<b>Total Production</b>		<b>\$ 9,007,008</b>	<b>\$ 6,435,294</b>	<b>\$ 7,039,968</b>	<b>\$ 6,863,800</b>	<b>\$ 8,432,834</b>	<b>\$ 8,211,301</b>	<b>\$ 1,347,501</b>	<b>19.63%</b>
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 253,233	\$ 351,614	\$ 607,096	\$ 1,021,000	\$ 900,000	\$ 1,196,500	\$ 175,500	17.19%
Professional Services	50230	475,891	49,571	174,165	314,500	289,553	225,000	(89,500)	-28.46%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 729,124</b>	<b>\$ 401,185</b>	<b>\$ 781,261</b>	<b>\$ 1,335,500</b>	<b>\$ 1,189,553</b>	<b>\$ 1,421,500</b>	<b>\$ 86,000</b>	<b>6.44%</b>
<b>Services &amp; Supplies</b>									
Utilities	50200	\$ 62,553	\$ 54,368	\$ 64,085	\$ 70,000	\$ 60,000	\$ 65,000	\$ (5,000)	-7.14%
Communications	50210	-	-	-	-	-	-	-	-
Pipeline Repairs	50240	397,705	385,542	204,877	380,000	400,000	380,000	-	0.00%
Small Tools & Equipment	50250	10,700	20,648	19,141	20,000	20,000	20,000	-	0.00%
Materials & Supplies	50260	437,538	279,556	455,328	1,128,000	1,075,000	1,168,000	40,000	3.55%
Repair Parts & Equipment Maintenance	50270	348,088	382,845	464,258	732,500	600,000	782,500	50,000	6.83%
Legal Services	50280	-	-	53,747	110,000	112,000	108,000	(2,000)	-1.82%
Fees & Charges	50350	108,602	172,148	90,531	164,575	160,000	168,575	4,000	2.43%
<b>Total Services &amp; Supplies</b>		<b>\$ 1,365,186</b>	<b>\$ 1,295,107</b>	<b>\$ 1,351,967</b>	<b>\$ 2,605,075</b>	<b>\$ 2,427,000</b>	<b>\$ 2,692,075</b>	<b>\$ 87,000</b>	<b>3.34%</b>
<b>Total Operating Expenditures</b>		<b>\$ 11,101,318</b>	<b>\$ 8,131,586</b>	<b>\$ 9,173,196</b>	<b>\$ 10,804,375</b>	<b>\$ 12,049,387</b>	<b>\$ 12,324,876</b>	<b>\$ 1,520,501</b>	<b>14.07%</b>
Fixed Assets	50600	\$ -	\$ -	\$ 50,424	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 11,101,318</b>	<b>\$ 8,131,586</b>	<b>\$ 9,223,620</b>	<b>\$ 10,804,375</b>	<b>\$ 12,049,387</b>	<b>\$ 12,324,876</b>	<b>\$ 1,520,501</b>	<b>14.07%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Unidirectional Flushing**

## **Non-Potable Water Production & Distribution – Program 53**

The Non-Potable Water Production & Distribution program delivers non-potable water to the District's customers in a safe and cost-effective manner. The non-potable system includes the Conejo Creek Diversion structure, 49 million gallons of surface storage area, 3 wells, 4 pumping stations, 4 reservoirs, 34 fire hydrants, and 23 miles of distribution pipelines. These costs are allocated 100% to the non-potable water cost center.

### **Prior Year Goals**

### **Achieved**

Continue the annual overhaul of diversion debris screens.	<input checked="" type="checkbox"/>
Calibrate all non-potable production meters.	<input checked="" type="checkbox"/>
Complete annual sand removal at the ponds.	<input checked="" type="checkbox"/>
Continue annual sandbar removal at the Conejo Creek Diversion.	<input checked="" type="checkbox"/>
Inspect and clean Reservoir 1A.	<input checked="" type="checkbox"/>
Completed CWRP Effluent Pond Improvements.	<input checked="" type="checkbox"/>
Complete design for the refurbishment of Ag2 non-potable water tank and pump station #4. Began design for replacement of PS# 4 and Ag2 non-potable water tank.	<input type="checkbox"/>
Complete design and begin construction for refurbishment of SR-10 Well. Began Phase 1 and 2 refurbishment of SR-10 Well.	<input type="checkbox"/>
Implementation of the well maintenance and rehabilitation program.	<input checked="" type="checkbox"/>
Complete AMR/AclaraOne MTU installation District-wide including 255 NP MTUs.	<input checked="" type="checkbox"/>
Explore opportunities within the non-potable distribution system. Explored non-potable water allocation strategies.	<input checked="" type="checkbox"/>

### **Prior Year Additional Achievements**

Completed construction of Ag3 Non-potable Water Tank.

### **Goals for 2025-2026**

Continue the annual overhaul of Diversion debris screens.

Calibrate all non-potable production meters.

Complete annual sand removal at the ponds.

Continue annual sandbar removal at the Conejo Creek Diversion.

Inspect and clean Reservoir 1A.

Complete design for replacement of PS #4 and Ag2 non-potable water tank.

Complete Phase 2 of SR-10 Well refurbishment.

Implementation of the well maintenance and rehabilitation program.

Develop a comprehensive integrated water resources allocation policy and explore water allocation strategies within the non-potable distribution system.

## Non-Potable Water Production & Distribution – Program 53

Non-Potable Water Production & Distribution Program 53		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Production</b>									
Water Purchases-Calleguas	50010	\$ 589,664	\$ 324,272	\$ 423,838	\$ 499,400	\$ 743,000	\$ 664,537	\$ 165,137	33.07%
Calleguas Fixed Charges	50012	-	-	-	109,400	95,000	125,480	16,080	-
Conejo Creek Project	50011	702,978	816,017	1,113,387	938,800	940,500	1,014,104	75,304	8.02%
CamSan	50013	72,109	132,123	157,354	-	-	-	-	-
Production Power	50020	1,000,252	1,003,235	1,090,287	989,500	1,134,500	1,308,139	318,639	32.20%
<b>Total Production</b>		<b>\$2,365,004</b>	<b>\$ 2,275,647</b>	<b>\$ 2,784,866</b>	<b>\$ 2,537,100</b>	<b>\$ 2,913,000</b>	<b>\$ 3,112,260</b>	<b>\$ 575,160</b>	<b>22.67%</b>
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 100,893	\$ 98,587	\$ 152,495	\$ 389,500	\$ 300,000	\$ 449,500	\$ 60,000	15.40%
Professional Services	50230	325,000	-	49,565	53,500	18,000	49,500	(4,000)	-7.48%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 425,893</b>	<b>\$ 98,587</b>	<b>\$ 202,060</b>	<b>\$ 443,000</b>	<b>\$ 318,000</b>	<b>\$ 499,000</b>	<b>\$ 56,000</b>	<b>12.64%</b>
<b>Services &amp; Supplies</b>									
Pipeline Repairs	50240	20,638	15,152	104,916	100,000	90,000	80,000	\$ (20,000)	-20.00%
Small Tools & Equipment	50250	38	-	3,478	4,500	4,500	4,500	-	0.00%
Materials & Supplies	50260	11,558	20,160	26,338	42,000	40,000	37,000	(5,000)	-11.90%
Repair Parts & Equipment Maintenance	50270	192,981	255,179	433,642	385,000	300,000	385,000	-	0.00%
Legal Services	50280	-	-	40,352	-	-	72,000	72,000	-
Fees & Charges	50350	0	1,640	1,893	5,500	14,500	19,500	14,000	254.55%
<b>Total Services &amp; Supplies</b>		<b>\$ 225,214</b>	<b>\$ 292,131</b>	<b>\$ 610,619</b>	<b>\$ 537,000</b>	<b>\$ 449,000</b>	<b>\$ 598,000</b>	<b>\$ 61,000</b>	<b>11.36%</b>
<b>Total Operating Expenses</b>		<b>\$3,016,111</b>	<b>\$ 2,666,365</b>	<b>\$ 3,597,545</b>	<b>\$ 3,517,100</b>	<b>\$ 3,680,000</b>	<b>\$ 4,209,260</b>	<b>\$ 692,160</b>	<b>19.68%</b>
Fixed Assets	50600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 3,016,111</b>	<b>\$ 2,666,365</b>	<b>\$ 3,597,545</b>	<b>\$ 3,517,100</b>	<b>\$ 3,680,000</b>	<b>\$ 4,209,260</b>	<b>\$ 692,160</b>	<b>19.68%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Non-Potable Tank and Pump Station**

## Wastewater Collection & Treatment – Program 57

The Wastewater Collection & Treatment program provides for the operation, maintenance, and repair of the Camrosa Water Reclamation Facility (CWRF) and the sewer collection system, including 40 miles of collection lines, 6 lift stations, 4 siphon structures, and 1,350 manholes. Each year, two-thirds of this system receives hydro-cleaning, and suspected trouble spots are identified and videoed. The source control program ensures that industrial customers do not discharge materials hazardous to the treatment process and that restaurants do not discharge grease into the collection system. The CWRF has helped increase the water resources available to the District. These costs are allocated 100% to the wastewater cost center.

### Prior Year Goals

### Achieved

- |  |                                     |
|--|-------------------------------------|
| Zero wastewater violations and zero sanitary sewer overflows.  | <input type="checkbox"/>            |
| Operational Permits are in good standing. (TDS and Chloride still exceed permit limits at CWRF on occasion).       |                                     |
| Complete construction of permanent ammonia injection system for sequential chlorination.                           | <input type="checkbox"/>            |
| Sequential Chlorination Study Submitted (awaiting Regional Board approval).  |                                     |
| Complete atmospheric monitoring system at CWRF headworks.  | <input checked="" type="checkbox"/> |
| Complete CWRF Effluent Pond improvements.  | <input checked="" type="checkbox"/> |
| Complete replacement of the Motor Control Center (MCC) at Sewer Lift Read Rd.                                      | <input type="checkbox"/>            |
| Begin construction of the Sewer Hotspot rehabilitation project.  | <input checked="" type="checkbox"/> |
| Complete replacement of the Headworks bar screen at CWRF.  | <input checked="" type="checkbox"/> |
| Complete construction of Solids Dewatering Press Facility at CWRF.   | <input type="checkbox"/>            |
| Began the construction of the Solids Dewatering Press Facility at CWRF, estimated to be completed in October 2025. |                                     |
| Complete annual calibration of all flow meters at CWRF.  | <input checked="" type="checkbox"/> |
| Rehabilitate an additional 40 sewer manholes.  | <input checked="" type="checkbox"/> |
| Complete design and begin construction for rehabilitation of Lift Station #4.                                      | <input type="checkbox"/>            |
| Completed design for the rehabilitation of Lift Station #4.  |                                     |
| Begin the design process at the CWRF for upgrading the Programmable Logic Controllers (PLC).                       | <input checked="" type="checkbox"/> |
| Begin design to rehabilitate the CWRF power distribution system.   | <input checked="" type="checkbox"/> |

### Goals for 2025-2026

- Zero wastewater violations.
- Zero sanitary sewer overflows.
- Complete construction of permanent ammonia injection system for sequential chlorination.
- Complete replacement of the Motor Control Center (MCC) at Sewer Lift Read Rd.
- Complete construction of the Sewer Hotspot rehabilitation project.
- Complete construction of Solids Dewatering Press Facility at CWRF.
- Complete annual calibration of all flow meters at CWRF.
- Rehabilitate an additional 40 sewer manholes.
- Begin construction for the refurbishment of Sewer Lift Station No.4
- Complete construction for the replacement of 7 PLCs at CWRF.
- Complete construction for rehabilitation of power distribution at CWRF.

## Wastewater Collection & Treatment – Program 57

Wastewater Collection & Treatment Program 57		Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Budget FY 2024-25	Projections FY 2024-25	Budget FY 2025-26	*Increase (Decrease) over PY	*% Change over PY
<b>Production</b>									
Salinity Management Pipeline-Calleguas	50011	\$ 11,521	\$ 7,853	\$ 9,134	\$ 9,000	\$ 11,100	\$ 9,000	\$ -	0.00%
<b>Total Production</b>		<b>\$ 11,521</b>	<b>\$ 7,853</b>	<b>\$ 9,134</b>	<b>\$ 9,000</b>	<b>\$ 11,100</b>	<b>\$ 9,000</b>	<b>\$ -</b>	<b>0.00%</b>
<b>Contracts &amp; Professional Services</b>									
Outside Contracts	50220	\$ 500,601	\$ 665,579	\$ 669,624	\$ 989,000	\$ 975,000	\$ 1,127,000	\$ 138,000	13.95%
Professional Services	50230	39,926	16,078	18,924	15,000	17,703	18,000	3,000	20.00%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 540,527</b>	<b>\$ 681,657</b>	<b>\$ 688,548</b>	<b>\$ 1,004,000</b>	<b>\$ 992,703</b>	<b>\$ 1,145,000</b>	<b>\$ 141,000</b>	<b>14.04%</b>
<b>Services &amp; Supplies</b>									
Utilities	50200	\$ 12,876	\$ 13,980	\$ 15,355	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	0.00%
Pipeline Repairs	50240	23,021	1,169	-	10,000	10,000	30,000	20,000	200.00%
Small Tools & Equipment	50250	279	582	569	5,000	5,000	5,000	-	0.00%
Materials & Supplies	50260	90,398	88,738	102,399	157,500	155,000	157,500	-	0.00%
Repair Parts & Equipment Maintenance	50270	36,592	53,784	56,905	135,000	125,000	135,000	-	0.00%
Dues & Subscriptions	50290	-	105	-	-	-	-	-	-
Fees & Charges	50350	45,426	49,145	56,978	83,500	45,000	84,500	1,000	1.20%
<b>Total Contracts &amp; Professional Services</b>		<b>\$ 208,592</b>	<b>\$ 207,503</b>	<b>\$ 232,206</b>	<b>\$ 411,000</b>	<b>\$ 360,000</b>	<b>\$ 432,000</b>	<b>\$ 21,000</b>	<b>5.11%</b>
<b>Total Operating Expense</b>		<b>\$ 760,639</b>	<b>\$ 897,013</b>	<b>\$ 929,888</b>	<b>\$ 1,424,000</b>	<b>\$ 1,363,803</b>	<b>\$ 1,586,000</b>	<b>\$ 162,000</b>	<b>11.38%</b>
Fixed Assets	50600	\$ 7,889	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
<b>Total Expenses</b>		<b>\$ 768,528</b>	<b>\$ 897,013</b>	<b>\$ 929,888</b>	<b>\$ 1,424,000</b>	<b>\$ 1,363,803</b>	<b>\$ 1,586,000</b>	<b>\$ 162,000</b>	<b>11.38%</b>

\*Compares FY 2025-26 Proposed Budget to FY 2024-25 Adopted Budget



**Camrosa Wastewater Reclamation Facility Clarifier**

## Capital Projects Summary

During FY2024-25, the District completed a number of capital projects that improved potable water, non-potable water, and wastewater operations.

Potable water improvements included the completion of the Pleasant Valley Monitoring Well, PV Well #1, Woodcreek Well Rehabilitation, University Well Pump Replacement, and distribution valve replacement project.

Non-potable projects included Ag 3 Tank Replacement and Pond Pump #4 Replacement project.

Wastewater projects included Smart Covers, CWRP Headworks Bar Screen Replacement, Sewer Lift 1A Bypass Pipe, and Effluent Pond Relining project.

General improvement projects included the completion of the LIMS, Network Backbone Switches, O&M Roofing, and MTU and Meter replacement projects.



***Wastewater De-Watering Press in Construction***

## Carryovers and Closeouts

The following table summarizes the existing capital projects that were appropriated in prior fiscal years. Several of the capital projects are projected to be completed by June 30, 2025, and will be capitalized. Any unspent funds will be returned to the appropriate reserve fund. Ongoing capital projects will carry over into the FY2025-26 budget.

Project #	Prior FY Budget	FY 2024-25 Budget	Mid-Year Budget	Total Budget	Total Actual / Projected	Carryover	Closeouts De-Obligate	Description	Status
<b>Completed Projects</b>									
400-22-03	90,000	-	-	90,000	69,058	-	20,942	LIMS	Complete
400-24-02	110,000	-	-	110,000	74,088	-	35,912	Network Backbone Switches	Complete
400-25-01	-	-	100,000	100,000	90,850	-	9,150	O&M Building Roofing	Complete
500-25-01	-	90,000	-	90,000	90,000	-	-	Smart Covers	Complete
550-23-02	500,000	-	-	500,000	485,000	-	15,000	CWRF Headworks Bar Screen Replacement	Complete
550-25-04	-	-	35,000	35,000	35,000	-	-	Sewer Lift 1A Bypass Pipe	Complete
600-23-02	675,000	-	-	675,000	669,407	-	5,593	Pleasant Valley Monitoring Wells	Complete
650-15-01	6,052,580	-	-	6,052,580	6,025,928	-	26,652	PV Well #1	Complete
650-24-02	910,000	-	-	910,000	858,414	-	51,586	Woodcreek Well Rehabilitation	Complete
650-24-03	1,680,000	-	206,000	1,886,000	1,886,000	-	-	MTU and Meter Replacements	Complete
550-24-01	80,000	-	-	80,000	55,106	-	24,894	Confined Space Gas Monitoring	Complete
650-25-03	-	100,000	-	100,000	100,000	-	-	Distribution Valve Replacement	Complete
650-25-05	-	-	200,000	200,000	200,000	-	-	University Well Pump Replacement	Complete
750-23-01	150,000	-	1,175,000	1,325,000	1,163,742	-	161,258	AG3 Tank Replacement-Engineering/Const	Complete
750-25-04	-	-	100,000	100,000	97,000	-	3,000	Pond Pump #4 Replacement	Complete
900-18-03	1,501,500	-	-	1,501,500	1,495,500	-	6,000	Effluent Pond Relining	Complete
<b>Total Completed</b>	<b>\$ 11,749,080</b>	<b>\$ 190,000</b>	<b>\$ 1,816,000</b>	<b>\$ 13,755,080</b>	<b>\$ 13,395,092</b>	<b>\$ -</b>	<b>\$ 359,988</b>		
<b>Carryovers</b>									
400-22-02	504,000	-	-	504,000	388,483	115,517	-	Utility Billing System	Carryover
500-22-01	400,000	-	-	400,000	185,000	215,000	-	Ammonia Injection (Sequential Chloramination)	Carryover
550-21-01	360,000	-	-	360,000	300,000	60,000	-	Sewer Lift Read Road MCC	Carryover
550-23-01	330,000	-	-	330,000	100,000	230,000	-	Collection System Hot Spots - Engineering Phase	Carryover
550-24-02	350,000	-	-	350,000	186,000	164,000	-	CWRF Influent Pump	Carryover
550-25-01	-	300,000	-	300,000	197,000	103,000	-	CWRF PLC - Engineering Phase	Carryover
550-25-02	-	180,000	20,000	200,000	182,000	18,000	-	CWRF Power Distribution System Rehab-Engineering	Carryover
550-25-03	-	175,000	-	175,000	166,000	9,000	-	Lift Station No. 4	Carryover
600-23-01	180,000	-	50,000	230,000	50,000	180,000	-	PV Well #3 - Engineering Phase	Carryover
600-24-01	325,000	-	1,865,000	2,190,000	160,000	2,030,000	-	PV Well Iron/Manganese Removal	Carryover
600-24-02	40,000	-	-	40,000	39,335	665	-	Water Quality Sampling Stations - Engineering	Carryover
600-24-03	100,000	-	300,000	400,000	220,000	180,000	-	New University Well Engineering	Carryover
600-25-02	-	175,000	-	175,000	-	175,000	-	Pump Station 1-2 @ MS# 8 - Engineering	Carryover
600-25-03	-	-	1,100,000	1,100,000	-	1,100,000	-	Conejo Water Treatment Plant	Carryover
650-20-03	280,000	-	-	280,000	128,077	151,923	-	Meter Station Control Cabinets	Carryover
650-21-01	290,000	-	-	290,000	183,969	106,031	-	Meter Station 5 and 7 Rehabilitation	Carryover
650-25-01	-	150,000	150,000	300,000	200,000	100,000	-	4C Hydropneumatic Pump Station	Carryover
650-25-02	-	330,000	-	330,000	-	330,000	-	MS#11 & Pressure Relief Stations	Carryover
650-25-04	-	70,000	-	70,000	-	70,000	-	Waterview Software	Carryover
750-25-01	-	215,000	400,000	615,000	110,000	505,000	-	Santa Rosa Well No. 10 Refurbishment -Engineering	Carryover
750-25-02	-	325,000	-	325,000	50,000	275,000	-	Pump Station No. 4 Replacement	Carryover
750-25-03	-	105,000	-	105,000	50,000	55,000	-	Ag 2 Tank - Engineering Phase	Carryover
900-18-02	2,158,000	-	2,006,100	4,164,100	3,600,000	564,100	-	De-watering Press	Carryover
<b>Total Carryovers</b>	<b>\$ 5,317,000</b>	<b>\$ 2,025,000</b>	<b>\$ 5,891,100</b>	<b>\$ 13,233,100</b>	<b>\$ 6,495,864</b>	<b>\$ 6,737,236</b>	<b>\$ -</b>		
<b>Total CIPs</b>	<b>\$ 17,066,080</b>	<b>\$ 2,215,000</b>	<b>\$ 7,707,100</b>	<b>\$ 26,988,180</b>	<b>\$ 19,890,956</b>	<b>\$ 6,737,236</b>	<b>\$ 359,988</b>		
<b>Fixed Assets</b>									
100-25-05	-	250,000	-	250,000	-	-	250,000	Ford 550 Utility Truck	
<b>Total Fixed Assets</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>		
<b>Total CIPs &amp; Fixed Assets</b>	<b>\$ 17,066,080</b>	<b>\$ 2,465,000</b>	<b>\$ 7,707,100</b>	<b>\$ 27,238,180</b>	<b>\$ 19,890,956</b>	<b>\$ 6,737,236</b>	<b>\$ 609,988</b>		

## Capital Projects Carryover Details

The following capital projects were appropriated in prior fiscal years and are to be carried forward into the FY2025-26 budget.

### General Projects

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<b>400-22-02</b>	<b>\$504,000</b>	<b>Utility Billing System</b>
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The current billing system, Advanced CIS version 3, is antiquated and was placed online in 2007. Many routine processes are currently performed manually (e.g., late fees and deposits), which is not efficient. Migration to CIS version 5 will also include additional functionality such as mobile access for field technicians and web-based account and usage access for customers. This upgrade benefits all three cost centers. This project is expected to be completed by the end of calendar year 2025. This project was included in the 2024 Rate Study.

### Potable Projects

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<b>600-23-01</b>	<b>\$230,000</b>	<b>PV Well #3 - Engineering</b>
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Agreements between the Pleasant Valley County Water District (PVCWD) and the Fox Canyon Groundwater Management Agency (FCGMA) have resulted in the exchange of non-potable surface water for potable groundwater within the Pleasant Valley Basin. This project provides a third well, in addition to the existing Woodcreek and Lynnwood Wells, within the Pleasant Valley Groundwater Basin to produce the District's increased pumping allocations. Development of a Preliminary Design Report (PDR) is underway and is expected to be completed in summer 2025, followed by well and facility design by Winter 2025/26. Upon completion of the design, additional funding will be appropriated for the drilling and development of the well and all necessary ancillary facilities. This project was included in the 2024 Rate Study.

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<b>600-24-01</b>	<b>\$2,190,000</b>	<b>PV Well Iron/Manganese Removal</b>
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Groundwater quality within the Pleasant Valley Basin is generally poor to moderate quality. Based on Hopkins 2022 report, water quality within this basin typically will continue to degrade over time. Providing the installation of Iron/Mn filtration equipment will improve water quality, increase reliability, and provide the ability for the District to eliminate the need to blend with costly imported water. Water quality from the PV Well No. 2 and Woodcreek Well are approaching the MCLs for certain constituents. The design is complete and construction is scheduled to begin in Spring 2025 and be completed by February 2026. This project was included in the 2024 Rate Study.

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<b>600-24-02</b>	<b>\$ 40,000</b>	<b>Water Quality Sampling Stations - Engineering</b>
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This project includes the design and construction for the installation of 42 new water quality sampling stations strategically located in various pressure zones throughout the potable water system. The project consists of two phases: engineering and construction. Engineering was completed and after review of the design, construction costs were higher than expected. Staff have reviewed and re-evaluated the initial costly design and have developed less costly alternatives. Limiting construction to approximately 10 stations per year will help defray the cost over a longer period of time. Additional funding for the construction phase will be requested upon awarding the construction contract. This project was included in the 2024 Rate Study.

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<b>600-24-03</b>	<b>\$400,000</b>	<b>New University Well - Engineering</b>
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The existing University Well (CSUCI #4) was constructed in 1987 and screened between 280 feet and 900 feet, its bottom depth. As a result of efficiency loss, in 2021 the well was taken offline, evaluated, and rehabilitated. Subsequent pumping data shows that the 2021 cleaning was not effective. In August 2022, Camrosa staff completed well profiling to establish both static and dynamic water quality information within the well. The results showed highly mineralized water, which is consistent with brackish water quality. In addition to other constituents, high levels of silica along with crystalline debris in the casing suggest a strong potential for formation influence and mechanical fouling. This project is broken into two phases. Phase 1 includes the design specifications for drilling the well. The second phase, Phase 2, includes facility design composed of piping, well and pump, building and electrical. It is also worth noting that the existing electrical equipment is located within the Flood Plain and will need to be replaced and relocated. Once the design specifications for a new well are complete and placed out to bid, staff will return to the Board to request additional funds for the well's construction. The design of the well is expected to be completed in July 2025. Additional funding will be appropriated for construction, anticipated in late summer 2025.

## Capital Projects Carryover Details (Continued)

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**600-25-02      \$175,000      Pump Station 1 to 2 @MS# 8 – Engineering**

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Construction of an additional booster pump station that can move water from Pressure Zone 1 to Pressure Zone 2 will hydraulically benefit the District. The construction of Lynnwood Well and the proposed construction of PV Well No. 3, excess locally produced water will need to be boosted into higher zones that are mostly served from imported water. A new pump station will assist in moving water to the District's higher zones. The engineering phase will be completed by the Spring of 2026. Upon completion of the design, staff will return for construction and additional funding. This project was included in the 2024 rate study.

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**600-25-03      \$1,100,000      Conejo Water Treatment Plant**

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The District owns and operates several wells known as the Conejo Well Field. These wells extract groundwater from the Arroyo Santa Rosa Basin. Historically, significant amounts of imported state project water are used to blend down nitrates and hardness to meet current water quality objectives. In an effort to reduce or eliminate the need for imported water and become more self-reliant, a project identified in a draft 2024 Master Plan includes the construction of a new membrane treatment facility that would treat the required constituents and eliminate the need to blend with imported water. The first phase of this project includes the development of a preliminary design report (PDR) which is expected to develop the initial design and infrastructure requirements towards a 30% design completion along with detailed project costs. The PDR is expected to be completed by July 1, 2026.

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**650-20-03      \$280,000      Meter Station Control Cabinets**

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Camrosa's meter station control cabinets are aging and have limited functionality. The upgrade will include batteries for an estimated two-plus days of backup with full operational control of the station and interface with Calleguas. The current control cabinets have no backup provisions for power loss. Control cabinets at 11 meter stations will be replaced. This project is expected to be completed by the end of calendar year 2025. This project was included in the 2019 Rate Study.

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**650-21-01      \$290,000      Meter Station 5 and 7 Rehabilitation**

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Meter Station #5 and #7 are in need of rehabilitation. This rehabilitation effort would include replacing all the Cla-Val valves, replacing associated piping, vault maintenance and painting. This project is expected to be complete by the end of calendar year 2025.

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**650-25-01      \$300,000      4C Hydropneumatic Pump Station – Engineering**

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The existing hydro station was built in 1975 and is in poor condition. This station provides domestic irrigation and fire services to the 4C hydro zone. The station has reached its lifespan and needs to be replaced/repared. The project was partially designed but was postponed until the tank sizing analysis could be completed. The engineering phase will be completed by Fall of 2025. Upon completion of design, staff will request additional funding for construction, with completion by Winter of 2026. This project was included in the 2024 rate study.

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**650-25-02      \$330,000      Meter Station 11 & Pressure Relief Stations**

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Rehabilitation of Meter Station #11 & three pressure relief stations. The rehabilitation effort includes replacing isolation valves, Cla-Val control valves, and associated piping, as well as performing vault maintenance. Electrical, instrumentation, lights, and exhaust fans will be updated. Air release valves will be relocated to the outside of the vault. Piping and corrosion control will be reconfigured, and the facilities will be repainted. This is the total project cost, and it is to be completed by the end of Fiscal Year 2024-2025. This project was included in the 2024 rate study.

## Capital Projects Carryover Details (Continued)

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<b>650-25-04</b>	<b>\$70,000</b>	<b>Waterview Software</b>
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This project is intended to bring the District into compliance with the reporting requirements of the Making Conservation a California Way of Life legislation, specifically with regard to Residential water use reporting, CII water use reporting, and reporting usage of Commercial, Industrial, and Institutional (CII) Dedicated Irrigation Meters (DIM) and Mixed-Use Meters (MUM). It is expected to provide additional benefits, such as identifying and tracking excessive water use, so that the District may determine whether to reach out to said users regarding the possibility of a leak or employing more efficient technologies. The platform's ID capabilities would allow for a targeted response that saves outreach and intervention resources. This project will be completed by July 2027. This project was not part of the 2024 rate study.

### Non-Potable Water Projects

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<b>750-25-01</b>	<b>\$615,000</b>	<b>Santa Rosa Well No. 10 Refurbishment – Engineering</b>
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This project involves an evaluation of the existing well pump, motor, and existing facilities in preparation for conversion from a non-potable well to a potable well. It is expected that the well will be redeveloped, and installation of a new pump assembly and motor will be required along with a freshwater lube system. In addition, the existing building and piping will be evaluated and modified/improved as necessary. This project involves two phases, pulling the well and evaluation, followed by cleaning, design, and equipment purchases. The redevelopment and engineering design phase will be completed by the Summer of 2025. Additional funding will be requested for the redevelopment and construction phases and estimate the project will be completed by Winter 2025/2026. This project was included in the 2024 rate study.

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<b>750-25-02</b>	<b>\$325,000</b>	<b>Pump Station No. 4 Replacement – Engineering</b>
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Pump Station 4 is located at the end of Gerry Road. The facilities are old and in need of replacement/refurbishment. This project involves complete equipment and site refurbishment, including the replacement of the existing electrical switchgear and six motor control centers, new pumps, motors, new valving and controls, and various other site improvements that may include additional right-of-way access. The engineering phase will be completed by Spring of 2026. Additional funding will be requested for the construction phase and estimate the project will be completed by the Summer of 2027. This project was included in the 2024 rate study.

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<b>750-25-03</b>	<b>\$105,000</b>	<b>Ag 2 Tank – Engineering</b>
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The existing 50,000-gallon tank is in poor condition. The existing foundation is cracked, and the bottom chime plate and areas of the tank are corroded. The existing coating is in poor condition. A new tank will meet current seismic standards and will reduce overall maintenance and liability for the District. This project includes the demolitions and reconstruction of a new 50,000-gallon bolted water tank. The new tank will be seismically secured and meet all new AWWA design standards. Various new controls and monitoring equipment will be included along with providing better access and maintenance. Design is expected to be completed by Spring of 2025. Additional funding will be requested for the construction phase and estimate the project will be completed by Summer of 2027. This project was included in the 2024 rate study.

