CAMROSA WATER DISTRICT

BUILDING WATER SELF-RELIANCE

Operating and Capital Budget

Fiscal Year 2026-27

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

Jeffrey C. Brown, Vice-President

Terry L. Foreman, Director

Timothy H. Hoag, Director

Andrew F. Nelson, Director

General Manager

Norman Huff

Adopted June 23, 2026

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List of Acronyms and Abbreviations

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

Glossary

The FY 2026-27 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 of land to a depth of one foot. One acre-foot equals 43,560 cubic feet (435.6 units) or 325,851 gallons of water.

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 projects. These expenditures are separate from regular operating items, such as salaries, utilities, and office supplies.

Capital Asset: Capital assets are items with an original cost over $10,000 that have a useful life of more than one year, retain their identity as a standalone item or identifiable component, are not repair parts or supplies, and are used to support District activities.

Calleguas Municipal Water District: Wholesale provider of water services to southeastern Ventura County. 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, and agricultural. The water rate per unit is determined by this classification.

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

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

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.

Expenditures: 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.

Fund Balances: Net position of a governmental fund intended to serve as a measure of the financial resources currently available. The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. It represents the accumulation of operating surpluses and deficits throughout the life of the fund.

Governmental Fund: Primary fund used to track core services, day-to-day operations, and expendable financial resources.

Interest Income: Money earned 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 under Ordinance 40.

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: Provides its service area with supplies of water and is one of 29 agencies that have contracted for imported water service from the State Water Project.

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

State Water Project: The State Water Project (SWP) is a state-built water storage and conveyance system that 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 of California and operated by the California Department of Water Resources.

System Capacity Fee: Fee 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 water meter size and wastewater equivalent dwelling unit.

Unit: 748 gallons of water equals a single Hundred Cubic Feet (HCF) Unit. District customers are billed in HCF Units.

Water Rates: Rates vary among customer 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 of consumption 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) 2026-27 Operating and Capital Budget. The purpose of this document is to identify and allocate the resources necessary to accomplish the District's mission: delivering reliable, safe, and cost-effective water and wastewater services to its diverse 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 inconsistent State water resource management policies and increasingly complex regulatory requirements to conservation mandates and weather whiplash. Continually rising costs for imported water, energy, essential materials, and capital improvement projects make the balancing of providing safe, reliable services with reasonable rates an almost daily challenge. Through it all, the District continues to pursue and implement creative solutions designed to improve reliability and independence while maintaining the high level of quality and value its customers expect.

The California Water Crisis

California's water supply challenges are the product of decades of policy decisions that emphasize managing scarcity rather than expanding reliability. For years, State policy has focused primarily on conservation and demand reduction instead of advancing new supply development, increasing storage capacity, modernizing conveyance infrastructure, and maximizing the capture and storage of water available during wet years. At the same time, the ability of the California Department of Water Resources (DWR) to effectively manage and improve the State Water Project has been steadily constrained by litigation, regulatory complexity, and shifting political priorities.

The Metropolitan Water District (MWD) also shares responsibility for the region's growing supply vulnerability. Although MWD has invested billions of ratepayer dollars into the Colorado River Aqueduct system over many decades, portions of its service area—including those served by the District—still lack sufficient conveyance capacity to reliably access substantial Colorado River supplies. As a result, these communities have been designated as State Water Project Dependent Areas (SWPDA), meaning they rely heavily, and in some cases almost entirely, on imported State Water Project supplies. Even where conveyance exists, the long-term reliability of Colorado River supplies remains uncertain due to prolonged drought conditions and ongoing disputes among the seven Colorado River Basin states regarding water allocations and future operating rules.

Collectively, these challenges have exposed significant vulnerabilities in California's imported water system and demonstrated that DWR and MWD cannot consistently meet normal regional demands during periods of drought. In response, the District has accelerated its efforts to strengthen local water reliability and reduce dependence on imported supplies from MWD and the State Water Project. Compounding the urgency of this effort, MWD's rising operational costs and expanding bureaucracy continue to drive substantial annual rate increases, making imported water increasingly expensive for local agencies and their customers.

The District's core mission remains clear: to provide a reliable and affordable water supply for its customers. Guided by that mission, the District has continued investing in long-term self-reliance strategies designed to insulate the community from cycles of supply shortages, regulatory mandates, and reactive statewide policies. The Camrosa Board of Directors believes conservation is an important tool during drought emergencies and periods of limited supply, but it should not be viewed as a permanent substitute for developing resilient and sustainable water resources. Long-term water policy should focus on expanding reliability, increasing flexibility, and planning for future abundance rather than managing perpetual scarcity.

In prior fiscal years, the District supported common-sense legislation, including Senate Bill 366 (SB 366), which sought to establish long-term statewide water supply targets and require state agencies to develop implementation plans to achieve them. Although the bill passed unanimously through both the Senate and Assembly, it was ultimately vetoed by the Governor due to budgetary concerns. During the last fiscal year, the District again supported Senator Caballero's reintroduction of this effort through Senate Bill 72 (SB 72). The Governor signed SB 72 into law, requiring future updates to the California Water Plan to incorporate collaborative strategies such as infrastructure development, stormwater capture, water recycling, graywater use, conservation, and storage expansion. Importantly, the legislation establishes an interim statewide objective to achieve and maintain an additional nine million acre-feet of water supply, conservation, and storage capacity by 2040.

The District's Board and staff will continue advocating for responsible, balanced, and sustainable water resource management through engagement with elected officials, regulators, and regional partner agencies throughout the coming fiscal year and beyond.

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. The District 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. While the District met its objective for the reporting cycle, the District 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 has partnered 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 reporting requirements.

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.

Recent devastating Southern California wildfires have placed California water suppliers—and Southern California suppliers specifically—at the center of increased scrutiny from regulators and lawmakers. These events have also highlighted a significant disconnect between the public expectation that municipal water systems are designed to combat large, wind-driven wildfires and the reality that public water systems were designed primarily to provide potable water service and limited structural fire flow, not sustained firefighting capacity for catastrophic wildfire events. Without taking these capabilities into account, local Assemblymember Steve Bennett's AB 367 was signed into law in October 2025, just for water suppliers in Ventura County. Although the Assemblymember engaged in some dialogue with local water suppliers—including Camrosa—regarding the text of the proposed legislation, the bill still places 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. The Assemblymember then introduced AB 2013 in February 2026, which applied a similar approach statewide. After California water suppliers—including Camrosa—expressed serious concerns regarding the bill's feasibility and effectiveness, it failed in committee. As an alternative, many California water suppliers, including Camrosa, collaborated on SB 1153, leveraging industry expertise to develop a more practical and technically informed approach to addressing wildfire-related issues. SB 1153 is currently progressing through the legislative process.

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. At the same time legislators continue expressing concern regarding the affordability of water service, new regulatory and compliance mandates continue to impose substantial additional costs on local water suppliers and, ultimately, their ratepayers. Many of these requirements provide limited measurable benefit relative to their cost, while further straining the financial capacity of water suppliers already working hard to maintain aging infrastructure, improve resiliency, and comply with these increasingly complex regulatory obligations. This growing disconnect between affordability concerns and the cumulative cost of new mandates continues to place significant pressure on long-term water rate stability.

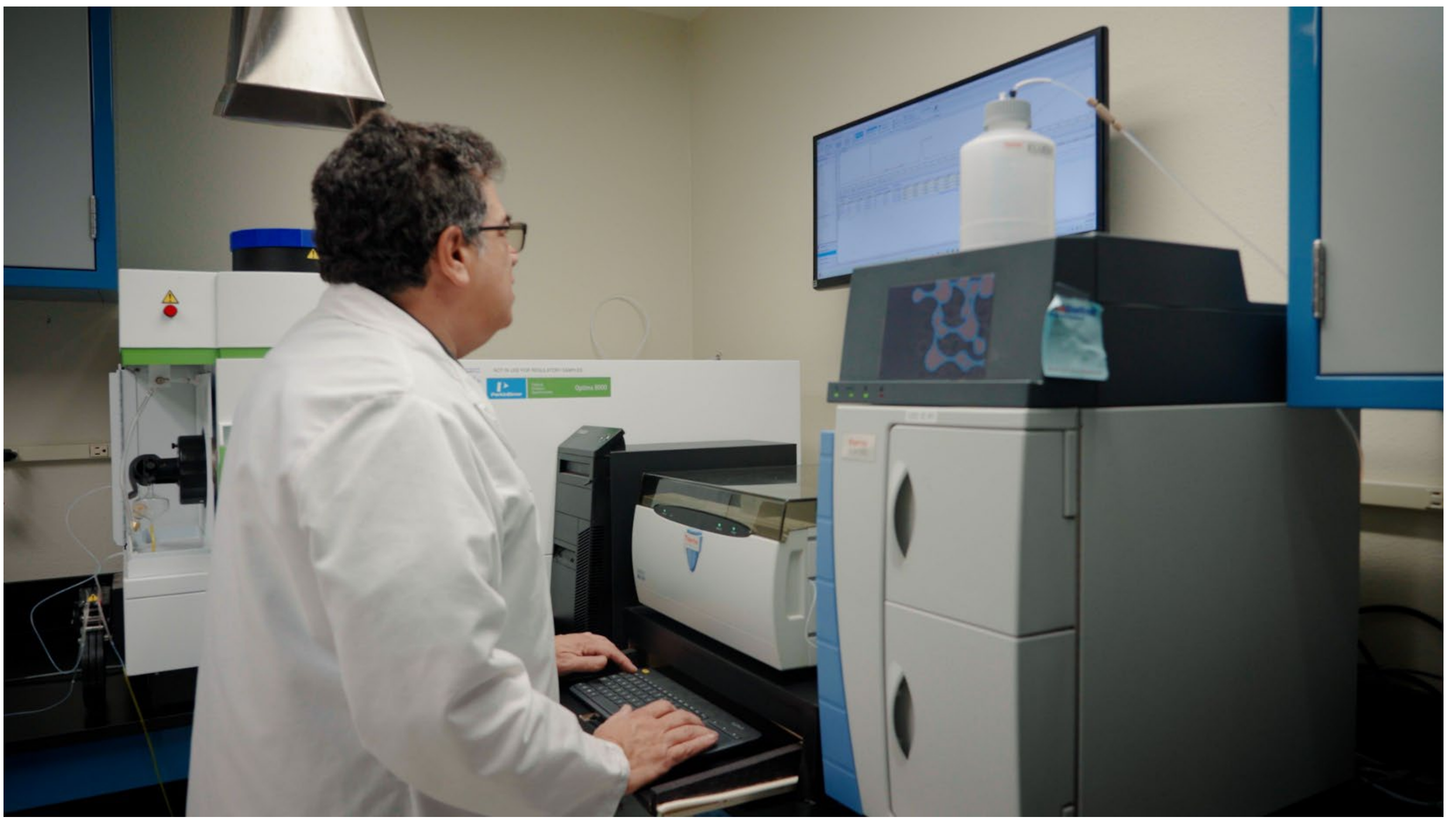
California State Capital

To promote the interests of its ratepayers and the District, the District continues to actively engage with legislators on the state and federal levels. In FY 2025-26 staff traveled to Sacramento and Washington D.C. to meet with the offices of five state legislators, one U.S. representative, and one U.S. senator to discuss issues relevant to the District, from wildfire readiness to funding for water infrastructure projects to regulatory impacts. District staff also participated in legislative working groups at the local, regional, and statewide levels. Moving forward, the District will seek for, and take advantage of, all opportunities to engage in the decision-making processes on policies and regulations that impact the District and their customers.

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 to report its findings to the State for regulatory purposes.

Technological advancements allow the detection of drinking water contaminants at ever-lower concentrations, which permits 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.



The District's Lab Analysis

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. In FY 2025-26 the District received over $1.5 million in initial payments from PFAS class action lawsuits against 3M, Dupont, Tyco, and BASF. These funds will go towards treatment to remove these constituents from the District's water supplies.

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 nanometer (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. In FY 2025-26, microplastics were added to the Sixth Contaminant Candidate List. This is a preliminary procedural step under the *Safe Drinking Water Act* to pave the way for focused research, future monitoring, and eventual 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 the District'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 FY 2024-25, the District completed the design phase for iron and manganese removal technologies for the treatment of water from the Woodcreek and Lynnwood Wells. In FY 2025-26 the District completed construction of these treatment facilities which improves the water quality and reduces 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. The District 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. The District 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

One of the greatest landmark changes in water management in our lifetimes that has and will continue to 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) with responsibility for the major portions of the Las Posas Valley and Pleasant Valley Basins as well as the Oxnard Subbasin. The Pleasant Valley Basin, from which the University, Woodcreek, Lynnwood, and still-to-be-developed future Pleasant Valley Basin Wells pump groundwater, is a key source of the District's local supply. The FCGMA boundaries also encompass a portion of the Arroyo Santa Rosa Valley Basin which is managed by the Arroyo Santa Rosa Valley Basin Groundwater Sustainability Agency (ASRVBGSA).

FCGMA has implemented groundwater allocation programs and continues to develop basin management and recharge projects intended to achieve long-term sustainability under the Sustainable Groundwater Management Act (SGMA). The District's Calleguas Creek Project (CCP) has played a key role in augmenting the Pleasant Valley Basin's supply while shifting groundwater pumping away from critical areas of the basin.

In June 2021, the OPV Coalition initiated a comprehensive groundwater adjudication for the Oxnard and Pleasant Valley Basins to determine groundwater rights and establish a court-supervised physical solution for basin management. Since that time, the adjudication has proceeded through extensive litigation, mediation, and settlement discussions among agricultural, municipal, and public agency stakeholders. This litigious environment is not conducive to the amicable resolution of disputes or to the collaborative regional planning and project development necessary to achieve long-term groundwater sustainability. In addition, the prolonged adjudication process has imposed significant legal and administrative costs on the District, ultimately increasing the financial burden borne by our ratepayers. Recent developments in the neighboring Las Posas Basin adjudication, including a March 2026 California Court of Appeal decision affirming the trial court's comprehensive groundwater judgment and SGMA-based physical solution, are expected to influence the ongoing OPV adjudication and provide additional legal guidance regarding groundwater rights allocation and basin governance under SGMA. Meanwhile, FCGMA continues to refine and negotiate revisions to its OPV allocation ordinance as stakeholders work toward a durable framework for sustainable basin management. Although the adjudication process remains costly, complex, and may continue for several years, the District has continued to participate collaboratively with both plaintiff and defendant groups, supporting mediation and regional planning efforts intended to achieve balanced, mutually beneficial outcomes while protecting the long-term reliability and sustainability of the basin's groundwater resources.

The Arroyo Santa Rosa Groundwater Basin, which lies wholly within the District service area and from which the majority of the District'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 the District 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 the District 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 the District. The ASRVBGSA's budget for FY 2026-27 is included as Appendix #1.

The District 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, the District 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.

Water Resources Stewardship

Responsible water resource stewardship requires more than reacting to system issues as they arise. It requires a proactive, data-driven approach focused on improving efficiency, reliability, and long-term infrastructure performance. During FY 2025-26, the District continued advancing initiatives aimed at reducing water loss, improving asset management practices, and positioning the District to leverage emerging technologies that support smarter operational decision-making.

To support these objectives, the District completed broad-scale leak detection efforts during the fourth quarter of FY 2025-26. The resulting data will help guide and prioritize distribution system maintenance and repair activities in FY 2026-27. This effort reflects the District's continued emphasis on proactive infrastructure management to improve both water use efficiency and operational cost efficiency. Advanced leak detection technologies help identify smaller, non-surfacing leaks before they develop into more significant and costly failures. Combined with maintenance and repair records, the data collected will also help identify infrastructure assets that may require future maintenance or replacement. As machine learning and predictive analytics technologies continue to advance, these datasets will become increasingly valuable in supporting proactive infrastructure management and long-term system resiliency.

Additional water loss reduction efforts include significant investment in upgrading the District's aging customer meter population through the replacement of thousands of underperforming meters. These replacements help ensure water delivered to customers is measured accurately and billed fairly. During FY 2025-26, hundreds of removed meters were tested through Metropolitan Water District of Southern California's Member Agency Administered Program, helping offset testing costs to the District. Meter testing provides valuable data to guide replacement prioritization efforts while also helping quantify apparent water loss within the system. Through these efforts, the District has continued transitioning from a reactive approach to a proactive, data-informed, and cost-efficient meter management model.

Meter Replacement

The District also made significant progress on the development of its Water Resource Allocation Policy (WRAP) during FY 2025-26. Board workshops were held to advance development of the Policy framework while staff evaluated costs, long-term availability, and sustainability associated with the District's various water sources. The WRAP is intended to serve as a component of the District's analytical and decision-making process by establishing a framework for identifying key priorities and applying those criteria consistently to future decisions on the use of the District's available water resources. The Policy will continue to evolve and be refined throughout FY 2026-27.

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 17.65 inches during FY 2025-26 through April 30, recorded from the Camarillo Leisure Village station, which is significantly more than the ten-year average rainfall for the District of 13.14 inches a year and the historical average of 15.22 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. The District has developed plans to adaptively manage its groundwater basins to maximize aquifer storage and recharge water—whether it's rainwater or other sources.

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 May 15, 2026, DWR announced a 45% allocation as a result of the latest Lake Oroville storage and snow survey. This is up from 30 percent announced in January and the initial 10% announced in December. Although reservoirs are nearing capacity and snowpack is just 12% of average, the Delta exports have been operating at less than half capacity. This mismatch between hydrology and available supplies requires action to maintain environmental protections while also increasing stored supplies when reservoirs are spilling and substantial runoff is moving through the Delta.

Local precipitation influences demand, particularly among agricultural customers and those with large landscapes. The District has seen significant reductions in both potable and non-potable water demand in recent fiscal years. Whether this downward trend will continue, and to what extent it is driven by precipitation, remains unclear. The District will continue monitoring these patterns and incorporating them into budgets and the rate-setting process.

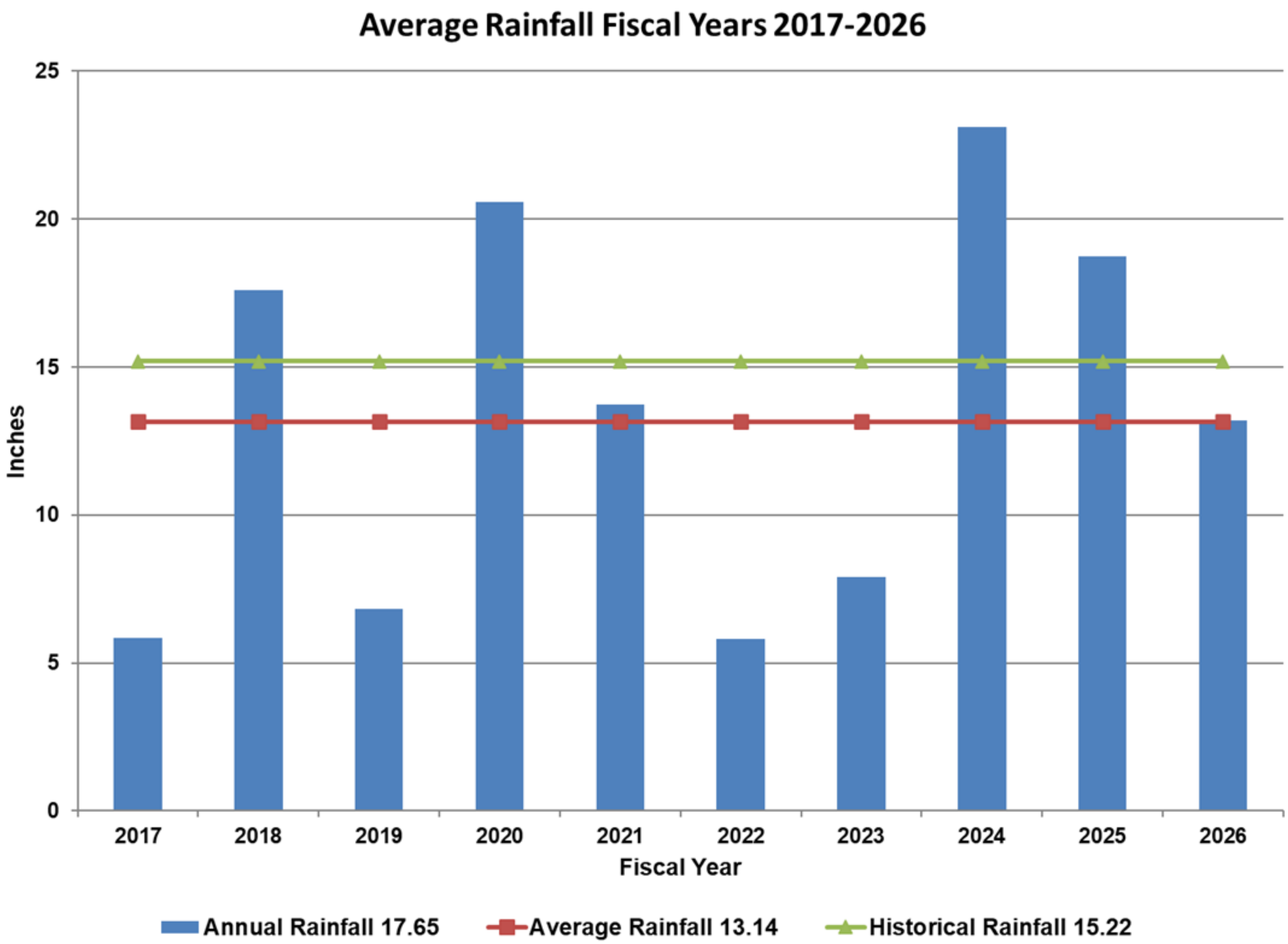


Figure 1 – Average Rainfall

The District delivered approximately 17,000 AFY before the FY 2014-15 drought, compared to slightly less than 10,000 AFY in FY 2022-23. Although variable weather makes it difficult to attribute changes in water-use patterns to specific causes, per-capita use generally remains lower than in previous decades. The FY 2026-27 budget uses a three-year average of water sales to project demand at 10,563 AFY, a decrease from the FY 2025-26 budget of 11,071 AF and a slightly below the projected end-of-year total of 10,651 AFY as shown in Figure 2.