### Wastewater Projects

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<b>500-22-01</b>	<b>\$400,000</b>	<b>Ammonia Injection (Sequential Chlorination)</b>
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Camrosa's Waste Discharge Requirements (WDR) Order No. R4-2019-0118, the operating permit for the Camrosa Water Reclamation Facility (CWRF), approved the substitution of sequential chlorination for the extended chlorine contact times that would have been required by rerating the CWRF from its original 1.5 million gallons a day to 2.25 MGD. This project will require the installation of additional process control sensors, ammonia storage/containment, redundant peristaltic pumps, and associated piping, electrical, automation, and SCADA integration. Preliminary results of the sequential chlorination study, described in a report authored by Camrosa staff and submitted to the Los Angeles Regional Water Quality Control Board, proved that disinfection byproduct concentrations within the effluent NPDES and WDR permit limits can be realized while ensuring complete disinfection. This project is anticipated to be completed by the end of calendar year 2025.

## Capital Projects Carryover Details (Continued)

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<b>550-21-01</b>	<b>\$360,000</b>	<b>Sewer Lift Read Road MCC</b>
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Read Road Sewer Lift is located on Read Road and lifts the sewer 220 feet into the City of Thousand Oaks' collection system. The Motor Control Center (MCC) and related instrumentation are outdated and need to be replaced to ensure operational reliability. This project is anticipated to be completed by the end of the calendar year 2025.

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<b>550-23-01</b>	<b>\$330,000</b>	<b>Collection System Hot Spots - Engineering Phase</b>
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This project includes engineering solutions for the District's sewer collection system hotspots. These "hotspots" are sections of sewer pipeline that have settled/sagged, broken, or encountered significant root infiltration, both of which conditions cause debris to accumulate and impede flow, which in turn can result in a sewer blockage and/or backup. Hotspots require constant attention and monitoring, including monthly cleaning by the Ventura Regional Sanitation District. Staff have identified 15 hotspots that need to be investigated, realigned, and/or repaired or replaced. Design has been completed and construction is expected to start Summer of 2025 and be completed by early 2026. Additional funding for construction will be required. This project was included in the 2024 Rate Study.

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<b>550-24-02</b>	<b>\$350,000</b>	<b>CWRF Influent Pump</b>
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Wastewater arrives at CWRF via the collection system. The three influent pumps lift the wastewater from the lowest level of the Headworks building up to the splitter box on the aeration ditches. During normal flow rates, the plant uses two out of the three pumps, leaving the third for redundancy. One pump failed and was removed, torn down, inspected, and deemed rebuildable. During this timeframe, a second pump failed and the facility is currently down to only one operational pump. This project includes rebuilding our three existing pumps and purchasing a new spare pump. The project is anticipated to be completed by the end of calendar year 2025. This project was included as part of the Headworks Improvement project in the 2024 Rate Study.

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<b>900-18-02</b>	<b>\$4,164,100</b>	<b>De-watering Press</b>
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The District spends approximately \$140,000 in outside contracts and 800 Camrosa labor hours a year to press, till, and dry sludge at the CWRF. A dewatering press facility would save these resources for other functions. The press facility would be located adjacent to the biosolids drying beds. Staff has identified a rotary fan press as the preferred machinery. The budget includes the costs of the fan press equipment and construction. Construction has started and is expected to be completed in late Summer 2025. This project was included in the 2024 Rate Study.

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<b>550-25-01</b>	<b>\$300,000</b>	<b>CWRF PLC – Engineering</b>
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Upgrade and replace the aging PLCs and communication network at CWRF. This equipment has lasted well beyond its life expectancy and has become obsolete. Finding replacement components is very difficult and time-consuming, requiring staff to search the secondhand market. An upgrade of the PLC system and the communication network improves overall reliability, network speed, and access to critical repair parts. Engineering design is expected to be complete by the Summer of 2025. Upon completion, staff will return for additional funding for construction, which is expected to be completed by Fall 2026. This project was included in the 2024 rate study.

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<b>550-25-02</b>	<b>\$200,000</b>	<b>CWRF Power Distribution System Rehab – Engineering</b>
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The existing CWRF generator and various electrical equipment are old and in need of replacement to ensure the overall reliability of the generator facility during a power outage. In addition, some building and site improvements will be included in the design of this project. Design is underway and expected to be completed in the Winter of 2025 and constructed the following year in Phase 2 with an overall completion date of Winter 2026. This project was included in the 2024 rate study.

## Capital Projects Carryover Details (Continued)

### **550-25-03      \$175,000      Lift Station No. 4 – Engineering**

The lift station was originally constructed in 1977 and consists of two 10 HP Pumps. The site is enclosed within a masonry wall, and it is raised about 12 inches above surrounding grades. The site is covered with gravel within the walled area. The lift station generally consists of a wet well and a partially buried vault containing suction lift pumps, and valves. The lift station also includes a control panel and a permanent standby generator. This project would include relining the wet well, replacing the packaged pump unit, and replacing the existing switchgear, MCC, and PLC. The engineering phase will be completed by the Summer of 2025. Additional funding will be requested for the construction phase and estimate the project will be completed by the Spring of 2026. This project was included in the 2024 rate study.



***Ag 3 Tank (Non-Potable)***

## Capital Projects FY2025-26

The following table is a listing of capital projects appropriated as part of the FY2025-26 budget. New capital projects without currently refined costs may be added throughout the fiscal year on a case-by-case basis as determined by the Board.

Capital Projects	Budget FY 2025-26	Description
<b>Potable Water Projects</b>		
650-26-01	250,000	4C Tank Replacement
650-26-02	100,000	Distribution Valve Replacement
<b>Total Potable Projects</b>	<b>\$ 350,000</b>	
<b>Wastewater Projects</b>		
550-26-01	195,000	Sewer Lift Station No. 2 Refurbishment
<b>Total Wastewater Projects</b>	<b>\$ 195,000</b>	
<b>Total CIPs</b>	<b>\$ 545,000</b>	

## Capital Projects FY2025-26 Details

### Potable

#### **650-26-01     \$250,000     4C Tank Replacement - Engineering**

Originally constructed in the mid-1960s, reservoir 4C is seismically deficient and needs to be replaced. In addition, both interior and exterior coatings are well past their useful lifespan and it is uncertain of the structural integrity of the plates, structural elements, and bolting system. This tank serves a "High Fire Hazard Zone." This project is the engineering phase which is anticipated to be complete by the end of calendar year 2025. Staff will return to the board for additional funding for the construction award which is anticipated to be completed by the end of calendar year 2026. This project was included in the 2024 rate study.

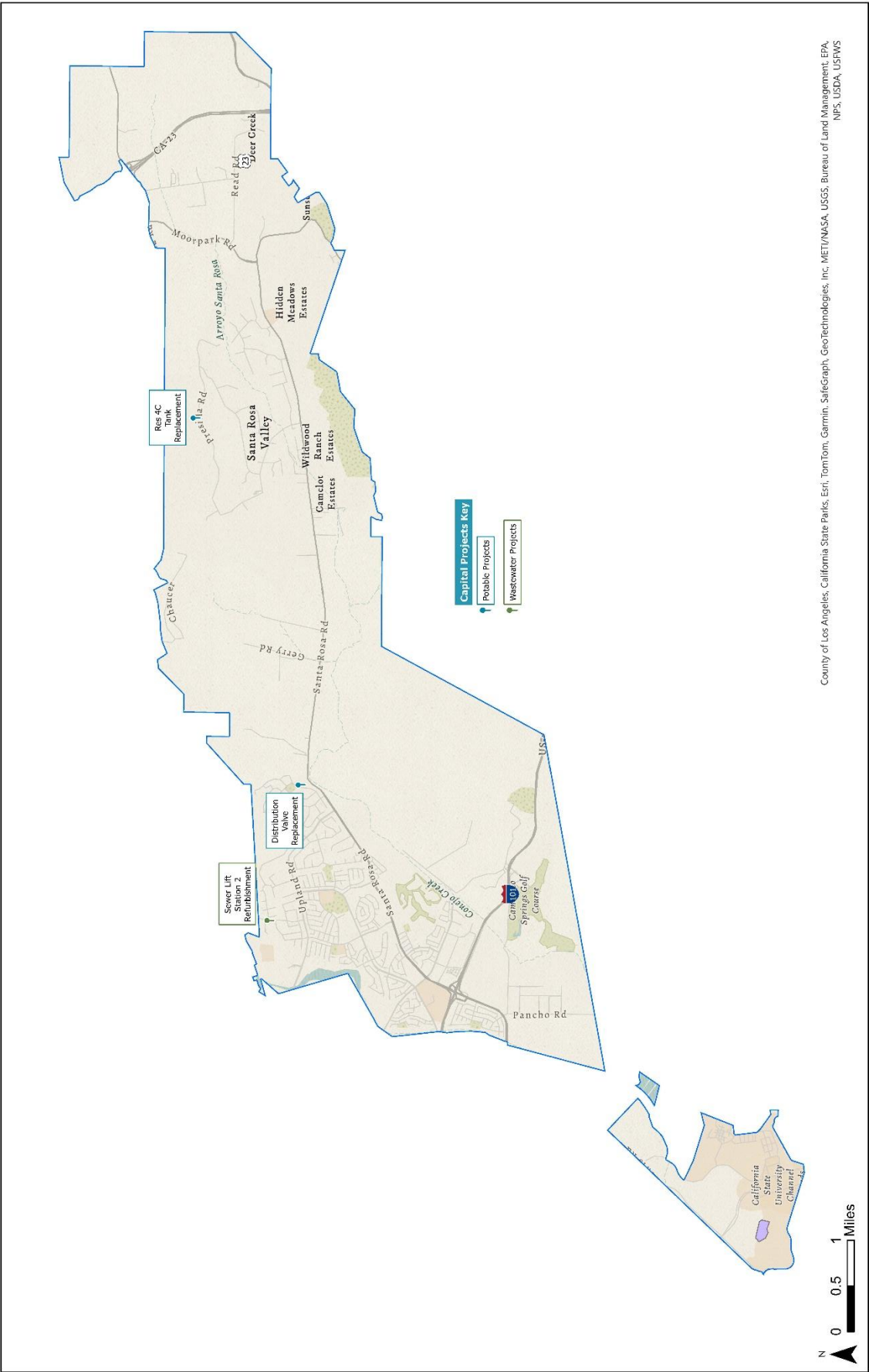
#### **650-26-02     \$100,000     Distribution Valve Replacement**

The potable distribution system includes more than 200 miles of transmission and distribution pipelines, 1,300 mainline valves, and 1,100 fire hydrant valves. Most of these valves were installed in the late '60s and '70s. The Operations & Maintenance department replaces them as stuck or damaged valves are encountered and as part of both routine and emergency pipeline repairs. This project will be completed by the end of Fiscal Year 2025-2026. This project was included in the 2024 rate study.

### Wastewater

#### **550-26-01     \$195,000     Sewer Lift Station No. 2 - Refurbishment**

The existing lift station, including the pumps and controls, is over 20 years old and in need of refurbishment/replacement. In addition, the PVC wet well liner has deteriorated and is in need of replacement to avoid damage to the concrete wet well. Lift Station 2 is located at the intersection of Castillo De Rosas and Worth Way. The site has a large concrete driveway and laydown area and is surrounded by trees and landscaping that is maintained by the HOA. This project includes replacing the existing pump assemblies, relining the wet well, replacement of electrical and controls, and installation of a bypass line. The project will also include re-sloping the inlet line. This project is the engineering phase and is anticipated to be complete by Spring of 2026. Staff will return to the board for additional funding for the construction award, with construction to be completed by 2026. This project was included in the 2024 rate study.



County of Los Angeles, California State Parks, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, MET/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, USFWS

## Five-Year Capital Outlay Forecast

The five-year capital outlay projects are contemplated projects designed to meet the goals and objectives of the District which are to further pursue local reliance on water supplies in order to reduce import water purchases as well as provide for the maintenance, rehabilitation, and replacement of important infrastructure assets of the District.

The Comprehensive Rate Study, completed in 2024, incorporated many of these projects into the rate model to set the five-year schedule of rates and fees. As part of the ongoing development of the *Integrated Master Plan*, feasibility studies, Preliminary Design Reports (PDRs), and Benefit-Cost Analysis (BCA) will be performed to refine cost estimates and assist the Board in prioritizing projects. Until projects receive Board approval, funds will not be appropriated from reserves.

### Potable Water Program Projects

No.	Project Description	FY 2026 Current Projection	FY 2027 Projection	FY 2028 Projection	FY 2029 Projection	FY 2030 Projection	FY 2031 Projection	Total
1	<b>Potable Water Facilities/Tanks</b>							
2	Hydropneumatic Pump Station @ Tank 4C	960,000						\$ 960,000
3	Tank 4C	1,860,000	1,240,000					\$ 3,100,000
4	Tank 3A		1,000,000	4,000,000				\$ 5,000,000
5	Tank 3B			400,000	1,600,000			\$ 2,000,000
6	Tank 3C				400,000	1,600,000		\$ 2,000,000
7	3 MG Tank in Zone 1					1,426,666	3,566,666	\$ 4,993,332
8	3 MG Tank in Zone 1 Transmission Line					333,334	833,334	\$ 1,166,668
9	<b>Potable Water Facilities/Pump Stations</b>							
10	Pump Station 1 to 2A (Blanchard & Rosita)	625,000	3,200,000					\$ 3,825,000
11	Pump Station 2A to 3D (Blanchard & Rosita)		400,000	1,600,000				\$ 2,000,000
12	Pump Station 3D to 4C (Blanchard & Rosita)			400,000	1,600,000			\$ 2,000,000
13	Pump Station 3 to 4A (FWY & Read)				400,000	1,600,000		\$ 2,000,000
14	Pump Station Zone 1 to Zone 2 (MS#8)					400,000	1,600,000	\$ 2,000,000
15	Pump Station 1		350,000					\$ 350,000
16	Pump Station 2			350,000				\$ 350,000
17	Pump Station 3				350,000			\$ 350,000
18	Pump Station 5					435,000		\$ 435,000
19	<b>Potable Water Facilities/Pipelines</b>							
20	Distribution Valve Replacement	100,000	100,000	100,000	100,000	100,000	100,000	\$ 600,000
21	Expand Santa Rosa Line to 24' (Upland Rd to San Rafael Way)		357,000	318,000				\$ 675,000
22	<b>Potable Water Facilities/Wells</b>							
23	University Well #2	2,161,000	1,674,000					\$ 3,835,000
24	PV Well #3	1,340,600	6,282,400					\$ 7,623,000
25	Penny Well			100,000	400,000			\$ 500,000
26	Tierra Rejada						189,200	\$ 189,200
27	<b>Potable Water Facilities/Treatment</b>							
28	Conveyance from PV Well #3 to BS/PV Well #2	2,472,750	6,594,000	3,297,000				\$ 12,363,750
29	Conejo Wellfield RO Treatment	3,590,688	7,817,812	12,508,500	6,254,250			\$ 30,171,250
30	Expansion of GAC Treatment Facility		468,000	1,872,000				\$ 2,340,000
31	Calleguas Connection at RO Plant, PH II-A		560,000	2,240,000				\$ 2,800,000
32	<b>Potable Water Facilities/General</b>							
33	Meter Station Replacement Program			210,000	140,000			\$ 350,000
34	VFD Replacement Program			90,000	60,000			\$ 150,000
35	Sampling Stations		95,000	95,000	95,000	95,000	95,000	\$ 475,000
36	<b>Total Potable Water Facilities</b>	<b>\$ 13,110,038</b>	<b>\$ 30,138,212</b>	<b>\$ 27,580,500</b>	<b>\$ 11,399,250</b>	<b>\$ 5,990,000</b>	<b>\$ 8,834,200</b>	<b>\$ 97,052,200</b>

## Five-Year Capital Outlay Forecast (Continued)

### Non-Potable Water Program Projects

No.	Project Description	FY 2026 Current Projection	FY 2027 Projection	FY 2028 Projection	FY 2029 Projection	FY 2030 Projection	FY 2031 Projection	Total
1	<b>Non-Potable Water Facilities</b>							
2	Pond Improvements						322,000	\$ 322,000
3	<b>Reservoir Rehabilitation Program</b>							
4	Tank AG2	300,000						\$ 300,000
5	Wildwood Tank			100,000	400,000			\$ 500,000
6	Yucca Tank				44,200	176,800		\$ 221,000
7	<b>Pump Station Rehabilitation Program</b>							
8	Rehabilitate Yucca Pump Station		180,000	120,000				\$ 300,000
9	Pump Station #4 @ Ag2 Tank Site	327,000	1,308,000					\$ 1,635,000
10	Ponds Pump Station			293,600	1,174,400			\$ 1,468,000
11	Rosita Pump Station				286,000			\$ 286,000
12	Replacement of Santa Rosa Pump House						247,000	\$ 247,000
13	<b>Well Rehabilitation Program</b>							
14	SR-10	760,000						\$ 760,000
15	SR-9				540,600	360,400		\$ 901,000
16	SR-3					606,000		\$ 606,000
17	VFD Replacement Program			50,000	50,000	50,000		\$ 150,000
18	MCC Replacement Program			353,334	353,334	353,334		\$ 1,060,002
19	<b>Total Non-Potable Water Facilities</b>	<b>\$ 1,387,000</b>	<b>\$ 1,488,000</b>	<b>\$ 916,934</b>	<b>\$ 2,848,534</b>	<b>\$ 1,546,534</b>	<b>\$ 569,000</b>	<b>\$ 8,756,002</b>

### Wastewater Program Projects

No.	Project Description	FY 2026 Current Projection	FY 2027 Projection	FY 2028 Projection	FY 2029 Projection	FY 2030 Projection	FY 2031 Projection	Total
1	<b>Wastewater Facilities</b>							
2	CWRF PLC Replacement	726,667	373,333					\$ 1,100,000
3	Rehabilitate Power Distribution System at CWRF	826,667	373,333					\$ 1,200,000
4	Headworks Improvements		602,400	401,600				\$ 1,004,000
5	Influent Lift Station Improvements			204,800	819,200			\$ 1,024,000
6	Effluent Pump Station Improvements				302,600	1,210,400		\$ 1,513,000
7	RAS/WAS Pump Station Improvements					111,000	444,000	\$ 555,000
8	Pavement Rehabilitation			742,600	371,300	371,300	371,300	\$ 1,856,500
9	<b>Sewer Lift MCC &amp; Rehabilitation</b>							
10	Lift Station #4	1,425,000						\$ 1,425,000
11	Lift Station #2	195,000	1,280,000					\$ 1,475,000
12	Lift Station #1		48,800	195,200				\$ 244,000
13	Read Road Lift Station			160,800	107,200			\$ 268,000
14	Lift Station #3				493,200	328,800		\$ 822,000
15	<b>Collection System Replacement</b>							
16	Hotspots Repair Program	1,770,000						\$ 1,770,000
	<b>Total Wastewater Facilities</b>	<b>\$ 4,943,334</b>	<b>\$ 2,677,866</b>	<b>\$ 1,705,000</b>	<b>\$ 2,093,500</b>	<b>\$ 2,021,500</b>	<b>\$ 815,300</b>	<b>\$ 14,256,500</b>

## Five-Year Financial Forecast

The District has incorporated a five-year financial forecast into the FY2025-26 Operating and Capital Budget. The financial forecast expands the operating budget by projecting operational results, improvement and replacement projects over the next five years, and the District's reserve balances by fund.

### Water Program Operating Budget

The water program is the combined operating budgets of the potable and non-potable water programs. The measurement of the debt service coverage ratio is the combined budget of the two programs in the water program. The minimum debt service coverage ratio is 1.15. The five-year forecast demonstrates the water program meets and exceeds the debt service coverage ratio.

Water Program Revenue	Combined Water Program Operations					
	2026 Budget	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Water Program Revenue</b>						
<b>Operating Revenue</b>						
Water Sales						
Potable	13,671,300	14,947,200	15,989,300	17,026,300	17,131,600	17,236,700
Recycle/Non-Potable	4,015,538	4,159,010	5,222,700	5,224,500	5,226,300	5,228,000
Water Sales to PV	1,643,767	1,682,967	1,733,462	1,785,322	1,838,952	1,894,256
Meter Service Charge	3,642,600	4,118,200	4,760,700	5,383,800	5,410,400	5,153,700
Special Services	54,000	54,000	54,000	54,000	54,000	54,000
Pump Zone/Miscellaneous	35,000	35,000	35,000	35,000	35,000	35,000
<b>Total Operating Revenue</b>	<b>\$ 23,062,205</b>	<b>\$ 24,996,377</b>	<b>\$ 27,795,162</b>	<b>\$ 29,508,922</b>	<b>\$ 29,696,252</b>	<b>\$ 29,601,656</b>
<b>Non-Operating Revenue</b>						
Property Tax	885,120	911,674	939,024	967,195	996,210	1,026,097
Interest Income	1,053,000	1,053,000	1,053,000	1,053,000	1,053,000	1,053,000
Rate Stabilization Contribution	945,541	428,179	-	-	90,567	227,659
<b>Total Non-Operating Revenue</b>	<b>\$ 2,883,661</b>	<b>\$ 2,392,853</b>	<b>\$ 1,992,024</b>	<b>\$ 2,020,195</b>	<b>\$ 2,139,777</b>	<b>\$ 2,306,756</b>
<b>Total Water Program Revenue</b>	<b>\$ 25,945,866</b>	<b>\$ 27,389,230</b>	<b>\$ 29,787,186</b>	<b>\$ 31,529,117</b>	<b>\$ 31,836,029</b>	<b>\$ 31,908,412</b>
<b>Water Program Expenditures</b>						
Water Purchases	8,155,382	8,744,700	9,286,600	9,574,400	7,382,400	7,453,100
Pumping & Production Power	3,168,180	3,354,800	3,624,600	4,358,400	4,838,800	5,002,000
Operations and Maintenance	11,602,348	10,420,900	10,741,600	11,072,800	11,414,900	11,767,900
<b>Total Water Program Expenses</b>	<b>\$ 22,925,909</b>	<b>\$ 22,520,400</b>	<b>\$ 23,652,800</b>	<b>\$ 25,005,600</b>	<b>\$ 23,636,100</b>	<b>\$ 24,223,000</b>
<b>Rate Stabilization Contribution</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>
<b>CalPERS UAL Contribution</b>	<b>126,750</b>	<b>126,750</b>	<b>126,750</b>	<b>126,750</b>	<b>126,750</b>	<b>126,750</b>
<b>Capital Replacement Fund Contribution</b>	<b>1,900,000</b>	<b>3,800,000</b>	<b>3,330,386</b>	<b>2,465,101</b>	<b>3,600,000</b>	<b>2,700,000</b>
<b>Debt Service Obligation</b>						
2011A/2016 Water and Wastewater Project	858,319	852,231	858,619	859,181	855,257	855,103
New Bonds	0	0	1,744,817	2,991,115	3,533,947	3,921,685
<b>Total Debt Services</b>	<b>\$ 858,319</b>	<b>\$ 852,231</b>	<b>\$ 2,603,436</b>	<b>\$ 3,850,296</b>	<b>\$ 4,389,204</b>	<b>\$ 4,776,788</b>
<b>Net Operating Results less Debt Service</b>	<b>\$ 74,888</b>	<b>\$ 29,849</b>	<b>\$ 13,814</b>	<b>\$ 21,370</b>	<b>\$ 23,975</b>	<b>\$ 21,875</b>
<b>Debt Service Coverage Ratio</b>	<b>3.52</b>	<b>5.71</b>	<b>2.36</b>	<b>1.69</b>	<b>1.87</b>	<b>1.61</b>

## Potable Water Program Operating Budget

### Assumptions:

**Water Revenue.** The commodity and meter service charge revenue projections incorporate the adopted rates through July 2028.

**Continued Increased Cost of Imported Water.** MWD and CMWD have prepared long-range finance plans that provide projected imported water rates. The District's adopted five-year rate schedule incorporated the increase of imported water through June 2029. The forecast assumes a pass-thru of the cost increase of imported water beginning in FY2029 assuming the board will adjust rates for the cost of imported water.

**Continued Increased Costs of Imported Fixed Charges.** In addition to the projected imported Tier 1 rate increases from MWD and CMWD, increases are also projected for the fixed charges, which is a combination of a capacity-reservation charge and a readiness-to-serve charge. The District's adopted five-year rate schedule incorporated the increase of imported water through June 2029. The forecast assumes a pass-thru of the cost increase of imported fixed charges beginning in FY2029 assuming the board will adjust rates for the cost of imported fixed charges.

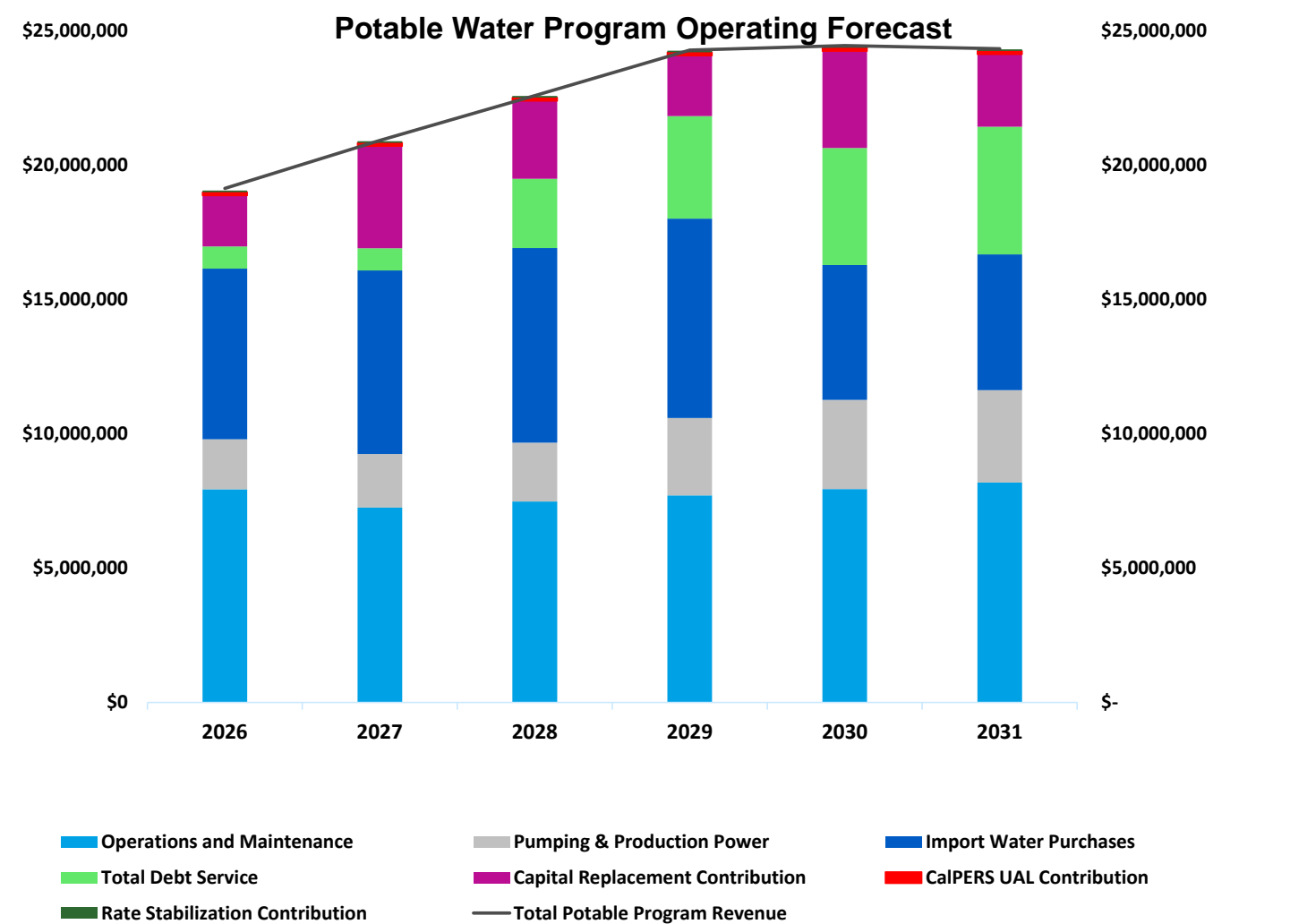
**Reduction of Imported Water Purchases.** The FY2025-26 operating budget blend ratio of imported water is currently at 38%. The completion of local water resource projects coming into service will reduce imported water purchases to 18% in FY2029-30. Optimizing and maintaining our other local potable sources (the RMWTP, Lynnwood, Penny, Tierra Rejada Well, GAC treatment facility, etc.) is critical to keeping imported volumes and costs low.

**Increase of Pumping & Production Power.** As a result of the development of the local water resource projects, local production power and pumping power will increase.

**Bond Issuance:** The forecast includes a bond issuance in FY2028 of \$45 million and again in FY2030 of \$14 million and related annual debt service obligation reflected accordingly.

	2026 Budget	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Operating Revenue</b>						
Potable Water Sales	13,671,300	14,947,200	15,989,300	17,026,300	17,131,600	17,236,700
Water Sales to PV CamSan	552,122	572,267	589,462	607,122	625,352	644,156
Meter Service Charge	3,507,000	3,982,600	4,576,900	5,199,400	5,225,400	4,968,700
Special Services	34,000	34,000	34,000	34,000	34,000	34,000
Pump Zone/Miscellaneous	20,000	20,000	20,000	20,000	20,000	20,000
<b>Total Operating Revenue</b>	<b>\$ 17,784,422</b>	<b>\$ 19,556,067</b>	<b>\$ 21,209,662</b>	<b>\$ 22,886,822</b>	<b>\$ 23,036,352</b>	<b>\$ 22,903,556</b>
<b>Non-Operating Revenue</b>						
Property Tax	531,070	547,002	563,412	580,315	597,724	615,656
Interest Income	823,000	823,000	823,000	823,000	823,000	823,000
<b>Total Non-Operating Revenue</b>	<b>\$ 1,354,070</b>	<b>\$ 1,370,002</b>	<b>\$ 1,386,412</b>	<b>\$ 1,403,315</b>	<b>\$ 1,420,724</b>	<b>\$ 1,438,656</b>
<b>Total Potable Program Revenue</b>	<b>\$ 19,138,492</b>	<b>\$ 20,926,069</b>	<b>\$ 22,596,075</b>	<b>\$ 24,290,137</b>	<b>\$ 24,457,076</b>	<b>\$ 24,342,212</b>
<b>Potable Program Expenditures</b>						
Import Water Purchases	6,351,260	6,836,300	7,250,000	7,420,100	5,023,400	5,060,400
Pumping & Production Power	1,860,041	1,996,300	2,195,000	2,884,600	3,319,400	3,437,000
Operations and Maintenance	7,938,040	7,255,100	7,477,900	7,707,800	7,945,100	8,190,000
<b>Total Potable Program Expenses</b>	<b>\$ 16,149,341</b>	<b>\$ 16,087,700</b>	<b>\$ 16,922,900</b>	<b>\$ 18,012,500</b>	<b>\$ 16,287,900</b>	<b>\$ 16,687,400</b>
<b>Rate Stabilization Contribution</b>	60,000	60,000	60,000	60,000	60,000	60,000
<b>CalPERS UAL Contribution</b>	126,750	126,750	126,750	126,750	126,750	126,750
<b>Capital Replacement Contribution</b>	1,900,000	3,800,000	2,900,000	2,250,000	3,600,000	2,700,000
<b>Debt Service Obligation</b>						
2011A/2016 Water and Wastewater Project	827,514	821,771	827,793	828,402	824,503	824,503
New Debt	-	-	1,744,817	2,991,115	3,533,947	3,921,685
<b>Total Debt Service</b>	<b>\$ 827,514</b>	<b>\$ 821,771</b>	<b>\$ 2,572,610</b>	<b>\$ 3,819,517</b>	<b>\$ 4,358,450</b>	<b>\$ 4,746,188</b>
<b>Net Operating Results less Debt Service</b>	<b>\$ 74,888</b>	<b>\$ 29,848</b>	<b>\$ 13,814</b>	<b>\$ 21,369</b>	<b>\$ 23,975</b>	<b>\$ 21,875</b>

The following chart shows a graphical representation of the Potable Water Operating Fund. The chart shows that the District should meet the projected revenue requirements through the adopted rates, pass-thru adjustments, and local water resource projects.



Pump Station 2

## Potable Water Program Reserves

The long-term financial forecast of the Potable Water Program's operating budget reflects a contribution to the Potable Capital Replacement Fund through the Net Operating Results. Staff has incorporated anticipated capital outlay projects that will occur in the five-year financial forecast and require the use of the reserve funds.

**Capital Replacement Contribution.** The capital replacement contribution is budgeted in the potable water program and transferred to the capital replacement fund for replacing aging infrastructure.

**Bond Issuance:** The forecast assumes the District will require a bond issuance in the amount of \$45 million upon the capital outlay of potable water projects in FY2027.

**Fund Balance.** The projected fund balance in FY2030-31 is \$8.2 million. The 2024 rate study set a target level of \$8 million by the end of the fifth year of rate increases. Based on the capital outlay projects the potable replacement will fund a portion of the improvement projects as a result of the depletion of the capital improvement fund. Should development occur this would provide developer contributions towards these projects.

The following tables depict the Potable Water Program's Net Operating Results and the sources and uses of the reserve funds of the Potable Capital Replacement and Potable Capital Improvement Fund.

### Potable Water Capital Replacement and Capital Improvement Funds

Capital Replacement Fund	2026 Budget	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Source of Funds</b>						
Capital Replacement Contribution	1,900,000	3,800,000	2,900,000	2,250,000	3,600,000	2,700,000
Bond Proceeds	-	-	45,000,000	-	14,000,000	-
<b>Total Sources</b>	<b>\$ 1,900,000</b>	<b>\$ 3,800,000</b>	<b>\$ 47,900,000</b>	<b>\$ 2,250,000</b>	<b>\$ 17,600,000</b>	<b>\$ 2,700,000</b>
<b>Use of Funds</b>						
Replacement Projects	350,000	2,570,000	2,690,000	5,250,000	3,050,000	2,135,000
General Projects/Fixed Assets	0	33,800	33,800	33,800	33,800	33,800
Transfer from Potable Water Capital Improvement	-	7,520,117	27,448,212	22,330,500	8,349,250	3,855,000
<b>Total Uses</b>	<b>\$ 350,000</b>	<b>\$ 10,123,917</b>	<b>\$ 30,172,012</b>	<b>\$ 27,614,300</b>	<b>\$ 11,433,051</b>	<b>\$ 6,023,802</b>
Net Annual Cash Balance	1,550,000	(6,323,917)	17,727,988	(25,364,300)	6,166,949	(3,323,802)
Beginning Unrestricted Fund Balance	17,883,445	19,433,445	13,109,528	30,837,516	5,473,216	11,640,165
<b>Net Cumulative Fund Balance</b>	<b>\$ 19,433,445</b>	<b>\$ 13,109,528</b>	<b>\$ 30,837,516</b>	<b>\$ 5,473,216</b>	<b>\$ 11,640,165</b>	<b>\$ 8,316,363</b>

Capital Improvement Fund	2026 Budget	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Source of Funds</b>						
Grant Funds	-	83,822	-	-	-	-
<b>Total Sources</b>	<b>\$ -</b>	<b>\$ 83,822</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Use of Funds</b>						
Improvement Projects	-	10,190,038	27,448,212	22,330,500	8,349,250	3,855,000
Transfer to Capital Replacement Fund	-	(7,520,117)	(27,448,212)	(22,330,500)	(8,349,250)	(3,855,000)
<b>Total Uses</b>	<b>\$ -</b>	<b>\$ 2,669,921</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Annual Cash Balance	-	(2,586,099)	-	-	-	-
Mitigation & In-Lieu Fee Fund Balance	2,436,843	-	-	-	-	-
Beginning Unrestricted Fund Balance	149,256	2,586,099	-	-	-	-
<b>Net Cumulative Fund Balance</b>	<b>\$ 2,586,099</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Non-Potable Water Program Operating Budget

### Assumptions:

**Water Revenue.** The commodity and meter service charge revenue projections incorporate the contractual customers to begin paying the same rates as the District's non-potable customers in FY2028. The operating budget will require a rate adjustment to offset the deficit beginning in FY2030. The rate study completed in 2024 did not include rate adjustments for the non-potable water program.

**Rate Stabilization Fund Contribution.** The non-potable water program for FY2026, FY2027, FY2030, and FY2031 will require contributions from the Rate Stabilization fund to balance the budget.

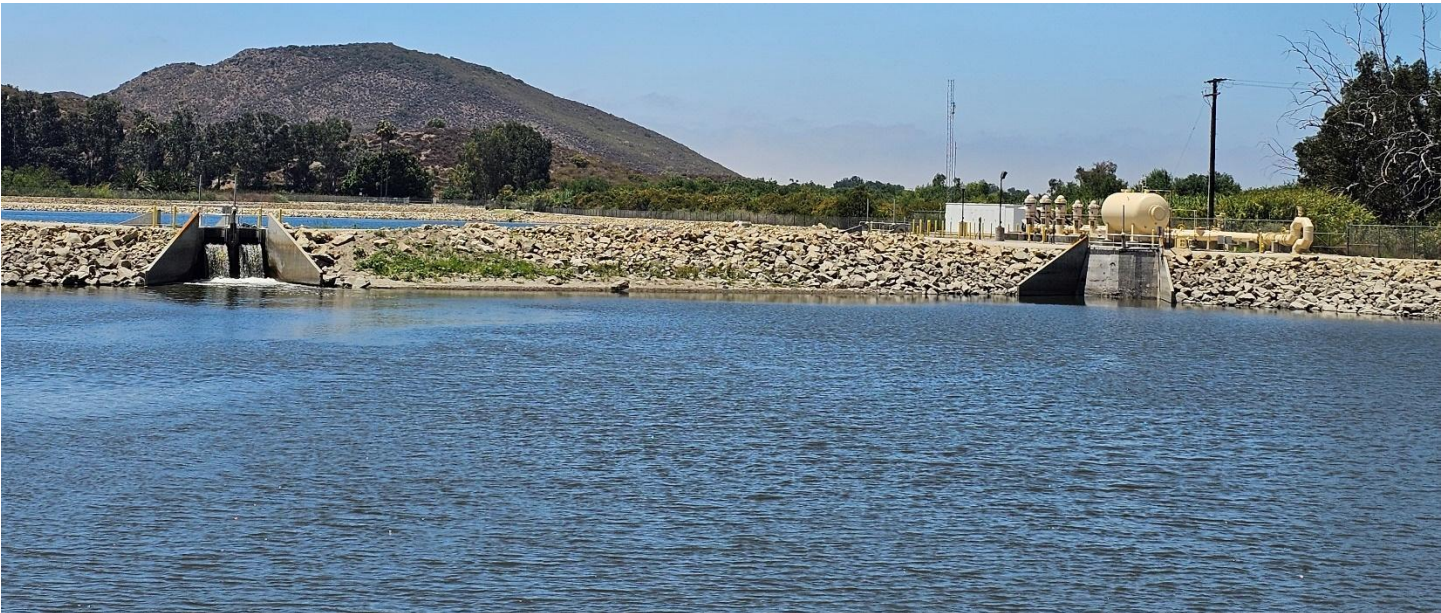
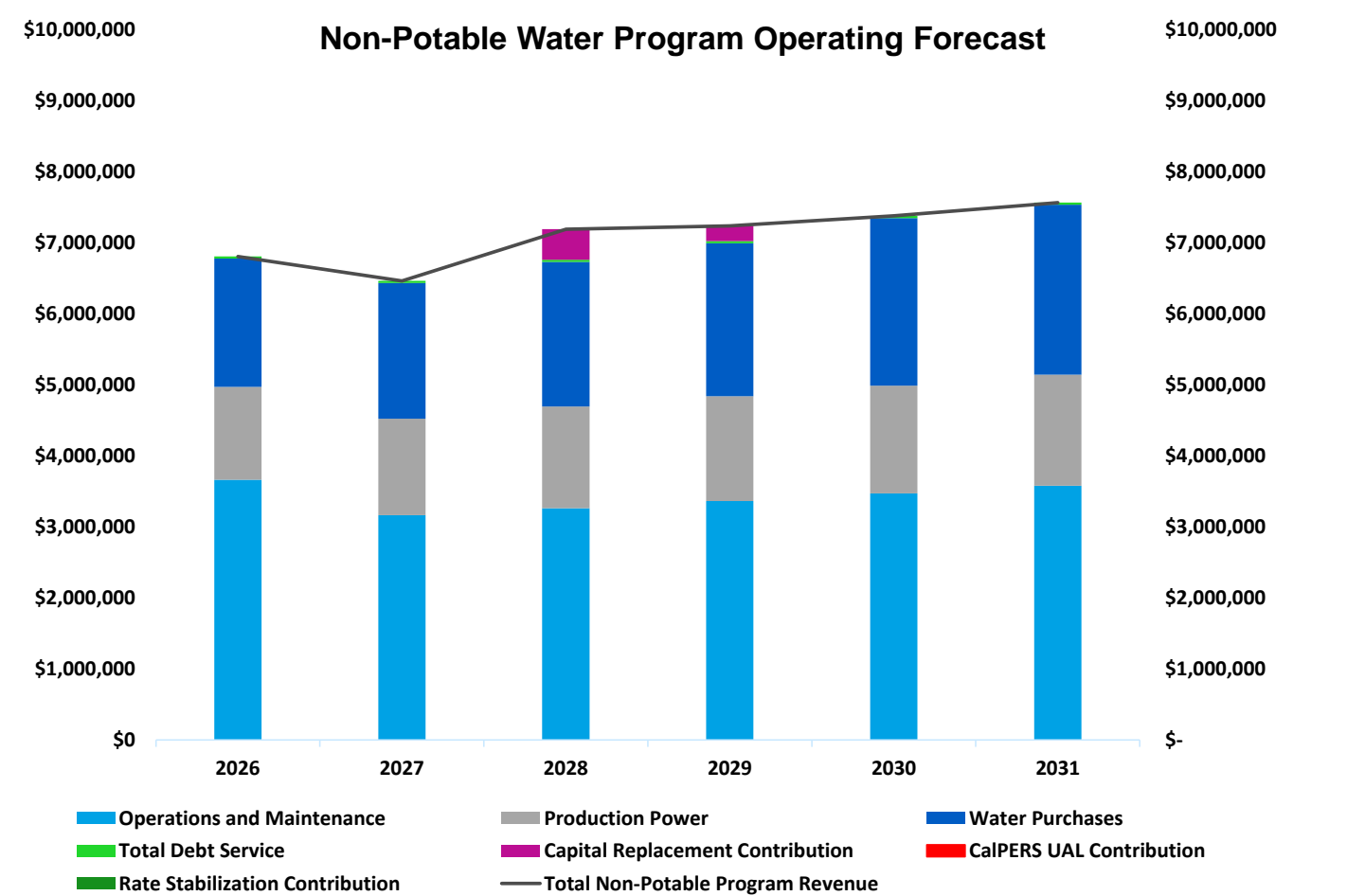
**Water Purchases.** Is a combination of the volumetric and fixed charges from MWD and CMWD described below, in addition to the cost of Conejo Creek Project (CCP) water purchases from the City of Thousand Oaks. The forecast assumes CCP water purchase costs will increase by 3% per year.

**Continued Increased Cost of Imported Water.** MWD and CMWD have prepared long-range finance plans that provide projected imported water rates. The forecast assumes a pass-thru of the cost increase of imported water beginning in FY2029 assuming the board will adjust rates for the cost of imported water.

**Continued Increased Costs of Imported Fixed Charges.** In addition to the projected imported Tier 1 rate increases from MWD and CMWD, increases are also projected for the fixed charges, which is a combination of a capacity-reservation charge and a readiness-to-serve charge. The forecast assumes a pass-thru of the cost increase of imported fixed charges beginning in FY2029 assuming the board will adjust rates for the cost of imported fixed charges.

	2026 Budget	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Operating Revenue</b>						
Recycle/Non-Potable	4,015,538	4,159,010	5,222,700	5,224,500	5,226,300	5,228,000
Water Sales to PV	1,091,645	1,110,700	1,144,000	1,178,200	1,213,600	1,250,100
Meter Service Charge	135,600	135,600	183,800	184,400	185,000	185,000
Special Services	20,000	20,000	20,000	20,000	20,000	20,000
Pump Zone/Miscellaneous	15,000	15,000	15,000	15,000	15,000	15,000
<b>Total Operating Revenue</b>	<b>\$ 5,277,783</b>	<b>\$ 5,440,310</b>	<b>\$ 6,585,500</b>	<b>\$ 6,622,100</b>	<b>\$ 6,659,900</b>	<b>\$ 6,698,100</b>
<b>Non-Operating Revenue</b>						
Property Tax	354,050	364,672	375,612	386,880	398,486	410,441
Interest Income	230,000	230,000	230,000	230,000	230,000	230,000
Rate Stabilization Transfer-In	945,541	428,179	-	-	90,567	227,659
<b>Total Non-Operating Revenue</b>	<b>\$ 1,529,591</b>	<b>\$ 1,022,851</b>	<b>\$ 605,612</b>	<b>\$ 616,880</b>	<b>\$ 719,053</b>	<b>\$ 868,100</b>
<b>Total Non-Potable Program Revenue</b>	<b>\$ 6,807,374</b>	<b>\$ 6,463,160</b>	<b>\$ 7,191,112</b>	<b>\$ 7,238,980</b>	<b>\$ 7,378,953</b>	<b>\$ 7,566,200</b>
<b>Non-Potable Program Expenditures</b>						
Water Purchases	1,804,122	1,908,400	2,036,600	2,154,300	2,359,000	2,392,700
Production Power	1,308,139	1,358,500	1,429,600	1,473,800	1,519,400	1,565,000
Operations and Maintenance	3,664,308	3,165,800	3,263,700	3,365,000	3,469,800	3,577,900
<b>Total Non-Potable Program Expenses</b>	<b>\$ 6,776,569</b>	<b>\$ 6,432,700</b>	<b>\$ 6,729,900</b>	<b>\$ 6,993,100</b>	<b>\$ 7,348,200</b>	<b>\$ 7,535,600</b>
<b>Rate Stabilization Contribution</b>	0	0	0	0	0	0
<b>CalPERS UAL Contribution</b>	0	0	0	0	0	0
<b>Capital Replacement Contribution</b>	0	0	430,386	215,101	0	0
<b>Debt Service Obligation</b>						
2011A/2016 Water and Wastewater Project	30,805	30,460	30,826	30,779	30,754	30,600
<b>Total Debt Service</b>	<b>\$ 30,805</b>	<b>\$ 30,460</b>	<b>\$ 30,826</b>	<b>\$ 30,779</b>	<b>\$ 30,754</b>	<b>\$ 30,600</b>
<b>Net Operating Results less Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The following chart shows a graphical representation of the Non-Potable Water Operating Fund. The chart shows that the District should meet the projected revenue requirements through rates, pass-thru adjustments, and the use of rate stabilization fund contributions. The program will reflect minimal contributions to the Capital Replacement Fund and no contributions to the CalPERS UAL or Rate Stabilization Funds.



Non-Potable Storage Ponds

## Non-Potable Water Program Reserves

The long-term financial forecast of the Non-Potable Water Program's operating budget reflects a contribution to the non-potable capital replacement fund through the Net Operating Results. Staff has incorporated anticipated capital outlay projects that will occur in the five-year financial forecast and the use of the capital replacement funds. The non-potable program does not have developer connection fees; therefore the non-potable capital improvement fund is not reflected. The District is underway in developing a fee for the non-potable program, along with updating the potable and wastewater fees.

The following tables depict the Non-Potable Water replacement contributions to the rate stabilization fund, replacement fund, and the sources and uses of the reserve funds. Note the reserve fund projects a deficit in FY2028, similar to the operations fund. To address the deficit, forecasted projects will need to be deferred and or a combination of adjusting rates and project deferrals. The target value for the replacement fund is \$2,097,800.

Non-Potable Capital Replacement Fund						
	2026 Budget	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Source of Funds</b>						
Capital Replacement Contribution	-	-	430,386	215,101	-	-
RSF Transfer In						
<b>Total Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 430,386</b>	<b>\$ 215,101</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Use of Funds</b>						
Contribution to Rate Stabilization Fund	945,541	428,179	-	-	90,567	227,659
Replacement Projects	987,000	1,488,000	916,934	2,848,534	1,546,534	569,000
General Projects/Fixed Assets	0	31,200	31,200	31,200	31,200	31,200
<b>Total Uses</b>	<b>\$ 1,932,541</b>	<b>\$ 1,947,379</b>	<b>\$ 948,134</b>	<b>\$ 2,879,734</b>	<b>\$ 1,668,301</b>	<b>\$ 827,859</b>
Net Annual Cash Balance	(1,932,541)	(1,947,379)	(517,748)	(2,664,633)	(1,668,301)	(827,859)
In-lieu Fee Fund Balance	318,538	0	0	0	0	0
Beginning Unrestricted Fund Balance	3,870,771	2,256,768	309,389	(208,359)	(2,872,992)	(4,541,293)
<b>Net Cumulative Fund Balance</b>	<b>\$ 2,256,768</b>	<b>\$ 309,389</b>	<b>\$ (208,359)</b>	<b>\$ (2,872,992)</b>	<b>\$ (4,541,293)</b>	<b>\$ (5,369,152)</b>



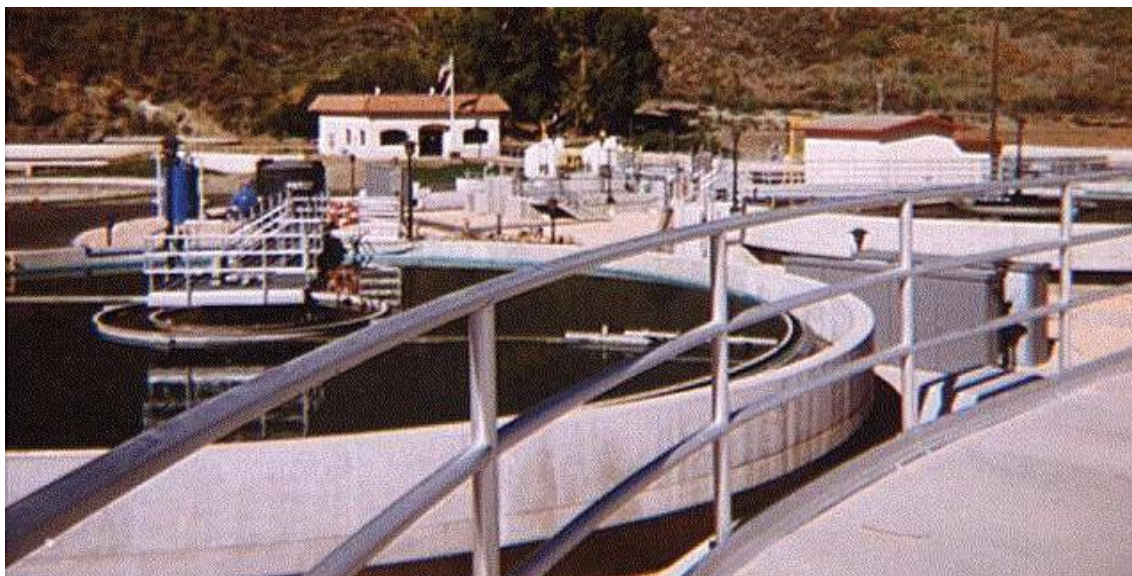
**Conejo Creek Diversion**

## Wastewater Program Operating Budget

### Assumptions:

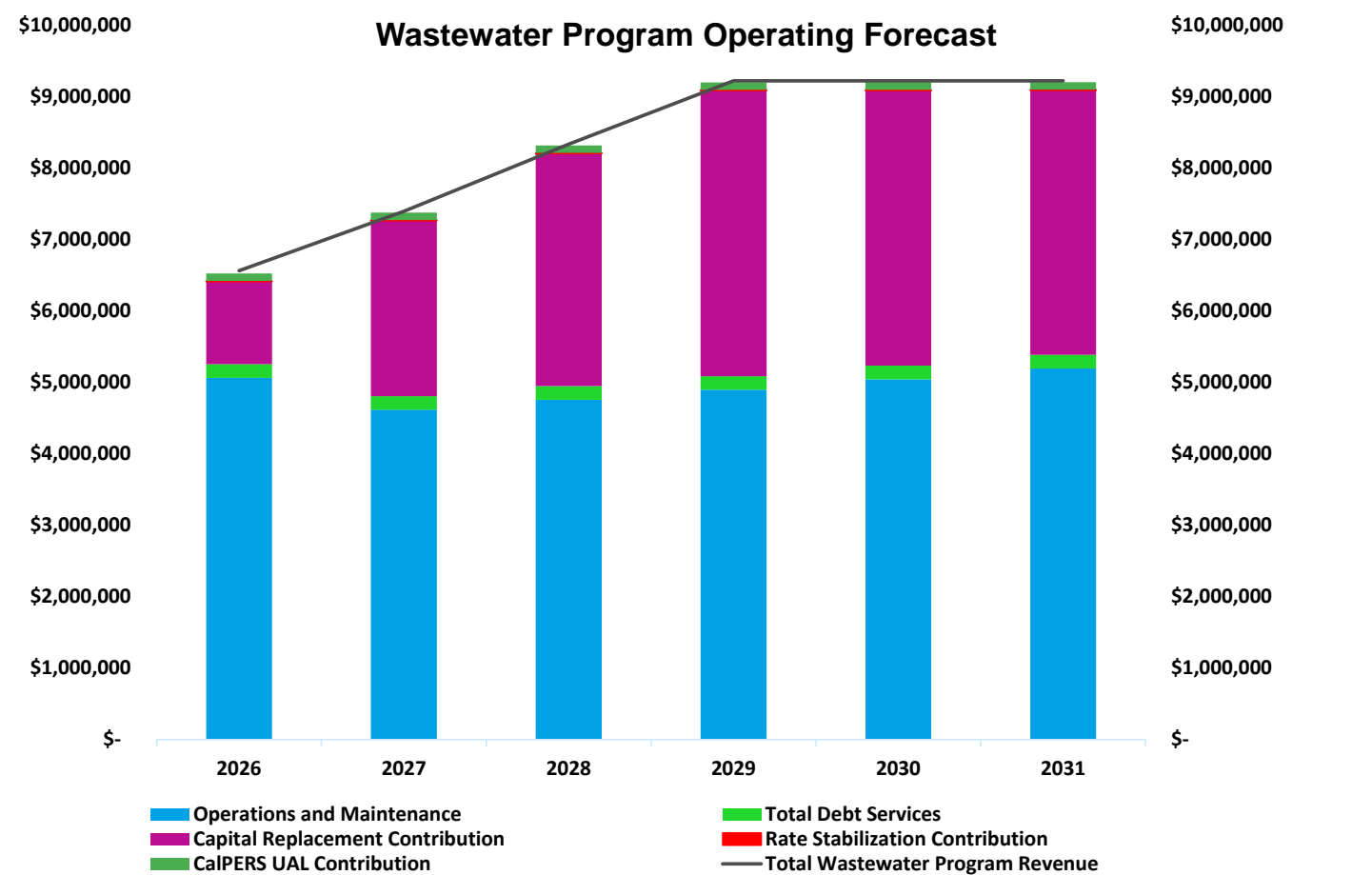
**Sewer Service Charge.** The wastewater revenue projections incorporate the adopted rates through July 2028.

Wastewater Program Operations						
	2026 Budget	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Operating Revenue</b>						
Sewer Service Charge	6,282,400	7,116,100	8,056,400	8,942,700	8,942,700	8,942,700
Special Services	22,000	22,000	22,000	22,000	22,000	22,000
<b>Total Operating Revenue</b>	<b>\$ 6,304,400</b>	<b>\$ 7,138,100</b>	<b>\$ 8,078,400</b>	<b>\$ 8,964,700</b>	<b>\$ 8,964,700</b>	<b>\$ 8,964,700</b>
<b>Non-Operating Revenue</b>						
Interest Income	263,000	263,000	263,000	263,000	263,000	263,000
<b>Total Non-Operating Revenue</b>	<b>\$ 263,000</b>	<b>\$ 263,000</b>	<b>\$ 263,000</b>	<b>\$ 263,000</b>	<b>\$ 263,000</b>	<b>\$ 263,000</b>
<b>Total Wastewater Program Revenue</b>	<b>\$ 6,567,400</b>	<b>\$ 7,401,100</b>	<b>\$ 8,341,400</b>	<b>\$ 9,227,700</b>	<b>\$ 9,227,700</b>	<b>\$ 9,227,700</b>
<b>Wastewater Program Expenditures</b>						
Salinity Management Pipeline-Calleguas	9,000	9,000	9,000	9,000	9,000	9,000
Operations and Maintenance	5,057,373	4,612,400	4,749,100	4,890,200	5,036,100	5,186,696
<b>Total Wastewater Program Expenses</b>	<b>\$ 5,066,373</b>	<b>\$ 4,621,400</b>	<b>\$ 4,758,100</b>	<b>\$ 4,899,200</b>	<b>\$ 5,045,100</b>	<b>\$ 5,195,696</b>
<b>Rate Stabilization Contribution</b>	10,000	10,000	10,000	10,000	10,000	10,000
<b>CalPERS UAL Contribution</b>	105,000	105,000	105,000	105,000	105,000	105,000
<b>Capital Replacement Contribution</b>	1,157,000	2,455,000	3,255,000	4,000,000	3,855,000	3,705,000
<b>Debt Service Obligation</b>						
2011A\2016 Water and Wastewater Project	190,613	189,750	194,525	190,475	191,594	192,256
<b>Total Debt Services</b>	<b>\$ 190,613</b>	<b>\$ 189,750</b>	<b>\$ 194,525</b>	<b>\$ 190,475</b>	<b>\$ 191,594</b>	<b>\$ 192,256</b>
<b>Net Operating Results less Debt Service</b>	<b>\$ 38,415</b>	<b>\$ 19,950</b>	<b>\$ 18,775</b>	<b>\$ 23,025</b>	<b>\$ 21,006</b>	<b>\$ 19,748</b>
<b>Debt Service Coverage Ratio</b>	<b>7.87</b>	<b>14.65</b>	<b>18.42</b>	<b>22.72</b>	<b>21.83</b>	<b>20.97</b>



**Camrosa Water Reclamation Facility (CWRP)**

The following chart shows a graphical representation of the Wastewater Operating Fund. The chart shows that the District should meet the projected revenue requirements through the adopted rates.



CWRF Chemical Feed

## Wastewater Program Reserves

The long-term financial forecast of the Wastewater Program's operating budget reflects a contribution to the wastewater capital replacement fund through the Net Operating Results. Staff have incorporated anticipated capital outlay projects that will occur in the five-year financial forecast and the use of capital replacement and improvement funds. There are sufficient funds for the five-year capital outlay without the need for bond financing.

**Capital Replacement Fund Balance.** The projected target level set in the 2024 rate study was \$3,920,700 in FY2030-31. The forecast reserve fund balance in FY2031 exceeds the target set in the study.

**Capital Improvement Fund Balance.** The capital improvement projects will have depleted the fund balance of the wastewater capital improvement fund and the remaining projects will be funded from the wastewater capital replacement fund beginning in FY2026-27. Should development occur this would provide developer contributions towards these projects.

Wastewater Capital Replacement Fund	2026 Projection	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Source of Funds</b>						
Capital Replacement Contribution	1,157,000	2,455,000	3,255,000	4,000,000	3,855,000	3,705,000
<b>Total Sources</b>	<b>\$ 1,157,000</b>	<b>\$ 2,455,000</b>	<b>\$ 3,255,000</b>	<b>\$ 4,000,000</b>	<b>\$ 3,855,000</b>	<b>\$ 3,705,000</b>
<b>Use of Funds</b>						
Replacement Projects	4,943,334	2,075,466	1,098,600	971,700	700,100	371,300
General Projects/Fixed Assets		35,000	35,000	35,000	35,000	35,000
Transfer from CIP	-	518,421	606,400	1,121,800	1,321,400	444,000
<b>Total Uses</b>	<b>\$ 4,943,334</b>	<b>\$ 2,628,887</b>	<b>\$ 1,740,000</b>	<b>\$ 2,128,500</b>	<b>\$ 2,056,500</b>	<b>\$ 850,300</b>
Net Annual Cash Balance	(3,786,334)	(173,887)	1,515,000	1,871,500	1,798,500	2,854,700
Beginning Unrestricted Fund Balance	4,044,791	258,457	84,570	1,599,570	3,471,070	5,269,570
<b>Net Cumulative Fund Balance</b>	<b>\$ 258,457</b>	<b>\$ 84,570</b>	<b>\$ 1,599,570</b>	<b>\$ 3,471,070</b>	<b>\$ 5,269,570</b>	<b>\$ 8,124,270</b>

Wastewater Capital Improvement Fund	2026 Projection	2027 Projection	2028 Projection	2029 Projection	2030 Projection	2031 Projection
<b>Source of Funds</b>						
Developer Contributions	-	-	-	-	-	-
<b>Total Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Use of Funds</b>						
Improvement Projects	-	602,400	606,400	1,121,800	1,321,400	444,000
Transfer To CRP	-	(518,421)	(606,400)	(1,121,800)	(1,321,400)	(444,000)
<b>Total Uses</b>	<b>\$ -</b>	<b>\$ 83,979</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net Annual Cash Balance	-	(83,979)	-	-	-	-
Beginning Unrestricted Fund Balance	83,979	83,979	-	-	-	-
<b>Net Cumulative Fund Balance</b>	<b>\$ 83,979</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Reserves

Although Camrosa operates through a single-fund expense budget, the District's reserves are managed through several types of accounts and account categories. In general, reserves are established to accumulate funds to increase system capacity and accommodate growth, replace assets as they reach the end of their useful life, meet unanticipated emergencies, stabilize rates, and meet the covenants of debt issuance instruments and other agreements.

### Restricted Reserves

The Capital Improvement Project (CIP) amount for FY2025-26 has been established at \$545,000. Unrestricted reserves have been appropriated and transferred into the restricted accounts. Reserves in the amount of \$879,529 are held with the District's Trustee in accordance with the bond covenants of the 2016 Revenue Bonds.