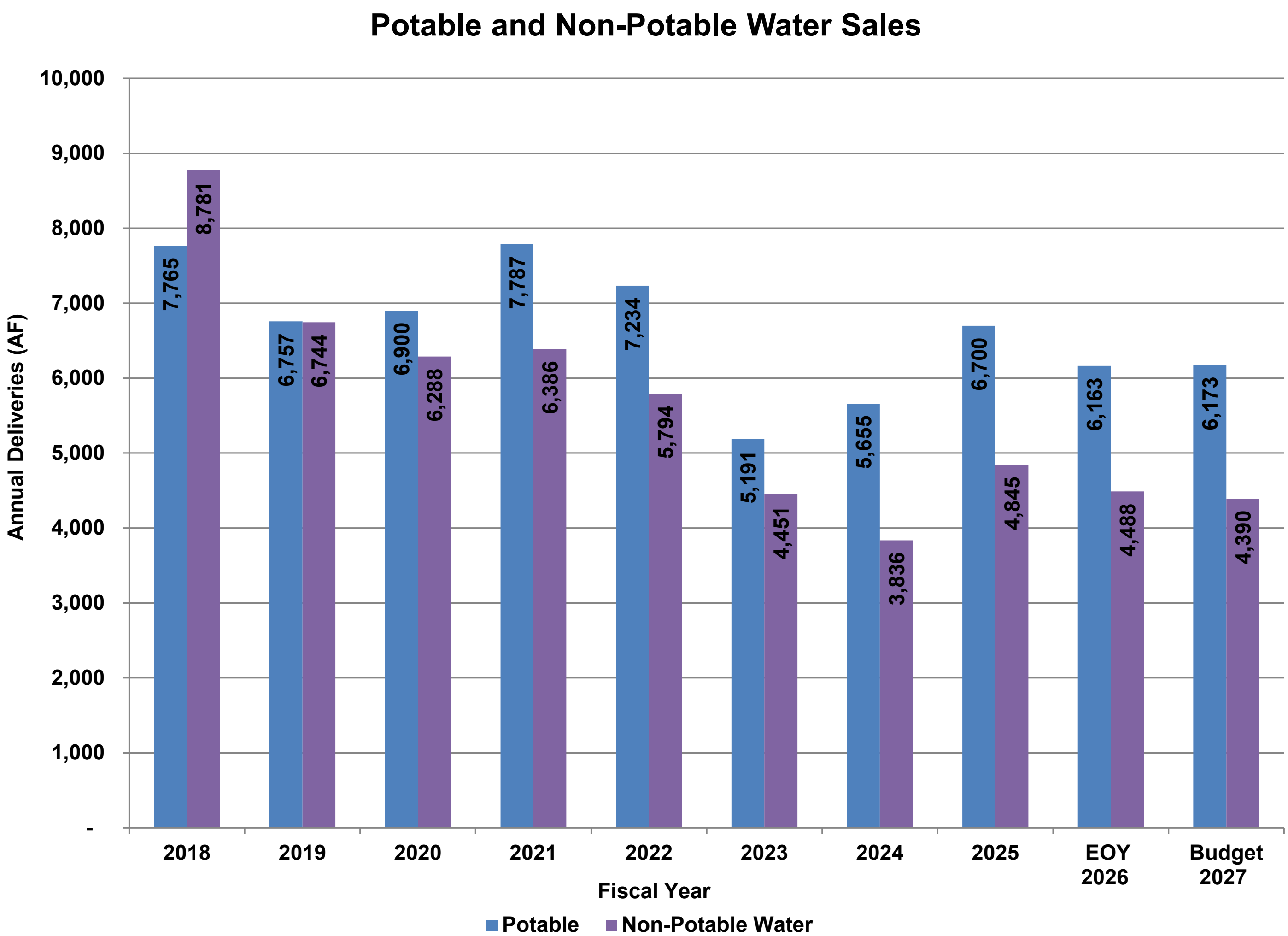


Figure 2 – Potable and Non-Potable Water Sales

Increases in Imported Water Costs

The District lies within the Metropolitan Water District service area and the "imported water" we purchase from them, via Calleguas Municipal Water District (CMWD or Calleguas), is primarily State Water Project (SWP) water from the Sacramento-San Joaquin Delta. It is the most expensive water in the District'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 the District'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 the District 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. The District 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.

As part of the effort to reduce reliance on imported water the District worked very hard to bring another new source online, the Lynnwood Well. The Lynnwood Well came online in September 2020, providing a muchneeded boost to local production. Adjustments to the well in the fall of 2021 doubled production. In 2024 the District performed a rehabilitation of the nearby Woodcreek well that will extend its useful life for another decade. In May of 2026, the District completed the installation of Iron and Manganese filters for the Woodcreek and Lynnwood Wells. This improvement will reduce the amount of imported water needed for blending. These, and future improvements to existing sources, along with the development of new sources will 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 FY 2025-26, imported water comprised about 46% of the potable water supply. The FY 2026-27 budget assumes that imported water will constitute about 38% of the District'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).

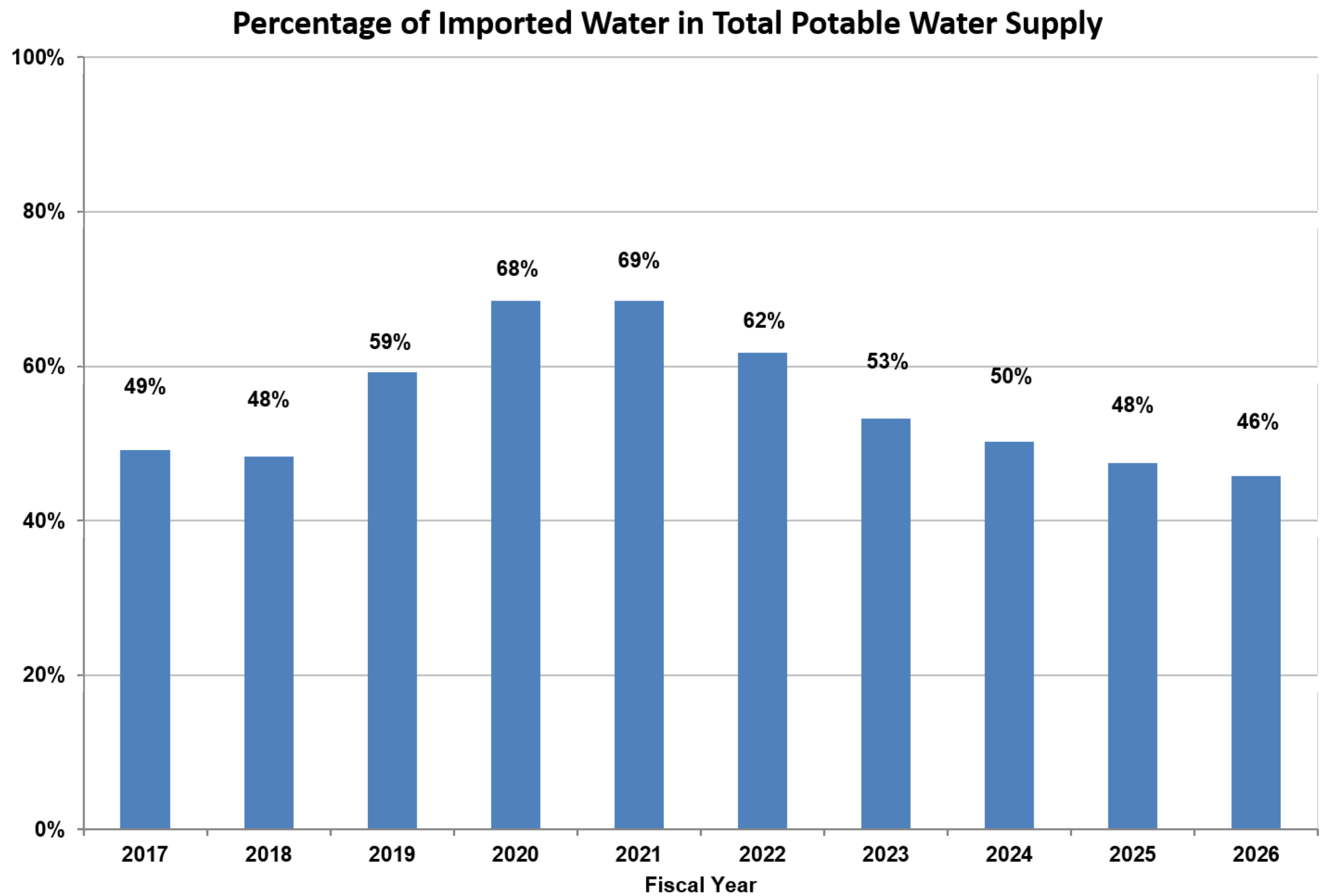


Figure 3 – Percentage of Imported Water in Total Potable Water Supply

The expectation that wholesale rates will continue rising provides another incentive to increase self-reliance. Many factors contribute to the escalating cost of imported water. One of the most significant is reduced water sales when regulators mandate conservation during droughts or when demand falls in wet years. MWD recently explained that this reduction in sales is driving the need for higher rates to generate sufficient revenue to cover ongoing costs. In addition, inflation has increased MWD's costs for commodities, labor, and energy. In the past, MWD used reserves to limit rate increases, but this approach is no longer sustainable. As a result, they must adjust rates to fully recover costs and replenish depleted reserves.

In 2026, MWD's and Calleguas' Tier 1 wholesale rate increased by 9.5% and 6.0%, followed by a 7.1% decrease and 31.7% increase in 2027, respectively. The combined impact results in a wholesale Tier 1 rate increase to the District of approximately 8.6% in 2026 and 2.9% in 2027. Additionally, both MWD and Calleguas are adjusting their rates for fixed charges for Capacity Charge and Readiness-to-Serve Charge for a combined overall rate increase of approximately 7.6% in 2026 and 5.0% in 2027.

Figure 4 illustrates the projected long-term increase in the cost of imported water.

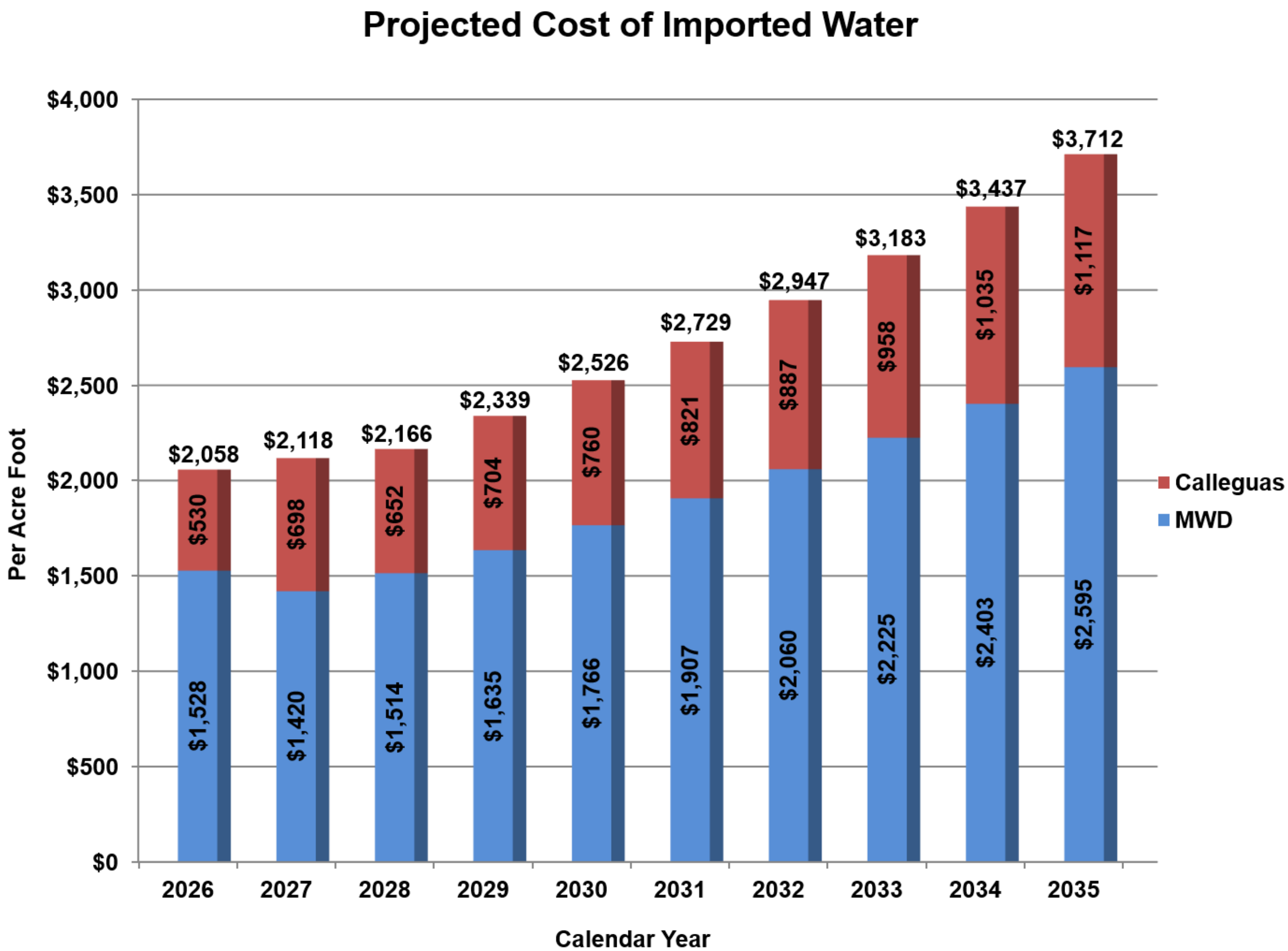


Figure 4 – Projected Cost of Import Water

Building Self-Reliance Through Strategic Planning

The District's purpose is to provide the amount of safe, reliable water our customers need. Responsible, sustainable stewardship of water resources remains fundamental to fulfilling this purpose. Efficiency and accountability are equally important in managing the District's broader responsibilities, including energy consumption, infrastructure investment, and the prudent use of rates.

Guided by its mission and long-term strategic objectives, the District has significantly reduced its dependence on imported water over the last twenty years through the development of local supply projects, including a brackish groundwater desalter, advanced groundwater treatment facilities, new groundwater wells, and a non-potable distribution system. Together, these investments have strengthened the reliability and resiliency of the District's water supply portfolio and positioned the District for greater long-term self-reliance.

The following figure 5 demonstrates the effects of the District's commitment to building self-reliance over the last 10 years. As the diversity of supply sources increases, the percentage of the portfolio filled by imported water has decreased. Reductions in total water use reflect conservation measures that have now become common practice by many of the District's customers. Along with continued conservation and water use efficiencies, the District will continue to develop local and regional water resource projects to build water self-reliance.

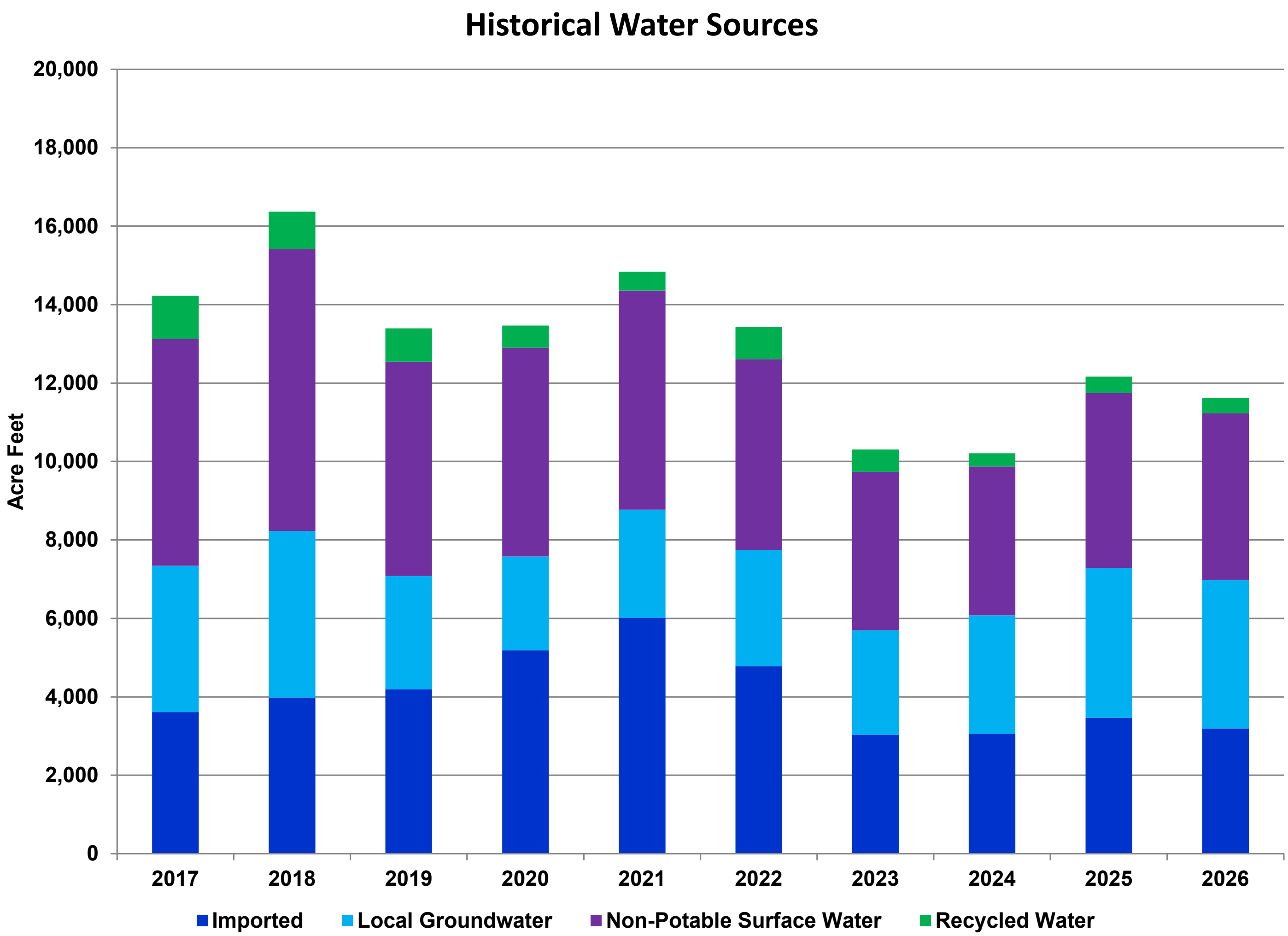


Figure 5 – Historical Water Sources

The District will continue to develop local and regional water resource projects to build water self-reliance. Building upon this progress, the District continues to advance its commitment to local water supply development and infrastructure resiliency through the ongoing development of an Integrated Master Plan (IMP) for Local Water Supply Alternatives and Infrastructure Integrity Projects.

Over the last fiscal year, substantial progress was made in identifying, evaluating, and prioritizing potential projects, implementation strategies, operational considerations, and funding opportunities through a phased planning approach. Recent extensive outreach to our customers and stakeholders through tours, surveys, social media engagement, newsletters, focus groups, and community meetings has helped identify their priorities and perspectives. This work has further refined the District's roadmap for increasing local production capacity, improving operational flexibility, and protecting long-term water supply quality and reliability.

During the current fiscal year, the District expects to continue advancing and finalizing the Integrated Master Plan with the goal of bringing forward a comprehensive, actionable framework for Board consideration and adoption. The Master Plan is anticipated to include a Local Water Supply Alternative 5-Year Implementation Plan, an Infrastructure Integrity 15-Year Implementation Plan, comprehensive funding and fiscal impact analyses, coordination and integration of regional and partner agency relationships, and long-term resource allocation strategies through a comprehensive Water Resources Allocation Policy (WRAP).

Concurrent with the continued development of the Integrated Master Plan, the District will advance preliminary design, engineering, permitting, and implementation activities associated with Phase I projects, including additional production wells, backup wells, and treatment facilities. These efforts will further increase local water production capacity, improve system resiliency, and continue reducing the District's reliance on imported water supplies.

Another example of the District's forward-looking planning efforts during FY 2025-26 included the completion of its *2025 Urban Water Management Plan* (UWMP). Urban Water Management Plans are comprehensive long-range planning documents required by the State every five years that evaluate water supply reliability, projected demands, water shortage planning, conservation measures, and long-term resource management strategies.

Developing Mutually Beneficial Partnerships

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

One of the longstanding partnerships of the District has been with their neighbor, the City of Thousand Oaks (City). Most recently, the city facilitated the acquisition of city-owned property to build the District's GAC Treatment Plant at the Conejo Wellfield. Going back many years, the District worked with the city to develop and codify the city's water right to their recycled water and developed the Conejo Creek Project (CCP) to put that water to beneficial use. Since 2014, through the Conejo Creek Project (CCP), the District has sold the city's recycled water, conveyed through the Conejo Creek, to Pleasant Valley County Water District (PVCWD), an agricultural District adjacent to The District on the Oxnard Plain. Under this Fox Canyon Groundwater Manager Agency (FCGMA) Resolution 2014-01 exchange program, PVCWD transfers to the District one storage credit in the Pleasant Valley Basin (PVB) for each acre-foot of CCP water the District delivers. These credits are shared with our partners in the City of Thousand Oaks, and the District is actively exploring ways to help the city to realize significant benefit from those credits.

Conejo Creek Diversion

The District currently pumps their portion of these credits from the Woodcreek and Lynnwood Wells in the northeastern Pleasant Valley Basin (PVB), 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 Alternatives includes exploring the development of another well in the PVB to use those credits in the future. In the last fiscal year a Preliminary Design Report (PDR) was completed for the Valencia Well in Calleguas Creek Park and an agreement was reached with the Pleasant Valley Recreation and Park District (PVRPD) for land use within the park.

Over the years the District's relationship with the Pleasant Valley Recreation and Park District (PVRPD) has evolved into a strong and collaborative partnership focused on responsible resource management, operational coordination, and community benefit. From the first collaboration to develop the Woodcreek Well, then the Lynnwood Well, the Heritage Park Monitoring Well, and now the Valencia Well. This ongoing cooperation supports reliable water service for parks, recreational facilities, and public spaces while promoting efficient irrigation practices and long-term sustainability. This partnership reflects the shared commitment of both agencies to fiscal responsibility, environmental stewardship, and maintaining high-quality public services for the residents of the community.

Lynnwood Well in Woodcreek Park

Following the completion of the Camarillo Sanitary District (CamSan) Recycled Water Interconnection project in November 2019, The District 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 The District 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). The District can store CamSan's recycled water in the District's Storage Ponds and then sell it to PVCWD, a practice codified in The District'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 the District's revenue, improves operations, and contributes to regional water supply resilience and Pleasant Valley Basin (PVB) sustainability. 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.

Non-Potable Storage Ponds

The District projects that in FY 2025-26 it will have delivered 3,587 AF of CCP water, 858 AF of CWRF recycled water, and 1,295 AF of CamSan recycled water. In FY 2026-27 the District is budgeting to deliver 4,359 AF of CCP water, 862 AF of CWRF recycled water, and 1,361 AF of CamSan recycled water to PVCWD as depicted in Figure 6.

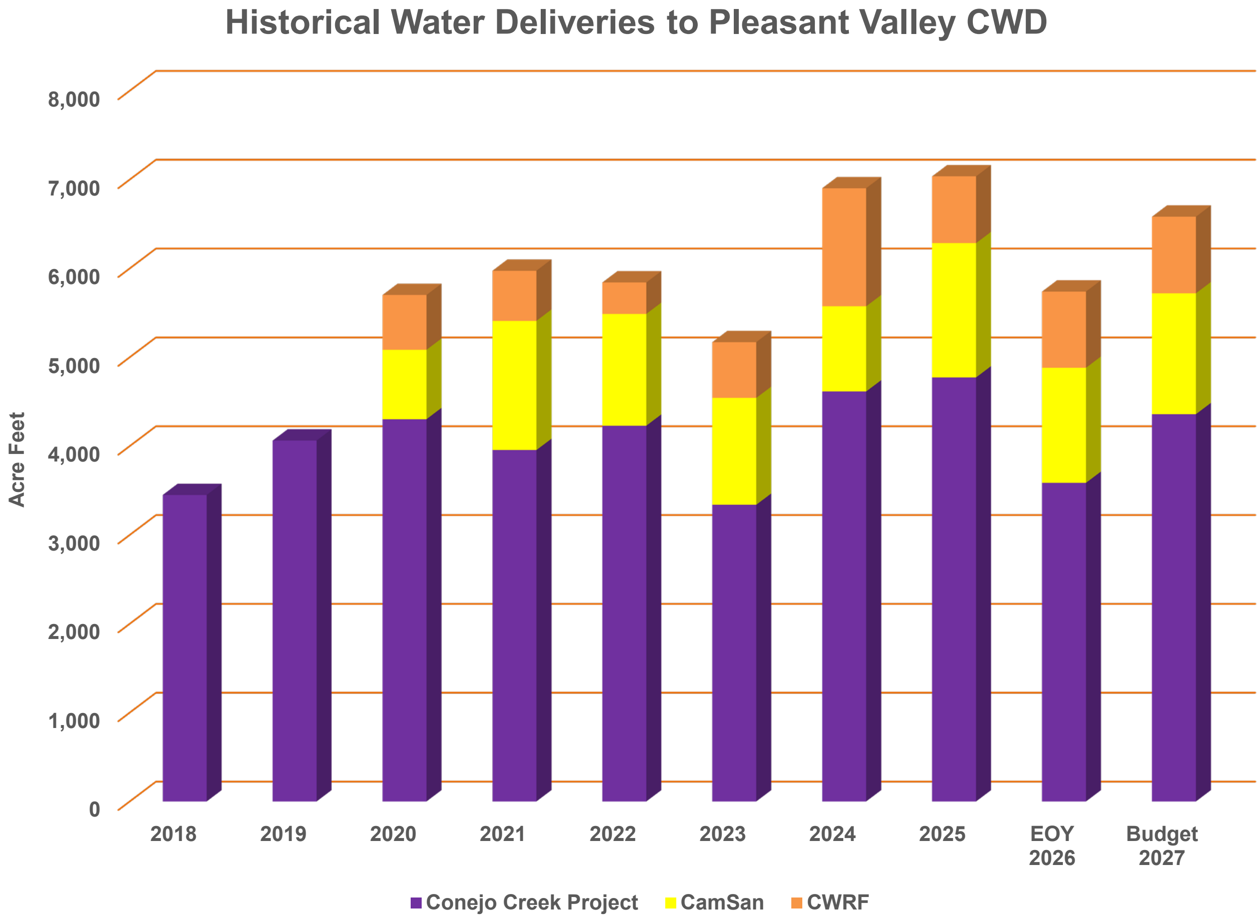


Figure 6 – Historical Water Deliveries to Pleasant Valley CWD

Another key strategic regional partner is Calleguas, our local water wholesaler who is a Metropolitan Water District (MWD or Met) member agency. Previous collaboration resulted in MWD-subsidized Local Resources Program (LRP) funding for the Round Mountain Water Treatment Plant (RMWTP). 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 (WRISt). Under Calleguas' leadership, WRISt 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 The District'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 some of the District's key Integrated Master Plan 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 Program (wheeling and banking) that will provide significant efficiencies for the District's self-reliance initiatives. Recent partnering with Calleguas on the 2025 UWMP vendor selection process and data collaboration saved the District thousands of dollars.