### Unrestricted Reserves

Unrestricted reserves are accumulated, managed, and earmarked for use by policies developed and implemented by the Camrosa Board of Directors. The Board may amend, discontinue, or supersede these policies at its discretion to serve the best interests of the District. The policy was last updated in October 2021.

There are five categories of Unrestricted General Fund Reserves. The Capital Improvement Funds are incremented by the amount of capital fees received from developers each year. The funds are reserved for future expansion of system capacity to meet the demand generated as a result of new development and are decremented by the value of the capital projects approved each year for system expansion.

The Capital Replacement Funds are incremented at the end of the fiscal year with contributions from net operating results. The net operating results for each enterprise are distributed directly to the corresponding Capital Replacement Fund. The funds are for both short-term and long-term purposes. The objective is to provide funds for the current and future replacement of existing capital assets as they reach their useful lives. The reserve target level is a minimum of 5% of the replacement value of capital assets.

The Operating and Emergency Funds are incremented from net operating results after all other contributions to reserves have been made. The funds are to provide financial flexibility in the day-to-day conduct of District business and to respond quickly to emergency situations that may pose threats to public health and the District's ability to sustain safe or reliable service. The reserve target level is 45 days of O&M expenses.

The Rate Stabilization Fund segregates funds for use in dampening revenue fluctuations or unexpected operational expenses. This fund is used to stabilize rates in the event of short to mid-term rate revenue loss, and/or higher-than-anticipated operating expenses that cannot be supported by normal revenues. The reserve target level is 10% of the prior year's revenue generated from commodity charges only.

Finally, the Pension Liability Reserve Fund segregates funds to manage the ongoing CalPERS Unfunded Accrued Liability. The fund is used for both short-term and long-term purposes. The objective is to provide funds needed to fully fund accrued liabilities. The target is to be 100% funded with a zero UAL balance. To attain a 100% funding level the use of reserves may be set aside in the UAL fund to apply additional discretionary payments toward the liability as approved by the Board of Directors.

The FY2025-26 budget is projected to begin with a \$35.4 million unrestricted reserves balance, of which \$545,000 is committed to new capital projects.

## Reserves (Continued)

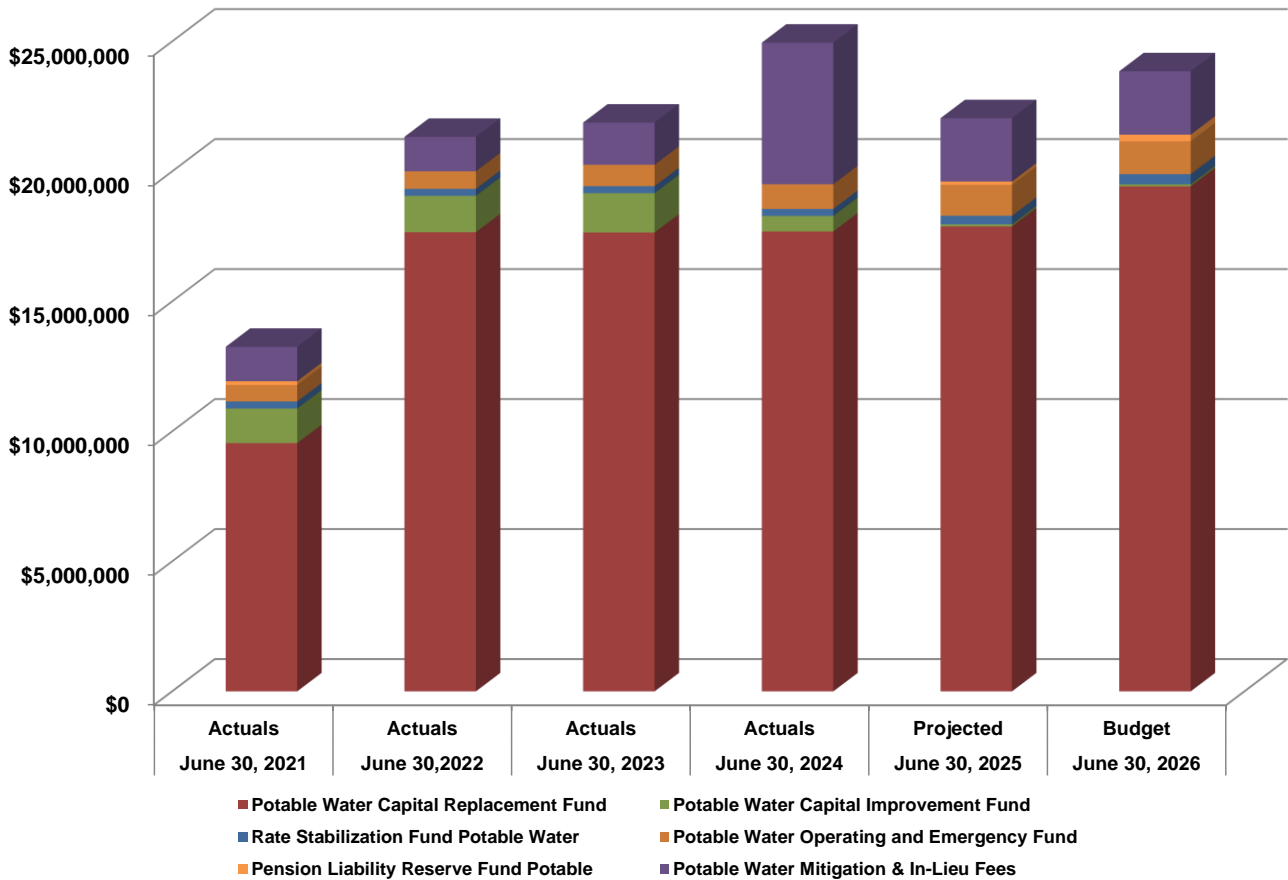
	Projected FY 2024-25	CIP FY 2025-26	Fixed Assets FY 2024-25	Projected Rate Stabilization Contribution	Projected UAL Contribution	Projected Capital Contributions	Projected Net Operating Results	Transfer Cap. Rep. To Rate Stabilization	Transfer Rate Stabilization to Operations	Projected FY 2025-26
<b>Unrestricted Reserves</b>										
Potable Water Capital Replacement Fund (PWCRF)	\$ 17,883,445	\$ (350,000)	\$ -	\$ -	\$ -	\$ 1,900,000	\$ -	\$ -	\$ -	\$ 19,433,445
Potable Water Operating and Emergency Reserves (OER)	1,189,980	-	-	-	-	-	74,887	-	-	1,264,867
Potable Water Unfunded Accrued Liability Reserve (UAL)	126,750	-	-	-	126,750	-	-	-	-	253,500
Potable Water Rate Stabilization Fund	330,625	-	-	60,000	-	-	-	-	-	390,625
Potable Water Capital Improvement Fund (PWCIF)	149,256	-	-	-	-	-	-	-	-	149,256
Potable Water Mitigation & In-Lieu Fees	2,436,843	-	-	-	-	-	-	-	-	2,436,843
<b>Total Potable Funds</b>	<b>\$ 22,116,899</b>	<b>\$ (350,000)</b>	<b>\$ -</b>	<b>\$ 60,000</b>	<b>\$ 126,750</b>	<b>\$ 1,900,000</b>	<b>\$ 74,887</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 23,928,536</b>
Non-Potable Water Capital Replacement Fund (NPWCRF)	\$ 3,870,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (408,166)		\$ 3,462,605
Non-Potable Water Operating and Emergency Reserves (OER)	547,504	-	-	-	-	-	-	-		547,504
Non-Potable Water Unfunded Accrued Liability Reserve (UAL)	-	-	-	-	68,250	-	-	-		68,250
Non-Potable Water Rate Stabilization Fund	605,625	-	-	-	-	-	-	339,916	(945,541)	-
Non-Potable Water In-lieu Fees (Wildwood Preserve)	318,538	-	-	-	-	-	-	-		318,538
<b>Total Non-Potable Funds</b>	<b>\$ 5,342,438</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 68,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (68,250)</b>	<b>\$ (945,541)</b>	<b>\$ 4,396,897</b>
Wastewater Capital Replacement Fund (WWCRF)	\$ 4,044,791	\$ (195,000)	\$ -	\$ -	\$ -	\$ 1,157,000	\$ -	\$ -	\$ -	\$ 5,006,791
Wastewater Operating and Emergency Reserves (OER)	584,701	-	-	-	-	-	38,415	-	-	623,116
Wastewater Unfunded Accrued Liability Reserve (UAL)	105,000	-	-	-	105,000	-	-	-	-	210,000
Wastewater Rate Stabilization Fund	273,750	-	-	10,000	-	-	-	-	-	283,750
Wastewater Capital Improvement Fund (WWCIF)	83,979	-	-	-	-	-	-	-	-	83,979
<b>Total Wastewater Funds</b>	<b>\$ 5,092,221</b>	<b>\$ (195,000)</b>	<b>\$ -</b>	<b>\$ 10,000</b>	<b>\$ 105,000</b>	<b>\$ 1,157,000</b>	<b>\$ 38,415</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,207,636</b>
<b>Total Unrestricted Reserves</b>	<b>\$ 32,551,558</b>	<b>\$ (545,000)</b>	<b>\$ -</b>	<b>\$ 70,000</b>	<b>\$ 300,000</b>	<b>\$ 3,057,000</b>	<b>\$ 113,302</b>	<b>\$ (68,250)</b>	<b>\$ (945,541)</b>	<b>\$ 34,533,069</b>
<b>Restricted Assets</b>										
Grant Receivable PV Well	83,822	-	-	-	-	-	-	-		\$ 83,822
<b>Total Receivables</b>	<b>\$ 83,822</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 83,822</b>
Debt Reserves 2016	879,529	-	-	-	-	-	-	-		\$ 879,529
<b>Total Restricted Assets</b>	<b>\$ 879,529</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 879,529</b>
<b>CIP</b>										
Potable Water Capital Replacements	\$ 796,999	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,146,999
Non-Potable Water Capital Replacements	871,042	-	-	-	-	-	-	-	-	871,042
Wastewater Capital Replacements	624,432	195,000	-	-	-	-	-	-	-	819,432
Potable Water Capital Improvements	535,275	-	-	-	-	-	-	-	-	535,275
Potable Water Mitigation & In-Lieu Fees	3,130,389	-	-	-	-	-	-	-	-	3,130,389
Wastewater Capital Improvements	779,099	-	-	-	-	-	-	-	-	779,099
<b>Total CIP</b>	<b>\$ 6,737,236</b>	<b>\$ 545,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,282,236</b>
<b>Total Restricted Assets</b>	<b>\$ 7,700,587</b>	<b>\$ 545,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,245,587</b>
<b>Total Reserves minus Receivables</b>	<b>\$ 40,168,323</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 70,000</b>	<b>\$ 300,000</b>	<b>\$ 3,057,000</b>	<b>\$ 113,302</b>	<b>\$ (68,250)</b>	<b>\$ (945,541)</b>	<b>\$ 42,694,834</b>

## Reserves (Continued)

	Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Projected FY2024-25	Projected FY 2025-26
<b>Unrestricted Reserves</b>					
Potable Water Capital Replacement Fund (PWCRF)	\$ 17,661,916	\$ 17,650,435	\$ 17,690,524	\$ 17,883,445	\$ 19,433,445
Potable Water Operating and Emergency Reserves (OER)	674,723	821,153	951,403	1,189,980	1,264,867
Potable Water Unfunded Accrued Liability Reserve (UAL)	-	-	-	126,750	253,500
Potable Water Rate Stabilization Fund	270,625	270,625	270,625	330,625	390,625
Potable Water Capital Improvement Fund (PWCIF)	1,397,209	1,512,418	594,663	149,256	149,256
Potable Water Mitigation & In-Lieu Fees	1,324,678	1,623,421	5,445,354	2,436,843	2,436,843
<b>Total Potable Funds</b>	<b>\$ 21,329,151</b>	<b>\$ 21,878,052</b>	<b>\$ 24,952,569</b>	<b>\$ 22,116,899</b>	<b>\$ 23,928,536</b>
Non-Potable Water Capital Replacement Fund (NPWCRF)	\$ 4,503,872	\$ 5,788,036	\$ 5,961,945	\$ 3,870,771	\$ 3,462,605
Non-Potable Water Operating and Emergency Reserves (OER)	479,254	480,339	546,341	547,504	547,504
Non-Potable Water Unfunded Accrued Liability Reserve (UAL)	-	-	-	-	68,250
Non-Potable Water Rate Stabilization Fund	535,625	605,625	605,625	605,625	-
Non-Potable Water In-lieu Fees (Wildwood Preserve)	318,538	318,538	318,538	318,538	318,538
<b>Total Non-Potable Funds</b>	<b>\$ 5,837,289</b>	<b>\$ 7,192,538</b>	<b>\$ 7,432,449</b>	<b>\$ 5,342,438</b>	<b>\$ 4,396,897</b>
Wastewater Capital Replacement Fund (WWCRF)	\$ 2,633,053	\$ 2,973,101	\$ 3,973,296	\$ 4,044,791	\$ 5,006,791
Wastewater Operating and Emergency Reserves (OER)	390,966	475,285	558,879	584,701	623,116
Wastewater Unfunded Accrued Liability Reserve (UAL)	-	-	-	105,000	210,000
Wastewater Rate Stabilization Fund	263,750	263,750	263,750	273,750	283,750
Wastewater Capital Improvement Fund (WWCIF)	84,456	369,528	167,978	83,979	83,979
<b>Total Wastewater Funds</b>	<b>\$ 3,372,225</b>	<b>\$ 4,081,664</b>	<b>\$ 4,963,903</b>	<b>\$ 5,092,221</b>	<b>\$ 6,207,636</b>
<b>Total Unrestricted Reserves</b>	<b>\$ 30,858,665</b>	<b>\$ 33,152,254</b>	<b>\$ 37,348,921</b>	<b>\$ 32,551,558</b>	<b>\$ 34,533,069</b>
<b>Restricted Assets</b>					
Grant Receivable PV Well	83,822	83,822	83,822	83,822	\$ 83,822
<b>Total Receivables</b>	<b>\$ 83,822</b>	<b>\$ 83,822</b>	<b>\$ 83,822</b>	<b>\$ 83,822</b>	<b>\$ 83,822</b>
Debt Reserves 2016	879,529	879,529	879,529	879,529	\$ 879,529
<b>Total Restricted Assets</b>	<b>\$ 879,529</b>	<b>\$ 879,529</b>	<b>\$ 879,529</b>	<b>\$ 879,529</b>	<b>\$ 879,529</b>
<b>CIP</b>					
Potable Water Capital Replacements	\$ 9,168,861	\$ 2,506,359	\$ 939,290	\$ 796,999	\$ 1,146,999
Non-Potable Water Capital Replacements	221,603	307,368	405,124	871,042	871,042
Wastewater Capital Replacements	2,079,957	2,818,572	2,984,016	624,432	819,432
Potable Water Capital Improvements	2,171,805	1,007,451	266,768	535,275	535,275
Potable Water Mitigation & In-Lieu Fees	-	-	221,460	3,130,389	3,130,389
Wastewater Capital Improvements	1,223,165	823,304	2,785,203	779,099	779,099
<b>Total CIP</b>	<b>\$ 14,865,391</b>	<b>\$ 7,463,054</b>	<b>\$ 7,601,861</b>	<b>\$ 6,737,236</b>	<b>\$ 7,282,236</b>
<b>Total Restricted Assets</b>	<b>\$ 15,828,742</b>	<b>\$ 8,426,405</b>	<b>\$ 8,565,212</b>	<b>\$ 7,700,587</b>	<b>\$ 8,245,587</b>
<b>Total Reserves minus Receivables</b>	<b>\$ 46,603,585</b>	<b>\$ 41,494,837</b>	<b>\$ 45,830,311</b>	<b>\$ 40,168,323</b>	<b>\$ 42,694,834</b>

## Reserves (Continued)

### Potable Water - Unrestricted Reserves



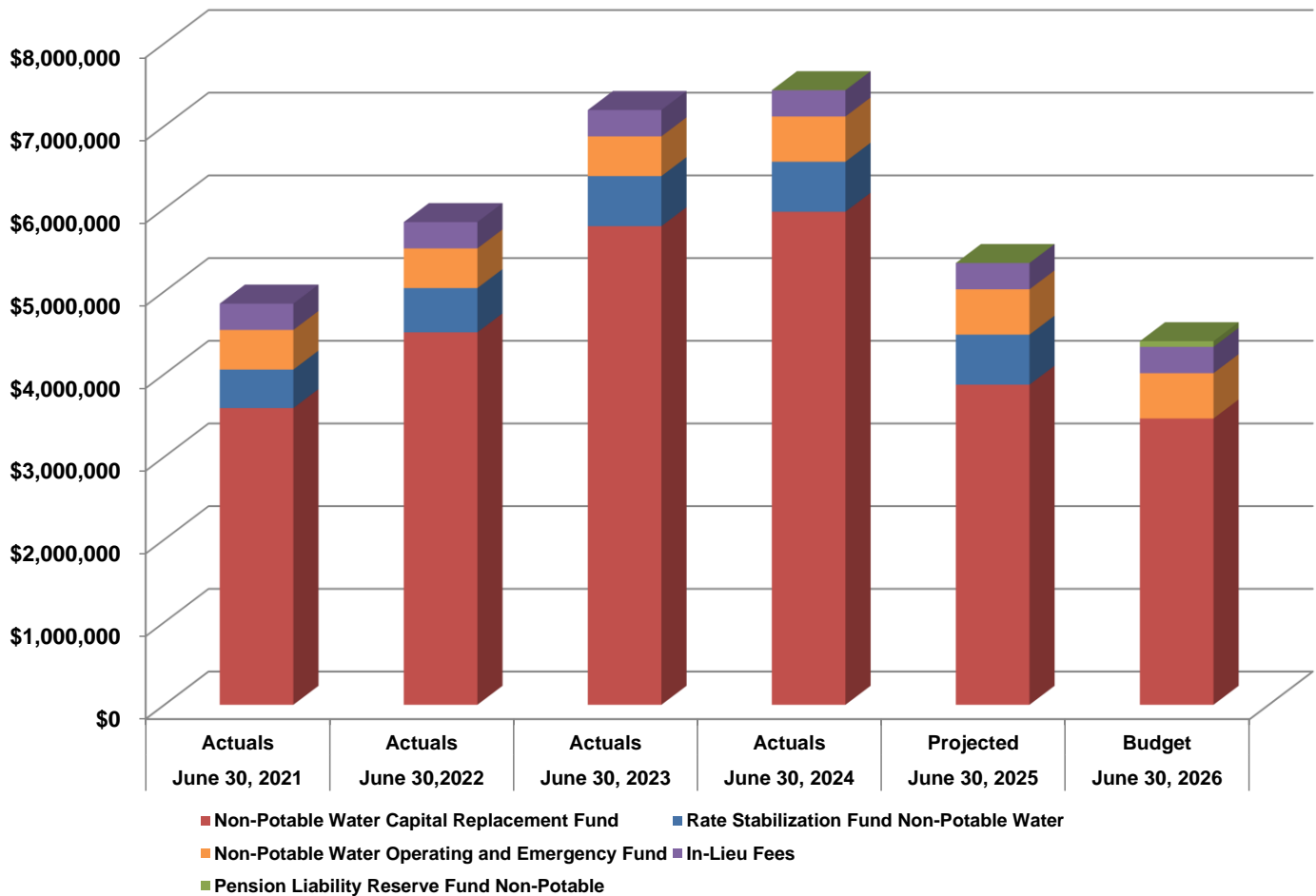
**Figure 13 – Unrestricted Potable Water Reserves**

The graph above reflects the various unrestricted reserve funds for the Potable Water Operations.

In FY2024-25, Potable Water Funds appropriated approximately \$4,849,800 toward Capital Projects and \$95,030 toward Fixed Assets. The FY2025-26 budget will appropriate \$350,000 from Potable Water Funds toward Capital Projects. There will not be appropriations toward Fixed Assets. The Potable Water Capital Replacement Fund receives funding from capital replacement contributions. The projected Capital Replacement Contributions amount for FY2024-25 is \$2,047,500. The Capital Improvement Fund receives funding from connection fees, in FY2024-25 the District received \$24,000 in connection fees and \$6,489 in mitigation and in-lieu fees. The Rate Stabilization Fund is used to dampen revenue fluctuations or unexpected operational expenses and receives funding from the operating budget. The District anticipates a contribution of \$60,000 in FY2024-25 and FY2025-26. The Operating and Emergency Fund is to provide financial flexibility in the day-to-day conduct of District business and to respond quickly to emergency situations that may pose threats to public health and the ability to sustain safe and reliable services and receives funding from the operating budget. In FY2024-25, the District projects a contribution of \$238,577 and anticipates a contribution of \$74,887 in FY2025-26. The District will contribute \$126,750 to the Pension Unfunded Accrued Liability Reserve Fund for FY2024-25 and FY2025-26.

## Reserves (Continued)

### Non-Potable Water - Unrestricted Reserves



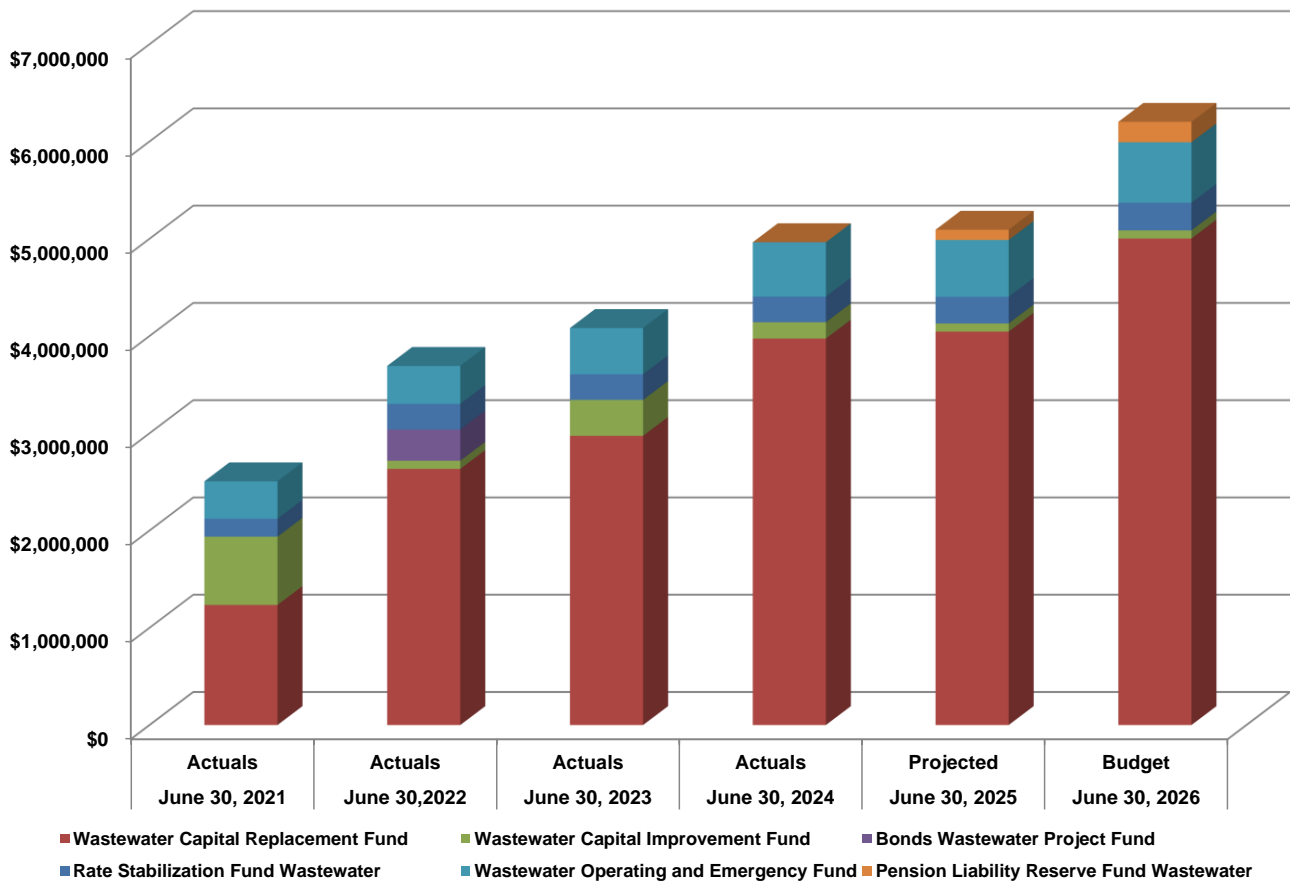
**Figure 14 – Unrestricted Non-Potable Water Reserves**

The graph above reflects the various unrestricted reserve funds for the Non-Potable Water Operations.

In FY2024-25, Non-Potable Water Funds appropriated approximately \$2,351,200 toward Capital Projects and \$87,720 toward Fixed Assets. The FY2025-26 budget does not include appropriations from Non-Potable Water Funds toward Capital Projects or Fixed Assets. The Non-Potable Water Capital Replacement Fund receives funding from capital replacement contributions. The Capital Replacement Contributions for FY2024-25 are projected to be approximately \$446,000. This contribution will improve the District's ability to pay for future capital projects. The Rate Stabilization Fund is used to dampen revenue fluctuations or unexpected operational expenses and receives funding from the operating budget. The District does not project a contribution to the fund for FY2024-25 or FY2025-26. The Operating and Emergency Fund is to provide financial flexibility in the day-to-day conduct of District business and to respond quickly to emergency situations that may pose threats to public health and the ability to sustain safe or reliable services and receives funding from the operating budget. In FY2024-25, the District projects a contribution of \$1,163. For FY2025-26, a transfer from the Rate Stabilization Fund into the Operating and Emergency Fund in the amount of \$945,541 is anticipated to balance the budget. In FY2024-25, the District started contributing to the Pension Unfunded Accrued Liability Reserve Fund, there was no contribution for FY2024-25. In FY2025-26, there will be a transfer of funds from the Non-Potable Capital Replacement Fund to the Unfunded Accrued Liability Reserve Fund in the amount of \$68,250.

## Reserves (Continued)

### Wastewater - Unrestricted Reserves



**Figure 15 – Unrestricted Wastewater Reserves**

The graph above reflects the various unrestricted reserve funds for the Wastewater Operations.

In FY2024-25 Wastewater funds appropriated approximately \$835,000 toward Capital Projects and \$103,250 toward Fixed Assets. The FY2025-26 budget will appropriate \$195,000 from Wastewater funds toward Capital Projects, there will not be appropriations toward Fixed Assets. The Wastewater Capital Replacement Fund receives funding from capital replacement contributions. The Capital Replacement Contribution for FY2024-25 is projected to be \$1,324,000. The Capital Improvement Fund receives funding from connection fees, in FY2024-25 the District did not receive connection fees. The Rate Stabilization Fund is used to dampen revenue fluctuations or unexpected operational expenses and receives funding from the operating budget. The District projects a contribution of \$10,000 for both FY2024-25 and FY2025-26. The Operating and Emergency Fund is to provide financial flexibility in the day-to-day conduct of District business and to respond quickly to emergency situations that may pose threats to public health and the ability to sustain safe or reliable services and receives funding from the operating budget. In FY2024-25, the District projects a contribution of \$25,822 and anticipates contributing \$38,415 in FY2025-26. In FY2024-25, the District started contributing to the Pension Unfunded Accrued Liability Reserve Fund, the anticipated contribution for both FY2024-25 and FY2025-26 is \$105,000.

## Debt Service

The District's debt rating is "AA" from Standard & Poor's. The debt rating was upgraded on October 12, 2016, from "AA-" to "AA".

The District's outstanding debt consists of the Series 2011A/2016A Water and Wastewater Revenue Bonds.

The District issued \$9,630,000 in 2011A Project bonds in September 2011. Proceeds of the bonds funded \$6,508,000 of water capital projects and \$2,447,000 of wastewater capital projects. Subsequently, in September 2016, the District advance refunded the 2011A bonds and obtained additional funding in the amount of \$6,000,000, with the issuance of the Water and Wastewater Refunding Revenue Bonds Series 2016A, for water projects. Refunding resulted in more than \$663,000 in net present value savings, lowering the District's annual debt service payment.

The annual debt service payments for FY2025-26 on the Series 2011A/2016 will be approximately \$1,048,931. Approximately \$190,613 is paid with sewer service revenues. The remaining \$858,318 is paid with water revenue. A complete debt service schedule is located in Appendix #4.

A condition of the 2011A/2016 Refunding Revenue Project Bonds issuance is the maintenance of a minimum debt service coverage ratio of 1.15%. The District has adopted a formal debt policy and no legal debt limit; however, the District's future borrowing capacity is limited by the debt coverage ratio required by existing bond covenants. The District's debt service coverage ratio for FY2025-26 is budgeted to 3.51 for Water and 7.84 for Wastewater.

The following pages illustrate the District's actual debt service coverage. Over the past several years, a concerted effort has been made to improve debt service ratios to stay well above the 1.15% debt service ratio required by bond covenants.

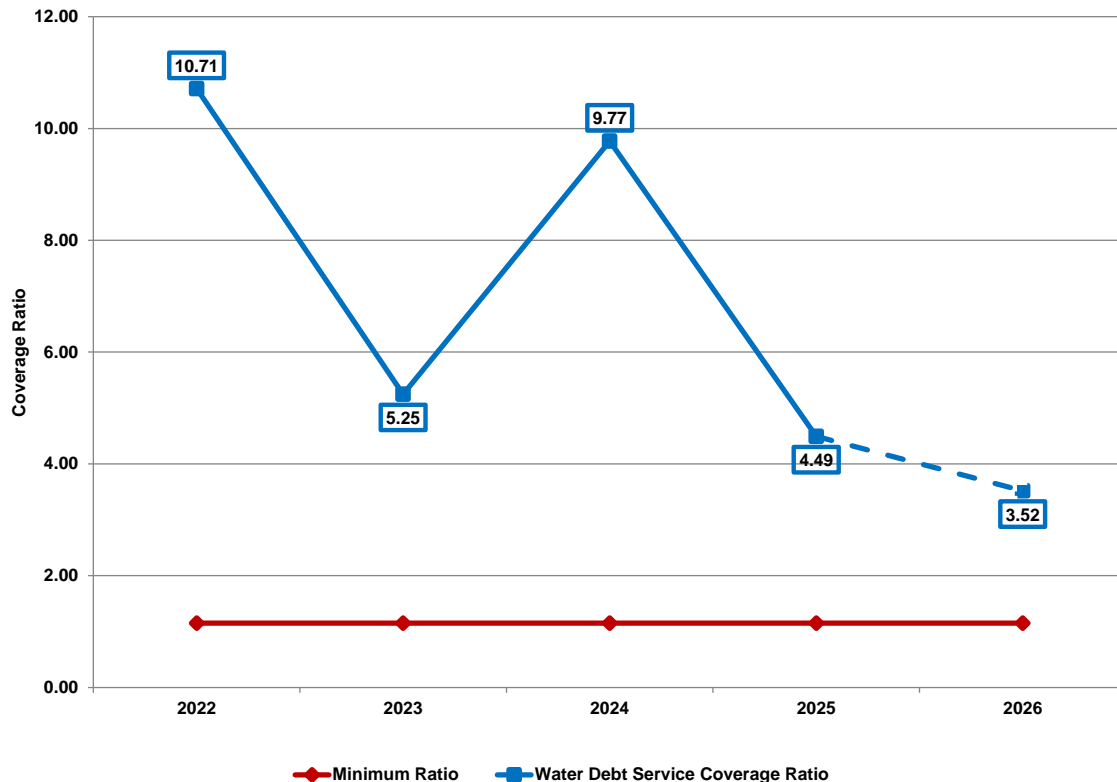


***Round Mountain Water Treatment Plant***

## Water Debt Service Ratio

	Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Projections FY 2024-25	Budget FY 2025-26
<b>Revenues</b>					
Water Sales:					
Potable	\$ 12,280,448	\$ 9,209,757	\$ 10,602,546	\$ 13,272,982	\$ 13,671,300
Recycle/Non-Potable	4,383,675	3,573,563	3,304,164	4,120,825	4,015,538
Water Sales to Pleasant Valley	1,677,229	1,608,935	1,998,484	1,753,000	1,643,766
Meter Service Charge	2,515,456	2,608,044	2,717,519	2,927,607	3,642,600
Special Services	50,750	48,513	58,024	52,100	54,000
Pump Zone Charges	47,212	35,239	31,408	42,000	35,000
Miscellaneous	15,804	47,591	4,156	1,500	-
Interest Revenues	102,841	1,074,433	1,690,219	1,363,000	1,053,000
Taxes	721,241	772,770	805,988	843,500	885,120
Mitigation & In-Lieu Fees	-	298,743	4,205,860	6,489	-
Rate Stabilization Contribution	-	-	-	-	945,541
GAC Reimbursement	16,191,774	-	-	-	-
Capital Fees	-	55,575	177,575	24,000	-
<b>Total Revenues</b>	<b>\$ 37,986,430</b>	<b>\$ 19,333,163</b>	<b>\$ 25,595,943</b>	<b>\$ 24,407,003</b>	<b>\$ 25,945,865</b>
<b>Expenses</b>					
Production	\$ 11,372,011	\$ 8,710,941	\$ 9,824,834	\$ 11,345,834	\$ 11,323,561
Salaries & Benefits	2,408,086	2,566,876	2,968,890	3,312,201	3,851,891
Outside Contracts & Professional Services	1,725,735	1,466,822	1,975,296	2,387,357	3,649,140
Supplies & Services	2,060,488	2,150,410	2,500,011	3,566,201	4,101,317
<b>Total Expenses</b>	<b>\$ 17,566,320</b>	<b>\$ 14,895,049</b>	<b>\$ 17,269,031</b>	<b>\$ 20,611,593</b>	<b>\$ 22,925,909</b>
<b>Net Operating Revenues</b>	<b>\$ 20,420,110</b>	<b>\$ 4,438,114</b>	<b>\$ 8,326,912</b>	<b>\$ 3,795,410</b>	<b>\$ 3,019,956</b>
Debt Service	853,681	845,806	852,031	844,931	858,319
<b>Debt Service Coverage Ratio</b>	<b>10.71</b>	<b>5.25</b>	<b>9.77</b>	<b>4.49</b>	<b>3.52</b>

### Water Debt Coverage Ratio

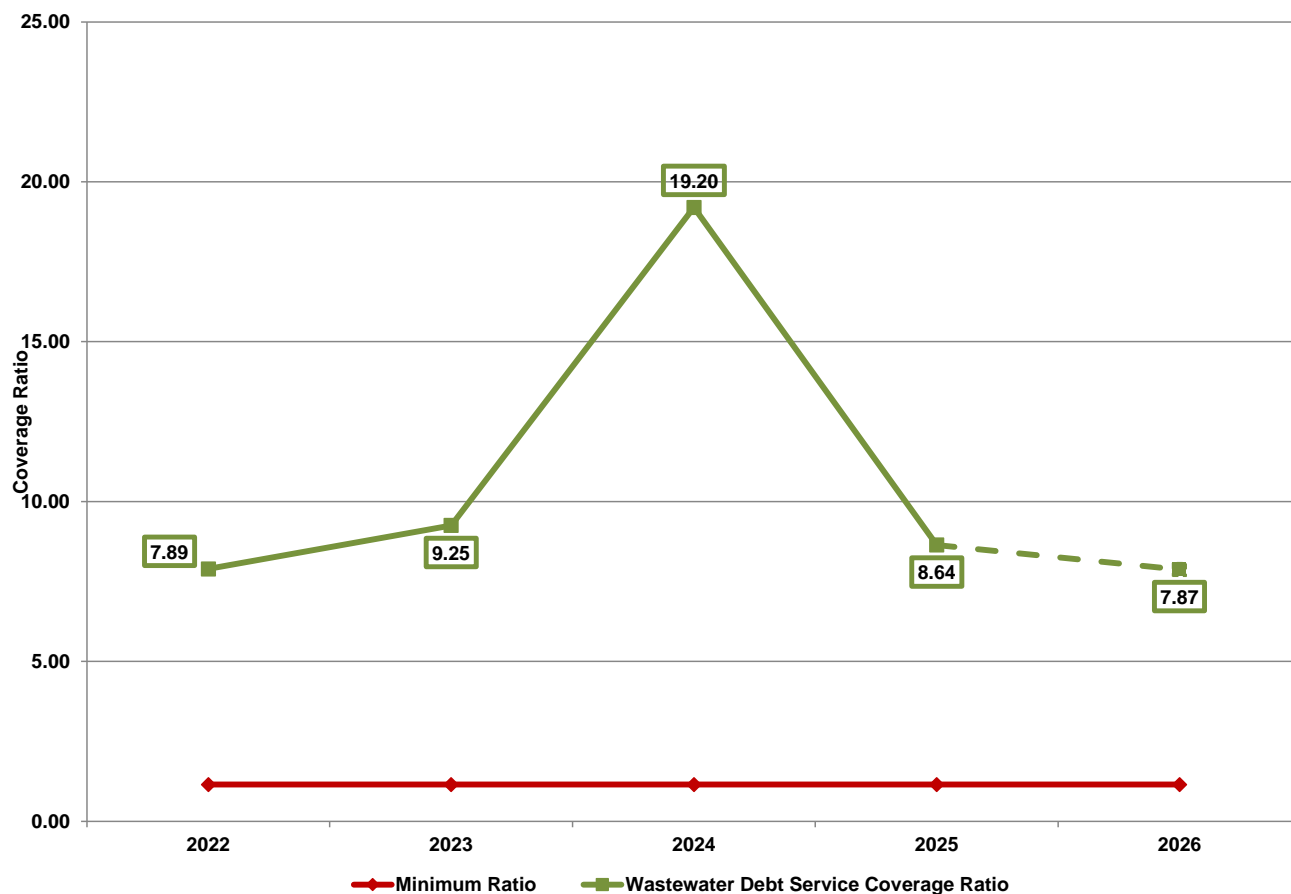


**Figure 16 – Historical Debt Service Coverage Ratios – Water**

## Wastewater Debt Service Ratio

	Actuals FY 2021-22	Actuals FY 2022-23	Actuals FY 2023-24	Projections FY 2024-25	Budget FY 2025-26
<b>Revenues</b>					
Sewer Service Charge	\$ 4,092,891	\$ 4,426,781	\$ 4,764,475	\$ 5,325,219	\$ 6,282,400
Special Services	14,793	16,919	19,606	21,000	22,000
Miscellaneous	8,068	3,447	1,721	750	-
Interest Revenues	27,073	201,853	399,502	340,000	263,000
Capital Fees	-	233,750	1,804,550	-	-
<b>Total Revenues</b>	<b>\$ 4,142,825</b>	<b>\$ 4,882,750</b>	<b>\$ 6,989,854</b>	<b>\$ 5,686,969</b>	<b>\$ 6,567,400</b>
<b>Expenses</b>					
Production	\$ 11,521	\$ 7,853	\$ 9,134	\$ 11,100	\$ 9,000
Salaries & Benefits	1,296,662	1,382,165	1,598,634	1,783,493	2,074,097
Outside Contracts & Professional Services	857,118	1,211,828	1,239,356	1,487,790	2,097,153
Supplies & Services	470,728	527,485	535,519	748,064	886,123
<b>Total Expenses</b>	<b>\$ 2,636,029</b>	<b>\$ 3,129,331</b>	<b>\$ 3,382,643</b>	<b>\$ 4,030,447</b>	<b>\$ 5,066,373</b>
<b>Net Operating Revenues</b>	<b>\$ 1,506,796</b>	<b>\$ 1,753,419</b>	<b>\$ 3,607,211</b>	<b>\$ 1,656,522</b>	<b>\$ 1,501,027</b>
Debt Service	190,950	189,525	187,900	191,700	190,613
<b>Debt Service Coverage Ratio</b>	<b>7.89</b>	<b>9.25</b>	<b>19.20</b>	<b>8.64</b>	<b>7.87</b>

## Wastewater Debt Coverage Ratio



**Figure 17 – Historical Debt Service Coverage Ratios – Wastewater**

# CAMROSA WATER DISTRICT



BUILDING WATER  
SELF-RELIANCE

## #1 Arroyo Santa Rosa Valley Basin GSA Budget

### **ARROYO SANTA ROSA VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY**

Camrosa Water District  
7385 Santa Rosa Road, Camarillo, CA 93012

#### MEMBERS OF THE BOARD

**BEN FISCHETTI**, *Ventura County Public Works Agency*  
**HOMER ARREDONDO**, *Ventura County Public Works Agency*  
**JEFFREY C. BROWN**, *Camrosa Water District*  
**TERRY L. FOREMAN**, *Camrosa Water District*  
**TIMOTHY H. HOAG**, *Camrosa Water District*  
**ANDY F. NELSON**, *Camrosa Water District*  
**EUGENE F. WEST**, *Camrosa Water District*

## **Fiscal Year 2025-26 Budget**

### **Overview**

The Arroyo Santa Rosa Valley Basin Groundwater Sustainability Agency (ASRVBGSA) presents the Fiscal Year (FY) 2025-26 budget. It describes the governance and purpose of the ASRVBGSA, the plan for the annual budget, the basis of accounting, and the budgeted amounts for each authorized classification.

### **Agency Governance**

The ASRVBGSA is organized under a joint powers of authority agreement (JPA) between the Camrosa Water District and the County of Ventura. Camrosa is the water purveyor for the Santa Rosa Valley and the largest producer of groundwater from the Santa Rosa Basin; the County retains land-use jurisdiction over the unincorporated valley. The six-member Board of Directors holds meetings as necessary. Meetings are publicly noticed.

The GSA is staffed by an Executive Director, treasurer, controller, and auditor, appointed by the Board. The GSA Board appointed Norman Huff, the General Manager of the Camrosa Water District, as Interim Executive Director, and determined that the auditor of the Camrosa Water District's finances should also audit the ASRVBGSA. According to the JPA, the treasurer and controller positions shall be filled by Camrosa Water District staff. Currently, Tamara Sexton, Camrosa Deputy General Manager/Finance, acts as treasurer, and Sandra Llamas, Camrosa Senior Accountant, as controller. Other duties and activities necessary to accomplish the ASRVBGSA's business are carried out by Camrosa Water District employees and authorized vendors.

### **Agency Purpose**

The purpose of the ASRVBGSA is, as defined by the Sustainable Groundwater Management Act (SGMA), the agency's enabling legislation, to achieve sustainability within the Santa Rosa Basin by 2042. The vehicle for achieving this, and the primary focus of the agency this fiscal year, is the implementation of key elements in the Groundwater Sustainability Plan (GSP).

The GSP is a management plan document that evaluates sustainability as it relates to six indicators of basin health: groundwater levels, groundwater storage, seawater intrusion, water quality, land subsidence, and groundwater-surface water interconnection. The GSP sets minimum thresholds for each of the applicable criteria and associated management actions to avoid undesirable results and achieve sustainability.

On April 28, 2025, The Department of Water Resources (Department) notified the ASRVBGSA that the Department had evaluated the ASRVBGSA's submitted GSP and has determined that the GSP is approved. The accompanying Staff Report described that the GSP satisfies the objectives of the SGMA and substantially complies with GSP Regulations. The Staff Report also proposed recommended corrective actions that the Department believes will enhance the GSP and facilitate future evaluation by the Department. The Department strongly encouraged that the recommended corrective actions be given due consideration and suggested incorporating all resulting changes to the GSP in future updates.

## FY25-26 Budget Development

The ASRVBGSA was initially funded through matched contributions from Camrosa Water District and the County of Ventura. Contributions from the County ended in FY2021-22. The ASRGSA received a Proposition 1 Sustainable Groundwater Planning Grant of \$177,081, which has been fully invoiced to the DWR.

The ongoing administration of the GSA is now funded solely by Camrosa Water District. The FY2025-26 GSA budget includes the annual reporting, initiation of a pumping fee rate study, and administrative functions. Camrosa contributed \$80,000 in FY2024-25, and the GSA's bank account has sufficient funds to cover budgeted expenses for the upcoming fiscal year.

Arroyo Santa Rosa GSA Annual Budget FY2025-26							
<u>Transfer In</u>	Object Code	FY21-22	FY22-23	FY23-24	FY24-25	FY24-25 EOY	FY25-26
Camrosa Water District		Actuals	Actuals	Actuals	Budget	Projections	Budget
Contribution Budgeted		\$ 650,000	\$ -	\$ 80,000	\$ 80,000	\$ 80,000	\$ -
Transfer from Reserves		\$ -	\$ 107,203	\$ 101,787	\$ 195,375	\$ -	\$ 128,426
County of Ventura		\$ 67,458			-		
<b>TOTAL TRANSFERS IN</b>		<b>\$ 717,458</b>	<b>\$ 107,203</b>	<b>\$ 181,787</b>	<b>\$ 275,375</b>	<b>\$ 80,000</b>	<b>\$ 128,426</b>
<b>Administrative Fees</b>							
<b>Communications</b>	<b>50210</b>	<b>\$ 7,749</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Outside Contracts</b>	<b>50220</b>						
Audio/Visual (meetings)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Billing (process TBD)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Services		\$ 7,749	\$ -	\$ -	\$ -	\$ -	\$ -
Meter Calibration Program		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meter Installation		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room Rental (meetings)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Professional Services</b>	<b>50230</b>	<b>\$ 331,537</b>	<b>\$ 274,074</b>	<b>\$ 175,311</b>	<b>\$ 251,775</b>	<b>\$ 46,375</b>	<b>\$ 113,146</b>
Annual Reporting (Intera)			\$ -	\$ 54,248	\$ 42,500	\$ 43,000	\$ 43,775
Auditing Services			\$ -	\$ -	\$ -	\$ -	\$ -
Engineering Services (Intera)		\$ 302,392	\$ 229,561	\$ 104,378	\$ 85,000	\$ -	\$ -
Engineering Services (Stantec)		\$ 7,324	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Reporting			\$ -	\$ -	\$ -	\$ -	\$ -
GSA Administration			\$ -	\$ -	\$ 50,000	\$ -	\$ -
Monitoring Program			\$ -	\$ -	\$ 5,150	\$ -	\$ 5,305
Project Management (Bondy)		\$ 21,821	\$ 44,513	\$ 16,685	\$ 19,125	\$ 3,375	\$ 14,066
Rate Pumping Fee Study			\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000
<b>Materials &amp; Supplies</b>	<b>50260</b>		<b>\$ 2,897</b>	<b>\$ -</b>	<b>\$ 5,600</b>	<b>\$ -</b>	<b>\$ 5,600</b>
Check stock			\$ -	\$ -	\$ 500	\$ -	\$ 500
General postage			\$ -	\$ -	\$ 100	\$ -	\$ 100
Stakeholder meeting supplies			\$ -	\$ -	\$ -	\$ -	
Printing & mailing			\$ 2,392	\$ -	\$ 2,500	\$ -	\$ 2,500
Public Hearing notification			\$ 505	\$ -	\$ 2,500	\$ -	\$ 2,500
Office supplies			\$ -	\$ -	\$ -	\$ -	
<b>Legal Services</b>	<b>50280</b>	<b>\$ 2,599</b>	<b>\$ 4,831</b>	<b>\$ 656</b>	<b>\$ 10,000</b>	<b>\$ 2,065</b>	<b>\$ 1,680</b>
<b>Dues &amp; Subscriptions</b>	<b>50290</b>	<b>\$ 765</b>	<b>\$ 918</b>	<b>\$ 4,060</b>	<b>\$ 5,000</b>	<b>\$ 4,060</b>	<b>\$ 5,000</b>
ACWA		\$ 765	\$ 918	\$ 4,060	\$ 5,000		\$ 5,000
<b>Conference &amp; Travel</b>	<b>50300</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Safety &amp; Training</b>	<b>50310</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Board Expenses</b>	<b>50330</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fees &amp; Charges</b>	<b>50350</b>	<b>\$ 490</b>	<b>\$ 439</b>	<b>\$ 635</b>	<b>\$ 1,000</b>	<b>\$ 680</b>	<b>\$ 1,000</b>
Banking fees		\$ 490	\$ 439	\$ 635	\$ 1,000	\$ 680	\$ 1,000
<b>Insurance</b>	<b>50360</b>	<b>\$ 1,125</b>	<b>\$ 1,125</b>	<b>\$ 1,125</b>	<b>\$ 2,000</b>	<b>\$ 1,125</b>	<b>\$ 2,000</b>
JPIA premiums		\$ 1,125	\$ 1,125	\$ 1,125	\$ 2,000	\$ 1,125	\$ 2,000
<b>TOTAL ADMINISTRATIVE FEES</b>		<b>\$ 344,265</b>	<b>\$ 284,284</b>	<b>\$ 181,787</b>	<b>\$ 275,375</b>	<b>\$ 54,305</b>	<b>\$ 128,426</b>
<b>Non-Operating Revenues</b>							
<b>Grant Revenue</b>		<b>\$ -</b>	<b>\$ 177,081</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## #2 All Programs Combined

2025-26 Budget		Activity Code	FY 2024-25 District Budget Combined	FY 2025-26 District Budget Combined	Human Resources 5	General Administration 10	Info Systems 11	Rescue Ping & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Gmcs & Rolling Sk 26	Potable Water 52	Non-Potable Water 53	Waste/Water Services 57	Program Totals
<b>Production:</b>																
		50010	\$ 4,401,600	\$ 5,637,137									4,372,600	664,537		\$ 5,637,137
		50012	\$ 980,200	\$ 1,077,252									951,772	125,480		\$ 1,077,252
		50011	\$ 938,800	\$ 1,014,104										1,014,104		\$ 1,014,104
		50011	\$ 254,400	\$ 277,152									268,152		9,000	\$ 277,152
		50013	\$ 58,100	\$ 158,736									158,736			\$ 158,736
		50020	\$ 2,776,800	\$ 3,168,180									1,860,041	1,308,139		\$ 3,168,180
			\$ 9,409,900	\$ 11,332,561									\$8,211,301	\$3,112,260	\$9,000	\$ 11,332,561
<b>Salaries &amp; Benefits:</b>																
		50100	\$ 4,188,105	\$ 4,178,199	\$4,178,199											\$ 4,178,199
		50110	\$ 230,063	\$ 178,830	\$178,830											\$ 178,830
		50120	\$ 64,782	\$ 98,099	\$98,099											\$ 98,099
		50130	\$ 31,095	\$ 33,489	\$33,489											\$ 33,489
		50140	\$ 1,475,512	\$ 1,437,371	\$1,437,371											\$ 1,437,371
			\$ 5,989,557	\$ 5,925,988	\$5,925,988											\$ 5,925,988
<b>Outside Contracts</b>																
		50220	\$ 3,854,440	\$ 4,367,163	\$23,100	\$33,500	\$636,763	\$50,000	\$13,000	\$101,300	\$92,500	\$444,000	\$1,196,500	\$449,500	\$1,127,000	\$ 4,367,163
		50230	\$ 1,218,450	\$ 1,379,130	\$10,000	\$861,630	\$65,000	\$95,000	\$65,000	\$0	\$0	\$0	\$225,000	\$49,500	\$18,000	\$ 1,379,130
			\$ 5,072,890	\$ 5,746,293	\$33,100	\$895,130	\$901,763	\$135,000	\$78,000	\$101,300	\$92,500	\$444,000	\$1,421,500	\$499,000	\$1,145,000	\$ 5,746,293
<b>Services &amp; Supplies</b>																
		50200	\$ 134,500	\$ 129,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$44,500	\$65,000	\$0	\$20,000	\$ 129,500
		50210	\$ 80,350	\$ 84,600	\$0	\$0	\$84,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 84,600
		50240	\$ 490,000	\$ 490,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$380,000	\$80,000	\$30,000	\$ 490,000
		50250	\$ 47,350	\$ 47,350	\$0	\$4,000	\$0	\$850	\$0	\$0	\$11,000	\$2,000	\$20,000	\$4,500	\$5,000	\$ 47,350
		50260	\$ 1,513,215	\$ 1,563,715	\$0	\$33,500	\$0	\$250	\$0	\$3,500	\$38,965	\$125,000	\$1,168,000	\$37,000	\$157,500	\$ 1,563,715
		50270	\$ 1,383,000	\$ 1,465,000	\$0	\$0	\$72,000	\$0	\$0	\$0	\$10,000	\$80,500	\$782,500	\$385,000	\$135,000	\$ 1,465,000
		50280	\$ 150,000	\$ 305,000	\$0	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$108,000	\$72,000	\$0	\$ 305,000
		50290	\$ 63,050	\$ 57,000	\$7,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 57,000
		50300	\$ 24,900	\$ 28,400	\$6,600	\$21,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 28,400
		50310	\$ 66,200	\$ 57,000	\$57,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 57,000
		50320	\$ 180,000	\$ 177,000	\$0	\$177,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 177,000
		50340	\$ 10,000	\$ 10,000	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 10,000
		50360	\$ 342,875	\$ 356,375	\$250	\$52,050	\$0	\$0	\$0	\$0	\$15,000	\$16,500	\$168,575	\$19,500	\$84,500	\$ 356,375
		50360	\$ 180,000	\$ 216,500	\$0	\$216,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$ 216,500
			\$ 4,665,440	\$ 4,987,440	\$70,850	\$689,850	\$156,600	\$1,100	\$0	\$3,500	\$74,965	\$288,500	\$2,692,075	\$598,000	\$432,000	\$ 4,987,440
<b>Fixed Assets:</b>																
			\$ 25,137,767	\$ 27,992,282	\$6,029,938	\$1,584,980	\$1,058,363	\$136,100	\$78,000	\$104,800	\$167,465	\$712,500	\$12,324,876	\$4,209,260	\$1,586,000	\$ 27,992,282
			\$ 286,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 25,423,767	\$ 27,992,282	\$ 6,029,938	\$ 1,584,980	\$ 1,058,363	\$ 136,100	\$ 78,000	\$ 104,800	\$ 167,465	\$ 712,500	\$ 12,324,876	\$ 4,209,260	\$ 1,586,000	\$ 27,992,282

## #2 All Programs Combined (Continued)

2025-26 Budget		Activity Code	FY 2024-25 District Budget Combined	FY 2025-26 District Budget Combined	Human Resources 5	General Administration 10	Info Systems 11	Rescue Ping & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Gnds & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	Waste/Water Services 57
		50140	\$ 5,989,557	\$ 5,925,988	\$5,925,988										
		Salaries	\$ 4,514,045	\$ 4,488,617	4,488,617										
		Medical	\$ 759,559	\$ 735,872	735,872										
		Dental	\$ 34,872	\$ 36,003	36,003										
		Vision	\$ 6,530	\$ 6,530	6,530										
		Workman's Comp	\$ 52,873	\$ 59,363	59,363										
		Medicare	\$ 65,451	\$ 65,088	65,088										
		Social Security	\$ 4,016	\$ 3,031	3,031										
		PERS-Normal Cost	\$ 525,223	\$ 503,765	503,765										
		STD, LTD, & Life Insurance	\$ 26,968	\$ 27,719	27,719										
		Utilities	\$ 134,500	\$ 129,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$44,500	\$65,000	\$0	\$20,000
		SCE	\$ 82,000	\$ 82,000	\$0							42,000	20,000		20,000
		Gas	\$ 2,500	\$ 2,500								2,500			
		Water-in-house	\$ 50,000	\$ 45,000									45,000		
		Communications	\$ 80,350	\$ 84,600	\$0	\$0	\$84,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
		Answering Service	\$ 6,100	\$ 6,200			6,200								
		ISP Internet & Cable News	\$ 19,000	\$ 23,000			23,000								
		Mobile Devices	\$ 53,500	\$ 53,500			53,500								
		Satellite Phones	\$ 1,750	\$ 1,900			1,900								
		Outside Contracts	\$ 3,854,440	\$ 4,367,163	\$23,100	\$33,500	\$636,763	\$50,000	\$13,000	\$101,300	\$62,500	\$444,000	\$1,196,500	\$449,500	\$1,127,000
		Air Conditioner Maintenance	\$ 5,500	\$ 5,500								5,500			
		Air Compressor Maintenance	\$ 13,500	\$ 13,500								1,500	6,000	3,000	3,000
		Alchemy Migration	\$ -	\$ 10,000			10,000								
		Analyzer Maintenance (HACH)	\$ 36,000	\$ 36,000											
		Analyzer Maintenance (HACH) RMWTP	\$ 7,500	\$ 8,500											
		Backflow Testing	\$ 5,000	\$ 5,000											
		Basin Screen Maintenance	\$ 100,000	\$ 100,000											
		Cloud Hosting Fees - CIS/6 Environment	\$ -	\$ 28,800			28,800								
		Consumer Confidence Rpt	\$ 500	\$ 3,500			3,000								
		Converting AsBuilt's to GIS	\$ 3,400	\$ 3,400			3,400								
		Courty ShapeFile Updates	\$ 5,000	\$ 4,800						4,800					
		Courier Service	\$ 20,000	\$ 160,000											
		Cross-Connection Control Program	\$ 10,000	\$ 7,500											
		Customer Receipt Proc. Sucs	\$ -	\$ 50,000			50,000								
		Data Management Program/Software	\$ 7,500	\$ 7,500											
		Dig Alert (USA-Underground Svc Alert)	\$ 7,500	\$ 8,000								8,000			
		Distribution Maintenance	\$ 450,000	\$ 450,000											
		DOT Random Survey	\$ 500	\$ 500											
		Employment Background/Physical	\$ 2,200	\$ 2,200	500										
		Facility Tour contracts (rent, bus, sound)	\$ 16,000	\$ 20,000	2,200	20,000									
		Fuel Tank Inspections	\$ -	\$ 15,000								15,000			
		General Labor	\$ 11,000	\$ 11,000								10,000		1,000	
		GIS Support Contract	\$ 100,000	\$ 100,000			100,000								
		Grounds Clearing	\$ 100,000	\$ 100,000											
		Hepatitis Shots	\$ 400	\$ 400	400										
		Hydrant Repair/Maint.	\$ 40,000	\$ 40,000											
		Incode Out of Scope	\$ 5,000	\$ 5,000			5,000								
		Info Sand	\$ 65,000	\$ 65,000						65,000					
		Info Send-Insert Mailing	\$ 8,000	\$ 8,000		4,000				4,000					
		Information Systems Support & Maintenance	\$ 25,000	\$ 30,000			30,000								
		Inspection Services	\$ 50,000	\$ 50,000				50,000							
		IT Managed Service Provider (All Connected)	\$ 255,000	\$ 285,000			285,000								
		Janitor Service	\$ 25,000	\$ 25,000								25,000			
		Lab waste disposal	\$ 10,000	\$ 10,000							10,000				
		Landscaping	\$ 30,000	\$ 30,000											
		Lead Service Line Inventory (Regulatory Requirement)	\$ 80,000	\$ -											
		Leak Detection	\$ 16,000	\$ -											
		Maintenance Support - Alchemy	\$ 3,500	\$ 3,500			3,500								
		Maintenance Support - AMR (Aclara)	\$ 25,500	\$ 25,500			25,500								
		Maintenance Support - ArcGIS Desktop Basic (ESRI)	\$ 12,000	\$ 12,000											
		Maintenance Support - CIS	\$ 110,040	\$ 82,500			82,500								
		Maintenance Support - DigSmart Ticketing Annual Maint	\$ 6,000	\$ 6,000			6,000								
		Maintenance Support - Eagle Aerial	\$ 12,000	\$ 12,000			6,000								
		Maintenance Support - Fortnite 24/7 Router/Firewall Support	\$ 8,300	\$ 8,700			8,700						12,000		
		Maintenance Support - Hosted DNS	\$ 1,550	\$ 2,500			2,500								
		Maintenance Support - Tyler Software	\$ 28,000	\$ 30,000			30,000								
		Maintenance Support-ACAD (DLT/GDMS)	\$ 1,300	\$ 1,300			1,300								
		Maintenance Support -SCADA Rockwell PLC Software	\$ 18,000	\$ 18,900			18,900								
		Maintenance Support-SCADA Software	\$ 50,000	\$ 60,000			60,000								
		Maintenance Support-SCADA TeamViewer	\$ 5,000	\$ 6,000			6,000								
		Maintenance Support- SCADA Win 911 Software	\$ 2,500	\$ 5,000			5,000								
		Maintenance Support - Thinking2 (website)	\$ 5,000	\$ 5,000			5,000								
		Maintenance Support - WIMS Software	\$ 8,250	\$ 8,663			8,663								
		Maintenance Support - Zoom	\$ 3,600	\$ 8,000			8,000								