Beneficial relationships with our partners will continue to be a priority for the District and essential to navigating future uncertainty brought on by changing climate, groundwater basin adjudication, regulatory pressures, aging infrastructure needs, escalating costs, and the long-term challenges associated with maintaining reliable and sustainable water supplies. This ongoing collaborative work with the District's neighbors, the FCGMA, Calleguas, and other regional partners will continue to be an important element of what makes and keeps The District innovative, respected, and relevant within the region.

Appropriate Rate Setting

In FY 2023-24, the District undertook a comprehensive Water and Wastewater Cost of Service and Rate Study to evaluate existing water and wastewater rates and determine the most equitable and financially sustainable approach to funding utility operations, infrastructure maintenance, regulatory compliance, and planned capital improvement projects while keeping rates as affordable as possible. The study included a detailed review of operating and maintenance costs, commodity charges, fixed meter service fees, debt obligations, reserve requirements, and the District's aging infrastructure and preventative maintenance needs.

As required under Proposition 218, utility rates must be proportionate to the cost of providing service and cannot exceed the revenues necessary to operate and maintain the utility system. Cost of service studies are therefore an essential financial planning tool used to ensure that rates are fair, transparent, legally compliant, and aligned with the actual cost of delivering water and wastewater services to customers. Following completion of the study, extensive outreach, and a public hearing process conducted in accordance with Proposition 218 requirements, the District adopted a five-year Schedule of Rates for Water and Wastewater Services on June 6, 2024. At the May 26, 2026, Board Meeting, the Board adopted Resolution 26-12 implementing the third year of the scheduled five-year rate adjustments at the start of FY 2026-27.

Even with the approved rate increases, the District's water and wastewater rates continue to remain among the lowest in Ventura County, due in large part to decades of strategic investment in local water supply development and infrastructure that have increased operational self-reliance and reduced dependence on costly imported water supplies. The District also remains committed to cost-effective operations and prudent financial management through ongoing efforts to control operating expenses, maximize efficiencies, and responsibly plan for long-term infrastructure needs.

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

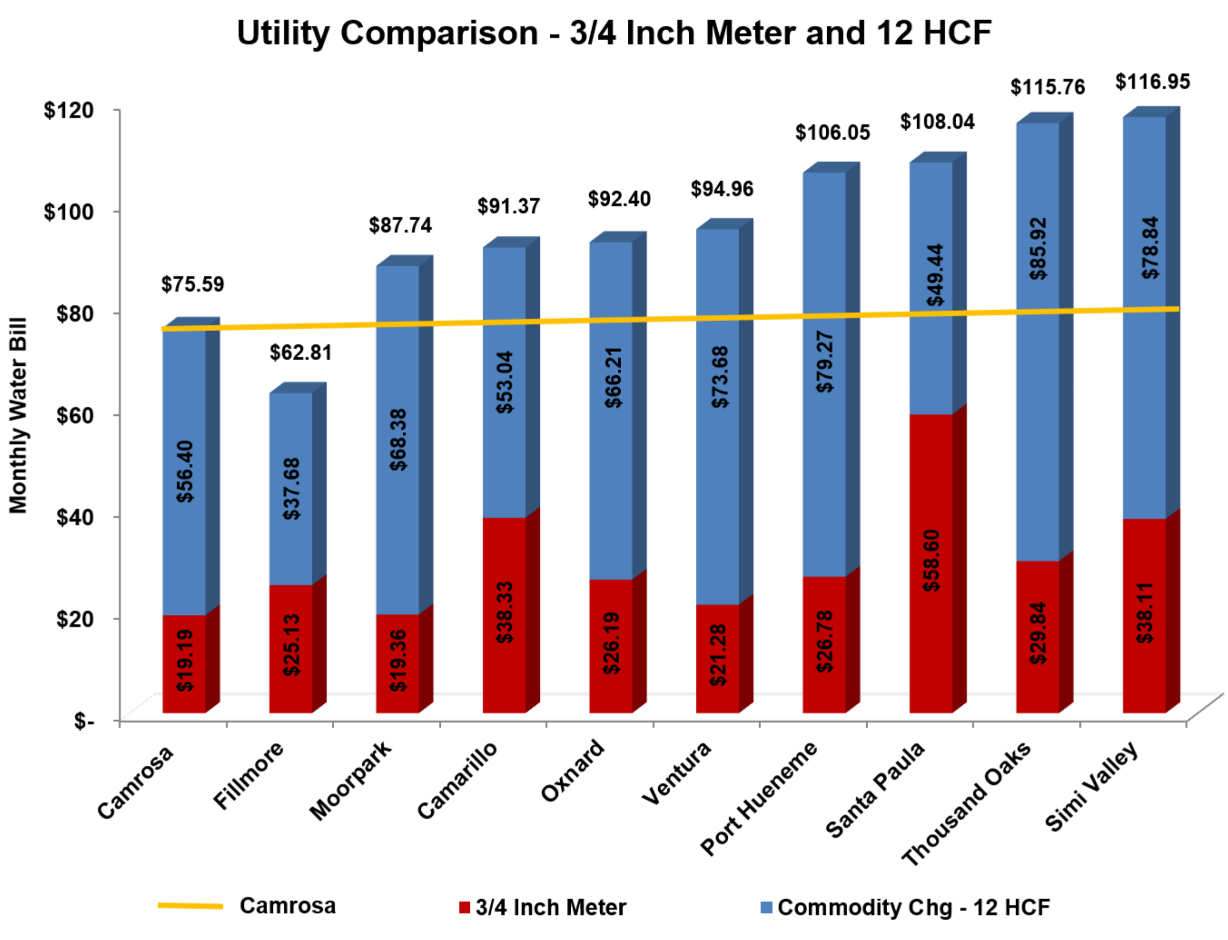


Figure 7 – Water Rate Comparison

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

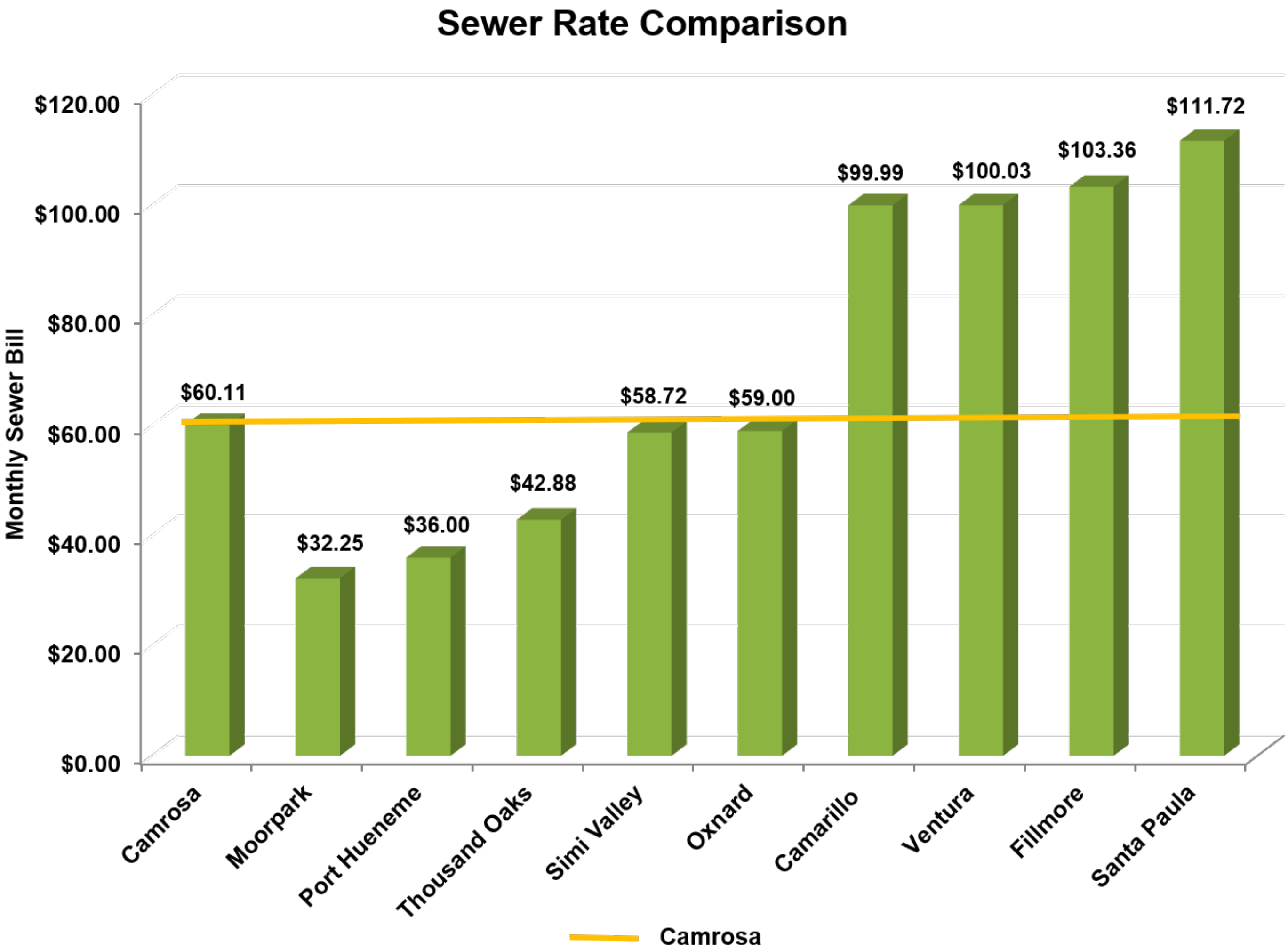


Figure 8 – Sewer Rate Comparison

Effective Asset Management

Camrosa Water District was established in 1962 and 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 due to infrastructure failures and ultimately impacting long-term water rate stability.

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. In the latter part of the prior fiscal year the upgrade of the District's Customer Information System (CIS) was completed, and work is underway to integrate 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 a significant allocation for a new data architecture to enhance the District's compliance reporting capabilities as well as efficient data retrieval for operational and strategic planning and analysis. New software is being deployed that will provide fiscal forecasting with real-time analysis of cash-flows, rate impacts, and future reserves and revenue requirements taking into account asset management, self-reliance, and infrastructure integrity initiatives. FY 2026-27 will mark the first full year of AP Automation capability that will provide valuable accounting management efficiencies for District staff and vendors. As the District makes initial and ongoing investments in emerging technology, the effects will be seen across the organization and through all areas of accounting, 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 on ensuring the security and resiliency of its Information Technology (IT) and Operational Technology (OT) systems. Because new cyber threats, vulnerabilities, and risks are continually emerging, the District applies a process of continuous improvement regarding cybersecurity that emphasizes threat identification, mitigation planning, implementation, and ongoing assessment with the goals of protecting the District's network assets and safeguarding customers' personally identifiable information. The District's layered cybersecurity approach focuses on network resiliency, stringent access controls, network segmentation, cloud-based endpoint monitoring, and alignment with evolving cybersecurity best practices and guidance issued by the Cybersecurity and Infrastructure Security Agency (CISA). Additionally, the District continues to ensure all staff are properly trained to identify, respond to, and report malware attacks, phishing attempts, and other cybersecurity threats while maintaining compliance with applicable security standards and critical infrastructure protection requirements.

Externalities

Although supply chain conditions have generally improved compared to the significant disruptions experienced in recent years, procurement challenges and extended lead times continue to affect many critical infrastructure and capital improvement projects. Delays remain particularly common for electrical equipment, switchgear, generators, pumps, specialized mechanical components, treatment system equipment, telemetry and automation systems, and other highly specialized utility infrastructure materials. These procurement constraints can continue to affect project scheduling, contractor coordination, sequencing of work, and overall project delivery timelines. At the same time, the construction industry and related professional services sectors continue to experience elevated pricing pressures driven by labor shortages, strong regional infrastructure demand, regulatory requirements, and broader economic uncertainty. Construction bids, engineering services, materials, and equipment costs remain substantially higher than historical norms, contributing to increased overall project costs and requiring additional contingency planning within the District's Capital Improvement Program.

Inflationary pressures also continue to affect ongoing District operations. Costs associated with energy, fuel, treatment chemicals, laboratory testing, maintenance materials, insurance, regulatory compliance, and contracted services have remained elevated and, in many cases, continue to increase at rates exceeding general consumer inflation. In addition, ongoing geopolitical instability, tariff actions, global trade uncertainties, and fluctuations in international manufacturing and shipping markets continue to create volatility in the pricing and availability of key equipment and materials necessary to support the District's operational and infrastructure needs. These increased operating costs directly affect the delivery of reliable water and wastewater services and place additional pressure on long-term financial planning.

To address these challenges, the District continues to emphasize proactive project planning, long-range capital forecasting, early procurement strategies, inventory management, and disciplined financial planning in order to minimize operational disruptions, maintain project delivery schedules where possible, and continue providing reliable and cost-effective services to its customers.

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 FY 2025-26 budget was submitted to the CSMFO and the District received an Operating Budget Excellence Award for a thirteenth consecutive year. This 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.


California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award
Fiscal Year 2025-2026

Presented to the

Camrosa Water District

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

February 5, 2026

Jennifer Wakeman
2025 CSMFO President

James Russell-Field, Chair
Recognition Committee

Dedicated to Excellence in Municipal Financial Reporting

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 FY 2026-27 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

Mission & Vision Statements

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."

Camrosa Water District Headquarters

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 the District 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, the District 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

Strategic Plan Development

As part of the Budget development process for FY 2025-26, the Board and staff developed specific Strategic Plan-related goals to be achieved through deliberate planning and stakeholder input. These goals were:

- 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 the District's talented and dedicated team members through positive engagement and professional development while filling all allocated positions with individuals who share the District vision for excellence.

As part of the FY 2026–27 budget development process, the Board and staff reviewed the significant progress achieved during the prior fiscal year toward advancing the District's Strategic Plan goals and reaffirmed their commitment to continued implementation of those priorities. This includes transitioning key initiatives within the Integrated Master Plan for Local Water Supply Alternatives and Infrastructure Integrity Projects from the planning phase into active implementation.

Integrated Master Plan Development

Profile of the District

District Services and Management

The Camrosa Water District, encompassing more than 31 square miles in Ventura County, California, is an independent special district operating under the authority of Division 12 of the California Water Code. Originally formed in 1962 as the Camarillo County Water District to provide potable water service, the District changed its name to the Camrosa County Water District in 1965 and adopted its current name, Camrosa Water District, in 1987. Since its formation, the District has expanded its services to include wastewater collection, treatment, recycled water production, and non-potable agricultural water delivery within portions of its service area.

Today, the District provides three classes of water — potable, non-potable, and recycled — to more than 32,700 people through approximately 11,450 equivalent service connections, including three master-metered communities. The majority of connections are residential, with the remaining customers consisting of commercial, industrial, institutional, and agricultural users.

Potable water supplied by the District is a blend of imported State Water Project (SWP) water conveyed from the Sacramento-San Joaquin Delta and local groundwater supplies. Non-potable agricultural water is supplied through a combination of diverted surface water and local groundwater sources. Recycled water is produced through tertiary treatment at the Camrosa Water Reclamation Facility (CWRF) and distributed for irrigation and other approved non-potable uses.

The District also provides wastewater collection and treatment services to approximately 9,981 equivalent dwelling units (EDUs), including service to California State University Channel Islands (CSUCI), portions of the City of Camarillo, and a small portion of the City of Thousand Oaks. Areas outside the District's wastewater service boundary are served either by the Camarillo Sanitary District or by private septic systems.

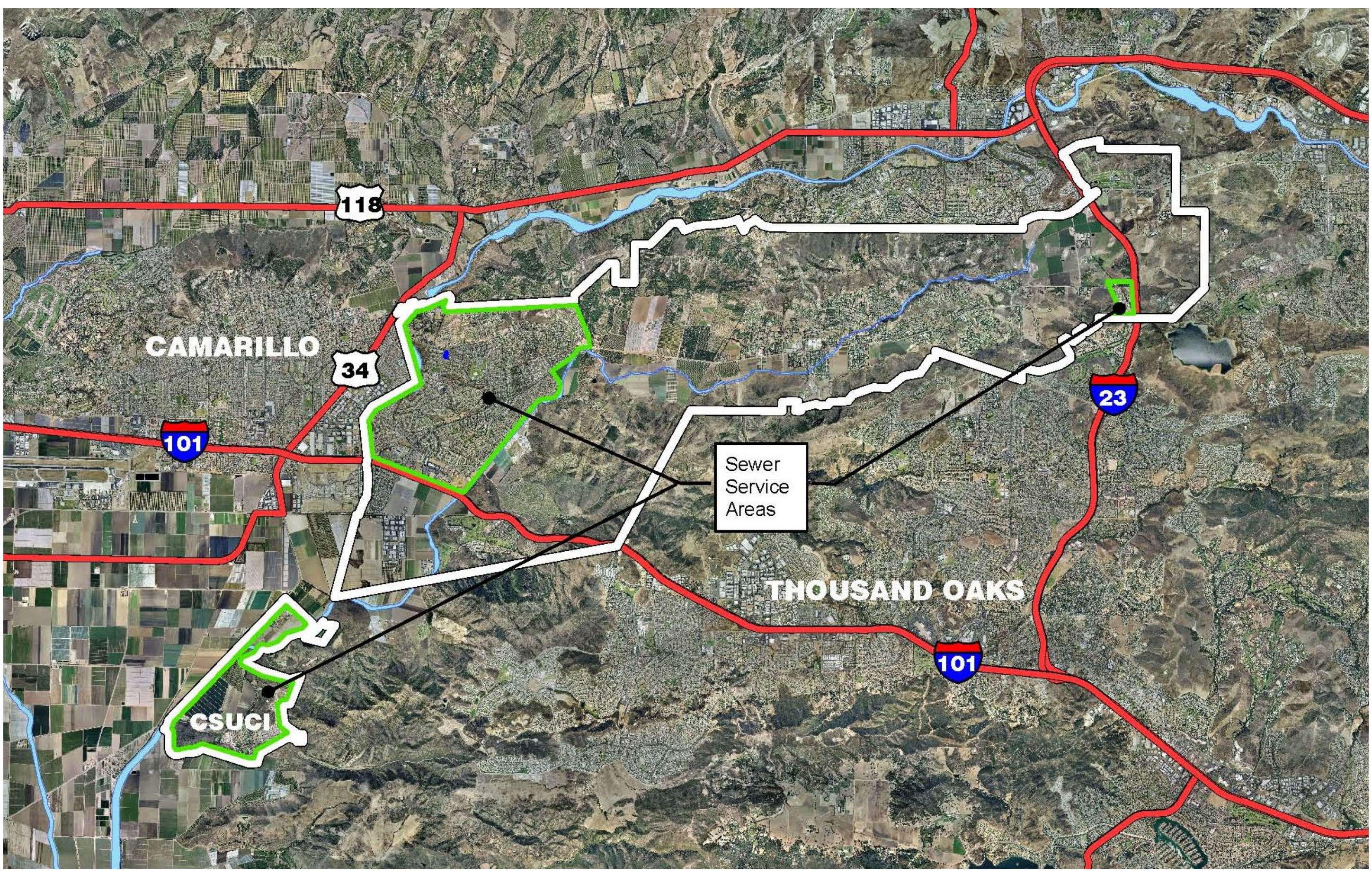


Figure 9 – District Map Boundaries

The following graph shows the District's water customer classes. Residential and Agricultural customers account for approximately 73% of projected water service revenue for the fiscal year ending June 30, 2026. The residential class includes both indoor and outdoor water use.