## #2 All Programs Combined (Continued)

2025-26 Budget		Activity Code	FY 2024-25 District Budget Combined	FY 2025-26 District Budget Combined	Human Resources \$	General Administration 10	Info Systems 11	Rescue Ping & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Grds & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	Waste/Water Services 57	Program Totals
		Manhole Rehabilitation	\$ 200,000 \$	\$ 200,000 \$											200,000	200,000
		MCC IR Inspection and Cleaning	\$ 150,000 \$	\$ 130,000 \$											130,000	130,000
		Meter Maintenance and Replacement	\$ - \$	\$ 150,000 \$											150,000	150,000
		Metroscan CoreLogic	\$ 82,500 \$	\$ 2,100 \$			2,100								2,100	82,500
		Offsite Water Quality Testing	\$ 105,000 \$	\$ 105,000 \$											105,000	105,000
		Painting/Industrial Cleaning	\$ 20,000 \$	\$ 20,000 \$											20,000	20,000
		Payment Processing - Invoice Cloud	\$ 15,000 \$	\$ 20,000 \$											20,000	20,000
		Pest	\$ 500 \$	\$ 500 \$											500	500
		Production Copying	\$ 21,000 \$	\$ 21,000 \$		500									500	21,000
		Production Meter Calibration and Repair	\$ 4,000 \$	\$ 4,000 \$											4,000	4,000
		Public Hearing Notice Advertisement	\$ 210,000 \$	\$ 210,000 \$		4,000									100,000	210,000
		Raise valve stackings / Manholes	\$ 90,000 \$	\$ 90,000 \$											60,000	90,000
		Reservoir Cleaning	\$ 70,000 \$	\$ 70,000 \$											30,000	70,000
		Road Repair/Maint.	\$ 65,000 \$	\$ 65,000 \$											65,000	65,000
		Sand Removal	\$ 70,000 \$	\$ 70,000 \$											70,000	70,000
		SCADA Support Services	\$ 2,000 \$	\$ 8,000 \$		-									8,000	8,000
		Security Service	\$ 20,000 \$	\$ 20,000 \$											20,000	20,000
		Sewer Lift Maintenance	\$ 115,000 \$	\$ 115,000 \$											115,000	115,000
		Sewer Pressing	\$ 120,000 \$	\$ 125,000 \$											125,000	125,000
		Sludge Removal	\$ - \$	\$ 50,000 \$											50,000	50,000
		Smart Cover System Maintenance	\$ 7,000 \$	\$ 8,500 \$											8,500	8,500
		TIO Sewer Disposal Services	\$ 55,000 \$	\$ 55,000 \$											55,000	55,000
		Tree and Site Maintenance	\$ 15,000 \$	\$ 16,500 \$											16,500	16,500
		Trash Removal	\$ 25,000 \$	\$ 25,000 \$		5,000									3,000	25,000
		Uniforms/Rug and Towel Service	\$ 5,000 \$	\$ - \$											5,000	5,000
		Urban Water Use Objective (Reporting Requirement)	\$ 150,000 \$	\$ 200,000 \$											200,000	200,000
		Vehicle Lease	\$ 3,400 \$	\$ 3,400 \$			3,400								3,400	3,400
		SSL Wildcard Certificates (Comodo)	\$ 300,000 \$	\$ 350,000 \$											350,000	350,000
		VRSD	\$ 5,000 \$	\$ 5,000 \$											5,000	5,000
		Water Softener	\$ 3,000 \$	\$ 3,000 \$											3,000	3,000
		Water Loss Audit	\$ 50,000 \$	\$ 70,000 \$											70,000	70,000
		Water Loss Control & Leak Detection	\$ - \$	\$ 15,000 \$											15,000	15,000
		Waterworth Rate Model	\$ 50,000 \$	\$ 50,000 \$											50,000	50,000
		Weed Abatement	\$ 17,500 \$	\$ 17,500 \$											17,500	17,500
		Workflow App Annual Support	\$ 1,218,450 \$	\$ 1,379,130 \$	\$10,000	\$861,630	\$65,000	\$65,000	\$65,000	\$0	\$0	\$0	\$225,000	\$49,500	\$18,000	\$1,379,130
		Professional Services	\$ 700 \$	\$ 700 \$		700									700	700
		Arbitrage	\$ 33,000 \$	\$ 34,180 \$											34,180	34,180
		Audit	\$ 600 \$	\$ 600 \$		600									600	600
		CAFR Review	\$ 150 \$	\$ 150 \$		150									150	150
		CSMFO Budget Review	\$ 25,000 \$	\$ 10,000 \$	10,000										10,000	10,000
		Defined Benefit Evaluation	\$ - \$	\$ 65,000 \$											65,000	65,000
		Digital AI Assessment	\$ 50,000 \$	\$ - \$											50,000	50,000
		Employee Organization Assessment Needs	\$ 75,000 \$	\$ 75,000 \$				75,000							75,000	75,000
		On-Call Engineering Services	\$ 20,000 \$	\$ 20,000 \$		20,000									20,000	20,000
		Financial Advisor	\$ 50,000 \$	\$ 65,000 \$		65,000									65,000	65,000
		Grant Applications (monitoring, applications, admin)	\$ 50,000 \$	\$ 10,000 \$				10,000							10,000	10,000
		In-Lieu Fee Study	\$ 6,000 \$	\$ 6,000 \$		6,000									6,000	6,000
		Investment Policy Review	\$ 400,000 \$	\$ 550,000 \$		550,000									550,000	550,000
		Master Plan	\$ 100,000 \$	\$ 100,000 \$		100,000									100,000	100,000
		Master Plan Program EIR	\$ - \$	\$ 30,000 \$											30,000	30,000
		OPV Basin - As needed services	\$ 47,350 \$	\$ 47,350 \$											47,350	47,350
		Preliminary Design PV #3	\$ 25,000 \$	\$ 35,000 \$		35,000									35,000	35,000
		Public Relations	\$ 120,000 \$	\$ 20,000 \$											20,000	20,000
		PV Modeling	\$ 18,000 \$	\$ 2,500 \$											2,500	2,500
		PV Modeling Project Manager	\$ 80,000 \$	\$ 50,000 \$		50,000									50,000	50,000
		Rate Consultant	\$ 15,000 \$	\$ 18,000 \$											18,000	18,000
		Sanita Rosa Basin GSA	\$ - \$	\$ 65,000 \$					65,000						65,000	65,000
		TMDL	\$ 150,000 \$	\$ 150,000 \$											150,000	150,000
		Urban Water Management Plan	\$ 490,000 \$	\$ 490,000 \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112,500	\$37,500	\$30,000	\$490,000
		Well Asset Management	\$ 490,000 \$	\$ 490,000 \$	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$380,000	\$80,000	\$30,000	\$490,000
		Pipeline Maintenance	\$ 47,350 \$	\$ 47,350 \$	\$0	\$4,000	\$0	\$950	\$0	\$0	\$11,000	\$2,000	\$20,000	\$4,500	\$5,000	\$47,350
		Unscheduled Leak Repairs	\$ 4,000 \$	\$ 4,000 \$		4,000									4,000	4,000
		Small Tools & Equipment	\$ 28,100 \$	\$ 28,100 \$											28,100	28,100
		Ergonomic office equipment	\$ 7,000 \$	\$ 7,000 \$											7,000	7,000
		Hand Tools	\$ 5,000 \$	\$ 5,000 \$											5,000	5,000
		Lab Equipment	\$ 3,250 \$	\$ 3,250 \$											3,250	3,250
		RWMT/Hand Tools														
		Sampling Tools														

## #2 All Programs Combined (Continued)

2025-26 Budget		Activity Code	FY 2024-25 District Budget Combined	FY 2025-26 District Budget Combined	Human Resources 5	General Administration 10	Info Systems 11	Rescue Ping & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Grods & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	Waste/Water Services 57	Program Totals
2025-26 Budget	50270	Repair Parts & Equipment Maintenance	\$ 1,383,000	\$ 1,465,000	\$ 0	\$ 0	\$ 72,000	\$ 0	\$ 0	\$ 0	\$ 10,000	\$ 80,500	\$ 782,500	\$ 385,000	\$ 135,000	\$ 1,465,000
		BluePrint/Plotting Supplies/Services	\$ 7,500	\$ 15,000			15,000									15,000
		Calibrate Balances	\$ 1,000	\$ 1,000							1,000					1,000
		Certify Hoods	\$ 1,000	\$ 1,000							1,000					1,000
		Control Valves	\$ 80,000	\$ 80,000									40,000	40,000		80,000
		Electrical/Instrumentation	\$ 105,000	\$ 105,000								5,000	45,000	45,000	10,000	105,000
		General Repairs	\$ 82,500	\$ 82,500								15,000	27,500	20,000	20,000	82,500
		Generators Maintenance	\$ 80,000	\$ 80,000								25,000	35,000	-	20,000	80,000
		Hydrants	\$ 55,000	\$ 55,000									50,000	5,000		55,000
		Information System Support & Maintenance	\$ 30,000	\$ 54,000			54,000				2,000					54,000
		Instrument Repairs-Lab	\$ 2,000	\$ 2,000							6,000					2,000
		Metals Analyzer Maintenance	\$ 6,000	\$ 6,000							6,000					6,000
		Metersing Repair & Equipment Maintenance	\$ 450,000	\$ 500,000									400,000	100,000		500,000
		Printer Maintenance	\$ 2,500	\$ 3,000			3,000									3,000
		Motor Repair	\$ 115,000	\$ 115,000									40,000	45,000	30,000	115,000
		Pump Repair	\$ 125,000	\$ 125,000									30,000	70,000	25,000	125,000
		RWWT/P	\$ 50,000	\$ 50,000									50,000			50,000
		Site Rehab (well etc)	\$ 35,000	\$ 35,000									20,000	15,000		35,000
		Telephone Maintenance	\$ 500	\$ 500								500				500
		Tractor/Forklift Maintenance	\$ 20,000	\$ 20,000								20,000				20,000
		Vehicle maintenance	\$ 15,000	\$ 15,000								15,000				15,000
		VFDs	\$ 120,000	\$ 120,000									45,000	45,000	30,000	120,000
		Legal Services	\$ 150,000	\$ 305,000	\$ 0	\$ 125,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 108,000	\$ 72,000	\$ 0	\$ 305,000
		Legal Counsel	\$ 35,000	\$ 120,000		120,000							-	-		120,000
		Legal Counsel-Special Counsel	\$ 115,000	\$ 185,000		5,000							108,000	72,000		185,000
		Dues & Subscriptions	\$ 63,650	\$ 57,000	\$ 7,000	\$ 50,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 57,000
		ACWA	\$ 26,000	\$ 27,500		27,500										27,500
		AWA	\$ 6,500	\$ 8,000		8,000										8,000
		AWWA	\$ 2,700	\$ 2,850		2,850										2,850
		CASA	\$ 6,000	\$ 6,500		6,500										6,500
		CMUA	\$ 4,500	\$ 5,000		5,000										5,000
		CWEA	\$ 3,000	\$ -												0
		IT Knowledge Base	\$ 500	\$ -												0
		Memberships	\$ 3,000	\$ 3,000		3,000										3,000
		Recertifications	\$ 4,000	\$ 4,000		4,000										4,000
		VCSDA	\$ 150	\$ 150		150										150
		Water Reuse	\$ 1,500	\$ -												0
		WCVC	\$ 5,000	\$ -												0
		Conference & Travel	\$ 24,500	\$ 28,400	\$ 6,600	\$ 21,800	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 28,400
		ACWA	\$ 17,000	\$ 17,000	4,000	13,000										17,000
		AWA	\$ 1,600	\$ 1,600	600	1,000										1,600
		CASA	\$ 3,000	\$ 4,500		4,500										4,500
		General Meetings	\$ 1,000	\$ 3,000		3,000										3,000
		SWRCB/Legislature	\$ 2,000	\$ 2,000	2,000											2,000
		VCSDA	\$ 300	\$ 300		300										300
		Safety & Training	\$ 66,200	\$ 57,000	\$ 57,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 57,000
		Employee Recognition	\$ 10,000	\$ 10,000	10,000											10,000
		Education Courses	\$ 27,500	\$ 15,000	15,000											15,000
		Safety Lunches	\$ 12,000	\$ 12,000	12,000											12,000
		Safety Shoes	\$ 5,000	\$ 5,000	5,000											5,000
		Technical Seminars/Safety Training	\$ 11,700	\$ 15,000	15,000											15,000

## #2 All Programs Combined (Continued)

2025-26 Budget		Activity Code	FY 2024-25 District Budget Combined	FY 2025-26 District Budget Combined	Human Resources \$	General Administration 10	Info Systems 11	Rescue Ping & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Gnuds & Rolling Sltk 26	Potable Water 52	Non-Potable Water 53	Waste/Water Services 57	Program Totals
Board Expense	50330		\$ 180,000 \$	\$ 177,000	\$	\$ 177,000		\$	\$	\$	\$	\$	\$	\$	\$	\$177,000
Directors Fees			\$ 160,000 \$	\$ 177,000												177,000
Election Costs			\$ 20,000 \$	-												0
Bad Debt	50340		\$ 10,000 \$	\$ 10,000	\$	\$ 10,000		\$	\$	\$	\$	\$	\$	\$	\$	\$10,000
Fees and Charges	50350		\$ 342,875 \$	\$ 356,375	\$250	\$52,050	\$	\$	\$	\$	\$15,000	\$16,500	\$168,575	\$19,500	\$84,500	\$356,375
Annual ELAP Accreditation Fee			\$ 15,000 \$	\$ 15,000							15,000					15,000
Annual Waste Disch Permit			\$ 70,000 \$	\$ 70,000											70,000	70,000
Bank Fees			\$ 30,000 \$	\$ 25,000		25,000						7,500				25,000
City of Camarillo Encroachment Permit			\$ 6,500 \$	\$ 7,500												7,500
Collection Agency			\$ 500 \$	\$ 500		500										500
EPA Fees			\$ 1,500 \$	\$ 1,500											1,500	1,500
GASB 68 Report			\$ 800 \$	\$ 800		800										800
GMA Extraction Fees			\$ 75,000 \$	\$ 75,000									75,000			75,000
Health Savings Administration Fee			\$ 250 \$	\$ 250	250											250
LAFCO			\$ 19,500 \$	\$ 18,000		18,000										18,000
MWPRCA			\$ 1,000 \$	\$ 1,000		1,000										1,000
Other			\$ 4,000 \$	\$ 4,000		4,000										4,000
Permits & Inspections			\$ 1,075 \$	\$ 1,075									1,075			1,075
SWRCB groundwater filing			\$ 1,500 \$	\$ 1,500									1,000	500		1,500
SWRCB Water System Fees			\$ 62,000 \$	\$ 76,000									60,000	16,000		76,000
Ventura Co. Annual Excavation Permit			\$ 2,500 \$	\$ 2,500								2,500				2,500
Ven Co. HazMat Fees (fuel tanks)			\$ 22,500 \$	\$ 27,500								2,500	17,000		8,000	27,500
Ventura Co. Generator Permits			\$ 21,000 \$	\$ 21,000								4,000	12,000	3,000	5,000	21,000
Ventura Co. Watershed			\$ 5,500 \$	\$ 5,500									2,500			5,500
Willington Trustee Fees			\$ 2,750 \$	\$ 2,750		2,750										2,750
Insurance	50360		\$ 180,000 \$	\$ 216,500	\$0	\$216,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$216,500
Claims against Self-Insurance			\$ 10,000 \$	\$ 10,000		10,000										10,000
Liability			\$ 103,000 \$	\$ 117,500		117,500										117,500
Property (Auto) & Cyber			\$ 67,000 \$	\$ 89,000		89,000										89,000

### #3 Schedule of Water and Wastewater Rates

The following table shows the customer class details of the District's water and wastewater rates:

#### **Meter Service Charges**

Potable Water					
Description	Rate				
	July 2024	July 2025	July 2026	July 2027	July 2028
	(\$/Month)	(\$/Month)	(\$/Month)	(\$/Month)	(\$/Month)
Master Metered	\$6.90	\$7.92	\$8.47	\$9.24	\$10.29
3/4"	\$14.85	\$17.08	\$19.19	\$21.92	\$24.94
1"	\$26.61	\$30.64	\$35.06	\$40.69	\$46.63
1.5"	\$55.97	\$64.48	\$74.66	\$87.54	\$100.76
2"	\$91.37	\$105.29	\$122.40	\$144.02	\$166.03
3"	\$203.50	\$234.54	\$273.64	\$322.95	\$372.77
4"	\$350.72	\$404.23	\$472.19	\$557.86	\$644.20
6"	\$527.61	\$608.13	\$710.76	\$840.12	\$970.34
8"	\$881.19	\$1,015.68	\$1,187.62	\$1,404.30	\$1,622.23
Fire Service					
Description	Rate				
	July 2024	July 2025	July 2026	July 2027	July 2028
	(\$/Month)	(\$/Month)	(\$/Month)	(\$/Month)	(\$/Month)
1"	\$80.92	\$90.30	\$91.46	\$91.74	\$93.97
1.5"	\$80.92	\$90.30	\$91.46	\$91.74	\$93.97
2"	\$80.92	\$90.30	\$91.46	\$91.74	\$93.97
3"	\$80.92	\$90.30	\$91.46	\$91.74	\$93.97
4"	\$80.92	\$90.30	\$91.46	\$91.74	\$93.97
6"	\$122.23	\$136.41	\$138.16	\$138.58	\$141.95
8"	\$204.81	\$228.56	\$231.50	\$232.20	\$237.85
10"	\$544.57	\$607.72	\$615.54	\$617.41	\$632.42
Non-Potable Water					
Description	Rate				
	July 2024	July 2025	July 2026	July 2027	July 2028
	(\$/Month)	(\$/Month)	(\$/Month)	(\$/Month)	(\$/Month)
Master Metered	\$5.02	\$5.02	\$5.02	\$5.02	\$5.02
3/4"	\$8.28	\$8.28	\$8.28	\$8.28	\$8.28
1"	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
1.5"	\$21.29	\$21.29	\$21.29	\$21.29	\$21.29
2"	\$32.48	\$32.48	\$32.48	\$32.48	\$32.48
3"	\$67.95	\$67.95	\$67.95	\$67.95	\$67.95
4"	\$114.51	\$114.51	\$114.51	\$114.51	\$114.51
6"	\$170.47	\$170.47	\$170.47	\$170.47	\$170.47
8"	\$282.30	\$282.30	\$282.30	\$282.30	\$282.30

### #3 Schedule of Water and Wastewater Rates (Continued)

#### Water Commodity Charges

Potable Water					
Description	Rate				
	July 2024	July 2025	July 2026	July 2027	July 2028
	(\$/HCF)	(\$/HCF)	(\$/HCF)	(\$/HCF)	(\$/HCF)
Residential, Master Meter, Domestic Agricultural					
Tier 1 - First 12 Units	\$4.16	\$4.40	\$4.70	\$4.99	\$5.26
Tier 2 - 13 Units and Higher	\$4.80	\$5.09	\$5.39	\$5.67	\$6.01
Commercial, Industrial, Public	\$4.80	\$5.09	\$5.39	\$5.67	\$6.01
Dedicated Irrigation	\$4.80	\$5.09	\$5.39	\$5.67	\$6.01
Fire Service	\$4.80	\$5.09	\$5.39	\$5.67	\$6.01
Temporary/Out of Bounds/Emergency Service	\$6.94	\$7.51	\$8.10	\$8.66	\$9.21
Non-Potable Water					
Description	Rate				
	July 2024	July 2025	July 2026	July 2027	July 2028
	(\$/HCF)	(\$/HCF)	(\$/HCF)	(\$/HCF)	(\$/HCF)
Non-Potable Irrigation Water	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40
Blended Non-Potable Agricultural	\$3.36	\$3.36	\$3.36	\$3.36	\$3.36
Non-Potable Commercial Agricultural - Contractual (	TBD	TBD	\$2.40	\$2.40	\$2.40
Non-Potable Residential Landscape (SRM)	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40
Recycled Commercial Ag - Contractual (1)	TBD	TBD	\$2.40	\$2.40	\$2.40
Recycled Landscape Irrigation	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40
Recycled Surplus Water (Served Outside District)	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40

#### Wastewater Charges

Wastewater					
Description	Rate				
	July 2024	July 2025	July 2026	July 2027	July 2028
	(\$/EDU)	(\$/EDU)	(\$/EDU)	(\$/EDU)	(\$/EDU)
All Customers	\$48.77	\$54.14	\$60.11	\$66.73	\$74.08
Customers through City of Thousand Oaks	\$55.56	\$56.94	\$58.33	\$59.72	\$61.57

#### Notes:

Billing units in hundred cubic feet (HCF). One HCF equals 748 gallons. One acre-foot = 435.6 HCF.

(1) Contractual customer agreements increase January based on index of prior fiscal year.

(2) Pump Zone Surcharge: Applies to certain areas in the District that are situated at higher elevations; therefore require additional pumping for water delivery. Potable water pump zone charge is \$0.12 per HCF. Non-potable water pump zone charge is \$0.07 per

(3) Wildwood Estates Facilities Construction Fee is \$0.152 per HCF.

## #4 Outstanding Debt

Camrosa Water District			
2011A/2016 Project Bonds			
FY	Interest	Principal	Total
2026	288,932	760,000	1,048,932
2027	261,981	780,000	1,041,981
2028	238,144	815,000	1,053,144
2029	219,656	830,000	1,049,656
2030	201,850	845,000	1,046,850
2031	182,072	865,000	1,047,072
2032	168,300	175,000	343,300
2033	161,200	180,000	341,200
2034	153,800	190,000	343,800
2035	146,100	195,000	341,100
2036	138,100	205,000	343,100
2037	128,625	215,000	343,625
2038	117,625	225,000	342,625
2039	106,125	235,000	341,125
2040	94,125	245,000	339,125
2041	81,500	260,000	341,500
2042	68,250	270,000	338,250
2043	54,375	285,000	339,375
2044	39,750	300,000	339,750
2045	24,375	315,000	339,375
2046	8,250	330,000	338,250
<b>TOTAL</b>	<b>\$2,883,135</b>	<b>\$8,520,000</b>	<b>\$11,403,135</b>

Water Program			
Debt Service			
FY	Interest	Principal	Total
2026	263,319	595,000	858,319
2027	242,231	610,000	852,231
2028	223,619	635,000	858,619
2029	209,181	650,000	859,181
2030	195,257	660,000	855,257
2031	179,816	675,000	854,816
2032	168,300	175,000	343,300
2033	161,200	180,000	341,200
2034	153,800	190,000	343,800
2035	146,100	195,000	341,100
2036	138,100	205,000	343,100
2037	128,625	215,000	343,625
2038	117,625	225,000	342,625
2039	106,125	235,000	341,125
2040	94,125	245,000	339,125
2041	81,500	260,000	341,500
2042	68,250	270,000	338,250
2043	54,375	285,000	339,375
2044	39,750	300,000	339,750
2045	24,375	315,000	339,375
2046	8,250	330,000	338,250
<b>TOTAL</b>	<b>\$2,803,923</b>	<b>\$ 7,450,000</b>	<b>\$10,253,923</b>

Potable Water Program			
2011A/2016 Project Bonds			
FY	Interest	Principal	Total
2026	259,214	568,300	827,514
2027	239,071	582,700	821,771
2028	221,293	606,500	827,793
2029	207,502	620,900	828,402
2030	194,203	630,300	824,503
2031	179,456	644,700	824,156
2032	168,300	175,000	343,300
2033	161,200	180,000	341,200
2034	153,800	190,000	343,800
2035	146,100	195,000	341,100
2036	138,100	205,000	343,100
2037	128,625	215,000	343,625
2038	117,625	225,000	342,625
2039	106,125	235,000	341,125
2040	94,125	245,000	339,125
2041	81,500	260,000	341,500
2042	68,250	270,000	338,250
2043	54,375	285,000	339,375
2044	39,750	300,000	339,750
2045	24,375	315,000	339,375
2046	8,250	330,000	338,250
<b>TOTAL</b>	<b>\$2,791,239</b>	<b>\$ 7,278,400</b>	<b>\$10,069,639</b>

Non-Potable Water Program			
2011A/2016 Project Bonds			
FY	Interest	Principal	Total
2026	4,105	26,700	30,805
2027	3,160	27,300	30,460
2028	2,326	28,500	30,826
2029	1,679	29,100	30,779
2030	1,054	29,700	30,754
2031	360	30,300	30,660
<b>TOTAL</b>	<b>\$12,684</b>	<b>\$171,600</b>	<b>\$184,284</b>

Wastewater Program			
2011A/2016 Project Bonds			
FY	Interest	Principal	Total
2026	25,613	165,000	190,613
2027	19,750	170,000	189,750
2028	14,525	180,000	194,525
2029	10,475	180,000	190,475
2030	6,594	185,000	191,594
2031	2,256	190,000	192,256
<b>TOTAL</b>	<b>\$ 79,213</b>	<b>\$1,070,000</b>	<b>\$1,149,213</b>

## #5 Reserve Fund Policy



**Board of Directors**  
Al E. Fox  
Division 1  
Jeffrey C. Brown  
Division 2  
Timothy H. Hoag  
Division 3  
Eugene F. West  
Division 4  
Terry L. Foreman  
Division 5  
**General Manager**  
Tony L. Stafford

### **Resolution No: 21-18**

A Resolution of the Board of Directors  
of Camrosa Water District

#### **Adopting a Statement of Reserve Policy**

**Whereas,** the District collects capital fees from new developments for both water and wastewater service and deposits said fees into a reserve account for future expansion of the respective systems; and

**Whereas,** large capital outlays will be necessary in the future for replacement of portions of the water and wastewater infrastructure as they come to the end of their useful life; and

**Whereas,** it is in the best interests of the customers of Camrosa to fund future expansion and capital replacement while minimizing additional debt; and

**Whereas,** it is in the best interests of the customers of Camrosa to fund emergency repairs while maintaining a stable rate structure; and

**Whereas,** it is the intent of the Board of Directors to maintain adequate reserves for ongoing needs, to minimize the need for new debt financing for future capital projects, and to maintain an affordable and stable rate structure; and

**Whereas,** the policy is being amended to incorporate an Unfunded Accrued Liability fund (UAL) to set aside monies for future prepayments to CalPERS;

**Now, Therefore, Be It Resolved,** by the Camrosa Water District Board of Directors, that the attached Statement of Reserve Policy is adopted and made effective this date; and

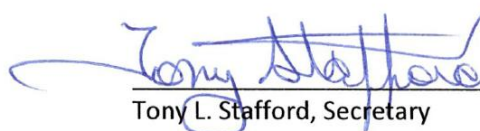
**Be It Further Resolved** that contributions to reserves shall be established at levels that will accumulate necessary funds to:

- Increase system capacity and accommodate growth
- Replace assets of the District as required
- Meet unanticipated emergencies
- Stabilize rates and dampen the effects of one-time expenditures that may otherwise require an adjustment in the District rate structure
- Meet the covenants of outstanding debt issues and other agreements; and

**Be It Further Resolved** that this reserve fund policy supersedes any and all reserve fund policies and reserve levels specified previously in District policies.

**Adopted, Signed, and Approved** this 14<sup>th</sup> day of October 2021.

  
Eugene F. West, President  
Board of Directors  
Camrosa Water District

 (ATTEST)  
Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District

## **Camrosa Water District**

### **Statement of Reserve Fund Policy**

#### **Purpose:**

It is the intent of the Board to maintain adequate reserves for ongoing needs, to minimize the need for new debt financing for future capital projects, and to maintain an affordable and stable rate structure. This statement is intended to provide guidelines for the maintenance of the financial reserves of the District. The ultimate goal of this statement is to identify the categories of reserves to be maintained, to establish the method for identifying the need for each category of reserves, to identify the sources of contribution to reserves, and to provide for periodic review of both reserve levels and this reserve policy.

#### **Scope:**

This reserve fund policy applies to all financial reserves of the District, as well as other funds that may be created from time to time which shall also be administered in accordance with the provisions of this policy. It includes reserves in the form of investments monitored and controlled by the Board as well as reserves held in trust in accordance with the covenants of specific debt issuance instruments.

#### **Policy:**

The budget for the District shall be prepared in a manner that assures adequate reserves for ongoing needs while minimizing the need for new debt. In particular, contributions to reserves shall be established at levels that will accumulate necessary funds to:

- ▶ establish sound formal fiscal reserve policies to ensure strong fiscal management to guide future District decisions;
- ▶ increase system capacity and accommodate growth;
- ▶ provide funding for current and future replacement of existing assets as they reach the end of their useful lives;
- ▶ meet unanticipated emergencies;
- ▶ help smooth rates from year-to-year, and to promote equity over the years to ratepayers; and
- ▶ meet the covenants of outstanding debt issues and other agreements.

All reserves must be identifiable to one of these purposes; reserves shall not be accumulated in excess of levels needed to satisfy these purposes. Reserves may, as deemed prudent by the Board, be used to satisfy more than one purpose.

#### **Classification of Reserves:**

Two primary classifications of reserves are established, each with several categories to earmark reserves for specific purposes identified in the policy above.

**Restricted Assets** There are three primary categories of restricted assets as follows:

- a. *Debt Covenant Reserves* are established in accordance with covenants of specific debt issuance instruments.
- b. *Specific Agreement Reserves* are established in accordance with agreements between the District and other agencies.
- c. *GIP Reserves* are funds earmarked for near-term expenditure under the approved Capital Improvement Plan (CIP) for the current fiscal year.

These reserves may only be used for the specific purposes outlined in the debt issuance instrument, the agreement with another agency or the annual CIP and may not be used to meet reserve levels required for other purposes.

**Designated Reserves** are established by the Board to meet purposes other than those identified to restricted assets. The categories of reserves that fall under this classification are:

- a. **Capital Improvement Fund (CIF)** - Capital cost recovery fees collected from developers to obtain entitlement to existing water and wastewater capacity and to fund construction of capacity expansion are segregated in the CIF.

Applicable Funds: Potable, Non-Potable and Wastewater Capital Improvement Funds.

- b. **Capital Replacement Fund (CRF)** - Funds are for both short-term and long-term purposes. The objective is to provide funds for the current and future replacement of existing capital assets as they reach their useful lives.

Applicable Funds: Potable, Non-Potable and Wastewater Capital Replacement Funds.

- c. **Rate Stabilization Fund (RSF)** - Funds operate as a buffer to water and wastewater rates during any period where there is an unexpected increase in operating costs or decrease in revenues. For example, in the event of an unexpected rate increase from Calleguas/MWD and the District chooses not to pass the increase on to its customers immediately, this fund could cover the shortfall in revenue. In addition, in a severe drought or extremely wet conditions, it is reasonable to expect that water sales could fluctuate significantly. The Rate Stabilization Fund will absorb these types of fluctuations in operations and help stabilize rates. A secondary purpose is to assure minimum debt service coverage of the District's bond covenants. In calculating debt service coverage, contributions from the RSF will be treated as revenue.

Applicable Funds: Potable, Non-Potable and Wastewater Rate Stabilization Fund.

- d. **Operating and Emergency Reserves (OER)** - Funds designated to provide financial flexibility in the day-to-day conduct of district business and to respond quickly to emergency situations that may pose threats to public health and the District's ability to sustain safe or reliable service.

Applicable Funds: Potable, Non-Potable and Wastewater Operating and Emergency Reserve Fund.

- e. **Unfunded Accrued Liability (UAL)** - Funds are for both short-term and long-term purposes. The objective is to provide funds needed to fully fund accrued liabilities. UAL payments are a dollar amount adjusted annually by CalPERS.

Applicable Funds: Potable, Non-Potable and Wastewater Operating Unfunded Accrued Liability Fund.

The Board of Directors may review fund designations from time-to-time and establish new or eliminate established designated reserve funds as operational needs may dictate.

#### **Sources of Funds:**

The source of funds for each category of reserves varies. For Restricted Assets, the source of funds to meet bond covenants or terms of individual agreements is specified in the debt issuance instrument or agreement that mandated the establishment of a reserve. Use of the funds is limited as specified in the covenants of the agreement. Reserves earmarked for near-term expenditure under the approved Capital Improvement Plan (CIP) for the current fiscal year will be deducted from the appropriate Designated Reserve and established as a Restricted Asset.

In the case of Designated Reserves, contributions may come from several sources as follows:

- a. **Capital Improvement Fund (CIF)** - Accumulated capital fees collected during property development to ensure adequate water and wastewater system capacity.
- b. **Capital Replacement Fund (CRF)** - Contribution from net operating results.
- c. **Rate Stabilization Fund (RSF)** - Contribution from net operating results from operations at the discretion of the Board to maintain the fund balance and to stabilize rates and meet the District's bond covenants.
- d. **Operating and Emergency Reserves (OER)** - Contribution from net operating results after all other contributions to reserves have been made.
- e. **Unfunded Accrued Liability (UAL)** - Contribution from net operating results or Capital Replacement Fund.

The contribution of revenues of the District to meet replacement needs is based upon expected replacement costs and expected remaining life of the various assets.