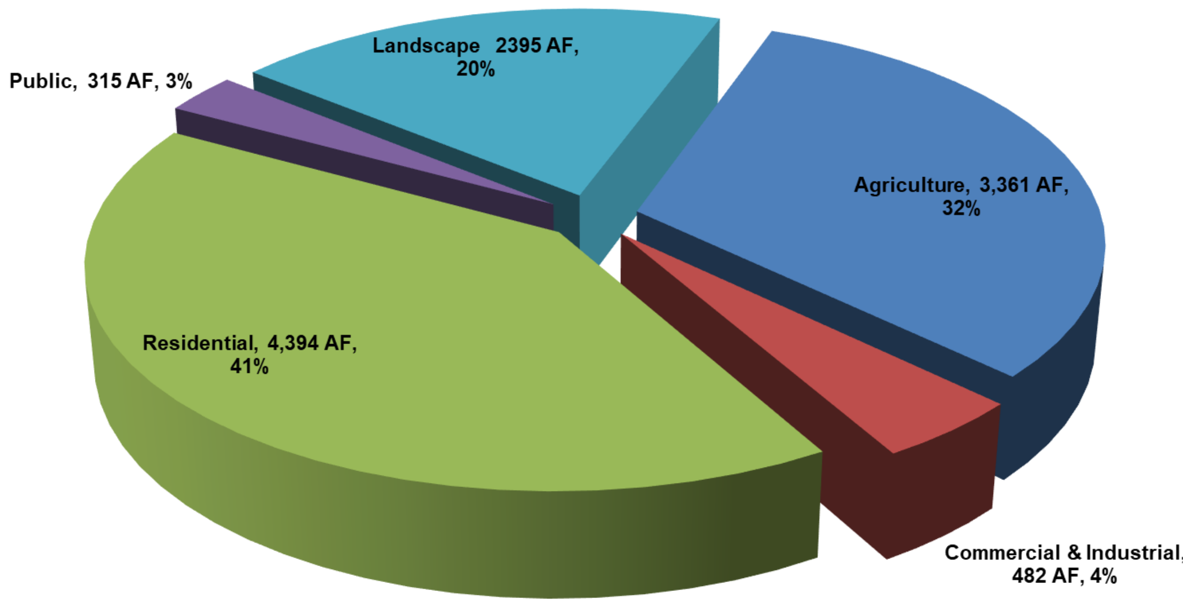


Figure 10 – FY 2024-25 Percent of Water Revenue by Customer Class

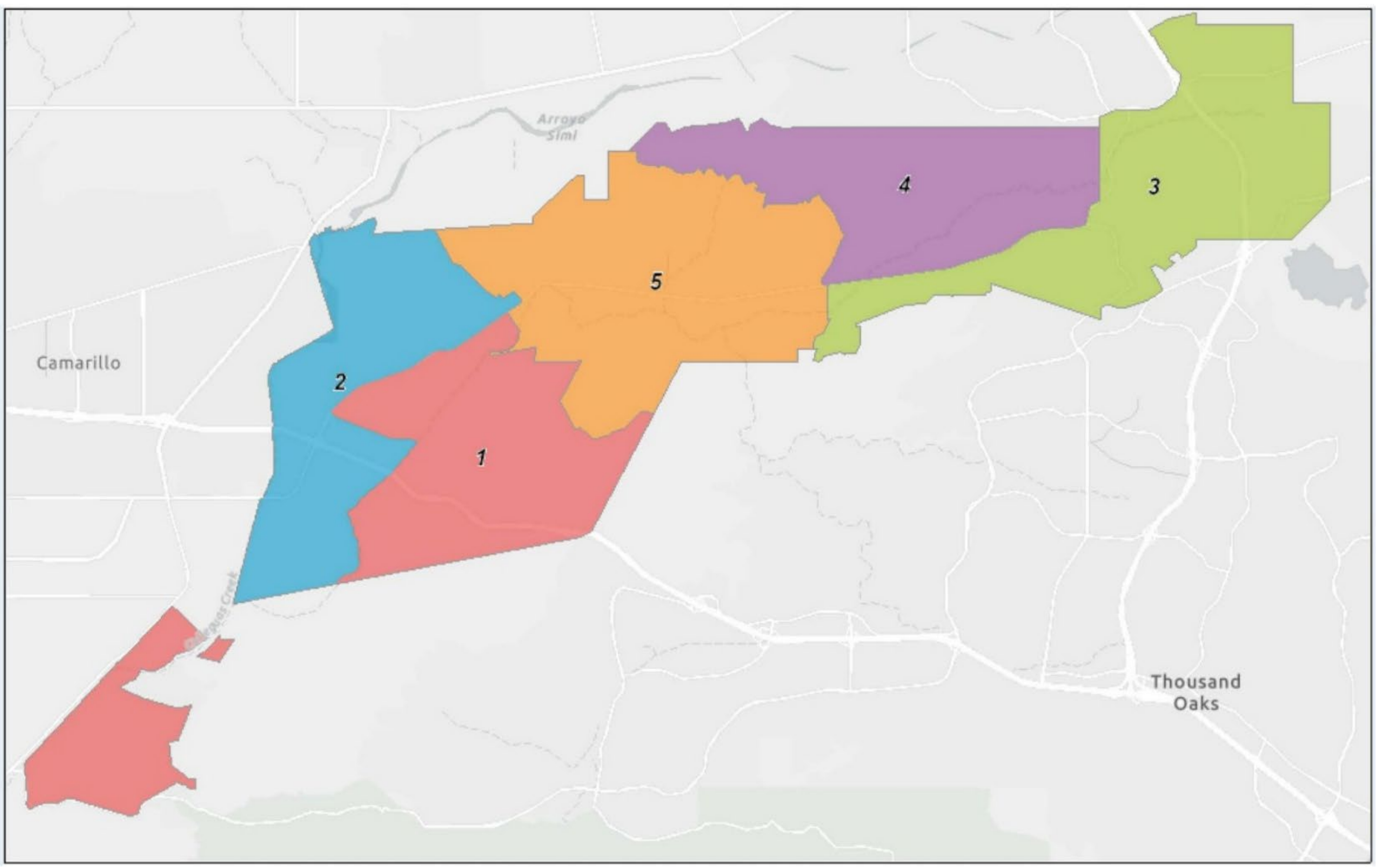
Camrosa Water District - a Blend of Residential and Agricultural Areas

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 Board is responsible for establishing District policies, adopting annual budgets and water rates, overseeing long-term planning and capital improvement programs, and ensuring the reliable and fiscally responsible delivery of water and wastewater services to the community.

The Board of Directors meets regularly on the second and fourth Tuesdays of each month. Board meetings are publicly noticed and conducted in accordance with California open meeting laws, providing transparency and opportunities for public participation. Residents, customers, and stakeholders are encouraged to attend meetings and participate in the District’s decision-making process.

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



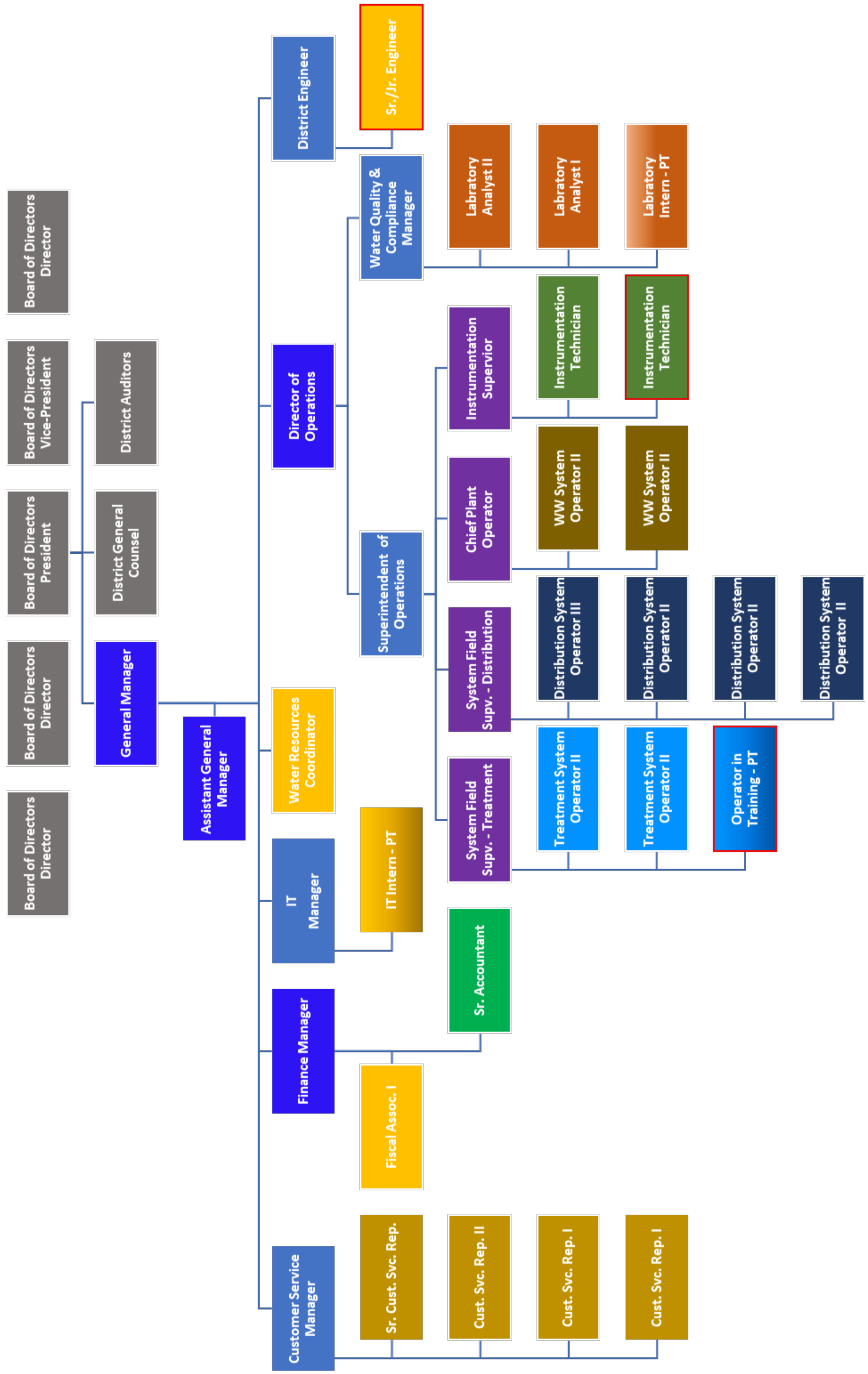
District Board Member Geographical Divisions

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 FY 2025-26 the District budgeted for and the Board allocated 31 full-time positions and 3 part-time positions. In FY 2026-27 the District budgeted for and the Board allocated 33 full-time positions and 3 part-time positions.



Employee Salaries

In FY 2025-26 the Board allocated 3.2% for Annual Inflation Adjustment (AIA) policy. They also allocated 1.75% for salary adjustments and promotions. For FY 2026-27 the Board allocated 3.2% for AIA and 1.0% for salary adjustments and promotions and 1.0% as a district-wide performance bonus.

Employee Benefits

The District is a member of the California Public Employees' Retirement System (CalPERS). In FY 2019-20 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 FY 2024-25 of $1.6 million. The total ADPs made to date amount to $6,776,019. Due to the high cost of the UAL, in FY 2024-25 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 FY 2026-27, the District will be invoiced $55,333 for the required UAL payment for classic employees. The employer contribution rate of 11.92% for classic employees will be collected as a percentage of payroll. In FY 2020-21 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 1% of the 7% employee contributions for qualifying classic employees and provide a discretionary offset of 6%. 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 (PEPRA), will be 7.93%.

The District provides a range of medical insurance plans and dental and vision insurance through ACWA-JPIA. The FY 2026-27 budget assumes an increase of 6% effective January 1, 2026, for medical, which represents an average of the last three years' increases. Dental and Vision are expected to remain flat or increase by 2%.

Employee Picnic & Cornhole Tournament

Financial Policies

Banking & Cash Management Policy

The District's Banking & Cash Management Policy (Appendix #4), recently adopted by Board Resolution on April 14, 2026, establishes guidelines to ensure the secure, transparent, and efficient management of the District's funds and ensure compliance with regulations.

Budget Policy

The District's budget functions as a policy document, operational tool, financial plan, and communication resource for the community and stakeholders. The Budget Policy (Appendix #5), adopted by Board Resolution on January 26, 2017, provides guidelines to ensure consistent practices in preparing the annual budget.

Debt Management Policy

The District's primary goal in issuing debt is to support infrastructure, capital projects, and other financing needs while ensuring prudent debt management to maintain fiscal stability and protect credit quality. The District's Debt Policy (Appendix #6), adopted by Board Resolution on August 11, 2016, provides guidelines for using debt to finance water, sewer, and recycled-water projects. The policy (1) establishes criteria to maintain acceptable debt levels, (2) signals to investors and rating agencies the District's commitment to sound financial management, and (3) provides consistent guidance for the Board when planning and executing financing strategies.

Investment Policy

The District's Investment Policy, recently adopted by Board Resolution on March 10, 2026, provides guidelines and restrictions for the prudent investment of District cash reserves. A four-member committee—comprising the General Manager, the Finance Manager, and two Board members—monitors the investment portfolio. The full Board receives quarterly reports on investment types, yields, maturity dates, and market values. Investment selection is guided by the priorities of safety, liquidity, and yield. Maturities generally do not exceed five years, and investments are matched to anticipated cash flow needs whenever possible. Investments are typically limited to government-issued or government-insured securities. As of April 30, the District has approximately $6.1 million invested in the State's Local Agency Investment Fund (LAIF) and $34.8 million in U.S. Treasuries (Appendix #7).

Pension Funding Policy

The District's Pension Funding Policy (Appendix #8), adopted by Board Resolution on January 14, 2021, offers guidance and strategies for current and future Boards in addressing the District's retirement liabilities. The policy outlines internal budgeting practices, policy directives, and financing mechanisms.

Procurement Policy

The District's Procurement Policy (Appendix #9), recently reviewed, updated, and adopted by Board Resolution on May 26, 2026, establishes efficient and effective practices in procuring materials and services. It promotes sound business practices and ensures the District receives high-quality goods and the best value for its expenses. The policy requires the District to operate in a fair, open, transparent, and nondiscriminatory manner, with careful management of procurement-related risks. It also requires participants in the procurement process to adhere to the highest ethical standards.

Reserve Policy

The District's Reserve Policy (Appendix #10), adopted by Board Resolution on October 14, 2021, is intended to maintain adequate reserves for ongoing needs while minimizing the need for new debt. The reserve levels also support rate stabilization and ensure sufficient funding for aging infrastructure, unforeseen emergencies, and future system expansion. The Board reviews the policy biennially and the reserve levels quarterly and again during the annual budget process to ensure alignment with long-term strategy.

Budgeting

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 operates and reports as a single enterprise fund—an accounting entity used to finance, operate, and maintain governmental facilities and services that are primarily self-supporting through user charges.

Budgetary Control

The District views the budget as an essential financial management tool. It is developed with input from program managers and budget appropriations are adopted before the start of each fiscal year. Any supplemental appropriations must be approved by the Board.

Budgetary control is maintained at the Fund level, meaning expenses may not exceed the approved appropriation. The Board monitors the budget through Quarterly Financial Reports, Quarterly Investment Reports, and Year-End Budget Reports.

Budget Process

The budget planning process allows the Board, Management, and Staff to reassess goals and objectives for the upcoming and future years.

During this process, Management and Staff update existing objectives and develop new ones for the upcoming fiscal year, which are then discussed with the Board. These discussions inform the draft budget presented for initial Board review and revisions are made as appropriate. The adopted budget is posted on the District's website.

Budget Calendar

The following is the FY 2026-27 Budget development calendar.

3/10/2026	Present Program Accomplishments FY 2025-26 Present Program Goals for FY 2026-27
4/14/2026	Projected End-of-Year Budget FY 2025-26 FY 2025-26 Capital Projects Projections FY 2025-26 Projected Reserve Balance
4/28/2026	FY 2026-27 Draft Expense Budget FY 2026-27 Draft Revenue Budget FY 2026-27 Capital Projects FY 2026-27 Projected Reserve Balance
5/12/2026	3rd Quarter Review
5/26/2026	Appropriation Limit FY 2026-27
6/9/2026	Draft FY 2026-27 Operating & Capital Budget
6/23/2026	Adoption of FY 2026-27 Operating & Capital Budget

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Resolution No: 26-17

A Resolution of the Board of Directors
of Camrosa Water District

Adopting the Operating and Capital Budget for Fiscal Year 2026-27

Whereas, Management and Staff of the Camrosa Water District have developed a one-year Operating and Capital budget for Fiscal Year 2026-27; and

Whereas, the budget includes projections of operating and capital revenues, expenditures, and changes in cash reserves for all District funds for Fiscal Year 2026-27; and

Whereas, on April 28, 2026, and June 9, 2026, the proposed draft budget for Fiscal Year 2026-27 was presented to and reviewed by the Board of Directors at a regular meeting; and

Whereas, the final budget for Fiscal Year 2026-27 was presented to and considered by the Board of Directors at a regular meeting on June 23, 2026; and

Whereas, the Board of Directors has determined that the proposed budget supports the effective delivery of District services; and

Whereas, the Board of Directors has further determined that the budget demonstrates that, with necessary Board action, the District will have sufficient revenues and financial reserves to meet its obligations during the fiscal year; and

Whereas, the Board of Directors desired to adopt the Operating and Capital Budget for Fiscal Year 2026-27.

Now, Therefore, Be It Resolved by the Board of Directors of the Camrosa Water District that the Operating and Capital Budget for Fiscal Year 2026-27, attached hereto, is hereby approved and adopted.

Adopted, Signed, and Approved this 23rd day of June 2026.

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

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

Combined Budget Summary

Budget Summary	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Revenues								
Water Sales:								
Potable	$ 9,209,757	$ 10,602,546	$ 13,440,328	$ 13,671,300	$ 13,052,048	$ 13,856,900	$ 185,600	1.36%
Recycle/Non-Potable	3,573,563	3,304,164	4,173,539	4,015,538	3,888,416	3,834,196	(181,342)	-4.52%
Water Sales Pleasant Valley	1,608,935	1,998,484	1,711,690	1,643,766	1,456,026	1,706,202	62,436	3.80%
Meter Service Charge	2,608,044	2,717,519	2,952,068	3,642,600	3,356,521	3,841,900	199,300	5.47%
Sewer Service Charge	4,426,781	4,764,475	5,407,215	6,282,400	6,060,000	7,347,200	1,064,800	16.95%
Special Services	65,432	19,606	90,740	76,000	147,200	152,000	76,000	100.00%
Pump Zone Charges	35,239	31,408	39,042	35,000	35,877	35,000	-	0.00%
Miscellaneous	51,038	5,877	12,453	-	19,006	3,200	3,200	-
Total Operating Revenues	**$ 21,578,789**	**$ 23,444,079**	**$ 27,827,075**	**$ 29,366,604**	**$ 28,015,094**	**$ 30,776,598**	**$ 1,409,994**	**4.80%**
Operating Expenses								
Import Water Purchases-Calleguas	$ 5,070,510	$ 5,461,450	$ 6,834,207	$ 5,637,137	$ 6,303,212	$ 5,647,452	$ 10,315	0.18%
Calleguas Fixed Charge	906,822	937,050	1,019,154	1,077,252	1,065,624	1,152,373	75,121	6.97%
Conejo Creek Project-Thousand Oaks	132,123	1,113,387	940,490	1,014,104	859,113	889,026	(125,078)	-12.33%
CamSan	816,017	157,354	152,624	158,736	155,000	163,817	5,081	3.20%
Salinity Management Pipeline-Calleguas	75,237	148,758	150,470	277,152	198,041	297,191	20,039	7.23%
Pumping & Production Power	1,718,085	2,015,969	2,182,155	3,168,180	2,237,773	2,307,332	(860,848)	-27.17%
Total Production	**$ 8,718,794**	**$ 9,833,968**	**$ 11,279,100**	**$ 11,332,561**	**$ 10,818,763**	**$ 10,457,191**	**$ (875,370)**	**-7.72%**
Regular Salaries	$ 2,813,711	$ 3,265,586	$ 3,523,643	$ 4,178,199	$ 4,080,404	$ 4,423,201	$ 245,002	5.86%
Overtime/Standby	152,105	208,699	182,741	212,319	188,543	243,905	31,586	14.88%
Part Time	25,197	39,576	44,352	98,099	24,338	78,052	(20,047)	-20.44%
Benefits	958,028	1,053,663	1,216,625	1,437,371	1,314,417	1,504,978	67,607	4.70%
Total Salaries & Benefits	**$ 3,949,041**	**$ 4,567,524**	**$ 4,967,361**	**$ 5,925,988**	**$ 5,607,702**	**$ 6,250,136**	**$ 324,148**	**5.47%**
Outside Contracts	$ 1,974,882	$ 2,438,557	$ 2,345,529	$ 4,367,163	$ 3,660,725	$ 4,401,555	$ 34,392	0.79%
Professional Services	703,768	776,095	485,902	1,379,130	1,610,511	1,559,825	180,695	13.10%
Total Outside Cont/Profess Services	**$ 2,678,650**	**$ 3,214,652**	**$ 2,831,431**	**$ 5,746,293**	**$ 5,271,236**	**$ 5,961,380**	**$ 215,087**	**3.74%**
Utilities	$ 97,746	$ 106,824	$ 107,477	$ 129,500	$ 116,000	$ 130,700	$ 1,200	0.93%
Communications	89,688	67,054	74,219	84,600	61,728	95,700	11,100	13.12%
Pipeline Repairs	401,863	309,793	464,169	490,000	490,000	490,000	-	0.00%
Small Tools & Equipment	29,169	30,949	28,368	47,350	47,500	54,500	7,150	15.10%
Materials & Supplies	554,248	739,909	970,964	1,563,715	1,192,700	1,628,251	64,536	4.13%
Repair Parts & Equipment Maintenance	783,513	1,039,666	655,741	1,465,000	1,394,500	1,520,000	55,000	3.75%
Legal Services	50,660	138,128	337,026	305,000	527,500	570,000	265,000	86.89%
Dues & Subscriptions	52,945	40,592	54,431	57,000	54,000	58,574	1,574	2.76%
Conference & Travel	24,266	25,726	38,705	28,400	36,600	42,400	14,000	49.30%
Safety & Training	21,888	28,397	38,479	57,000	50,000	78,000	21,000	36.84%
Board Expense	156,485	149,382	165,109	177,000	182,500	190,000	13,000	7.34%
Bad Debt	10,757	6,523	5,152	10,000	3,500	10,000	-	0.00%
Fees & Charges	288,658	202,657	233,062	356,375	324,000	362,726	6,351	1.78%
Insurance	116,009	149,930	180,020	216,500	198,000	217,000	500	0.23%
Total Supplies & Services	**$ 2,677,895**	**$ 3,035,530**	**$ 3,352,922**	**$ 4,987,440**	**$ 4,678,528**	**$ 5,447,851**	**$ 460,411**	**9.23%**
Total Expenses	**$ 18,024,380**	**$ 20,651,674**	**$ 22,430,814**	**$ 27,992,282**	**$ 26,376,229**	**$ 28,116,558**	**$ 124,276**	**0.44%**
Net Operating Revenues	**$ 3,554,409**	**$ 2,792,405**	**$ 5,396,261**	**$ 1,374,322**	**$ 1,638,865**	**$ 2,660,040**	**$ 1,285,718**	**93.55%**
Less: Non-Operating Expenses								
Debt Service 2011A/2016	$ 1,035,331	$ 1,039,931	$ 1,036,631	$ 1,048,932	$ 1,048,932	$ 1,041,981	$ (6,951)	-0.66%
Rate Stabilization Contribution	70,000	-	70,000	70,000	70,000	70,000	-	-
Unfunded Accrued Liability Contribution	-	-	300,000	231,750	300,000	300,000	68,250	-
Capital Replacement Contribution	4,266,300	4,426,361	6,650,500	3,057,000	5,630,000	4,550,000	1,493,000	48.84%
Total Non-Operating Expenses	**$ 5,371,631**	**$ 5,466,292**	**$ 8,057,131**	**$ 4,407,682**	**$ 7,048,932**	**$ 5,961,981**	**$ 1,554,299**	**35.26%**
Add: Non-Operating Revenues								
Interest Revenues	$ 1,276,286	$ 2,089,721	$ 2,066,738	$ 1,316,000	$ 1,559,634	$ 1,506,000	$ 190,000	14.44%
Taxes	772,770	805,988	873,760	885,120	927,775	982,500	97,380	15.69%
Rate Stabilization Contribution	-	-	-	945,541	362,631	862,618	(82,923)	-
Funding Procurement Policy					102,000			
Legal Settlement					2,555,094			
Total Non-Operating Revenues	**$ 2,049,056**	**$ 2,895,709**	**$ 2,940,498**	**$ 3,146,661**	**$ 5,507,134**	**$ 3,351,118**	**$ 204,457**	**6.50%**
Net Operating Results	**$ 231,834**	**$ 221,822**	**$ 279,628**	**$ 113,301**	**$ 97,067**	**$ 49,177**	**$ (64,124)**	
Capital Fees	$ 289,325	$ 1,982,125	$ 30,000	$ -	$ 13,075	$ -	$ -	-
Mitigation & In-Lieu Fees	298,743	4,205,860	9,734	-	6,489	-	-	-
Grants	-	-	603	-	-	-	-	-
	$ 588,068	**$ 6,187,985**	**$ 40,337**	**$ -**	**$ 19,564**	**$ -**	**$ -**	**-**
Net Operating Results After Capital Fees & Grants	**$ 819,902**	**$ 6,409,807**	**$ 319,965**	**$ 113,301**	**$ 116,631**	**$ 49,177**	**$ (64,124)**	

****Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget***

Water Program Budget

Water Program	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Revenues								
Water Sales:								
Potable	$ 9,209,757	$ 10,602,546	$ 13,440,328	$ 13,671,300	$ 13,052,048	$ 13,856,900	$ 185,600	1.36%
Recycle/Non-Potable	3,573,563	3,304,164	4,173,539	4,015,538	3,888,416	3,834,196	(181,342)	-4.52%
Water Sales Pleasant Valley	1,608,935	1,998,484	1,711,690	1,643,766	1,456,026	1,706,202	62,436	3.80%
Meter Service Charge	2,608,044	2,717,519	2,952,068	3,642,600	3,356,521	3,841,900	199,300	5.47%
Special Services	48,513	58,024	66,155	54,000	105,700	110,000	56,000	103.70%
Pump Zone Charges	35,239	31,408	39,042	35,000	35,877	35,000	-	0.00%
Miscellaneous	47,591	4,156	8,097	-	13,610	2,080	2,080	-
Total Operating Revenues	**$ 17,131,642**	**$ 18,716,301**	**$ 22,390,919**	**$ 23,062,204**	**$ 21,908,198**	**$ 23,386,278**	**$ 324,074**	**1.41%**
Operating Expenses								
Import Water Purchases-Calleguas	$ 5,070,510	$ 5,461,450	$ 6,834,207	$ 5,637,137	$ 6,303,212	$ 5,647,452	$ 10,315	0.18%
Calleguas Fixed Charge	906,822	937,050	1,019,154	1,077,252	1,065,624	1,152,373	75,121	6.97%
Conejo Creek Project	132,123	1,113,387	940,490	1,014,104	859,113	889,026	(125,078)	-12.33%
CamSan	816,017	157,354	152,624	158,736	155,000	163,817	5,081	3.20%
Salinity Management Pipeline-Calleguas	67,384	139,624	139,404	268,152	185,000	282,191	14,039	5.24%
Pumping & Production Power	1,718,085	2,015,969	2,182,155	3,168,180	2,237,773	2,307,332	(860,848)	-27.17%
Total Production	**$ 8,710,941**	**$ 9,824,834**	**$ 11,268,034**	**$ 11,323,561**	**$ 10,805,722**	**$ 10,442,191**	**$ (881,370)**	**-7.78%**
Regular Salaries	$ 1,828,912	$ 2,122,631	$ 2,290,368	$ 2,715,829	$ 2,652,263	$ 2,875,081	$ 159,252	5.86%
Overtime/Standby	98,868	135,654	118,782	138,007	122,553	158,538	20,531	14.88%
Part Time	16,378	25,724	28,829	63,764	15,820	50,734	(13,030)	-20.43%
Benefits	622,718	684,881	790,806	934,291	854,371	978,235	43,944	4.70%
Total Salaries & Benefits	**$ 2,566,876**	**$ 2,968,890**	**$ 3,228,785**	**$ 3,851,891**	**$ 3,645,007**	**$ 4,062,588**	**$ 210,697**	**5.47%**
Outside Contracts	$ 1,002,474	$ 1,404,853	$ 1,032,702	$ 2,668,331	$ 2,144,346	$ 2,687,736	$ 19,405	0.73%
Professional Services	464,348	570,443	414,995	980,809	1,140,315	1,108,665	127,856	13.04%
Total Outside Cont/Profess Services	**$ 1,466,822**	**$ 1,975,296**	**$ 1,447,697**	**$ 3,649,140**	**$ 3,284,661**	**$ 3,796,401**	**$ 147,261**	**4.04%**
Utilities	$ 73,477	$ 81,885	$ 78,128	$ 93,925	$ 87,750	$ 95,125	$ 1,200	1.28%
Communications	58,297	43,585	48,242	54,990	40,123	62,205	7,215	13.12%
Pipeline Repairs	400,694	309,793	408,740	460,000	460,000	460,000	-	0.00%
Small Tools & Equipment	24,663	27,297	21,859	34,452	34,550	38,125	3,673	10.66%
Materials & Supplies	400,902	575,850	786,053	1,329,945	985,920	1,384,088	54,143	4.07%
Repair Parts & Equipment Maintenance	696,805	952,656	568,618	1,271,625	1,242,425	1,324,575	52,950	4.16%
Legal Services	32,929	122,718	311,160	261,250	496,875	510,500	249,250	95.41%
Dues & Subscriptions	34,346	26,385	35,380	37,050	35,100	38,073	1,023	2.76%
Conference & Travel	15,773	16,722	25,158	18,460	23,790	27,560	9,100	49.30%
Safety & Training	14,227	18,458	25,011	37,050	32,500	50,700	13,650	36.84%
Board Expense	101,715	97,098	107,321	115,050	118,625	123,500	8,450	7.34%
Bad Debt	6,992	4,240	3,349	6,500	2,275	6,500	-	0.00%
Fees & Charges	214,184	125,870	169,480	240,295	232,875	244,423	4,128	1.72%
Insurance	75,406	97,454	117,013	140,725	128,700	141,050	325	0.23%
Total Supplies & Services	**$ 2,150,410**	**$ 2,500,011**	**$ 2,705,512**	**$ 4,101,317**	**$ 3,921,508**	**$ 4,506,424**	**$ 405,107**	**9.88%**
Total Expenses	**$ 14,895,049**	**$ 17,269,031**	**$ 18,650,028**	**$ 22,925,909**	**$ 21,656,898**	**$ 22,807,604**	**$ (118,305)**	**-0.52%**
Net Operating Revenues	**$ 2,236,593**	**$ 1,447,270**	**$ 3,740,891**	**$ 136,295**	**$ 251,300**	**$ 578,674**	**$ 442,379**	**324.57%**
Less: Non-Operating Expenses								
Debt Service 2011A/2016	$ 845,806	$ 852,031	$ 844,931	$ 858,319	$ 858,319	$ 852,231	$ (6,088)	-0.71%
Rate Stabilization Contribution	70,000	-	60,000	60,000	60,000	60,000	-	-
Unfunded Accrued Liability Contribution	-	-	195,000	126,750	195,000	195,000	68,250	-
Capital Replacement Contribution	3,020,475	2,895,194	4,902,500	1,900,000	4,318,000	2,500,000	600,000	31.58%
Total Non-Operating Expenses	**$ 3,936,281**	**$ 3,747,225**	**$ 6,002,431**	**$ 2,945,069**	**$ 5,431,319**	**$ 3,607,231**	**$ 662,162**	**22.48%**
Add: Non-Operating Revenues								
Interest Revenues	$ 1,074,433	$ 1,690,219	$ 1,636,344	$ 1,053,000	$ 1,294,158	$ 1,206,000	$ 153,000	14.53%
Taxes	772,770	805,988	873,760	885,120	927,775	982,500	97,380	11.00%
Rate Stabilization Contribution	-	-	-	945,541	362,631	862,618	(82,923)	-
Funding Procurement Policy	-	-	-	-	102,000	-		
Legal Settlement				-	2,555,094	-		
Total Non-Operating Revenues	**$ 1,847,203**	**$ 2,496,207**	**$ 2,510,104**	**$ 2,883,661**	**$ 5,241,658**	**$ 3,051,118**	**$ 167,457**	**5.81%**
Net Operating Results	**$ 147,515**	**$ 196,252**	**$ 248,564**	**$ 74,887**	**$ 61,639**	**$ 22,561**	**$ (52,326)**	
Capital Fees	$ 55,575	$ 177,575	$ 30,000	$ -	$ 8,400	$ -	$ -	-
Mitigation & In-Lieu Fees	298,743	4,205,860	9,734	-	6,489	-	-	-
Grants	-	-	603	-	-	-	-	-
	$ 354,318	**$ 4,383,435**	**$ 40,337**	**$ -**	**$ 14,889**	**$ -**	**$ -**	**-**
Net Operating Results After Capital Fees & Grants	**$ 501,833**	**$ 4,579,687**	**$ 288,901**	**$ 74,887**	**$ 76,528**	**$ 22,561**	**$ (52,326)**	
Debt Ratio	**5.25**	**9.77**	**7.45**	**2.42**	**4.99**	**4.26**		

***Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget**

Potable Water Program Budget

Potable Water Program	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Revenues								
Water Sales:								
Potable	$ 9,209,757	$ 10,602,546	$ 13,440,328	$ 13,671,300	$ 13,052,048	$ 13,856,900	$ 185,600	1.36%
Water Sales to Pleasant Valley -CamSan	-	-	568,782	552,122	514,457	565,066	12,944	2.34%
Meter Service Charge	2,465,061	2,565,609	2,842,076	3,507,000	3,245,000	3,730,200	223,200	6.36%
Special Services	30,488	38,471	42,298	34,000	57,500	60,000	26,000	76.47%
Pump Zone Charges	20,682	19,255	23,409	20,000	22,193	20,000	-	0.00%
Miscellaneous	3,328	2,622	5,014	-	6,800	1,080	1,080	-
Total Operating Revenues	**$ 11,729,316**	**$ 13,228,503**	**$ 16,921,907**	**$ 17,784,422**	**$ 16,897,998**	**$ 18,233,246**	**$ 448,824**	**2.52%**
Operating Expenses								
Import Water Purchases-Calleguas	$ 4,746,238	$ 5,037,612	$ 6,099,185	$ 4,972,600	$ 5,849,049	$ 5,033,649	$ 61,049	1.23%
Calleguas Fixed Charge	906,822	937,050	925,228	951,772	999,188	1,030,127	78,355	8.23%
CamSan	-	-	152,624	158,736	155,000	163,817	5,081	-
Salinity Management Pipeline-Calleguas	67,384	139,624	139,404	268,152	185,000	282,191	14,039	5.24%
Pumping & Production Power	714,850	925,682	1,108,348	1,860,041	1,182,565	1,286,576	(573,465)	-30.83%
Total Production	**$ 6,435,294**	**$ 7,039,968**	**$ 8,424,789**	**$ 8,211,301**	**$ 8,370,802**	**$ 7,796,360**	**$ (414,941)**	**-6.45%**
Regular Salaries	$ 1,188,793	$ 1,379,710	$ 1,488,739	$ 1,765,289	$ 1,723,971	$ 1,868,802	$ 103,513	5.86%
Overtime/Standby	64,264	88,175	77,208	89,704	79,659	103,050	13,346	14.88%
Part Time	10,646	16,721	18,739	41,446	10,283	32,977	(8,469)	-20.43%
Benefits	404,767	445,173	514,024	607,289	555,341	635,853	28,564	4.70%
Total Salaries & Benefits	**$ 1,668,470**	**$ 1,929,779**	**$ 2,098,710**	**$ 2,503,728**	**$ 2,369,254**	**$ 2,640,682**	**$ 136,954**	**5.47%**
Outside Contracts	$ 638,796	$ 942,632	$ 636,082	$ 1,728,112	$ 1,303,060	$ 1,730,943	$ 2,831	0.16%
Professional Services	265,255	354,456	349,631	592,280	738,764	678,926	86,646	14.63%
Total Outside Cont/Profess Services	**$ 904,051**	**$ 1,297,088**	**$ 985,713**	**$ 2,320,392**	**$ 2,041,824**	**$ 2,409,869**	**$ 89,477**	**3.86%**
Utilities	$ 64,305	$ 73,341	$ 65,562	$ 80,041	$ 76,830	$ 80,041	$ -	0.00%
Communications	30,314	22,664	25,086	28,595	20,864	32,347	3,752	13.12%
Pipeline Repairs	385,542	204,877	385,743	380,000	380,000	380,000	-	0.00%
Small Tools & Equipment	22,736	21,574	17,601	25,175	25,226	27,085	1,910	7.59%
Materials & Supplies	332,173	504,304	711,268	1,232,971	890,478	1,280,326	47,355	3.84%
Repair Parts & Equipment Maintenance	413,411	492,731	349,221	836,645	898,061	888,179	51,534	6.16%
Legal Services	17,123	68,629	276,891	150,250	309,575	297,460	147,210	97.98%
Dues & Subscriptions	17,860	13,720	18,398	19,266	18,252	19,798	532	2.76%
Conference & Travel	8,202	8,695	13,082	9,599	12,371	14,331	4,732	49.30%
Safety & Training	7,398	9,598	13,006	19,266	16,900	26,364	7,098	36.84%
Board Expense	52,892	50,491	55,807	59,826	61,685	64,220	4,394	7.34%
Bad Debt	3,636	2,205	1,741	3,380	1,183	3,380	-	0.00%
Fees & Charges	193,154	107,923	130,980	195,729	191,715	197,876	2,147	1.10%
Insurance	39,211	50,676	60,847	73,177	66,924	73,346	169	0.23%
Total Supplies & Services	**$ 1,587,957**	**$ 1,631,428**	**$ 2,125,233**	**$ 3,113,920**	**$ 2,970,064**	**$ 3,384,753**	**$ 270,833**	**226.26%**
Total Expenses	**$ 10,595,772**	**$ 11,898,263**	**$ 13,634,445**	**$ 16,149,341**	**$ 15,751,944**	**$ 16,231,664**	**$ 82,323**	**0.51%**
Net Operating Revenues	**1,133,544**	**1,330,240**	**3,287,462**	**1,635,081**	**$ 1,146,054**	**$ 2,001,582**	**$ 366,501**	**22.41%**
Less: Non-Operating Expenses								
Debt Service 2011A/2016	$ 815,588	$ 821,677	$ 814,961	$ 827,514	$ 827,514	$ 821,771	$ (5,743)	-0.69%
Rate Stabilization Contribution	-	-	60,000	60,000	60,000	60,000	-	-
Unfunded Accrued Liability Contribution	-	-	126,750	126,750	126,750	126,750	-	-
Capital Replacement Contribution	1,522,475	2,202,761	3,846,000	1,900,000	4,318,000	2,500,000	600,000	31.58%
Total Non-Operating Expenses	**$ 2,338,063**	**$ 3,024,438**	**$ 4,847,711**	**$ 2,914,264**	**$ 5,332,264**	**$ 3,508,521**	**$ 594,257**	**20.39%**
Add: Non-Operating Revenues								
Interest Revenues	887,287	1,340,854	1,273,212	823,000	1,034,090	940,000	$ 117,000	14.22%
Taxes	463,662	483,593	524,256	531,070	556,665	589,500	58,430	11.00%
Funding Procurement Policy	-	-	-	-	102,000	-		
Legal Settlement	-	-	-	-	2,555,094	-	-	-
Total Non-Operating Revenues	**$ 1,350,949**	**$ 1,824,447**	**$ 1,797,468**	**$ 1,354,070**	**$ 4,247,849**	**$ 1,529,500**	**$ 175,430**	**25.22%**
Net Operating Results	**$ 146,430**	**$ 130,249**	**$ 237,219**	**$ 74,887**	**$ 61,639**	**$ 22,561**	**$ (52,326)**	-69.87%
Capital Fees	$ 55,575	$ 177,575	$ 30,000	$ -	$ 8,400	$ -	$ -	-
Mitigation & In-Lieu Fees	298,743	4,205,860	9,734	-	6,489	-	-	-
Grants	-	-	603	-		-	-	-
	$ 354,318	**$ 4,383,435**	**$ 40,337**	**$ -**	**$ 14,889**	**$ -**	**$ -**	**-**
Net Operating Results After Capital Fees & Grants	**$ 500,748**	**$ 4,513,684**	**$ 277,556**	**$ 74,887**	**$ 76,528**	**$ 22,561**	**$ (52,326)**	

Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget

Non-Potable Water Program Budget

Non-Potable Water Program	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Revenues								
Water Sales:								
Recycle/Non-Potable	$ 3,573,563	$ 3,304,164	$ 4,173,539	$ 4,015,538	$ 3,888,416	$ 3,834,196	$ (181,342)	-4.52%
Water Sales Pleasant Valley - CCP/CWRF	1,608,935	1,998,484	1,142,908	1,091,644	941,569	1,141,136	49,492	4.53%
Meter Service Charge	142,983	151,910	109,992	135,600	111,521	111,700	(23,900)	-17.63%
Special Services	18,025	19,553	23,857	20,000	48,200	50,000	30,000	150.00%
Pump Zone Charges	14,557	12,153	15,633	15,000	13,684	15,000	-	0.00%
Miscellaneous	44,263	1,534	3,083	-	6,810	1,000	1,000	-
Total Operating Revenues	**$ 5,402,326**	**$ 5,487,798**	**$ 5,469,012**	**$ 5,277,782**	**$ 5,010,200**	**$ 5,153,032**	**$ (124,750)**	**-2.36%**
Operating Expenses								
Import Water Purchases-Calleguas	$ 324,272	$ 423,838	$ 735,022	$ 664,537	$ 454,163	$ 613,803	$ (50,734)	-7.63%
Calleguas Fixed Charge	-	-	93,926	125,480	66,436	122,246	(3,234)	-
Conejo Creek Project	132,123	1,113,387	940,490	1,014,104	859,113	889,026	(125,078)	-12.33%
CamSan	816,017	157,354	-	-	-	-	-	-
Production Power	1,003,235	1,090,287	1,073,807	1,308,139	1,055,208	1,020,756	(287,383)	-21.97%
Total Production	**$ 2,275,647**	**$ 2,784,866**	**$ 2,843,245**	**$ 3,112,260**	**$ 2,434,920**	**$ 2,645,831**	**$ (466,429)**	**-14.99%**
Regular Salaries	$ 640,119	$ 742,921	$ 801,629	$ 950,540	$ 928,292	$ 1,006,279	$ 55,739	5.86%
Overtime/Standby	34,604	47,479	41,574	48,303	42,894	55,488	7,185	14.87%
Part Time	5,732	9,003	10,090	22,318	5,537	17,757	(4,561)	-20.44%
Benefits	217,951	239,708	276,782	327,002	299,030	342,382	15,380	4.70%
Total Salaries & Benefits	**$ 898,406**	**$ 1,039,111**	**$ 1,130,075**	**$ 1,348,163**	**$ 1,275,753**	**$ 1,421,906**	**$ 73,743**	**5.47%**
Outside Contracts	$ 363,678	$ 462,221	$ 396,620	$ 940,219	$ 841,286	$ 956,793	$ 16,574	1.76%
Professional Services	199,093	215,987	65,364	388,529	401,551	429,739	41,210	10.61%
Total Outside Cont/Profess Services	**$ 562,771**	**$ 678,208**	**$ 461,984**	**$ 1,328,748**	**$ 1,242,837**	**$ 1,386,532**	**$ 57,784**	**4.35%**
Utilities	$ 9,172	$ 8,544	$ 12,566	$ 13,884	$ 10,920	$ 15,084	$ 1,200	8.64%
Communications	27,983	20,921	23,156	26,395	19,259	29,858	3,463	13.12%
Pipeline Repairs	15,152	104,916	22,997	80,000	80,000	80,000	-	0.00%
Small Tools & Equipment	1,927	5,723	4,258	9,277	9,324	11,040	1,763	19.00%
Materials & Supplies	68,729	71,546	74,785	96,974	95,442	103,762	6,788	7.00%
Repair Parts & Equipment Maintenance	283,394	459,925	219,397	434,980	344,364	436,396	1,416	0.33%
Legal Services	15,806	54,089	34,269	111,000	187,300	213,040	102,040	91.93%
Dues & Subscriptions	16,486	12,665	16,982	17,784	16,848	18,275	491	2.76%
Conference & Travel	7,571	8,027	12,076	8,861	11,419	13,229	4,368	49.29%
Safety & Training	6,829	8,860	12,005	17,784	15,600	24,336	6,552	36.84%
Board Expense	48,823	46,607	51,514	55,224	56,940	59,280	4,056	7.34%
Bad Debt	3,356	2,035	1,608	3,120	1,092	3,120	-	0.00%
Fees & Charges	21,030	17,947	38,500	44,566	41,160	46,547	1,981	4.45%
Insurance	36,195	46,778	56,166	67,548	61,776	67,704	156	0.23%
Total Supplies & Services	**$ 562,453**	**$ 868,583**	**$ 580,279**	**$ 987,397**	**$ 951,444**	**$ 1,121,671**	**$ 134,274**	**13.60%**
Total Expenses	**$ 4,299,277**	**$ 5,370,768**	**$ 5,015,583**	**$ 6,776,568**	**$ 5,904,954**	**$ 6,575,940**	**$ (200,628)**	**-2.96%**
Net Operating Revenues	**$ 1,103,049**	**$ 117,030**	**$ 453,429**	**$ (1,498,786)**	**$ (894,754)**	**$ (1,422,908)**	**$ 75,878**	**-5.06%**
Less: Non-Operating Expenses								
Debt Service 2011A/2016	$ 30,218	$ 30,354	$ 29,970	$ 30,805	$ 30,805	$ 30,460	$ (345)	-1.12%
Rate Stabilization Contribution	70,000	-	-	-	-	-	-	-
Unfunded Accrued Liability Contribution	-	-	68,250	-	68,250	68,250	68,250	-
Capital Replacement Contribution	1,498,000	692,433	1,056,500	-	-	-	-	-
Total Non-Operating Expenses	**$ 1,598,218**	**$ 722,787**	**$ 1,154,720**	**$ 30,805**	**$ 99,055**	**$ 98,710**	**$ 67,905**	**220.43%**
Add: Non-Operating Revenues								
Interest Revenues	$ 187,146	$ 349,365	$ 363,132	$ 230,000	$ 260,068	$ 266,000	$ 36,000	15.65%
Taxes	309,108	322,395	349,504	354,050	371,110	393,000	38,950	11.00%
Rate Stabilization Contribution	-	-	-	945,541	362,631	862,618	(82,923)	-
Total Non-Operating Revenues	**$ 496,254**	**$ 671,760**	**$ 712,636**	**$ 1,529,591**	**$ 993,809**	**$ 1,521,618**	**$ (7,973)**	**-0.52%**
Net Operating Results	**$ 1,085**	**$ 66,003**	**$ 11,345**	**$ -**	**$ -**	**$ -**	**$ -**	
Net Operating Results After Capital Fees & Grants	**$ 1,085**	**$ 66,003**	**$ 11,345**	**$ -**	**$ -**	**$ -**	**$ -**	

***Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget**

Wastewater Program Budget

Wastewater Program	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Revenues								
Sewer Service Charge	$ 4,426,781	$ 4,764,475	$ 5,407,215	$ 6,282,400	$ 6,060,000	$ 7,347,200	$ 1,064,800	16.95%
Special Services	16,919	19,606	24,585	22,000	41,500	42,000	20,000	90.91%
Miscellaneous	3,447	1,721	4,356	-	5,396	1,120	1,120	-
Total Operating Revenues	**$ 4,447,147**	**$ 4,785,802**	**$ 5,436,156**	**$ 6,304,400**	**$ 6,106,896**	**$ 7,390,320**	**$ 1,085,920**	**17.22%**
Operating Expenses								
Salinity Management Pipeline-Calleguas	$ 7,853	$ 9,134	$ 11,066	$ 9,000	$ 13,041	$ 15,000	6,000	66.67%
Total Production	**$ 7,853**	**$ 9,134**	**$ 11,066**	**$ 9,000**	**$ 13,041**	**$ 15,000**	**$ 6,000**	**66.67%**
Regular Salaries	$ 984,799	$ 1,142,955	$ 1,233,275	$ 1,462,370	$ 1,428,141	$ 1,548,120	$ 85,750	5.86%
Overtime/Standby	53,237	73,045	63,959	74,312	65,990	85,367	11,055	14.88%
Part Time	8,819	13,852	15,523	34,335	8,518	27,318	(7,017)	-20.44%
Benefits	335,310	368,782	425,819	503,080	460,046	526,743	23,663	4.70%
Total Salaries & Benefits	**$ 1,382,165**	**$ 1,598,634**	**$ 1,738,576**	**$ 2,074,097**	**$ 1,962,695**	**$ 2,187,548**	**$ 113,451**	**5.47%**
Outside Contracts	$ 972,408	$ 1,033,704	$ 1,312,827	$ 1,698,832	$ 1,516,379	$ 1,713,819	$ 14,987	0.88%
Professional Services	239,420	205,652	70,907	398,321	470,196	451,160	52,839	13.27%
Total Outside Cont/Profess Services	**$ 1,211,828**	**$ 1,239,356**	**$ 1,383,734**	**$ 2,097,153**	**$ 1,986,575**	**$ 2,164,979**	**$ 67,826**	**3.23%**
Utilities	$ 24,269	$ 24,939	$ 29,349	$ 35,575	$ 28,250	$ 35,575	$ -	0.00%
Communications	31,391	23,469	25,977	29,610	21,605	33,495	3,885	13.12%
Pipeline Repairs	1,169	-	55,429	30,000	30,000	30,000	-	0.00%
Small Tools & Equipment	4,506	3,652	6,509	12,898	12,950	16,375	3,477	26.96%
Materials & Supplies	153,346	164,059	184,911	233,770	206,780	244,163	10,393	4.45%
Repair Parts & Equipment Maintenance	86,708	87,010	87,123	193,375	152,075	195,425	2,050	1.06%
Legal Services	17,731	15,410	25,866	43,750	30,625	59,500	15,750	36.00%
Dues & Subscriptions	18,599	14,207	19,051	19,950	18,900	20,501	551	2.76%
Conference & Travel	8,493	9,004	13,547	9,940	12,810	14,840	4,900	49.30%
Safety & Training	7,661	9,939	13,468	19,950	17,500	27,300	7,350	36.84%
Board Expense	54,770	52,284	57,788	61,950	63,875	66,500	4,550	7.34%
Bad Debt	3,765	2,283	1,803	3,500	1,225	3,500	-	0.00%
Fees & Charges	74,474	76,787	63,582	116,080	91,125	118,303	2,223	1.92%
Insurance	40,603	52,476	63,007	75,775	69,300	75,950	175	0.23%
Total Supplies & Services	**$ 527,485**	**$ 535,519**	**$ 647,410**	**$ 886,123**	**$ 757,020**	**$ 941,427**	**$ 55,304**	**6.24%**
Total Expenses	**$ 3,129,331**	**$ 3,382,643**	**$ 3,780,786**	**$ 5,066,373**	**$ 4,719,331**	**$ 5,308,954**	**$ 242,581**	**4.79%**
Net Operating Revenues	**$ 1,317,816**	**$ 1,403,159**	**$ 1,655,370**	**$ 1,238,027**	**$ 1,387,565**	**$ 2,081,366**	**$ 843,339**	**68.12%**
Less: Non-Operating Expenses								
Debt Service 2011A/2016	$ 189,525	$ 187,900	$ 191,700	$ 190,613	$ 190,613	$ 189,750	$ (863)	-0.45%
Rate Stabilization Contribution	-	-	10,000	10,000	10,000	10,000	-	-
Unfunded Accrued Liability Contribution	-	-	105,000	105,000	105,000	105,000	-	-
Capital Replacement Contribution	1,245,825	1,531,167	1,748,000	1,157,000	1,312,000	2,050,000	893,000	77.18%
Total Non-Operating Expenses	**$ 1,435,350**	**$ 1,719,067**	**$ 2,054,700**	**$ 1,462,613**	**$ 1,617,613**	**$ 2,354,750**	**$ 892,137**	**61.00%**
Add: Non-Operating Revenues								
Interest Revenues	$ 201,853	$ 399,502	$ 430,394	$ 263,000	$ 265,476	$ 300,000	$ 37,000	14.07%
Total Non-Operating Revenues	**$ 201,853**	**$ 399,502**	**$ 430,394**	**$ 263,000**	**$ 265,476**	**$ 300,000**	**$ 37,000**	**14.07%**
Net Operating Results	**$ 84,319**	**$ 83,594**	**$ 31,064**	**$ 38,414**	**$ 35,428**	**$ 26,616**	**$ (11,798)**	
Capital Fees	233,750	1,804,550	-	-	4,675		-	-
	$ 233,750	**$ 1,804,550**	**$ -**	**$ -**	**$ 4,675**	**$ -**	**$ -**	**$ -**
Net Operating Results After Capital Fees & Grants	**$ 318,069**	**$ 1,888,144**	**$ 31,064**	**$ 38,414**	**$ 40,103**	**$ 26,616**	**$ (11,798)**	
Debt Ratio	**9.25**	**19.20**	**10.88**	**7.87**	**8.70**	**12.55**		

****Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget***

Revenue Summary

The District's revenue is received from seven major sources. Water Sales represent approximately 57% of the total revenue, Water Meter Service Charges are 11% of revenue, Sewer Service Charges are about 22%, 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.

FY 2025-26

Total operating and non-operating revenue for FY 2025-26 is projected to be $33,077,161 or approximately $1,509,437 above budget. Total projected water sales served within the District of approximately 10,651 AF is below the budgeted sales of 11,071 AF.

FY 2026-27

Water Sales The District treats water as a commodity, generating revenue by measuring consumption at the customer's meter. Water sales represent 57% 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 FY 2026-27 is 10,563 AF, of which 6,173 AF is potable and 4,390 AF is non-potable/recycled water served within the District. Water sales include the adopted potable commodity and meter rates effective July 1, 2026. FY 2026-27 water sales revenue is projected to be $17,691,096 within the District's service area. The District's Schedule of Water and Wastewater Rates is located in Appendix #2.

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 FY 2026-27 budget projection for PVCWD water sales in the amount of $1,706,202 of which 4,359 AF of Conejo Creek and 862 AF CWRF recycled water, using a three-year average of deliveries, and 1,361 AF of CamSan recycled water.

Meter Service Charges are monthly customer fees based on the size of the meter installed. Meter Service Charges account for 11% of Total Revenue for FY 2026-27. FY 2026-27 meter service charge revenue is expected to be $3,841,900, based upon the average number of service connections and the meter service fee rates effective July 1, 2026. The District's Schedule of Water and Wastewater Rates is located in Appendix #2.

Sewer Service Charge revenue for the FY 2026-27 budget year is expected to be $7,347,200 or 22% of Total Revenue. Sewer Service Charges are billed to all customers at a flat monthly rate per Equivalent Dwelling Unit (EDU), currently $60.11 (effective July 1, 2026). 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 $1,506,000 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 3.03% rate of return in projected LAIF balances.

Tax revenue is budgeted at $982,500 for FY 2026-27, or 3% of the Total Revenue. Tax revenue is based upon an average of five years of historical receipts. The District receives property tax revenue collected by the County of Ventura via the Property Tax Roll and is 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 FY 2026-27 Gann Limit is $1,140,530.

Capital Fees are not being projected as part of the FY 2026-27 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.

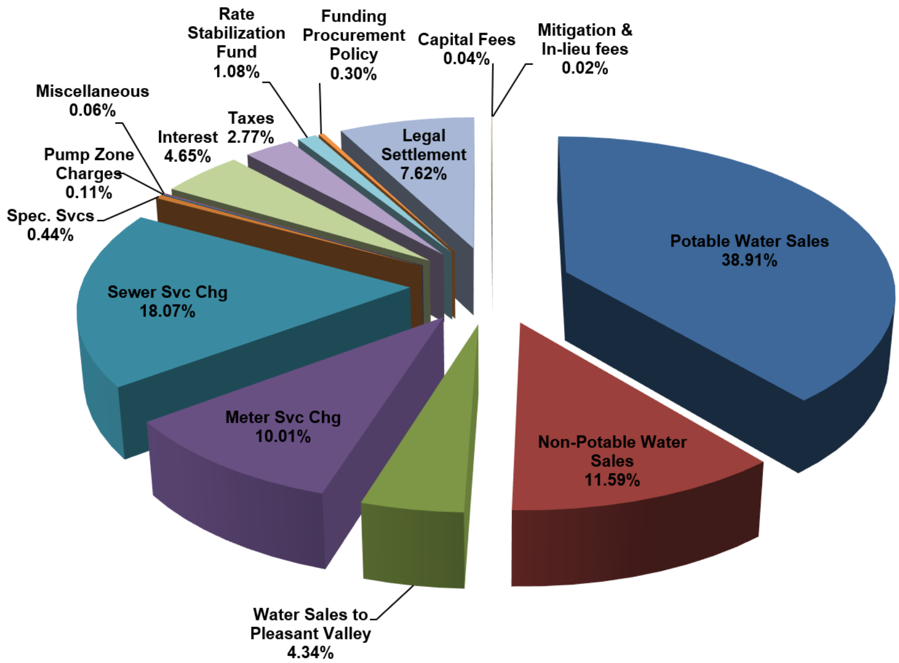
Special Services are various fees for turn-off/turn-on, late fees, and other miscellaneous administrative fees. Special Services revenue is budgeted at $152,000. Revenue from Special Services is based upon our projected revenue for FY 2025-26.

Pump Zone/Miscellaneous pump zone revenue applies to certain areas in the District that are situated at higher elevations and therefore require additional pumping. Pump Zone Revenue is estimated to be $35,000 for FY 2026-27 based on projected deliveries.

Total Revenue is expected to reach $34,127,716 on June 30, 2027.

Comparison of Total Revenue

FY 2025-26 Projected Operating & Non-Operating Revenue $33,541,792



FY 2026-27 Budgeted Operating & Non-Operating Revenue $34,127,716

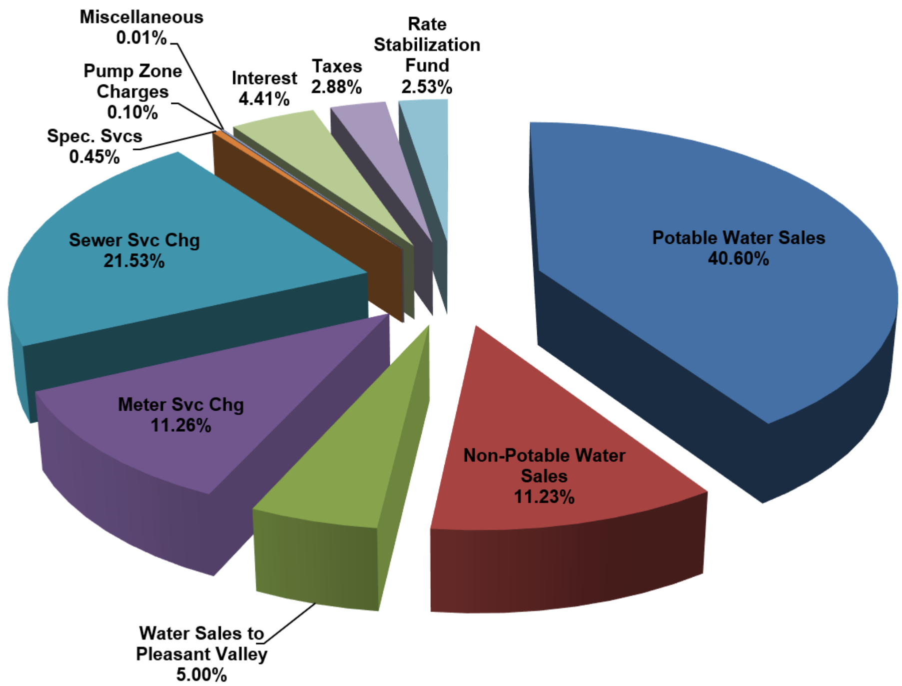


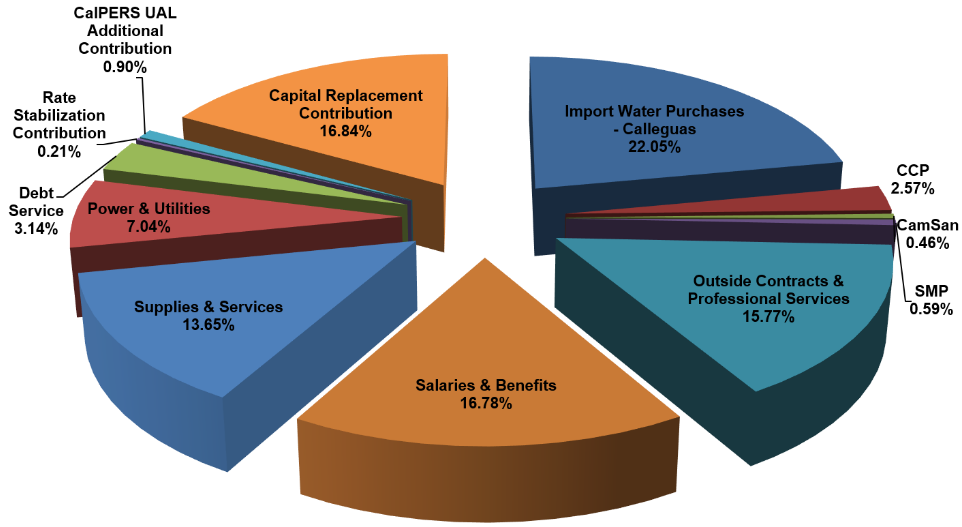
Figure 11 – Comparison of Total Revenue

Expense Summary

The following pages summarize the District's individual Expense Programs. 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%, except for the Water Quality Program, which is distributed 50:50 between the two programs. The District's Salaries & Benefits are budgeted in Human Resources (Program 5) and allocated to Water Operations 65% and Wastewater Operations 35%. 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

FY 2025-26 Projected Operating & Non-Operating Expenses - $32,327,161



FY 2026-27 Budgeted Operating & Non-Operating Expenses - $34,078,539

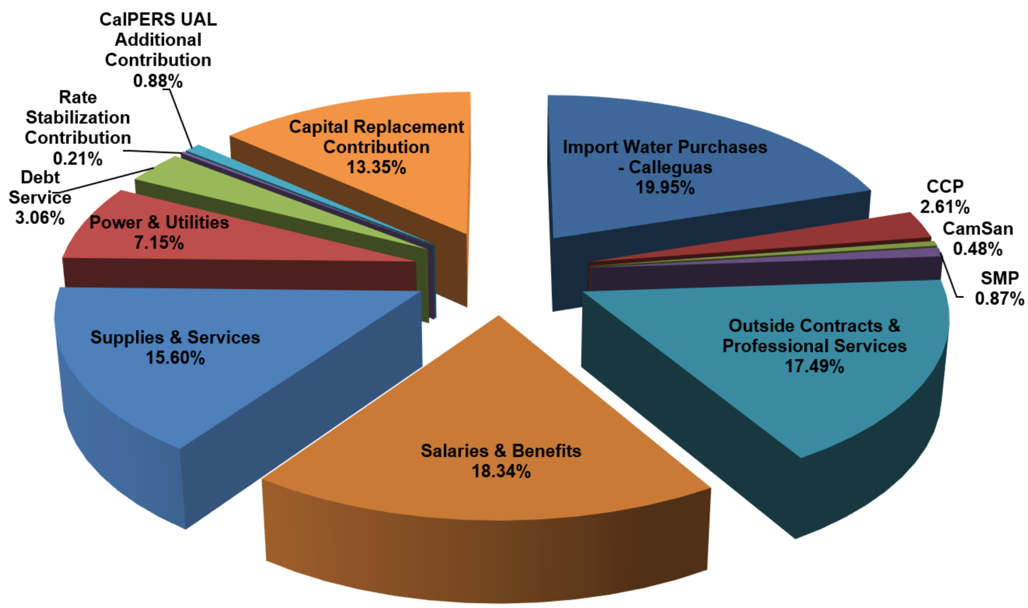


Figure 12 – Comparison of Total Expenses

Expense Centers

Human Resources – Program 05

The objective of the Human Resources program is twofold: to consolidate all human resource costs in a single program for year-over-year comparison, and to capture these costs for later allocation to the three cost centers, simplifying labor-cost accounting. The program includes all salaries and benefits for full-time and part-time staff, 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.	☑
Enhance staff training and certification.	☑
Complete evaluation of alternative retirement plans. *Exhaustive evaluation to date has been unable to identify any viable alternatives.*	☐
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.	☑

Prior Year Additional Achievements

Filled all allocated Full-time Employee positions.

Goals for 2026-27

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.

Fill all allocated Full-time Employee positions.

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 and Master Plan.

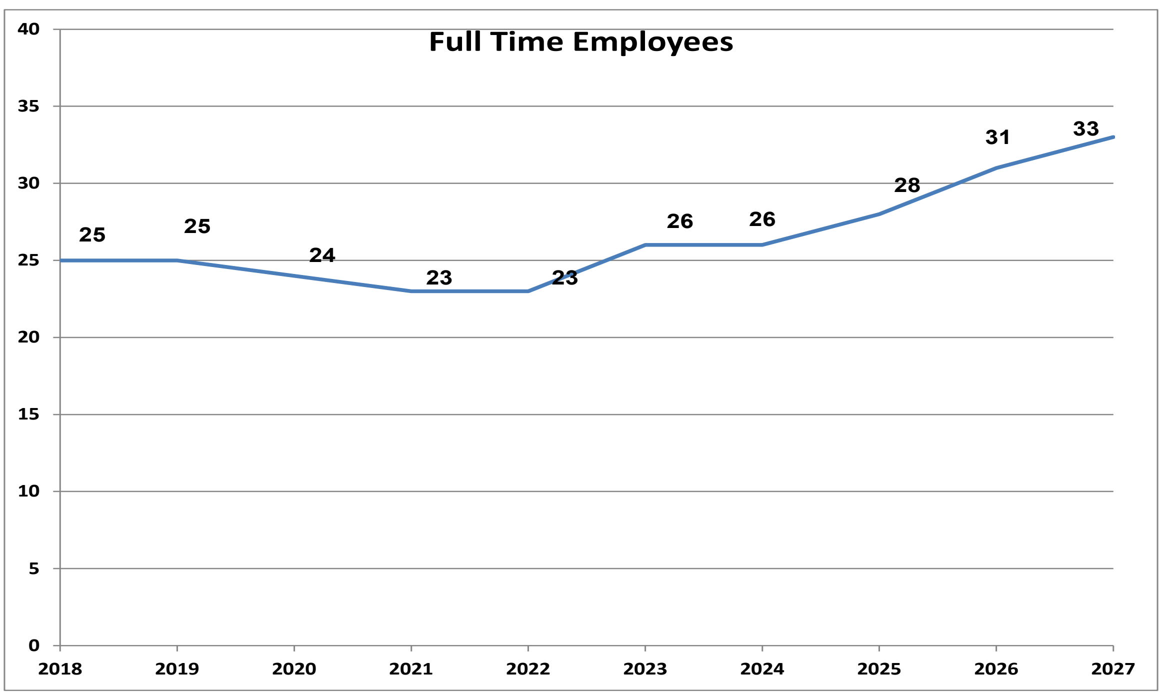
Pump Maintenance Performed by Camrosa Staff

Human Resources – Program 05

Human Resources Program 05	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Salaries & Benefits								
Regular Salaries	$ 2,813,711	$ 3,265,586	$ 3,523,643	$ 4,178,199	$ 4,080,404	$ 4,423,201	$ 245,002	5.86%
Overtime	125,299	182,055	153,858	178,830	158,009	209,205	30,375	16.99%
Part Time	25,197	39,576	44,352	98,099	24,339	78,052	(20,047)	-20.44%
Standby	26,805	26,645	28,883	33,489	30,534	34,700	1,211	3.62%
Benefits	958,027	1,053,663	1,216,625	1,437,371	1,314,417	1,504,978	67,607	4.70%
Total Salaries & Benefits	**$ 3,949,039**	**$ 4,567,525**	**$ 4,967,361**	**$ 5,925,988**	**$ 5,607,703**	**$ 6,250,136**	**$ 324,148**	**5.47%**
Contracts & Professional Services								
Outside Contracts	20,364	12,553	22,957	23,100	22,000	$ 26,600	$ 3,500	15.15%
Professional Services	-	-	6,000	10,000	5,000	10,000	10,000	-
Total Contracts & Professional Services	**$ 20,364**	**$ 12,553**	**$ 28,957**	**$ 33,100**	**$ 27,000**	**$ 36,600**	**$ 3,500**	**10.57%**
Services & Supplies								
Materials & Supplies	$ -	$ -	$ 87	$ -	$ -	$ -	$ -	-
Dues & Subscriptions	4,896	4,136	3,801	7,000	7,000	7,000	$ -	0.00%
Conference & Travel	3,959	7,659	14,535	6,600	9,600	11,600	5,000	75.76%
Safety & Training	21,888	28,396	38,479	57,000	50,000	78,000	21,000	36.84%
Fees & Charges	91	53	36	250	-	250	-	0.00%
Insurance	1,755	-	5,297	-	-	-	-	-
Total Services & Supplies	**$ 32,589**	**$ 40,244**	**$ 62,235**	**$ 70,850**	**$ 66,600**	**$ 96,850**	**$ 26,000**	**36.70%**
Total Operating Expenditures	**$ 4,001,992**	**$ 4,620,322**	**$ 5,058,553**	**$ 6,029,938**	**$ 5,701,303**	**$ 6,383,586**	**$ 353,648**	**5.86%**
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Total Expenses	**$ 4,001,992**	**$ 4,620,322**	**$ 5,058,553**	**$ 6,029,938**	**$ 5,701,303**	**$ 6,383,586**	**$ 353,648**	**5.86%**

Compares FY 2026-27 Adopted Budget to FY 2025-26 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 FY 2025-26 and the number of employees budgeted for FY 2026-27. The District will end the fiscal year with 31 employees, and budgeting for 33 employees for FY 2026-27. 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 Administration – Program 10

The General Administration program provides funding for expenses related to the District's overall administration, including accounting, insurance, annual fees, and other general costs. It also covers all Director-related expenses, such as meeting fees, membership dues, conference and travel costs, and legal services. These expenses are allocated as overhead to the three cost centers.

Prior Year Goals	Achieved
Continue to support Board Member participation on regional Boards and organizations.	☑
Continue to support Board Member participation in industry and association conferences.	☑
Continue evaluation of electronic accounts payable automation within the financial system. *Implemented AP Automation.*	☑
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. *Administrative Code development placed on hold by Board.*	☑
Support and manage Integrated Master Plan internal and external personnel and consultants.	☑
Pursue grant funding where available and appropriate. *Engaged consulting firm to pursue Federal and State grant opportunities for Master Plan projects.*	☑

Prior Year Additional Achievements

Began updates and consolidation of District Policies and the development of an Administrative Code.

Updated the Procurement Policy to ensure efficient means to procure goods and services.

Created the Banking & Cash Management Policy to address the new AP automation process.

Updated the Investment Procedures Manual to formalize the reinvestment process.

Received the CSMFO Operational Budgeting Excellence Award for the thirteenth consecutive year.

Received Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the eleventh consecutive year.

Goals for 2026-27

Continue to support Board Member participation on regional Boards and with regional organizations.

Continue to support Board Member participation in industry and association conferences.

Modernize Board agenda management by migrating documents to an electronic format and automating Board meeting procedures to improve efficiency, consistency, and transparency.

Discovery phase for budget development software to enhance productivity, centralize platforms, and streamline processes.

Discovery phase to automate the production of the budget document and Annual Comprehensive Financial Report (ACFR) to maximize efficiency and provide dynamic interaction.

Continue updating and consolidating District Policies as needed – or – develop an Administrative Code.

Develop a new Electronic and Physical Document Management System coordinated with updating the Record Retention Policy.

Complete Integrated Master Plan while supporting and managing internal and external personnel and consultants.

Begin implementation of the Integrated Master Plan.

Explore Ad Valorum Tax for pipeline replacement.

Pursue grant funding where available and appropriate.