### **Expenditure of Reserves:**

Expenditure of reserves is authorized as part of the annual budget process. Capital Replacement projects are individually authorized and may be designated either as Capital Improvement, Capital Replacement, Fixed Asset or a combination of, and funded from the appropriate reserve funds.

Prior to the expenditure of funds from any capital replacement fund, an analysis shall be conducted to determine if the asset has truly come to the end of its expected life and the asset is still required to meet the needs of District customers for the foreseeable future. In all cases, application of new technology should be considered to improve efficiency and economy of District operations.

Designated Reserves may also be used at the discretion of the Board to meet unanticipated financial needs such equipment failures, damage caused by natural disaster or other emergencies requiring funds beyond annual revenues. Funds contained in the Rate Stabilization Funds may be used to manage rates and rate increases and to offset sudden and unanticipated losses in revenue, such as reduced water and wastewater sales. These funds may be used to compensate for losses resulting from sudden increases in wholesale water rates and increases in water and wastewater operating costs and may be used to meet the minimum debt service coverage required in accordance with specific debt covenants. The contribution to and utilization of the Water and Wastewater Rate Stabilization Fund may be budgeted in the District's Annual Budget or utilized in an unanticipated financial need.

### **Levels of Reserve Funds:**

Adequate levels of reserves are critical to the successful and stable short- and long- term operation of the District. Sufficient reserve fund balances will ensure that customers experience both stable rates for service and the security that the District can respond to short-term emergencies. Sufficient reserves will provide the overall financial strength to the District to protect its bonding capacity and to finance and construct the infrastructure necessary to renew existing systems and expand service levels to meet future needs. Rates and fees should be maintained at a level to ensure the balance within the various reserve funds are sufficient to meet the specified needs for the reserve funds without generating funds surplus to the District's needs.

- a. **Restricted Assets** - Reserves required by debt agreements and funds designated to fund the current year CIP will be maintained at 100% of level required by each reserve category. Funds in these reserve accounts will not be used to meet the required reserve fund balance for any other category of reserves.
- b. **Capital Replacement (CRF)** -At the beginning of each budget year, each reserve fund balance should be a minimum of 5% of the projected capital asset replacement value to determine the target level for the Capital Replacement Reserves.
- c. **Capital Improvement (CIF)** - The CIF is used for new development and is development driven as are the costs incurred; therefore, no minimum or maximum.
- d. **Rate Stabilization Fund (RSF)** - This fund is used to stabilize rates in the event of short to mid-term rate revenue loss, and/or higher than anticipated operating expenses that cannot be supported by normal revenues. Rate Stabilization funds can be used to balance the budget. The scheduled target will be 10% of the prior year's rate revenue. Rate revenue is defined as revenue generated from the commodity charges only.
- e. **Operating and Emergency Reserves (OER)** - The minimum target OER balance shall be the 45-Day average of operating expense budget (excluding wholesale water costs).
- f. **Unfunded Accrued Liability (UAL)** - The target is to be 100% percent funded with a zero UAL balance. To attain 100% funding level the use of reserves may be set aside in the UAL fund to apply additional discretionary payments towards the liability.

### **Review:**

An annual review of reserve levels is necessary during the budget preparation process to ensure proper levels of reserves are maintained. In addition, this reserve policy shall be reviewed by the Board on a biennial basis to ensure continued conformance with long-term Board strategy.

## #6 Investment Policy



Board of Directors  
Andrew F. Nelson  
Division 1  
Jeffrey C. Brown  
Division 2  
Timothy H. Hoag  
Division 3  
Eugene F. West  
Division 4  
Terry L. Foreman  
Division 5  
**General Manager**  
Norman Huff

### **Resolution No: 25-02**

A Resolution of the Board of Directors  
of Camrosa Water District

#### **Adopting a District Investment Policy**

**Whereas,** The Board of Directors has established a District Investment Policy to provide guidelines for the prudent investment of the District's temporarily idle cash; and,

**Whereas,** It is in the best interests of the District to review that investment policy from time to time to ensure maximum yield while maintaining criteria to ensure safety and liquidity; and,

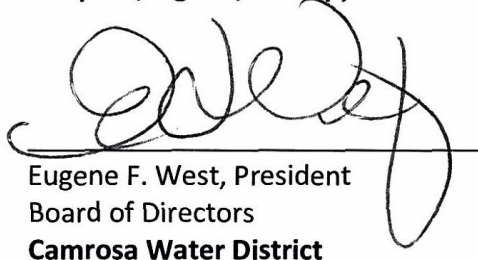
**Whereas,** The Investment Policy was last adopted in April 2024 with changes to be aligned with permitted investments and maturities according to state government codes and best management practices. The Investment Policy has been presented to the full Board for review and comment; and,

**Whereas,** Staff and the Ad-Hoc Committee have reviewed the Policy for compliance with current regulations and have found that no changes were required by law; and,


**Whereas,** The Investment Policy has been presented to the full Board for review and comment; and,

**Now, Therefore, Be It Resolved** by the Camrosa Water District Board of Directors that the attached Investment Policy is hereby adopted and made effective this date; and,

**Adopted, Signed, and Approved** this 13<sup>th</sup> day of March 2025.



Eugene F. West, President  
Board of Directors  
Camrosa Water District



Norman Huff, Secretary  
Board of Directors  
Camrosa Water District

(ATTEST)

**CAMROSA WATER DISTRICT  
STATEMENT OF INVESTMENT POLICY  
March 2025**

**PURPOSE:**

This statement is intended to provide guidelines for prudent investment of the District's temporarily idle cash, and outline policies and procedures for maximizing efficiency of the District's cash management system. The ultimate goal is to enhance the economic status of the District while protecting its cash resources. This policy also serves to organize and formalize the District's investment-related activities, while complying with all applicable statutes governing the investment of public funds. This policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), and California Debt and Investment Advisory Commission (CDIAC).

**SCOPE:**

This investment policy applies to all financial assets under the direct authority of the District, as well as other funds that may be created from time to time which shall also be administered in accordance with the provisions of this policy.

The District's investment policy does not apply to the following:

- Investments of bond proceeds are not subject to the provisions of this policy. Bond proceeds are to be invested pursuant to the permitted investment provisions of their specific bond indentures.
- Cash and investments held in lieu of retention by banks or other financial institutions for construction projects.

**THE INVESTMENT PROCESS:**

The investment of public funds is a professional discipline. The investment process has the following components:

- A written investment policy explicitly identifies the District's opportunities, constraints, preferences, and capabilities.
- An Investment Strategy identifying Investment opportunities and overall objectives of the District.
- A Market Analysis identifying the District's circumstances and market conditions.
- A Portfolio Analysis identifying adjustments needed in response to changing circumstances, results, and new objectives.

**PRUDENCE:**

Pursuant to California Government Code, Section 53600.3, all persons authorized to make investment decisions on behalf of the District are trustees and therefore fiduciaries subject to the *Prudent Investor Standard*:

"...all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The Board of Directors, General Manager, Finance Manager, and other authorized persons responsible for managing District funds acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes provided that the Board of Directors, General Manager, Finance Manager, or other authorized persons acted in good faith. Deviations from expectations of a security's credit or market risk should be reported to the governing body in a timely fashion and appropriate action should be taken to control adverse developments.

### **POLICY:**

The Camrosa Water District shall invest its pooled, temporary idle cash investments in a manner that affords the District a broad spectrum of investment opportunities as long as the investment is deemed prudent and is allowable under current legislation of the State of California (Water Code Section 31303 and 31336 and Government Code Section 53600 et seq.).

The General Manager shall establish a system of internal controls to be reviewed by the Investment Committee and by the independent auditor performing the annual Agreed Upon Procedures on the Investment Policy. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by District staff.

### **OBJECTIVES:**

The District's overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

The basic objectives of the District's investment program are, in order of priority,

- 1) Safety of invested funds; and
- 2) Maintenance of sufficient liquidity to meet cash flow needs; and
- 3) Attainment of the maximum return possible consistent with the first two objectives.

These objectives will be accomplished using the following procedures:

**Safety** – Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the District will diversify its investments by investing funds among a variety of securities with independent returns.

**Liquidity** – The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. The District's financial portfolio must be structured in a manner which will provide that securities mature at approximately the same time as cash is needed to meet anticipated demands. To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The District will not invest in securities maturing more than five (5) years from the date of settlement, unless the Board of Directors has by resolution granted authority to make such an investment.

**Return of Investments** – The investment portfolio shall be designed with overall objective of obtaining a market rate of return throughout budgetary and economic cycles, commensurate with investment risk constraints for safety, liquidity, and cash flow needs.

### **AUTHORIZED INVESTMENTS:**

The District's investments are governed by California Government Code, Sections 53600 *et seq.* An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers.

The General Manager must take special care to ensure that the list of instruments includes only those allowed by law. The following table contains allowable investment instruments per State Government Code (As of January 1, 2024). This table will be reviewed annually and updated as needed as part of the investment policy annual review.

INVESTMENT TYPE	MAXIMUM MATURITY	MAXIMUM SPECIFIED % OF PORTFOLIO	MINIMUM QUALITY REQUIREMENTS	GOV'T CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601 (a)
U.S. Treasury Obligations	5 years	None	None	53601 (b)
State Obligations CA And Others	5 years	None	None	53601 (c) 53601 (d)
CA Local Agency Obligations	5 years	None	None	53601 (e)
U.S Agency Obligations	5 years	None	None	53601 (f)
Negotiable Certificates of Deposit	5 years	30%	None	53601 (i)
Non-Negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50%	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50%	None	53601.8 and 53635.8
Medium Term Notes	5 years or less	30%	"AA" rating category or its equivalent or better	53601 (o)
Mutual Funds And Money Market Mutual Funds	N/A	20%	Multiple (a)(b)	53601 (l) and 53601.6 (b)
Collateralized Bank Deposits	5 years	None	None	53630 et seq. and 53601 (n)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple (c)	53601 (p)
Local Agency Investment Fund	N/A	None	None	16429.1
Voluntary Investment Program Fund	N/A	None	None	16340
Supranational Obligations	5 years or less	30%	"AA" rating category or its equivalent or better	53601 (q)
Public Bank Obligations	5 years	None	None	53601 (r), 53635 (c) and 57603

(a) A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies, or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601 and 53635.

- (b) *A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.*
- (c) *A joint power authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).*

## **INVESTMENT CONSTRAINTS:**

General Guidelines – Funds held for capital replacement shall be invested in securities that reasonably can be expected to produce enough income to offset inflationary construction cost increases. Such funds shall not be exposed to market price risks or default risks that would jeopardize the assets available to accomplish their stated objective. Such would be the case with obligations of the U.S. Government or its agencies.

Delegation of Authority – Authority to manage the investment program is derived from the California Government Code Section 53600 et seq. and Sections 53635 et seq. The Board of Directors delegates management responsibility for the investment program to the General Manager and Finance Manager who shall establish written procedures for the operation of the investment program, consistent with this policy.

Maximum Maturities – Individual investments within the investment portfolio are limited to a maximum of five years except where further limited by State Law and/or this policy. The District is a “buy and hold” investor whereby securities are purchased with the intent of being held until maturity. Maturities will be matched with the District's cash flow requirements. After cash flow requirements are met, investment considerations will include seeking additional yield that may be available in the market.

Diversification – It is the District's policy to diversify its investment portfolio to control credit risk. Diversification strategies shall be determined and revised periodically. Maturities shall be staggered to provide for liquidity and stability of income. The restriction on concentration in a single security type or institution is detailed above under Authorized Investments.

Investment Pools / Mutual Funds – Investment pools include LAIF, county pooled investment funds, and shares of beneficial interest (mutual funds and money market funds), and joint powers authority pools. A thorough investigation of any pool or fund is required prior to the District's investment on a periodic basis while funds are invested. The investigation will include review of the following items: eligible investments; investment policy and/or investment objectives; interest calculation, distribution, and treatment of gains/losses; schedule for receiving statements and portfolio listings; and fees.

Prohibited Investments – Investments by the District in securities permitted by the California Government Code, but not specifically approved by Board Resolution are prohibited without the prior approval of the Board of Directors. The District shall not invest any funds such as inverse floaters, range notes, and other instruments not outlined in California Government Code Section 53601 as allowable investments nor in any security that could result in zero interest if held to maturity. No representative of the District is authorized to engage in margin transactions, derivatives or reverse repurchase agreements on behalf of the District. Finally, while it may occasionally be necessary or strategically prudent of the District to sell a security prior to maturity to either meet unanticipated cash needs or to restructure the portfolio, no investment may be made for the sole purpose of speculating or taking an unhedged position on the future direction of interest rates.

Collateralization – Collateralization will be required on all certificates of deposit that exceed the FDIC/NCUA insurance limits. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for Certificates of Deposits.

Security Dealers and Depositories – Where possible, the District shall seek to conduct its investment transactions with several competing, reputable security dealers and brokers as the need may arise. The selection process shall screen out institutions that lack viability or whose past practices suggest the safety of public capital, directed to or through such firms, would be impaired.

To be eligible, a firm must be licensed by the State of California as a broker/dealer as defined in Section 25004 of the California Corporations Code. Broker/dealers will be selected on the basis of their expertise in public cash management and their ability to provide service to the District's accounts. Broker/dealers shall be selected by creditworthiness (e.g., a minimum capital requirement of \$10,000,000 and at least five years of operation).

All financial institutions utilized for investment transactions (and which are not dealing only with the investment adviser) must supply the District with audited financials and a statement certifying that the institution has reviewed the California Government Code, Section 53600 *et seq.* and the District's investment policy and they understand and agree to abide by it. The District will conduct an annual review of the financial condition and registrations of such qualified institutions.

**Ethics and Conflict of Interest** – All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus, employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the District.

## **RESPONSIBILITIES:**

**General Manager** - The General Manager is charged with responsibility for maintaining custody of all public funds and securities belonging to or under the control of the District and for the deposit and investment of those funds in accordance with principles of sound fiscal management and in conformance with applicable laws and ordinances. The General Manager shall develop an investment procedures manual to implement this investment policy for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse as approved by the Board of Directors.

Details of the internal controls system shall be documented in an investment procedures manual and shall be reviewed annually. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognized that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following:

1. Control of collusion
2. Separation of transaction authority from accounting and record keeping
3. Custodial safekeeping
4. Avoidance of physical delivery securities
5. Clear delegation of authority to subordinate staff members
6. Written confirmation of transactions for investments and wire transfers
7. Dual authorizations of wire transfers
8. Development of a wire transfer agreement with the lead bank and third-party custodian

The internal controls are further defined in the Investment Procedures Manual attached.

The General Manager is responsible for keeping the Board of Directors fully advised as to the financial condition of the District.

District's Auditing Firm - The District's auditing firm's responsibilities shall include, but not be limited to, the examination and analyses of fiscal procedures and the examination, checking and verification of accounts and expenditures. An agreed upon procedures on the investment policy of the District is to be performed annually to review investment records and verify the investments have been made in accordance with this policy. This is a separate engagement for services and may be conducted by a different firm than the one conducting the annual audit of the District's financial statements. This review will provide internal control by assuring compliance with established policies and procedures.

Board of Directors - The Board of Directors shall consider and adopt a written Investment Policy. As provided in that policy, the Board shall receive, review, and accept monthly Cash Position Reports and Quarterly Investment Reports.

Investment Committee - An Investment Committee consisting of two (2) members of the Board of Directors appointed by the President, will meet with the General Manager as required to develop the general strategies, allocate reserve assets among various approved investment instruments, and to monitor results. The Committee shall include in its deliberations: potential risks to District funds, authorized depositors, brokers and dealers, the target rate of return on investments, and any other topics as it may determine or as directed by the Board of Directors. The Committee shall report to the full Board of Directors the results of the Investment Committee Meeting including any recommended actions. Investment transactions which require the transfer of funds from one investment to another shall require the signature of at least two board members, with the exception of interest installments and cash balances in the safekeeping account.

#### **REPORTING:**

The General Manager will provide the Board of Directors with monthly cash position and quarterly reports of investments. Such reports will provide at least the following: Type of investment, institution, date of maturity, amount of deposit, current market value of all securities maturing beyond one (1) year after reporting date, rate of interest and such other data as from time to time may be required by the Board.

#### **ANNUAL REVIEW:**

This investment policy shall be reviewed annually by the Investment Committee to ensure its consistency with respect to the overall objectives of safety, liquidity, and yield. Proposed amendments to the policy shall be reviewed by the Investment Committee and be forwarded to the Board of Directors for consideration.

## **ADDENDUM**

### GLOSSARY OF INVESTMENT TERMS:

**Agencies.** Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

**FFCB.** The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

**FHLB.** The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

**FHLMC.** Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “FreddieMac” issues discount notes, bonds, and mortgage pass-through securities.

**FNMA.** Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “FannieMae,” issues discount notes, bonds, and mortgage pass-through securities.

**GNMA.** The Government National Mortgage Association, known as “GinnieMae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

**PEFCO.** The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

**TVA.** The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

**Asset Backed Securities.** Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

**Average Life.** In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

**Banker’s Acceptance.** A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

**Benchmark.** A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

**Broker.** A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from their own position.

**Callable.** A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a lower rate of interest.

**Certificate of Deposit (CD).** A time deposit with a specific maturity evidenced by a certificate.

**Certificate of Deposit Account Registry SYSTEM (CDARS).** A private placement

service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the

only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

**Collateral.** Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

**Collateralized Bank Deposit.** A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

**Collateralized Mortgage Obligations (CMO).** Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

**Collateralized Time Deposit.** Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

**Commercial Paper.** The short-term unsecured debt of corporations.

**Coupon.** The rate of return at which interest is paid on a bond.

**Credit Risk.** The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

**Dealer.** A dealer acts as a principal in security transactions, selling securities from and buying securities for their own position.

**Debenture.** A bond secured only by the general credit of the issuer.

**Delivery vs. Payment (DVP).** A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

**Derivative.** Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

**Discount.** The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

**Diversification.** Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

**Duration.** The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

**Federal Deposit Insurance Corporation (FDIC).** The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

**Federally Insured Time Deposit.** A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

**Leverage.** Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

**Liquidity.** The speed and ease with which an asset can be converted to cash.

**Local Agency Investment Fund (LAIF).** A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

**Local Government Investment Pool.** Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

**Make Whole Call.** A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

**Margin.** The difference between the market value of a security and the loan a broker makes using that security as collateral.

**Market Risk.** The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

**Market Value.** The price at which a security can be traded.

**Maturity.** The final date upon which the principal of a security becomes due and payable. The investment's term or remaining maturity is measured from the settlement date to final maturity.

**Medium Term Notes.** Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

**Modified Duration.** The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

**Money Market.** The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

**Money Market Mutual Fund.** A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and

U.S. Treasury securities. Money market funds attempt to keep their net asset values at \$1 per share.

**Mortgage Pass-Through Securities.** A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

**Municipal Securities.** Securities issued by state and local agencies to finance capital and operating expenses.

**Mutual Fund.** An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For

most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

**Nationally Recognized Statistical Rating Organization (NRSRO).** A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

**Negotiable Certificate of Deposit (CD).** A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market.

**Primary Dealer.** A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

**Prudent Person (Prudent Investor) Rule.** A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

**Repurchase Agreement.** Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

**Safekeeping.** A service to bank customers whereby securities are held by the bank in the customer's name.

**Securities and Exchange Commission (SEC).** The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for protecting investors, maintaining fair and orderly functioning of securities markets, and facilitating capital formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

**Securities and Exchange Commission SEC) Rule 15c3-1.** An SEC rule setting capital requirements for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

**Structured Note.** A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities, or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

**Supranational.** A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

**Total Rate of Return.** A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

**U.S. Treasury Obligations.** Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all

other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**Treasury Bills.** All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues “cash management” bills as needed to smooth out cash flows.

**Treasury Notes.** All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

**Treasury Bonds.** All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

**Yield to Maturity.** The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

## #7 Debt Management Policy



Board of Directors  
A.E. Fox  
Division 1  
Jeffrey C. Brown  
Division 2  
Timothy H. Hoag  
Division 3  
Eugene F. West  
Division 4  
Terry L. Foreman  
Division 5  
General Manager  
Tony L. Stafford

### *Resolution No: 16-18*

#### *A Resolution of the Board of Directors of Camrosa Water District*

#### ***Establishing a Debt Management Policy***

*Whereas*, the Camrosa Water District has a long history of issuing debt instruments to provide financing for various capital improvement projects; and

*Whereas*, the Camrosa Water District also has a long history of conservative, prudent financial practices relating to debt issuance; and

*Whereas*, the purpose of the debt management policy is to assist the District in pursuit of the following equally important objectives:

- Achieve the lowest cost of capital
- Ensure ratepayer equity
- Maintain a credit rating strategy and access to credit enhancement
- Preserve financial flexibility; and

*Whereas*, the Camrosa Water District established a debt management policy, memorializing these past and current practices as formal policy and establishing best practices of debt management for the District.

*Now, Therefore, Be It Resolved* by the Camrosa Water District Board of Directors that the proposed Debt Management Policy is hereby approved and adopted, and the General Manager is authorized to implement the policy.

*Adopted, Signed, and Approved* this 11<sup>th</sup> day of August, 2016.

Eugene F. West, President  
Board of Directors  
Camrosa Water District

ATTEST:

Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District

# **CAMROSA WATER DISTRICT**

## **Debt Management Policy**

**Adopted August 11, 2016**

### **Policy Statement**

This policy documents the goals of the Camrosa Water District (District) for the use of debt instruments and provides guidelines for the use of debt for financing District water, sewer, and recycled water infrastructure and project needs. The District's overriding goal in issuing debt is to respond to and provide for its infrastructure, capital project, and other financing needs while ensuring that debt is issued and managed prudently in order to maintain a sound fiscal position and protect credit quality. The District issues debt instruments, administers District-held debt proceeds, and makes debt-service payments, acting with prudence, diligence, and attention to prevailing economic conditions.

The District will pay for all infrastructure, projects, and other financing needs from a combination of current revenues, available reserves, and prudently issued debt. The District believes that debt can provide an equitable means of financing projects for its customers and provide access to new capital. Debt will be used to meet financing needs (i) if it meets the goals of equitable treatment of all customers, both current and future; (ii) if it is the most cost-effective means available; (iii) if it is fiscally prudent, responsible, and diligent under the prevailing economic conditions; and (iv) if there are other important policy reasons therefor. The District will not issue debt without the approval of the Board of Directors (Board).

### **Purpose and Use of Debt**

The District will utilize reasonable debt financing as an acceptable and appropriate approach to fund long-term improvements and thus ensure that existing and future users contribute equitably. Long-term improvements include the acquisition of land, facilities, infrastructure, and supplies of water; and enhancements or enlargements to existing capacity and facilities for obtaining, importing, transporting, and delivering additional quantities of water. These improvements are typically included in the District's Operating and Capital Budget and capital plans as adopted by the Board of Directors. Bond proceeds can be issued to fund the planning, design, land acquisition, construction, equipment, attached fixtures and moveable pieces of equipment, or other costs as permitted by law.

### **Purpose of Policy**

The purpose of this debt management policy is to:

- Establish parameters for issuing debt
- Provide guidance to decision makers:
  - With respect to all options available to finance infrastructure, capital projects, and other financing needs
  - So that the most prudent, equitable and cost-effective method of financing can be chosen
- Document the objectives to be achieved both prior to issuance and subsequent to issuance
- Promote objectivity in the decision-making process
- Facilitate the financing process by establishing important policy decisions in advance

The District will adhere to the following legal requirements for the issuance of public debt:

- The state law which authorizes the issuance of the debt
- The federal and state laws which govern eligibility of the debt for tax-exempt status
- The federal and state laws which govern the issuance of taxable debt
- The federal and state laws which govern disclosure, sale, and trading of the debt both before and subsequent to issuance

## **Types of Debt**

Revenues Bonds, Notes, Certificates of Participation, special tax or special assessment bonds, capital leases, commercial paper, bank loans, direct placements, and lease- purchase financings will be treated as debt and subject to these same policies.

## **General Provisions**

The District will provide for a periodic review of its financial performance and review its performance relative to the financial policies outlined herein. These financial policies will be taken into account during the capital planning, budgeting, and rate setting processes. Necessary appropriations for annual debt service requirements will be routinely included in the District's annual budget. The District will maintain proactive communication with the investment community, including rating agencies, credit enhancers, and investors, to ensure future capital market access at the lowest possible interest rates.

The District's Debt Management Policy, the Reserve Policy, and the Investment Policy are integrated into the decision-making framework utilized in the budgeting and capital improvement planning process. As such, the following principles outline the District's approach to debt management:

- The District will issue debt only in the case where there is an identified source of repayment. Debt will be issued to the extent that (i) projected existing revenues

are sufficient to pay for the proposed debt service together with all existing debt service covered by such existing revenues, or (ii) additional projected revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt.

- The District will not issue debt to cover operating needs, unless specifically approved by the Board.
- Debt issuance for a capital project will not be considered unless such project has been incorporated into the District's adopted Operating and Capital Budget or as otherwise approved by the Board.
- Each proposal to issue debt will be presented to the Finance Ad-Hoc Committee prior to presenting to the Board for approval. At that time, an analysis will be provided demonstrating conformity to this Policy. This analysis will address the purpose for which the debt is issued and the proposed debt structure.

## **Conditions for Debt Issuance**

The following guidelines formally establish parameters for evaluating, issuing, and managing the District's debt. The guidelines outlined below are not intended to serve as a list of rules to be applied to the District's debt issuance process, but rather to serve as a set of practices to promote prudent financial management.

In issuing debt, the District's objectives will be to:

- Achieve the lowest cost of capital
- Ensure ratepayer equity
- Maintain a credit rating strategy, and access to credit enhancement
- Preserve financial flexibility

## **Standards for Use of Debt Financing**

When appropriate, the District will use long-term debt financing to achieve an equitable allocation of capital costs/charges between current and future system users, to provide more manageable rates in the near and medium term, and to minimize rate volatility. The District shall not construct or acquire a facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility throughout its expected life. Capital projects financed through debt issuance will not be financed for longer than the expected useful life of the project.

## **Debt Capacity**

There is no specific provision within the California Government Code that limits the amount of debt that may be issued by the District. The District's future borrowing capability is limited by the debt coverage ratio and additional debt limitations required by the existing bond covenants.

## Financing Criteria

Each debt issuance should be evaluated on an individual basis within the context of the District's overall financing objectives and current market conditions. The District will evaluate alternative debt structures (and timing considerations) to ensure the most cost- efficient financing under prevailing market conditions.

*Credit Enhancement* – The District will consider the use of credit enhancement on a case-by-case basis. Only when a clearly apparent savings can be realized shall credit enhancement be utilized.

*Cash-Funded Reserve vs. Surety* – If the issuance of debt requires a cash-funded debt service reserve fund, the District may purchase a surety policy or replace an existing cash-funded debt service reserve fund when deemed prudent and advantageous. The District may permit the use of guaranteed investment agreements for the investment of reserve funds pledged to the repayment of any of its debt when it is approved by the Board.

*Call Provisions* – In general, the District's securities should include optional call provisions. The District will avoid the sale of non-callable, long-term fixed rate bonds, absent careful evaluation of the value of the call option.

*Additional Bonds Test/Rate Covenants* – The amount and timing of debt will be planned to comply with the additional bonds tests and rate covenants outlined in the appropriate legal and financing documents, and this policy.

*Short-Term Debt* – The District may utilize short-term borrowing to serve as a bridge for anticipated revenues, construction financing, or future bonding capacity.

*Variable-Rate Debt* – Variable-rate debt products are rolling series of short-term investments that are resold periodically and are therefore priced at the short end of the yield curve at low interest rates. If an issuer accepts the risks inherent in variable interest rates, the issuer can take advantage of some of the lowest rates available on the market. Variable-rate debt may be appropriate for the District's portfolio, especially in the environment where increased interest earnings on invested funds offset the increased cost of variable-rate debt. Variable-rate debt products include variable-rate demand obligations, commercial paper, and auction rate securities. The District may consider the use of variable-rate debt products to achieve a lower cost of borrowing or for short-term borrowing. In determining whether or not to use variable-rate debt, the District will analyze the risks associated with the variable-rate debt products, including derivative products.

*Use of Variable-Rate Debt* – The District may consider the use of variable-rate debt products to achieve a lower cost of borrowing or for short-term borrowing. In determining whether or not to use variable-rate debt, the District will analyze, among other things, the risk associated with the variable-rate debt and the impact on the District's overall portfolio. Before issuing variable-rate debt, the District will analyze its cash position; the District will not issue variable-rate debt in an amount that exceeds 115 percent of its unrestricted cash position at the time of issuance.

*Investment of Bonds Proceeds* – Bond proceeds will be invested in accordance with the permitted investment language outlined in the bond documents for each transaction. The District will seek to maximize investment earnings within the investment parameters set forth in the respective debt financing documentation. The reinvestment of bond proceeds will be incorporated into the evaluation of each financing decision, specifically addressing the arbitrage/rebate position and evaluating alternative debt structures and refunding savings on a "net" debt service basis, where appropriate.

## Refinancing Outstanding Debt

The Manager of Finance shall have the responsibility to evaluate potential refunding opportunities. The District will consider the following issues when analyzing potential refinancing opportunities:

*Debt Service Savings* – The District shall establish a target savings level equal to three percent or higher of the par refunded on a net present value (NPV) basis (after payment of all costs associated with the issuance). This figure will serve only as a guideline and the District may determine that a different savings target is appropriate; the District shall evaluate each refunding opportunity on a case-by-case basis. In addition to the savings guideline, the following shall be taken into consideration:

- Remaining time to maturity
- Size of the issue
- Current interest rate environment

- Annual cash flow savings
- The value of the call option
- Revision of restrictive or onerous covenants
- Other factors approved by the District

*Restructuring* – The District may seek to refinance a bond issue on a non-economic basis, in order to restructure debt, mitigate irregular debt service payments, accommodate revenue shortfalls, achieve a proper matching of debt service with revenues, release reserve funds, or comply with and/or eliminate rate/bond covenants.

*Term/Final Maturity* – The District may consider the extension of the final maturity of the refunding bonds in order to achieve a necessary outcome, provided that such extension is legal. The term of the debt should not extend beyond the reasonably expected useful life of the asset being financed. The District may also consider shortening the final maturity of the bonds. The remaining useful life of the assets and the concept of intergenerational equity will guide these decisions.

### **Outstanding Debt Limitations**

Prior to issuance of new debt, the District shall consider and review the latest credit- rating reports and guidelines to ensure the District's credit ratings and financial flexibility remain at levels consistent with the most highly rated comparable public agencies.

### **Selection of Financing Team Members**

The District shall procure professional services as required to execute financing transactions and provide advice on non-transaction-related work. Professional services include Consultants (Financial Advisor, Legal Counsel – Bond, Disclosure and Tax); Service Providers (Trustee, Paying Agent, Printer, Letter of Credit, Verification Agent); and an Underwriting Team (Senior Manager, Co-Manager).

The District shall select its primary financing team members/consultant(s) by competitive process through a Request for Proposals (RFP) or a Request for Qualifications (RFQ).