General Administration – Program 10

General Administration Program 10	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Contracts & Professional Services								
Outside Contracts	$ 18,395	$ 25,042	$ 13,730	$ 33,500	$ 20,000	$ 28,500	$ (5,000)	-14.93%
Professional Services	638,119	533,284	109,504	861,630	1,070,000	883,947	22,317	2.59%
Total Contracts & Professional Services	**$ 656,514**	**$ 558,326**	**$ 123,234**	**$ 895,130**	**$ 1,090,000**	**$ 912,447**	**$ 17,317**	**38.98%**
Services & Supplies								
Small Tools & Equipment	$ 264	$ 3,712	$ 2,907	$ 4,000	$ 5,000	$ 5,000	$ 1,000	25.00%
Materials & Supplies	24,531	19,351	28,774	33,500	35,300	36,500	3,000	8.96%
Legal Services	50,659	44,028	73,904	125,000	87,500	170,000	45,000	36.00%
Dues & Subscriptions	47,945	38,206	50,630	50,000	47,000	50,575	575	1.15%
Conference & Travel	20,307	18,067	24,170	21,800	27,000	30,800	9,000	41.28%
Board Expense	156,485	149,382	165,109	177,000	182,500	190,000	13,000	7.34%
Bad Debt	10,758	6,524	5,152	10,000	3,500	10,000	-	0.00%
Fees & Charges	47,030	44,563	62,896	52,050	52,500	58,400	6,350	12.20%
Insurance	114,254	149,930	174,724	216,500	198,000	217,000	500	0.23%
Total Services & Supplies	**$ 472,233**	**$ 473,763**	**$ 588,266**	**$ 689,850**	**$ 638,300**	**$ 768,275**	**$ 500**	**11.37%**
Total Operating Expenses	**$ 1,128,747**	**$ 1,032,089**	**$ 711,500**	**$ 1,584,980**	**$ 1,728,300**	**$ 1,680,722**	**$ 95,742**	**6.04%**
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Total Expenses	**$ 1,128,747**	**$ 1,032,089**	**$ 711,500**	**$ 1,584,980**	**$ 1,728,300**	**$ 1,680,722**	**$ 95,742**	**6.04%**

****Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget***

Camrosa Staff

Information Services – Program 11

The Information Services program manages and improves communication with customers, partner agencies, and internal staff. It tracks the costs of developing, maintaining, and delivering the information required to effectively manage the District. This includes expenses for developing and maintaining the computer network and ensuring secure access to key information systems, including web, email, billing, financial, AMR, GIS, SCADA, and other intranet and internet services across the District's networks. The program also covers all voice and satellite communications and secure access to hosted and onsite data service subscriptions. It provides essential support for both administrative and operational activities. Program costs are allocated as overhead to the three cost centers.

Prior Year Goals	Achieved
Complete migration of District Workstations from Windows 10 to Windows 11.	☑
Migrate Alchemy to Microsoft SharePoint and train users on the new interface. SharePoint evaluation determined that a more robust digital document repository is needed.	☐
Upgrade server farm (approximately 20 servers) from MS Windows 2019 to MS Windows 2025. *Will first need to complete migration from vmware to proxmox virtual environment.*	☐
Transition from CAMROSA.COM to CAMROSA.CA.GOV internet domain. *Board consensus was to **not** transition.*	☐
Investigate automation of state/local reporting and AI data-mining/data-analytic capabilities. *Vendor (CLA) provided implementation plan and cost estimate.*	☑
Recreate CISv5 backend queries used in CISv3.	☑
Provide succession training for IT Manager position.	☑

Prior Year Additional Achievements

Moved VoIP phone system to new carrier.

Migrated P and H drive to SharePoint file system.

Migrated Camnet Intranet to SharePoint.

Migrated organization to improved Spam Filtering Application.

Migrated in-house data macros and queries from CISv3 to v5.

Cutover from VMWare to Proxmox for Virtual Server Environment.

Training up new IT Intern.

Implemented AP automation on Tyler Incode.

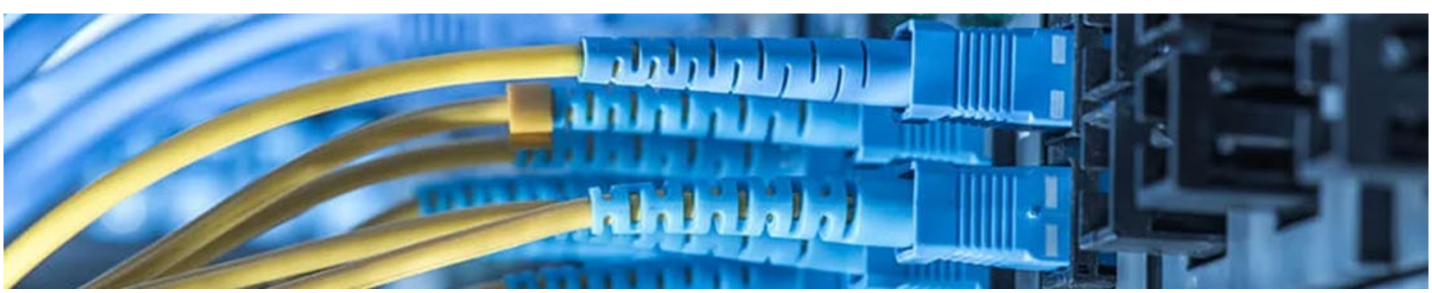
Completed External PEN Test.

Goals for 2026-27

Provide Project Management and IT support for the development of a new Electronic and Physical Document Management System coordinated with updating the Record Retention Policy.

Implement the automation of state/local reporting.

Implement management dashboards to support data presentation and data-analytic capabilities.



IT Servers

Information Services – Program 11

Information Services Program 11	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Contracts & Professional Services								
Outside Contracts	$ 480,472	$ 569,359	$ 563,269	$ 836,763	$ 794,925	$ 849,955	$ 13,192	1.58%
Professional Services	-	-		65,000	52,500	-	(65,000)	-
Total Contracts & Professional Services	**$ 480,472**	**$ 569,359**	**$ 563,269**	**$ 901,763**	**$ 847,425**	**$ 849,955**	**$ (51,808)**	**-5.75%**
Services & Supplies								
	0						$ -	
Communications	$ 89,688	$ 67,053	$ 74,219	$ 84,600	$ 61,729	$ 95,700	$ 11,100	13.12%
Repair Parts & Equipment Maintenance	8,216	10,315	19,231	72,000	54,000	75,000	3,000	4.17%
Total Services & Supplies	**$ 97,904**	**$ 77,368**	**$ 93,450**	**$ 156,600**	**$ 115,729**	**$ 171,700**	**$ 15,100**	**9.64%**
Total Operating Expenses	**$ 578,376**	**$ 646,727**	**$ 656,719**	**$ 1,058,363**	**$ 963,154**	**$ 1,021,655**	**$ (36,708)**	**-3.47%**
Fixed Assets	$ 11,241	$ 17,027	$ -	$ -	$ -	$ 40,000	$ 40,000	-
Total Expenses	**$ 589,617**	**$ 663,754**	**$ 656,719**	**$ 1,058,363**	**$ 963,154**	**$ 1,061,655**	**$ 3,292**	**0.31%**

Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget

Supervisory Control and Data Acquisition (SCADA) Equipment

Resource Planning & Engineering Services – Program 12

The Resource Planning program develops and manages water resources and wastewater treatment capacity to meet the District's current and future needs. Its work includes researching and evaluating alternatives, implementing programs, planning and managing capital projects, and coordinating with partner agencies to increase and manage available water supplies. The program also oversees the District's environmental review process and related permitting.

Engineering Services manages capital projects and supports the evaluation, planning, and execution of improvements to the water and wastewater systems. The program oversees development by calculating fees and charges, reviewing plans for compliance with District standards, inspecting developments and District projects, maintaining maps and records of completed work, and providing underground utility locations for new construction or utility repairs. 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 Well).	☑
Complete drilling, development & design of PV Well No. 3 Well (Valencia Well). *Preliminary design complete, facility design and permitting are in progress.*	☐
Complete Phase 2 of SR-10 Well refurbishment.	☑
Complete construction of Sewer Collections Hotspots.	☑
Complete construction of Solids Dewatering Press Facility at CWRF.	☑
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 CWRF. *Construction is in progress.*	☐
Complete construction for rehabilitation of power distribution at CWRF. *Design is complete. Project on hold pending funding allocation.*	☐
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. *Preliminary Design (PDR) is in progress for all five Phase I Water Supply pump stations.*	☐
Complete design for the replacement of Reservoir 4C. *Design is in progress.*	☐
Begin design for the refurbishment of Sewer Lift Station No. 2.	☑

Prior Year Additional Achievements

Completed various agreements for the build-out of the County of Ventura Lewis Road Project.

Completed WY2025 Arroyo Santa Rosa Valley Basin GSP Report.

Completed University Well No. 2 facility design and began construction project management.

Completed design for 4C Hydropneumatic Pump Station.

Goals for 2026-27

Complete construction project management of University Well No. 2 facility.

Complete Valencia Well facility and conveyance design and begin construction project management.

Complete construction project management of PLCs replacement at CWRF.

Complete construction project management of power distribution replacement at CWRF.

Complete construction project management of sewer Lift Station No. 4.

Complete construction project management of Sewer Lift Station No. 2.

Complete design and begin construction project management of Pump Station No.4/Ag 2 Tank.

Resource Planning & Engineering Services – Program 12

Goals for 2026-27 (continued)

Complete design and construction project management of four (4) sampling stations.

Begin final design for Conejo Water Treatment Plant.

Begin design for rehabilitation and recoating of Reservoir's 3A, 3B, and 3C.

Begin design for rehabilitation of Sewer Lift Station No. 1.

Begin design for rehabilitation of Pump Station No. 1.

Begin design for replacement of Yucca Pump Station.

Resource Planning & Engineering Services Program 12	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Contracts & Professional Services								
Outside Contracts	$ 14,702	$ 21,458	$ 1,330	$ 50,000	$ 45,000	$ 155,000	$ 105,000	210.00%
Professional Services	-	-	32,564	85,000	29,780	75,000	(10,000)	-11.76%
Total Contracts & Professional Services	**$ 14,702**	**$ 21,458**	**$ 33,894**	**$ 135,000**	**$ 74,780**	**$ 230,000**	**$ 95,000**	**70.37%**
Services & Supplies								
Small Tools & Equipment	$ -	$ -	$ -	$ 850	$ -	$ 500	$ (350)	-41.18%
Materials & Supplies	-	-	-	250	-	250	-	0.00%
Total Services & Supplies	**$ -**	**$ -**	**$ -**	**$ 1,100**	**$ -**	**$ 750**	**$ (350)**	**-31.82%**
Total Operating Expenses	**$ 14,702**	**$ 21,458**	**$ 33,894**	**$ 136,100**	**$ 74,780**	**$ 230,750**	**$ 94,650**	**69.54%**
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0.00%
Total Expenses	**$ 14,702**	**$ 21,458**	**$ 33,894**	**$ 136,100**	**$ 74,780**	**$ 230,750**	**$ 94,650**	**69.54%**

Compares FY 2026-27 Adopted Budget to FY 2025-26 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
Implement strategic, prioritized elements of the District's 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 the District's position as a key collaborator on State water policy development with other water agencies and organizations such as ACWA and CMUA.	☑

Prior Year Additional Achievements

Took the initiative to coordinate a trip to Sacramento with two other regional water suppliers to visit the offices of five California legislators in a day.

Secured a vendor for and completed broad-scale distribution system leak detection.

Secured funding from MWDSC's MAAP to pay for testing hundreds of replaced customer meters to gather data on apparent water loss at the District in addition to providing data to inform future customer meter replacement to maximize efficiency.

Productively engaged with legislation on wildfire and water with direct relevance to the District.

Goals for 2026-2027

Harness momentum built in FY 2025-26 to drive continued productive engagement with legislators, legislation, and regulation as a key collaborator on State water policy issues.

Utilize leak detection data to guide repair/maintenance activities to reduce water loss in the District's distribution system.

Utilize meter testing data as a component of a proactive, efficiency-guided approach to managing the District's customer meter population.

Maintain regulatory compliance while protecting existing sources, innovation, and cost efficiency at the District by leveraging available resources.

Water Resource Management – Program 22

Water Resource Management Program 22	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Contracts & Professional Services								
Outside Contracts	$ 5,763	$ 2,700	$ -	$ 13,000	$ 10,000	$ 19,000	$ 6,000	46.15%
Professional Services	-	-	-	65,000	43,205	-	(65,000)	-
Total Contracts & Professional Services	**$ 5,763**	**$ 2,700**	**$ -**	**$ 78,000**	**$ 53,205**	**$ 19,000**	**$ (59,000)**	**-75.64%**
Services & Supplies								
Materials & Supplies	$ 866	$ -	$ -	$ -	$ -	$ -	$ -	-
Total Services & Supplies	**$ 866**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**-**
Total Operating Expenses	**$ 6,629**	**$ 2,700**	**$ -**	**$ 78,000**	**$ 53,205**	**$ 19,000**	**$ (59,000)**	**-75.64%**
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Total Expenses	**$ 6,629**	**$ 2,700**	**$ -**	**$ 78,000**	**$ 53,205**	**$ 19,000**	**$ (59,000)**	**-75.64%**

Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget

Conejo Creek Diversion

Customer Service – Program 24

The Customer Service program ensures the efficient and effective delivery of water and sewer services to District customers. Representatives respond to customer questions, handle service requests courteously, and dispatch technicians as needed. The program also generates and issues water and sewer bills, manages revenue collection from billings and capital improvement fees, and ensures timely payments and accurate accounting.

Additional responsibilities include regulatory compliance and conservation outreach. Staff promote water-use efficiency, support customers in meeting regulations, and oversee cross-connection control. Program costs are allocated as overhead to the three cost centers.

Prior Year Goals	Achieved
Complete the CIS upgrade from V3 to V5.	☑
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.	☑
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.	☑

Prior Year Additional Achievements

Implemented Field Workforce Management platform to automate the process of dispatching work orders and allowing field staff to access account information and complete work order electronically.

Hired two new Customer Service staff to allocate additional resources to customer outreach, cross-connection compliance administration, succession planning, and cross-training of critical duties such as billing and Board support.

Goals for 2026-27

Increase paperless bill adoption to 40%. Paperless adoption is currently at 28%. Transitioning from opt out of paper bills to opt in of paper bills will help drive an increase aimed at saving money, natural resources, and expedite delivery of monthly bills.

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.

Implement an in-house, ongoing, interactive customer outreach program to educate and inform customers to increase transparency and enhance their understanding of water resources and conservation, District services provided, and ongoing strategic planning. Program elements will include newsletters, facility tours, workshops, social media, and targeted outreach efforts.

Continue to 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.

Customer Service – Program 24

Customer Service Program 24	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Contracts & Professional Services								
Outside Contracts	$ 74,498	$ 75,832	$ 82,800	$ 101,300	$ 101,300	$ 102,500	$ 1,200	1.18%
Professional Services	-	-	-	-	-	269,000	269,000	-
Total Contracts & Professional Services	**$ 74,498**	**$ 75,832**	**$ 82,800**	**$ 101,300**	**$ 101,300**	**$ 371,500**	**$ 270,200**	**266.73%**
Services & Supplies								
Materials & Supplies	$ -	$ -	$ 677	$ 3,500	$ 3,500	$ 3,000	$ (500)	-14.29%
Total Services & Supplies	**$ -**	**$ -**	**$ 677**	**$ 3,500**	**$ 3,500**	**$ 3,000**	**$ (500)**	**-14.29%**
Total Operating Expenses	**$ 74,498**	**$ 75,832**	**$ 83,477**	**$ 104,800**	**$ 104,800**	**$ 374,500**	**$ 269,700**	**257.35%**
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Total Expenses	**$ 74,498**	**$ 75,832**	**$ 83,477**	**$ 104,800**	**$ 104,800**	**$ 374,500**	**$ 269,700**	**257.35%**

****Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget***

Customer Service

Water Quality – Program 25

The Water Quality program ensures the District consistently meets or exceeds state and federal water quality standards. We operate two State-accredited environmental laboratories that monitor the District's drinking water wells, distribution system, sewer collection system, and treatment plant to maintain optimal operations and enable quick responses to water quality issues. The labs also manage the District's industrial waste program and handle the application, negotiation, and management of key operational permits.

In an increasingly complex regulatory environment, Water Quality supports compliance with TMDLs, participates in legislative and regulatory advocacy, and contributes to internal and interagency studies aimed at developing new supplies and improving operations. Staff also provide internal consultation on project research, planning, and implementation. Program costs are allocated as overhead across three cost centers.

Prior Year Goals	Achieved
Assess the effect of sludge dewatering on the effluent quality of the wastewater plant. *Effluent quality was high before dewatering and remains high.*	☑
Implementation of the Sequential Chlorination Project following SWRCB approval. *Approval received. Implementation on hold pending PLC project completion.*	☐
Value engineer sampling station project and implement at problematic sampling sites. *Engineering Complete. Four sites chosen for initial construction.*	☑
Convert disinfection at Penny Well from free chlorine to monochloramines. *Conversion to chloramines at Penny well not started. Will need another Hach 5500.*	☐
Perform another round of Copper and Lead accelerated sampling required by DDW.	☑

Prior Year Additional Accomplishments

Zero violations: 100% compliance with all regulations and permits. Operational permits in good standing (TDS and Chloride still exceed permit limits at CWRF on occasion).

Laboratories re-accredited with the state and Wastewater lab converted to a satellite lab.

All laboratory performance evaluation samples passed.

Trained operators and certified them to perform laboratory testing.

Lead 2 tours of the RMWTP and CWRF labs.

Assisted operations with Fe/Mn filter startup at the Lynnwood Well site.

Goals for 2026-27

Zero violations: 100% compliance with all regulations and permits. Operational permits in good standing (TDS and Chloride may exceed permit limits at CWRF on occasion).

Development of analytical procedures to test water for metals such as Iron, Manganese, and Arsenic for internal monitoring and process control for Fe/Mn filters.

Complete implementation of Sequential Chlorination Project automation and demonstration of operation.

Continue automation of State reporting.

Laboratory

Water Quality – Program 25

Water Quality Program 25	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Contracts & Professional Services								
Outside Contracts	$ 40,957	$ 72,066	$ 82,220	$ 92,500	$ 92,500	$ 110,000	$ 17,500	18.92%
Total Contracts & Professional Services	**$ 40,957**	**$ 72,223**	**$ 82,220**	**$ 92,500**	**$ 92,500**	**$ 110,000**	**$ 17,500**	**18.92%**
Services & Supplies								
Small Tools & Equipment	$ 7,637	$ 2,447	$ 7,203	$ 11,000	$ 11,000	$ 17,500	$ 6,500	59.09%
Materials & Supplies	43,871	47,432	42,253	38,965	38,900	51,000	12,035	30.89%
Repair Parts & Equipment Maintenance	5,511	2,690	12,349	10,000	10,000	12,000	2,000	20.00%
Fees & Charges	15,500	7,800	18,140	15,000	15,000	15,000	-	0.00%
Total Services & Supplies	**$ 72,519**	**$ 60,369**	**$ 79,945**	**$ 74,965**	**$ 74,900**	**$ 95,500**	**$ 20,535**	**27.39%**
Total Operating Expenses	**$ 113,476**	**$ 132,592**	**$ 162,165**	**$ 167,465**	**$ 167,400**	**$ 205,500**	**$ 38,035**	**22.71%**
Fixed Assets	$ 12,025	$ 12,907	$ -	$ -	$ -	$ -	$ -	-
Total Expenses	**$ 125,501**	**$ 145,499**	**$ 162,165**	**$ 167,465**	**$ 167,400**	**$ 205,500**	**$ 38,035**	**22.71%**

Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget

Water Quality Monitoring

Buildings/Grounds & Rolling Stock – Program 26

The Buildings/Grounds & Rolling Stock program covers the maintenance of all District buildings, 65 acres of property, approximately two miles of District roads, and the District's fleet and specialized service equipment. Responsibilities include janitorial services, grounds maintenance, landscaping, fencing, weed control, and vehicle leasing and maintenance. These services support the District's goal of keeping all facilities safe, visually appealing, and well maintained.

The program also provides resources for a reliable fleet, reducing the need for outside contractors. The District's fleet consists of 25 motor vehicles, 4 tractors, 3 forklifts, a trailer-mounted non-potable water pump, and multiple trailers. Program costs are allocated across the three cost centers.

Prior Year Goals	Achieved
Complete renewal of fleet vehicle leases. *Board decided to purchase instead of lease. Purchases completed.*	☑
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. *County Fire had aerial entry/exit concerns with the proposed sites (trees and powerlines).*	☑

Prior Year Additional Achievements

Purchased Truck for Dewatering facility at CWRF.

Goals for 2026-27

Replace 2016 Ford F-150 with like vehicle.

Complete routine tree trimming and weed control at District sites.

Complete re-roofing of CWRF Office building/lab.

Explore the process of engaging in a facilities condition assessment.

District Headquarters

Buildings/Grounds & Rolling Stock – Program 26

Buildings/Grounds & Rolling Stock Program 26	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Contracts & Professional Services								
Outside Contracts	$ 203,952	$ 228,582	$ 232,745	$ 444,000	$ 350,000	$ 316,500	$ (127,500)	-28.72%
Total Contracts & Professional Services	**$ 203,952**	**$ 228,582**	**$ 232,745**	**$ 444,000**	**$ 350,000**	**$ 316,500**	**$ (127,500)**	**-28.72%**
Services & Supplies								
Utilities	$ 29,398	$ 27,385	$ 40,275	$ 44,500	$ 35,000	$ 44,500	$ -	0.00%
Small Tools & Equipment	38	1,602	4,838	2,000	2,000	2,000	-	0.00%
Materials & Supplies	96,414	89,061	122,314	125,000	125,000	135,000	10,000	8.00%
Repair Parts & Equipment Maintenance	77,980	71,856	53,774	80,500	80,500	80,500	-	0.00%
Fees & Charges	3,103	839	1,596	16,500	15,000	16,500	-	0.00%
Total Services & Supplies	**$ 206,933**	**$ 190,743**	**$ 222,797**	**$ 268,500**	**$ 257,500**	**$ 278,500**	**$ 10,000**	**3.72%**
Total Operating Expenses	**$ 410,885**	**$ 419,325**	**$ 455,542**	**$ 712,500**	**$ 607,500**	**$ 595,000**	**$ (117,500)**	**-16.49%**
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ 75,000	$ 75,000	-
Total Expenses	**$ 410,885**	**$ 419,325**	**$ 455,542**	**$ 712,500**	**$ 607,500**	**$ 670,000**	**$ (42,500)**	**-5.96%**

****Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget***

Lynnwood Well Forklift

Potable Water Production & Distribution – Program 52

The Potable Water Production and Distribution program provides clean, reliable drinking water to the District's 8,200 service connections in a safe, 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. All associated costs are allocated entirely to the potable water cost center.

Prior Year Goals	Achieved
Achieve a 60:40 local groundwater production to imported water ratio. *Achieved a 55:45 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) *Preliminary design complete, facility design and permitting are in progress.*	☐
Implementation of the well maintenance and rehabilitation program.	☑
Identify and replace 1000 aging water meters. *Replaced over 2500 aging water meters.*	☑
Complete design, drilling, and development for the new University Well for RMWTP.	☑
Complete replacement of all meter station control cabinets. *Construction is in progress.*	☐
Complete Meter Station #11 and Pressure Relief Stations rehabilitation. *On hold - due to limited staff resources.*	☐

Goals for 2026-27

Achieve a 60:40 local groundwater production to imported water ratio.

Identify and replace 500 1-1/2 inch and larger aging water meters.

Complete annual calibration of all potable production meters.

Complete construction of University Well No. 2 facility.

Complete construction of four (4) sampling stations.