The District shall establish selection criteria for selecting its financing team members. The criteria may include, but are not limited to:

- Professional excellence
- Demonstrated competence
- Specialized experience performing similar services for California agencies
- Education and experience of key personnel to be assigned
- Geographic proximity
- Staff capability
- Ability to meet schedules
- Nature and quality of similar completed work
- Reliability and continuity of the firm or individual
- Other considerations deemed by the District to be relevant and necessary to the performance of advisory services

### **Market Communication, Debt Administration and Reporting Requirements**

*Responsibilities* – For purposes of this policy, the General Manager delegates responsibility of market communication, debt administration, and reporting requirements to the Manager of Finance, or appropriate position determined by the General Manager.

*Rating Agencies* – The Manager of Finance shall be responsible for maintaining the District's relationships with Standard & Poor's Ratings Services, Fitch Ratings, and Moody's Investors Service, as appropriate. The District shall, from time to time, deal with one, two, or all of these agencies as circumstances dictate. In addition to

general communication, the Manager of Finance shall (1) meet, at least biennially, either in person or via phone, with credit analysts, and (2) offer, prior to each competitive or negotiated sale, conference calls or meeting(s) with rating analysts in connection with the planned sale.

*Observance of Debt Covenants* – The Manager of Finance will periodically ensure that the District is in compliance with all legal covenants for each debt issue.

*Continuing Disclosure* – The Manager of Finance will, for all debt issued, comply with Rule 15c3-12(b)(5) by required filing as covenanted in each debt issue's Continuing Disclosure Agreement. The Manager of Finance will maintain a calendar with the reporting deadlines and procedures for dissemination of annual reports and notices.

*Record Keeping* – A copy of all debt-related records shall be retained at the District's offices. At minimum these records shall include all official statements, bid documents, bond documents/transcripts, resolutions, trustee statements, leases, and title reports for each financing (to the extent available). To the extent possible, the District shall retain an electronic copy of each document, preferably in PDF or CD-ROM format.

*Arbitrage Rebate* – The District will comply with the administratively adopted policies and procedures regarding tax-exempt financings and tax-exempt finance property, as well as the tax and arbitrage certifications associated with each issue.

*Policy Review* – This policy should be reviewed on a biennial basis and adopted by the Board.

## **GLOSSARY OF TERMS**

**Advance Refunding** A procedure where outstanding bonds are refinanced by the proceeds of a new bond issue prior to the date on which the outstanding bonds become due or are callable. Generally, either the entire outstanding issue is refunded (full refunding) or only the callable bonds are refunded (partial refunding).

**Amortization** The planned reduction of a debt obligation according to a stated maturity or redemption schedule.

**Arbitrage** The difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage on the proceeds from issuance of municipal securities.

**Balloon Maturity** A later maturity within an issue of bonds which contains a disproportionately large percentage of the principal amount of the original issue.

**Basis Points** The measure of the yield to maturity of an investment calculated to four decimal places. A basis point is one one-hundredth of one percent (.01 percent).

**Bond Anticipation Notes (BANS)** Notes issued by the government unit, usually for capital projects, which are paid from the proceeds of the issuance of long term bonds.

**Bullet Maturity** A maturity for which there are no sinking-funds payments prior to the stated maturity date.

**Call Provisions** The terms of the bond contract giving the issuer the right to redeem all or a portion of an outstanding issue of bonds prior to their stated dates of maturity at a specific price, usually at or above par.

**Capitalized Interest** A portion of the proceeds of an issue set aside to pay interest on the securities for a specific period of time. Interest is commonly capitalized for the construction period of the project.

**Certificates of Participation (COP)** A bond from an issue, which is secured by lease payments made by the party leasing the facilities, financed by the issued. Typically COPs are used to finance the construction of facilities (e.g., infrastructure or buildings) used by a municipal agency, which leases the facilities from a financing authority. Often the agency is legally obligated to appropriate moneys from its general tax revenues to make lease payments.

**Competitive Sale** A sale of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities in contrast to a negotiated sale.

**Continuing Disclosure** The principle that accurate and complete information material to the transaction, which potential investors would be likely to consider material in making investment decisions with respect to the securities, be made available on an ongoing basis.

**Credit Enhancement** Credit support purchased by the issuer to raise the credit rating of the issued. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit.

**Debt Service Reserve Fund** The fund in which moneys are placed, which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements.

**Discount Bonds** Bonds which are priced for sale at a discount from their face or par value.

**Derivative** A financial product whose value is derived from some underlying asset value.

**Escrow** A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue.

**Gross Spread** The fees that underwriters receive for selling a public debt offering. The gross spread is equal to the difference between the price of a security paid by the underwriter and the offering price charged to the public.

The gross spread comprises three components:

*Takedown:* Normally the largest component of the spread, similar to a commission, which represents the income derived from the sale of securities. If bonds are sold by a member of the syndicate, the seller is entitled to the full takedown (also called the “total takedown”).

*Management Fee:* The amount paid to the senior manager and/or co-managers for handling the affairs of the syndicate.

*Expenses:* The costs of operating the syndicate for which the senior manager may be reimbursed.

**Lease-Purchase** A financing lease which may be sold publicly to finance capital equipment, real property acquisition or construction. The lease may be resold as certificates of participation or lease revenue bonds.

**Letters of Credit** A bank credit facility wherein the bank agrees to lend a specified amount of funds for a limited term.

**Management Fee** The fixed percentage of the gross spread which is paid to the managing underwriter for the structuring phase of a transaction.

**Negotiated Sale** A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

**Original Issue Discount** The amount by which the original par amount of an issue exceeds its public offering price at the time it is originally offered to an investor.

**Overlapping Debt** That portion of the debt of other governmental units for which residents of a particular municipality are responsible.

**Pay-As-You-Go** An issuer elects to finance a project with existing cash flow as opposed to issuing debt obligations.

**Present Value** The current value of a future cash flow.

**Private Placement** The original placement of an issue with one or more investors, as opposed to being publicly offered or sold.

**Rebate** A requirement imposed by the Tax Reform Act of 1986 whereby the issuer of the bonds must pay the IRS an amount equal to its profit earned from the investment of bond proceeds at a yield above the bond yield calculated pursuant to the IRS code, together with all income earned on the accumulated profit pending payment.

**Special Assessments** Fees imposed against properties that have received a special benefit by the construction of public improvements, such as water, sewer, and irrigation.

**Underwriter** A dealer that purchases new issues of municipal securities from the issuer and resells them to investors.

**Underwriter's Discount** The difference between the price at which bonds are bought by the underwriter from the issuer and the price at which they are reoffered to investors.

**Variable-Rate Debt** An interest rate on a security that changes at intervals according to an index, formula or other standard of measurement, as stated in the bond contract.

## #8 Budget Policy



**Board of Directors**  
Al E. Fox  
Division 1  
Jeffrey C. Brown  
Division 2  
Timothy H. Hoag  
Division 3  
Eugene F. West  
Division 4  
Terry L. Foreman  
Division 5  
**General Manager**  
Tony L. Stafford

### *Resolution No: 17-02*

#### *A Resolution of the Board of Directors of Camrosa Water District*

#### ***Establishing a Budget Policy***

*Whereas, the budget is presented as a policy document, an operational tool, a financial planning tool and a link to the Strategic Plan and considered a communication tool to the District's community and stakeholders; and,*

*Whereas, the purpose of the budget policy is to provide guidelines that will influence and direct the financial management practice of the District; and,*

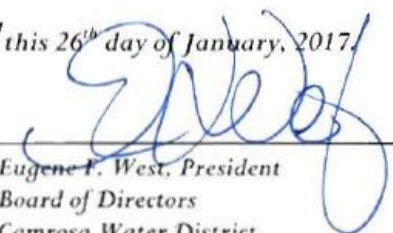
*Whereas, the main reasons for establishing a budget policy is to:*

- *Ensure quality of existing core services;*
- *Establish organizational goals to guide decision making;*
- *Develop a budget to achieve goals;*
- *Incorporate a long-term perspective;*
- *Evaluate performance and make adjustments;*
- *Strengthen the financial position;*
- *Focus budget decisions on results and outcomes; and*
- *Involve and promote effective communication with stakeholders.*

*Whereas, the Camrosa Water District established a budget policy, memorializing as a formal policy and establishing best practices of financial management for the District;*

*Now, Therefore, Be It Resolved* by the Camrosa Water District Board of Directors that the proposed Budget Policy is hereby approved and adopted, and the General Manager is authorized to implement the policy.

*Adopted, Signed, and Approved* this 26<sup>th</sup> day of January, 2017.

  
Eugene F. West, President  
Board of Directors  
Camrosa Water District

ATTEST:

  
Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District

## **Budget Policy**

The budget is presented as a policy document, an operational tool, a financial planning tool, and a link to the Strategic Plan. In addition, it is also considered a communication tool to the District's community and stakeholders.

The main reasons for establishing a budget policy is to:

- Ensure quality of existing core services;
- Establish organizational goals to guide decision making;
- Develop a budget to achieve goals;
- Incorporate a long-term perspective;
- Evaluate performance and make adjustments;
- Strengthen the financial position;
- Focus budget decisions on results and outcomes; and
- Involve and promote effective communication with stakeholders

### **1.1 Purpose**

The purpose of the Camrosa Water District's Budget Policy is to provide guidelines that will influence and direct the financial management practice of the District. A financial policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management. An effective financial policy: Provides principles and guidelines that minimize costs and reduce risk, maintains appropriate financial capacity for present and future needs, ensures legal compliance and maintains appropriate internal controls.

### **2.1 Budget Submittal and Adoption**

- In order to facilitate and implement the budget process, the General Manager will propose an annual budget calendar at the first regular Board meeting in January in every year.
- No later than two months before the end of each fiscal year, the General Manager shall prepare and submit to the Board of Directors a draft annual budget for the ensuing fiscal year.
- The Board of Directors will adopt by formal resolution an operating and capital budget every year by June 30.
- The fiscal period for the District is July 1 to June 30.

### **3.1 Balanced Budget**

- Adopted annual budgets shall ensure that operating revenues fully cover operating expenditures, including debt service within the Water and Wastewater enterprise.
- In the event of a shortfall, use of the rate stabilization fund or an inter-fund loan is allowable.
- One-time revenues shall only be used to cover one-time costs and ongoing revenues shall only be used to cover ongoing costs.
- Debt service funds shall not be utilized for operating expenses.

### **4.1 Amendments to Adopted Budget**

- Initial appropriations (excluding carryovers and encumbrances for multi-year capital projects) will be made during the annual budget process when all District needs can be reviewed and prioritized in a comprehensive manner.
- The annual budget process will include multiple year projections.
- The General Manager has the authority to adjust the budget at the operational level within an enterprise and shall report budget performance to the Board of Directors on a quarterly basis.
- Additional appropriations from reserves must go to the Board of Directors for approval.

## **5.1 Budget Process**

- The budget preparation process is developed by the General Manager with input from the Board of Directors.
- The District will develop its annual budget in such a manner to incorporate historical trend analysis for revenues and expenditures with an adjustment for increasing import water costs, current water demand trends, and other considerations as appropriate.
- The budget process will include a review of the current and future utility rates to determine the necessity to set a public hearing to increase rates to offset operational costs.

## **6.1 Form of Budget**

- The budget shall present an itemized statement of the appropriations recommended by the General Manager to include estimated expenses and permanent improvements for each enterprise and program.
- Comparative data of the appropriations and expenditures for the current and previous fiscal year, as well as the increases or decreases in the recommended budget, shall be provided.

## **7.1 Capital Budget**

- The Capital Improvement Program and the Operating Budget will be reviewed at the same time to ensure that the District's capital and operating needs are balanced and that the Capital Improvement Program is aligned with the District's long-range plans.
- Capital expenditures shall meet the requirements of generally accepted accounting principles (GAAP).
- The District will identify the estimated costs and potential funding sources for each capital project proposal.
- The District will develop a five-year plan for capital improvements including operations and maintenance costs to be updated each year.
- The District will utilize grant funding and other outside resources whenever possible.
- The District will utilize the least costly financing method for all new projects.

## **8.1 Long Term Financial Forecast**

- The District will develop a five-year financial forecast for operating and capital improvement projects; including operations and maintenance costs, and update it every year as part of the annual budget process.
- The financial forecast will identify the District's source of funds for which future capital improvement projects will necessitate.
- The financial forecast will include escalating operational cost index factor for ongoing routine operation expenditures.
- The financial forecast will identify the necessity of potential utility rate increases based upon imported water rates and operational costs.

## **9.1 Debt Service Ratios/Reserve Financial Position**

- The District will meet or exceed minimum debt service coverage ratios required by governing bond indentures.
- The District will ensure minimum reserve levels are met after appropriation of one-time capital appropriations.

## **10.1 Budgetary Control**

- The District shall prepare monthly reports on revenues and expenditures that compare budget-to-actual financial performance for Staff and reviewed quarterly by the Board of Directors.
- The District will monitor revenues and expenditures on an ongoing basis and ensure that expenditures do not exceed appropriations within an enterprise fund and program for the annual fiscal period.
- Each Program Manager is responsible for ensuring expenditures remain within budget.
- Any deviation from the Budget Policy will be brought to the Board of Directors for approval.

## #9 Pension Funding Policy



### Board of Directors

Al E. Fox  
Division 1  
Jeffrey C. Brown  
Division 2  
Timothy H. Hoag  
Division 3  
Eugene F. West  
Division 4  
Terry L. Foreman  
Division 5

**General Manager**  
Tony L. Stafford

### Resolution No: 21-17

A Resolution of the Board of Directors  
of Camrosa Water District

### Updating the Pension Funding Policy

**Whereas**, the Board of Directors deems it essential that Camrosa Water District establish fiscally responsible management practices; and

**Whereas**, the Board of Directors recognizes the CalPERS accrued unfunded liability could potentially cause financial stress and impact the District's operations and rates; and

**Whereas**, the Board of Directors seeks to address its unfunded CalPERS liability in the most cost-efficient manner possible; and

**Whereas**, it is the desire of the Board of Directors to establish a Pension Funding Policy to provide guidance and strategies for addressing the District's retirement liabilities; and

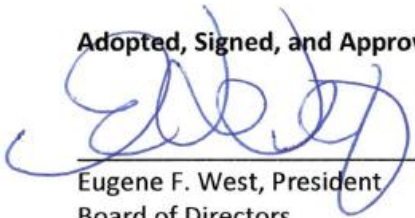
**Whereas**, the policy includes internal budgeting, policy directives and financing mechanisms for the Board of Directors and Staff to address the District's retirement liabilities; and

**Whereas**, it is in the best interests of the District to establish a written pension funding policy to serve as a living document, which will require periodic review and updates to take into account changes in the District's unfunded accrued liability and financial position; and

**Whereas**, the policy has been updated to implement internal controls for staff regarding procedures for additional discretionary payments;

**Now, Therefore, Be It Resolved**, by the Camrosa Water District Board of Directors, that the attached Pension Funding Policy is hereby incorporated into this resolution and adopted by the Board of Directors.

**Adopted, Signed, and Approved** this 14<sup>th</sup> day of October 2021.

  
\_\_\_\_\_  
Eugene F. West, President  
Board of Directors  
Camrosa Water District  
\_\_\_\_\_  
Tony L. Stafford, Secretary  
Board of Directors  
Camrosa Water District (ATTEST)

## **CAMROSA WATER DISTRICT**

### **Pension Funding Policy**

This policy is intended to provide guidance and strategies to current and future Board of Directors for addressing the District's retirement liabilities. The policy includes internal budgeting, policy directives, and financing mechanisms.

#### **Background**

The District has a history of being fiscally conservative and maintaining fiscally responsible management practices. The District recognizes the unfunded CalPERS liability could potentially cause financial stress and impact the District's operations and rates. As such, the District seeks to address its unfunded CalPERS liability in the most cost-efficient manner possible.

CalPERS Normal Costs represent the cost of pension benefits earned by current employees in the current fiscal year. Normal Costs are paid as a percentage of the District's payroll. Unfunded Accrued Liability ("UAL") represents the shortfall in assets needed to fully fund prior benefits earned by employees and retirees, which occurs for a variety of reasons. UAL payments are a dollar amount adjusted annually by CalPERS.

#### **Annual Review**

Addressing retirement costs is a dynamic process. CalPERS makes regular adjustments to the District's Normal Costs and UAL due to changes in investment performance, employee/retiree events, benefit levels, and actuarial assumptions. These changes will require multi-year financial planning and for the District to make corresponding budgetary adjustments. The District will therefore evaluate its pension liabilities each year.

After the release of the most current CalPERS actuarial report, staff will present a summary of the plan's funding status. This information will be presented during a public Board meeting, which will include a summary of funding status, funding progress compared to prior years, as well as any recommended actions and/or budget adjustments.

#### **Target Funding Level**

The District paid off its entire UAL from available reserves in the amount of \$4,996,392 in March 2020. The District will seek to maintain a fully funded pension fund.

#### **Allocation of Additional Resources / ADPs**

The District seeks to maintain adequate levels of reserves in accordance with its stated reserve goals and adopted reserve policies. The District will implement a Pension Liability Reserve Fund to manage the ongoing CalPERS UAL. The District will budget for the anticipated UAL as a specific line item in the annual budget and reserve worksheet.

#### **Targeting Strategies**

At the discretion of the Board, the District may apply Additional Discretionary Payments (ADPs) toward the Amortization Bases with the longest remaining term (maturity) to maximize interest costs savings. Should the District seek to optimize budgetary (cash flow) impact, it may seek to apply these monies toward the Amortization Bases with the shortest term.

*All pre-funding decisions will require detailed financial analysis to be performed; and will include proper documentation of the analysis, methodology, and decision-making process.*

#### **STRATEGIES**

The District has several different financing strategies available to address its pension liabilities. In addition to establishing a specific Pension Liability Reserve Fund, it could utilize one or more of the following strategies:

- 1. 115 Trust-** The District may seek to invest monies in a 115 Trust, to allow the District to match the investment options more closely to the pension liabilities.
- 2. Use of Reserves and One-Time Monies -** The District maintains reserves comprised of unrestricted and restricted reserves. The District's Reserve Policy is to maintain target levels in unrestricted reserves towards the potable, non-potable, and wastewater operation and emergency reserves, rate stabilization

fund, and capital replacement funds. The District may apply monies from its reserves to prepay and/or payoff its UAL with CalPERS. Repayment to the respective reserve funds from where monies for prepayment were taken will come from net operating results.

3. **Salary/Benefit Cost Containment-** During consideration of employee raises, District staff will take into consideration the impact of any raises on employee contribution levels to the Normal CalPERS costs and the UAL. During each budget cycle, District staff will perform a financial analysis of the proposed salary/benefit increases on the District's Pension Costs. This information will be presented to the Board of Directors for their consideration. Additionally, consideration may be given to requiring employees to pay a portion or all the Required Employee Contribution Rate that Camrosa currently pays on behalf of employees.

CalPERS assumes that wages will increase by 2.75%, on average, over time. This measure should serve as a benchmark for analysis. Any analysis should not measure salary/wage growth on an individual year, but rather over a long-term basis.

4. **Tax-Exempt Exchange** - The District has a history of funding capital projects through a pay-as-you-go method. To the extent the District has pay-as-you-go capital projects and where it is financially feasible to finance, the District may seek to finance such projects with tax-exempt bonds or other financing methods and use the capital project's budgeted amounts for Additional Discretionary Payments. If monies are taken from reserves, then the pension Liability Fund contributions may be increased through amortizing the removed funds and repayment to the respective reserve fund.

#### **Internal Controls**

District staff shall establish internal controls documenting the procedures for any additional discretionary payments towards the UAL as follows:

1. Staff will present the yearly actuarial report to the Board.
2. Board must approve all ADPs.
3. Upon Board approval, staff will initiate the ADP.
4. The Finance Manager and General Manager must review and approve the payment before submittal to CalPERS.

If approved, the District's Pension Funding Policy will be adopted by Resolution. The Policy is intended to serve as a living document, which will require periodic review and updates to consider changes in the District's UAL and financial position. Any amendments to this Policy will be made by Resolution.

## #10 Community Profile

This section contains demographic and economic statistics of the District's community profile. It also includes service area assessed valuations, and largest customers data. The following are key demographics. The District has chosen to use the City of Camarillo's data as representative of the District. The region also has a very large military population at the nearby Point Mugu Naval Air Station and Port Hueneme, which adds stability. The District participates in the broad and diverse Oxnard-Thousand Oaks-Ventura metropolitan statistical area (MSA) economy. Camarillo's household income levels are strong with median household effective buying income.

### Demographic and Economic Statistics Last Ten Calendar Years City of Camarillo

Year	Unemployment Rate	Population	Personal Income (in thousands)	Per Capital Personal Income
2015	4.4%	67,154	2,586,638	38,518
2016	5.8%	69,924	2,963,380	42,380
2017	4.5%	69,623	2,933,008	42,127
2018	3.6%	68,741	3,271,440	47,591
2019	4.3%	69,880	3,231,171	46,625
2020	4.1%	70,261	3,461,602	50,186
2021	5.8%	71,898	3,407,642	49,833
2022	2.6%	71,849	3,612,257	52,439
2023	2.3%	70,905	3,754,073	52,945
2024	3.8%	70,307	3,781,420	53,784

Source: City of Camarillo CAFR and UCSB Economic Forecast Project

Note (1) The District has chosen to use the City of Camarillo's data as a representative of the District.

The District's service area encompasses property with over \$7.7 billion of assessed valuation. District residents have easy access to jobs countywide and in Los Angeles.

### Service Area Assessed Valuations

Fiscal Year	Secured Assessed Valuation	Unsecured Assessed Valuation	Total	% Change
2015	4,907,112,472	128,877,820	5,035,990,292	4.54%
2016	5,145,103,092	115,142,342	5,260,245,434	4.45%
2017	5,330,477,983	121,837,738	5,452,315,721	3.65%
2018	5,583,931,181	165,603,337	5,749,534,518	5.45%
2019	5,821,051,039	168,334,118	5,989,385,157	4.17%
2020	6,061,204,136	190,366,546	6,251,570,682	4.38%
2021	6,322,329,671	195,452,356	6,517,782,027	4.26%
2022	6,525,470,690	192,048,584	6,717,519,274	3.06%
2023	6,978,681,814	193,733,530	7,172,415,344	6.77%
2024	7,382,045,555	270,238,121	7,652,283,676	6.69%

## #11 Top Ten Customers

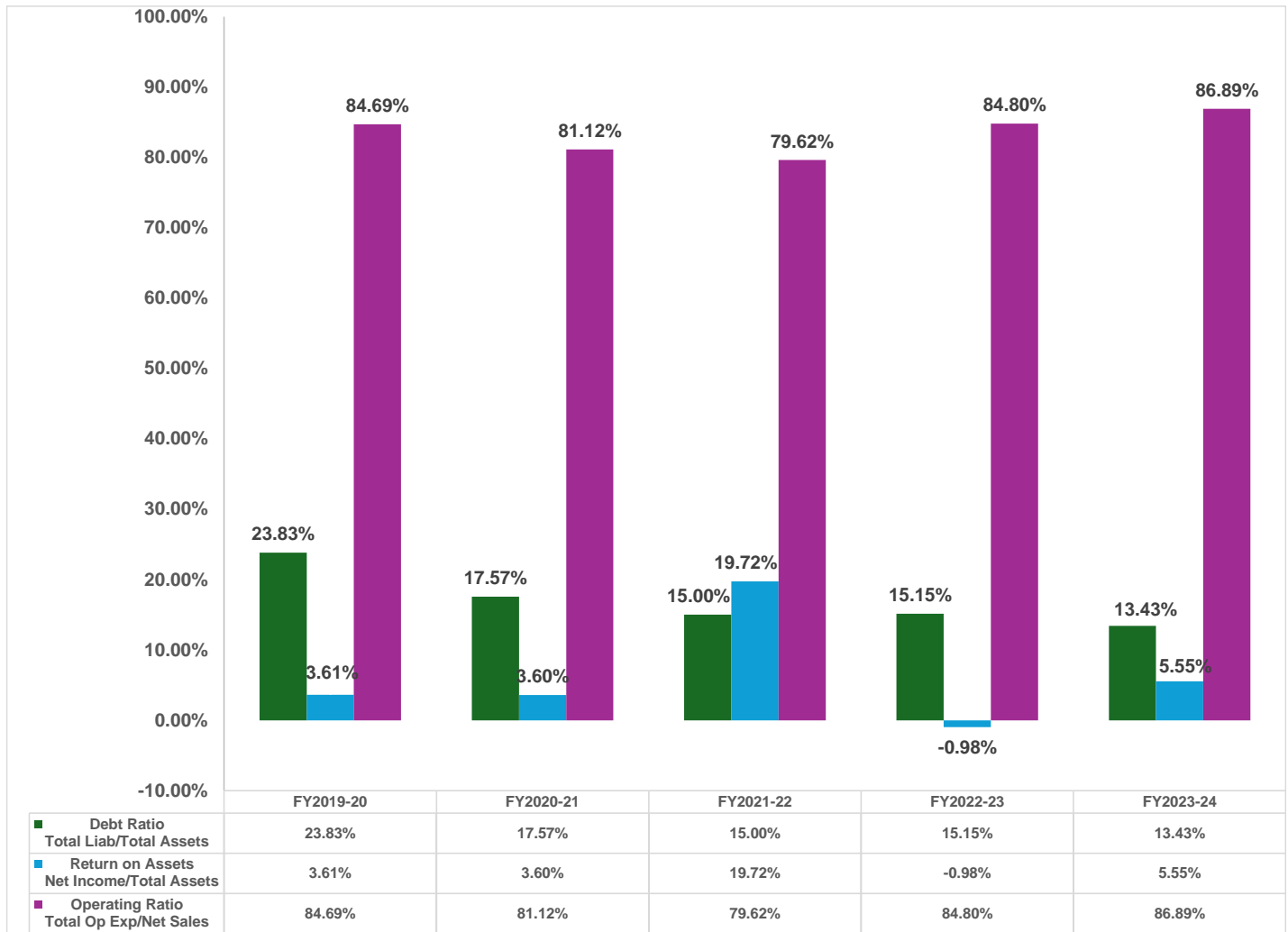
### Ten Largest Water Customers Fiscal Year 2024

Customer	Customer Type	Acre-Feet	Annual Revenues	% of Water Sales
Leisure Village	Residential	750	\$ 1,111,501	5.32%
Reiter Brother Inc	Agricultural	712	860,853	4.12%
Mahan Ranch Golf Club LLC	Commercial	255	503,221	2.41%
Cal State University CI	Public	297	455,017	2.18%
Duda Farm Fresh Foods, Inc.	Agricultural	384	289,552	1.39%
A Hartman Ranch, Inc	Agricultural	263	280,361	1.34%
Camlam Farms, Inc.	Agricultural	532	194,175	0.93%
Pleasant Valley Park & Rec	Irrigation	75	156,178	0.75%
A.B.P.	Agricultural	79	119,587	0.57%
Camarillo High School	Public	55	115,114	0.55%
<b>Total Ten Largest Customers</b>		<b>3,402</b>	<b>4,085,559</b>	<b>19.54%</b>
All Other Customers		6,090	14,568,561	78.10%
<b>Total Water Revenue for District</b>		<b>9,492</b>	<b>\$ 18,654,120</b>	<b>97.64%</b>

### Ten Largest Wastewater Customers Fiscal Year 2024

Customer	EDUs	Annual Revenue	% of Wastewater Sales
Leisure Village	2,162	\$ 1,116,631	27.28%
CSUCI	642	408,114	9.97%
Rancho Adolfo Mobile Home Estates	255	131,733	3.22%
Corte Madera/AvalonBay Communities	161	83,173	2.03%
Essex Camino Inc.	161	83,173	2.03%
Adolfo Camarillo Highschool	59	30,479	0.74%
Emeritus at Camarillo	56	28,930	0.71%
Camino Ruiz LLC	47	21,697	0.53%
Marriott Brighton Gardens	42	19,631	0.48%
Pleasant Valley School	38	17,564	0.43%
<b>Total Ten Largest Wastewater Customers</b>	<b>3,623</b>	<b>\$ 1,941,125</b>	<b>40.74%</b>
All Other Customers	5,595	2,823,350	59.26%
<b>Total Wastewater Revenue for District</b>	<b>9,218</b>	<b>\$ 4,764,475</b>	<b>100.00%</b>

## #12 Financial Metrics



**Debt Ratio:** Indicator quantifies the level of indebtedness. It is a measure of the extent to which assets are financed through borrowing. The higher the debt ratio, the more dependent the utility is on debt financing. Debt ratio (%) = Total Liabilities/Total Assets. The debt ratio trend depicts a reduction in liabilities as a result of the District paying off its Unfunded Accrued Liability in FY2019-20. The prepayment resulted in a Net Pension Asset for FY2020-21 & FY2021-22 and a Net Pension Liability for a significantly lower amount for FY2022-23 & FY2023-24. Also, FY2023-24 includes the receipt of Capital & Mitigation Fees in the amount of \$6.1 million, which significantly increased total assets. A healthy debt ratio is generally considered to be 30% or less. The above graph indicates that the District is not reliant on debt financing, which translates into financial stability and lower risk, and debt obligations that are manageable.

**Return on Assets:** Indicator provides an estimate of the utility's financial effectiveness, seeking higher ratios when allowable. Return on Assets (%) = Net Income/Total Assets. Net income includes pension expenses, and therefore, it is subject to fluctuation from year to year. The increased ratio in FY2021-22 is due to the recognition of a large pension credit followed by the recognition of a large pension expense the following year. A healthy debt ratio is generally considered to be over 5%. On average, the Return on Assets ratio is above what is considered healthy.

**Operating Ratio:** Ratio is its operating expenses divided by operating revenue or net sales, not taking into debt repayment. Operating ratio (%) = Total O&M costs/Total operating revenue. A lower ratio indicates better efficiency, meaning an agency is spending a smaller portion of its revenue on operating expenses. Generally, a ratio between 75% and 85% is considered healthy.

**Debt Service Coverage Ratio:** Another key metric is the debt service coverage ratio. A detailed analysis and narrative are located beginning on page 90.

## #13 Local Agency Comparison

	Service Area Size (miles)	Population	# of Water Customers	# of Wastewater Customers	# of Employees	Potable AFY Deliveries	Recycled AFY Deliveries	Miles of water lines (Potable and Recycled)	Collection System Miles	Operating Expenses	Operating Revenues	Annual Capital Outlay	Annual Debt
Camrosa	31	32,000	11,450	9,474	33	6,800	4,500	350	77.5	\$ 25,426,474	\$ 23,495,579	6,560,025	\$ 852,031
Triunfo Water and Sanitation District	50	33,594	4,711	10,820	19	1,552	872	55	120	\$ 16,201,675	\$ 28,001,449	1,432,139	\$ 649,000
Las Virgenes Municipal Water District	123	66,233	19,905	17,238	124	20,000	5,000	463.6	58	\$ 46,438,689	\$ 69,769,708	3,237,883	\$ 1,124,465
Ojai Valley Sanitation District	120	23,000	20,000	10,600	20	0	0	0	120	\$ 10,452,581	\$ 9,136,050	5,302,517	\$ 605,000
Carpinteria Valley Water District	17.3	15,196	4,572	0	21	3,256	0	82.79	0	\$ 13,404,861	\$ 16,131,688	3,457,863	\$ 714,250
Casitas Municipal Water District	137.5	70,000	6,070	0	77	6,994	0	163.4	0	\$ 23,833,331	\$ 18,068,550	4,154,562	\$ 3,269,551



***Mission Oaks & Conejo Creek***