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

Potable Water Pumps

Potable Water Production & Distribution – Program 52

Potable Water Production & Distribution Program 52	Actuals FY 2022-23	Actuals FY 2024-25	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Production								
Import Water Purchases-Calleguas	$ 4,746,238	$ 5,037,612	$ 6,099,185	$ 4,972,600	$ 5,849,049	$ 5,033,649	$ 61,049	1.23%
Calleguas Fixed Charges	906,822	937,050	925,228	951,772	999,188	1,030,127	78,355	8.23%
CamSan	-	-	152,624	158,736	155,000	163,817	5,081	3.20%
Salinity Management Pipeline-Calleguas	67,384	139,624	139,404	268,152	185,000	282,191	14,039	5.24%
Production Power	714,850	925,682	1,108,348	1,860,041	1,182,565	1,286,576	(573,465)	-30.83%
Total Production	**$ 6,435,294**	**$ 7,039,968**	**$ 8,424,789**	**$ 8,211,301**	**$ 8,370,802**	**$ 7,796,360**	**$ (414,941)**	**-5.05%**
Contracts & Professional Services								
Outside Contracts	$ 351,614	$ 607,096	$ 304,816	$ 1,196,500	$ 825,000	$ 1,196,000	$ (500)	-0.04%
Professional Services	49,571	174,165	299,584	225,000	333,000	260,500	35,500	15.78%
Total Contracts & Professional Services	**$ 401,185**	**$ 781,261**	**$ 604,400**	**$ 1,421,500**	**$ 1,158,000**	**$ 1,456,500**	**$ 35,000**	**2.46%**
Services & Supplies								
Utilities	$ 54,368	$ 64,085	$ 51,949	$ 65,000	$ 65,000	$ 65,000	$ -	0.00%
Pipeline Repairs	385,542	204,877	385,743	380,000	380,000	380,000	-	0.00%
Small Tools & Equipment	20,648	19,141	13,111	20,000	20,000	20,000	-	0.00%
Materials & Supplies	279,556	455,328	648,956	1,168,000	825,000	1,208,000	40,000	3.42%
Repair Parts & Equipment Maintenance	382,845	464,258	321,335	782,500	850,000	832,500	50,000	6.39%
Legal Services	-	53,747	251,911	108,000	280,000	240,000	132,000	122.22%
Fees & Charges	172,148	90,531	104,453	168,575	165,000	168,575	-	0.00%
Total Services & Supplies	**$ 1,295,107**	**$ 1,351,967**	**$ 1,777,458**	**$ 2,692,075**	**$ 2,585,000**	**$ 2,914,075**	**$ 222,000**	**8.25%**
Total Operating Expenditures	**$ 8,131,586**	**$ 9,173,196**	**$ 10,806,647**	**$ 12,324,876**	**$ 12,113,802**	**$ 12,166,935**	**$ (157,941)**	**-1.28%**
Fixed Assets	$ -	$ 50,424	$ -	$ -	$ -	$ -	$ -	-
Total Expenses	**$ 8,131,586**	**$ 9,223,620**	**$ 10,806,647**	**$ 12,324,876**	**$ 12,113,802**	**$ 12,166,935**	**$ (157,941)**	**-1.28%**

Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget

Unidirectional Flushing

Non-Potable Water Production & Distribution – Program 53

The Non-Potable Water Production and Distribution Program provides non-potable water to the District's customers safely and cost-effectively. The system includes the Conejo Creek Diversion structure, 49 million gallons of surface storage, 3 wells, 4 pumping stations, 4 reservoirs, 28 fire hydrants, and 23 miles of distribution pipelines. All costs are allocated entirely to the non-potable water cost center.

Prior Year Goals	Achieved
Continue the annual overhaul of Diversion debris screens.	☑
Calibrate all non-potable production meters.	☑
Complete annual sand removal at the ponds. *Insufficient buildup of sand.*	☐
Continue annual sandbar removal at the Conejo Creek Diversion. *Insufficient buildup of sand.*	☐
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 (WRAP) and explore water allocation strategies within the non-potable distribution system. *Policy development still in process.*	☐

Goals for 2026-27

Continue the annual overhaul of Diversion debris screens.

Complete annual calibration of 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.

Begin construction of Pump Station No.4/Ag 2 Tank.

Recycled Water Serving Valley Agriculture

Non-Potable Water Production & Distribution – Program 53

Non-Potable Water Production & Distribution Program 53	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Production								
Water Purchases-Calleguas	$ 324,272	$ 423,838	$ 735,022	$ 664,537	$ 454,163	$ 613,803	$ (50,734)	-7.63%
Calleguas Fixed Charges	-	-	93,926	125,480	66,436	122,246	(3,234)	-
Conejo Creek Project	816,017	1,113,387	940,490	1,014,104	859,113	889,026	(125,078)	-12.33%
CamSan	132,123	157,354	-	-	-	-	-	-
Production Power	1,003,235	1,090,287	1,073,807	1,308,139	1,055,208	1,020,756	(287,383)	-21.97%
Total Production	**$ 2,275,647**	**$ 2,784,866**	**$ 2,843,245**	**$ 3,112,260**	**$ 2,434,920**	**$ 2,645,831**	**$ (466,429)**	**-14.99%**
Contracts & Professional Services								
Outside Contracts	$ 98,587	$ 152,495	$ 90,836	$ 449,500	$ 400,000	$ 463,000	$ 13,500	3.00%
Professional Services	-	49,565	19,167	49,500	27,000	43,500	(6,000)	-12.12%
Total Contracts & Professional Services	**$ 98,587**	**$ 202,060**	**$ 110,003**	**$ 499,000**	**$ 427,000**	**$ 506,500**	**$ 7,500**	**1.50%**
Services & Supplies								
Pipeline Repairs	15,152	104,916	22,997	80,000	80,000	80,000	$ -	0.00%
Small Tools & Equipment	-	3,478	114	4,500	4,500	4,500	-	0.00%
Materials & Supplies	20,160	26,338	17,267	37,000	35,000	37,000	-	0.00%
Repair Parts & Equipment Maintenance	255,179	433,642	193,655	385,000	300,000	385,000	-	0.00%
Legal Services	-	40,352	11,211	72,000	160,000	160,000	88,000	-
Fees & Charges	1,640	1,893	14,013	19,500	16,500	19,500	-	0.00%
Total Services & Supplies	**$ 292,131**	**$ 610,619**	**$ 259,257**	**$ 598,000**	**$ 596,000**	**$ 686,000**	**$ 88,000**	**14.72%**
Total Operating Expenses	**$ 2,666,365**	**$ 3,597,545**	**$ 3,212,505**	**$ 4,209,260**	**$ 3,457,920**	**$ 3,838,331**	**$ (370,929)**	**-8.81%**
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Total Expenses	**$ 2,666,365**	**$ 3,597,545**	**$ 3,212,505**	**$ 4,209,260**	**$ 3,457,920**	**$ 3,838,331**	**$ (370,929)**	**-8.81%**

Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget

Non-Potable Tank and Pump Station

Wastewater Collection & Treatment – Program 57

The Wastewater Collection and Treatment program covers the operation, maintenance, and repair of the Camrosa Water Reclamation Facility (CWRF) and the sewer collection system, which includes 40 miles of collection lines, 6 lift stations, 4 siphon structures, and 1,350 manholes. Each year, two-thirds of the system is hydro-cleaned, and potential trouble spots are identified and video-inspected. 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 expanded the District's available water resources. All program costs are allocated entirely to the wastewater cost center.

Prior Year Goals	Achieved
Zero wastewater violations. *Operational Permits are in good standing. (TDS and Chloride still exceed permit limits at CWRF on occasion).*	☑
Zero sanitary sewer overflows.	☑
Complete construction of permanent ammonia injection system for sequential chlorination. Implementation on hold pending CWRF PLC project completion.	☐
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. *Construction is in progress.*	☐
Complete construction for rehabilitation of power distribution at CWRF. *Design is complete. Project on hold pending funding allocation.*	☐

Prior Year Additional Achievements

Cleaned two-thirds of the collection system.

Goals for 2026-27

Zero wastewater violations.

Zero sanitary sewer overflows.

Complete annual calibration of all flow meters at CWRF.

Complete replacement of Headwork Influent pumps.

Rehabilitate an additional 40 sewer manholes.

Clean two-thirds of the collection system.

Complete construction of permanent ammonia injection system for sequential chlorination.

Complete construction of PLCs replacement at CWRF.

Complete construction of power distribution replacement at CWRF.

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

Complete construction of Sewer Lift Station No. 2.

Wastewater Collection & Treatment – Program 57

Wastewater Collection & Treatment Program 57	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Budget FY 2025-26	Projections FY 2025-26	Adopted Budget FY 2026-27	*Increase (Decrease) over PY	*% Change over PY
Production								
Salinity Management Pipeline-Calleguas	$ 7,853	$ 9,134	$ 11,066	$ 9,000	$ 13,041	$ 15,000	$ 6,000	66.67%
Total Production	**$ 7,853**	**$ 9,134**	**$ 11,066**	**$ 9,000**	**$ 13,041**	**$ 15,000**	**$ 6,000**	**66.67%**
Contracts & Professional Services								
Outside Contracts	$ 665,579	$ 669,624	$ 950,827	$ 1,127,000	$ 1,000,000	$ 1,134,500	$ 7,500	0.67%
Professional Services	16,078	18,924	19,083	18,000	$ 50,026	17,879	(121)	-0.67%
Total Contracts & Professional Services	**$ 681,657**	**$ 688,548**	**$ 969,910**	**$ 1,145,000**	**$ 1,050,026**	**$ 1,152,379**	**$ 7,379**	**0.64%**
Services & Supplies								
Utilities	$ 13,980	$ 15,355	$ 15,253	$ 20,000	$ 16,000	$ 20,000	$ -	0.00%
Pipeline Repairs	1,169	-	55,429	30,000	30,000	30,000	-	0.00%
Small Tools & Equipment	582	569	198	5,000	5,000	5,000	-	0.00%
Materials & Supplies	88,738	102,399	110,636	157,500	130,000	157,500	-	0.00%
Repair Parts & Equipment Maintenance	53,784	56,905	55,397	135,000	100,000	135,000	-	0.00%
Dues & Subscriptions	105	-	-	-	-	-	-	-
Fees & Charges	49,145	56,978	31,927	84,500	$ 60,000	84,500	-	0.00%
Total Contracts & Professional Services	**$ 207,503**	**$ 232,206**	**$ 268,840**	**$ 432,000**	**$ 341,000**	**$ 432,000**	**$ -**	**0.00%**
Total Operating Expense	**$ 897,013**	**$ 929,888**	**$ 1,249,816**	**$ 1,586,000**	**$ 1,404,067**	**$ 1,599,379**	**$ 13,379**	**0.84%**
Fixed Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-
Total Expenses	**$ 897,013**	**$ 929,888**	**$ 1,249,816**	**$ 1,586,000**	**$ 1,404,067**	**$ 1,599,379**	**$ 13,379**	**0.84%**

****Compares FY 2026-27 Adopted Budget to FY 2025-26 Budget***

Camrosa Wastewater Reclamation Facility (CWRF)

Fixed Assets FY 2026-27 Summary

The following table lists fixed assets appropriated in the FY 2026-27 budget. Additional fixed assets may be added during the fiscal year as approved by the Board.

Program	Fixed Assets	Description	Adopted Budget FY 2026-27
11	100-27-01	Firewall and Wi-Fi Router Upgrades	40,000
26	100-27-02	Ford F-150 Truck	75,000
Total Fixed Assets			**$ 115,000**

Program Allocation:	
Potable Water Program	38,870
Non-Potable Water Program	35,880
Wastewater Program	40,250
Total Fixed Assets	**$ 115,000**

Fixed Assets FY 2026-27 Details

Fixed Assets

100-27-01 $40,000 Firewall and Wi-Fi router Upgrades

The District's current network firewalls are nearing the end of their support life, so the District plans to replace them with newer models that provide faster performance, stronger cyber-threat protection, and greater connection capacity. The District also plans to replace its existing Wi-Fi routers with new access points at the main office, operations office, and Round Mountain Water Treatment Plant (RMWTP) to provide secure wireless access for employees while maintaining a separate guest network. These upgrades will help ensure the District's systems remain secure, reliable, and prepared for future technology needs.

100-27-02 $75,000 Ford F-150 Truck

The District provides a work vehicle for its General Manager. The current vehicle, a 2016 Ford F-150 truck with more than 180,000 miles, has reached the end of its useful life and is expected to require significant maintenance. To ensure reliable transportation and avoid additional maintenance costs, replacing it with a similar vehicle is recommended.

District Service Vehicles

Capital Projects FY 2025-26 Summary

During FY 2025-26, the District completed a number of capital projects that improved potable water, non-potable water, and wastewater operations.

Completed General Improvement Capital Projects

General improvement projects included the Fleet Vehicle Replacement.

Completed Potable Water Capital Projects

Potable water improvements included the completion of the PV Well Iron/Manganese Removal project.

Completed Non-Potable Water Capital Projects

Non-potable projects included the completion of the Ag 3 Tank Replacement and Santa Rosa Well No. 10 Refurbishment projects.

Completed Wastewater Capital Projects

Wastewater projects included the completion of the Sewer Lift Read Road MCC, Collection System Hot Spots, Effluent Booster Pump #2, Sewer Lift 1A Pump Replacement, and De-watering Press Projects.

Wastewater De-Watering Press - Construction Completed in FY 2025-26

Closeouts and Carryovers FY 2025-26 Summary

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, 2026, and will be capitalized. Any unspent funds will be returned to the appropriate reserve fund. Ongoing capital projects will carry over into the FY 2026-27 budget.

Project #	Description	Prior FY Budget	FY 2025-26 Budget	Mid-Year Budget	Total Budget	Total Actual / Projected	Carryover	Closeouts De-Obligate	Status
	Completed Projects								
General Projects									
400-26-02	Fleet Vehicle Replacement	-	800,000	-	800,000	771,981	-	28,019	Complete
Potable Water Projects									
600-24-01	PV Well Iron/Manganese Removal	2,190,000	-	-	2,190,000	2,190,000	-	-	Complete
600-24-02	Water Quality Sampling Stations - Engineering	40,000	-	-	40,000	-	-	40,000	De-Obligated
650-26-02	Distribution Valve Replacement	-	100,000	-	100,000	15,205	-	84,795	De-Obligated
Non-Potable Water Projects									
750-23-01	AG3 Tank Replacement-Engineering/Const	1,325,000	-	-	1,325,000	1,223,097	-	101,903	Complete
750-25-01	Santa Rosa Well No. 10 Refurbishment	615,000	-	350,000	965,000	752,193	-	212,807	Complete
Wastewater Projects									
550-21-01	Sewer Lift Read Road MCC	360,000	-	-	360,000	282,794	-	77,206	Complete
550-23-01	Collection System Hot Spots	330,000	-	2,100,000	2,430,000	2,180,000	-	250,000	Complete
550-26-02	Effluent Booster Pump #2	-	40,000	-	40,000	34,652	-	5,348	Complete
550-26-03	Sewer Lift 1A Pump Replacement	-	40,000	-	40,000	37,899	-	2,101	Complete
900-18-02	De-watering Press	4,164,100	-	-	4,164,100	3,890,780	-	273,320	Complete
Total Completed		$ 9,024,100	$ 980,000	$ 2,450,000	$ 12,454,100	$ 11,378,601	$ -	$ 1,075,499	
	Carryovers								
General Projects									
400-22-02	Utility Billing System	504,000	-	-	504,000	431,643	72,357	-	Carryover
400-26-03	Centralized Data and Reporting Project	-	-	550,000	550,000	90,000	460,000		Carryover
Potable Water Projects									
600-23-01	PV Well #3 - Engineering Phase	230,000	-	-	230,000	184,740	45,260	-	Carryover
600-24-03	New University Well	400,000	-	1,800,000	2,200,000	2,200,000	-	-	Carryover
600-25-02	Pump Station 1-2 @ MS# 8 - Engineering	175,000	-	-	175,000	-	175,000	-	Carryover
600-25-03	Conejo Water Treatment Plant	1,100,000	-	-	1,100,000	916,461	183,539	-	Carryover
650-20-03	Meter Station Control Cabinets	280,000	-	-	280,000	128,077	151,923	-	Carryover
650-21-01	Meter Station 5 and 7 Rehabilitation	290,000	-	-	290,000	208,303	81,697	-	Carryover
650-25-01	4C Hydropneumatic Pump Station	300,000	-	-	300,000	206,146	93,854	-	Carryover
650-25-02	MS#11 & Pressure Relief Stations	330,000	-	-	330,000	-	330,000	-	Carryover
650-25-04	Waterview Software	100,000	-	-	100,000	18,000	82,000	-	Carryover
650-26-01	4C Tank Replacement	-	250,000	-	250,000	150,000	100,000	-	Carryover
650-26-03	Woodcreek Well Pump Repair	-	-	300,000	300,000	52,243	247,757		Carryover
650-26-04	Diversion Pump Replacement	-	-	100,000	100,000	-	100,000		Carryover
Non-Potable Water Projects									
750-25-02	Pump Station No. 4 Replacement	-	325,000	-	325,000	100,000	225,000	-	Carryover
750-25-03	Ag 2 Tank - Engineering Phase	-	105,000	-	105,000	50,000	55,000	-	Carryover
Wastewater Projects									
500-22-01	Ammonia Injection (Sequential Chlorination)	400,000	-	-	400,000	183,188	216,812	-	Carryover
550-24-02	CWRF Influent Pump	350,000	-	-	350,000	325,893	24,107	-	Carryover
550-25-01	CWRF PLC - Engineering Phase	300,000	-	1,500,000	1,800,000	300,000	1,500,000	-	Carryover
550-25-02	CWRF Power Distribution System Rehab-Engineering	200,000	-	50,000	250,000	250,000	-	-	Carryover
550-25-03	Lift Station No. 4	175,000	-	2,000,000	2,175,000	570,168	1,604,832	-	Carryover
550-26-01	Sewer Lift Station No. 2 Refurbishment	-	195,000	40,000	235,000	183,343	51,657	-	Carryover
Total Carryovers		$ 5,134,000	$ 875,000	$ 6,340,000	$ 12,349,000	$ 6,548,205	$ 5,800,795	$ -	
Total CIPs		$ 14,158,100	$ 1,855,000	$ 8,790,000	$ 24,803,100	$ 17,926,806	$ 5,800,795	$ 1,075,499	
Fixed Assets									
100-26-01	Truck for Solids Dewatering Press Facility	-	80,000	-	80,000	80,000	-	-	
Total Fixed Assets		$ -	$ 80,000	$ -	$ 80,000	$ 80,000	$ -	$ -	
Total CIPS & Fixed Assets		$ 14,158,100	$ 1,935,000	$ 8,790,000	$ 24,883,100	$ 18,006,806	$ 5,800,795	$ 1,075,499	

Valencia Well Preliminary Design - Completed in FY 2025-26

Capital Projects FY 2025-26 Carryover Details

The following capital projects were appropriated in prior fiscal years and are to be carried forward into the FY 2026-27 budget.

General Projects

400-22-02 $504,000 Utility Billing System

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 2026. This project was included in the 2024 Rate Study.

400-26-03 $550,000 Centralized Data and Reporting Project

The Camrosa Water District's Technical Architecture Design (TAD) project establishes a unified, scalable data and reporting platform that replaces manual, spreadsheet-driven processes with an automated, governed architecture that centralizes operational, financial, production, usage, and compliance data to support consistent leadership and regulatory reporting. Informed by extensive cross-department discovery, a full proof of concept, and a comprehensive KPI and architectural framework, the project outlines a two-phase implementation—Phase 1 delivering the core data foundation and initial dashboards, and Phase 2 expanding system coverage and advanced analytics—designed to be completed within a single integrated 12-month program. With the project beginning in May 2026, the expected completion date is April 2027, aligning with the roadmap's defined timeline for full deployment of the centralized data and reporting environment.

Potable Water Projects

600-23-01 $230,000 PV Well #3 (Valencia Well) - Engineering

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. Drilling of a test well is expected to occur Summer 2026 followed by start of pipeline and facility design beginning Fall/Winter of 2026. This project was included in the 2024 Rate Study.

600-24-03 $2,200,000 New University Well

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, District 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. Drilling of the Well and Facility Design was completed in June 2026 with construction expected to begin late Summer 2026, with completion near Summer 2027.

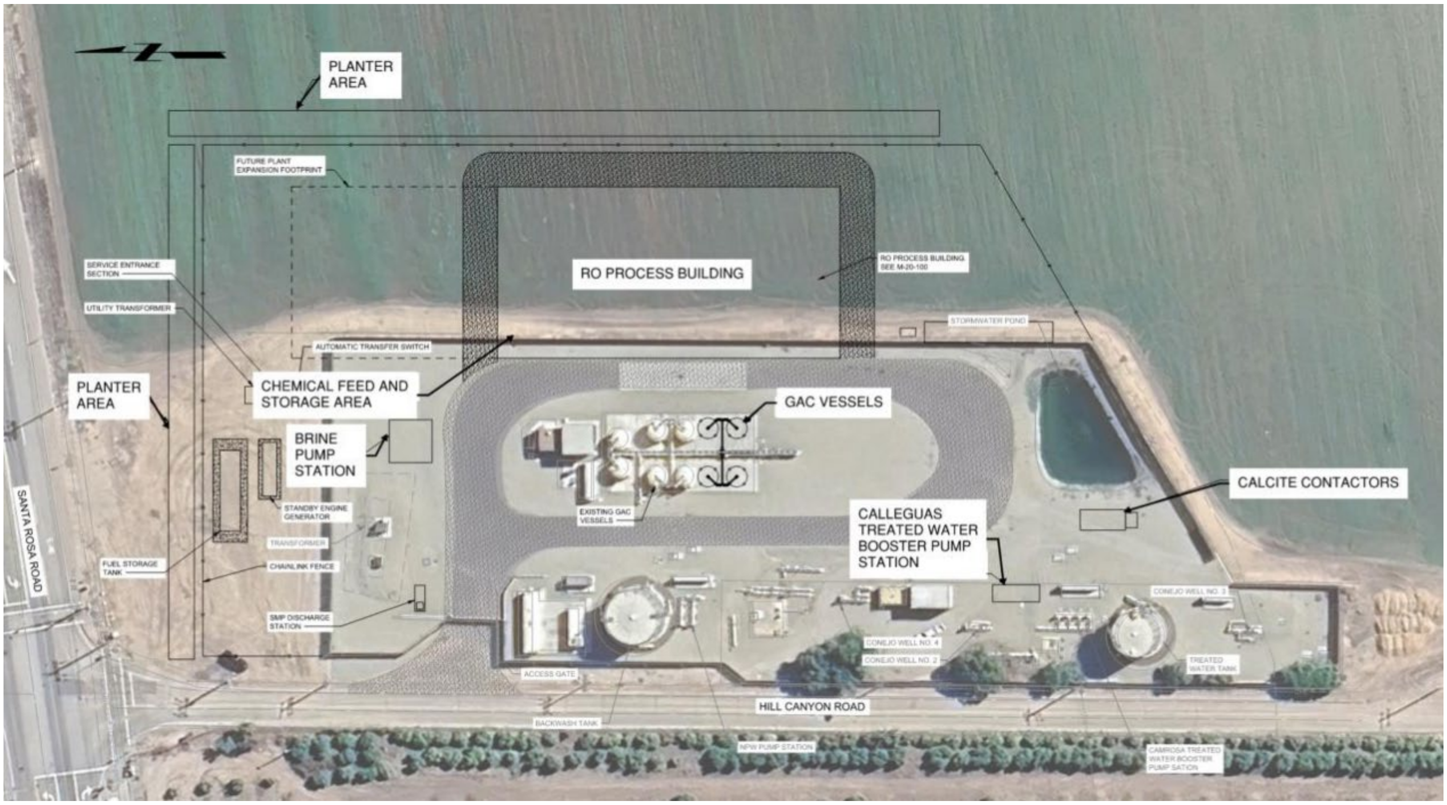
600-25-02 $175,000 Pump Station 1 to 2 @MS# 8 – Engineering

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. This project was included in the 2024 rate study.

Potable Water Projects (continued)

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

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 final PDR is expected to be completed by July 2026, it will include the development of the initial design and infrastructure requirements, along with detailed project costs.



Preliminary Design for the Conejo Water Treatment Plant

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

The District'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 2026. This project was included in the 2019 Rate Study.

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

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 2026.

Potable Water Projects (continued)

650-25-01 $300,000 4C Hydropneumatic Pump Station

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/repaired. 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.

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

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 June 2027. This project was included in the 2024 rate study.

650-25-04 $100,000 Waterview Software

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 regarding 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.

650-26-01 $250,000 4C Tank Replacement

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. As a result of some geological challenges, Camrosa is in the process of developing alternative site layouts. Once an appropriate site has been selected. The engineering phase is expected to begin late Summer 2026, and design will be completed in Spring 2027. This project was included in the 2024 rate study.

650-26-03 $300,000 Woodcreek Well Pump Repair

The Woodcreek Well was last rehabilitated two years ago. Since then, it has maintained a steady production rate of 610 gpm with a safe drawdown. Recently, the well’s VFD failed. After the VFD was replaced, the well experienced excessive down-hole vibration, severe enough to stall the motor. An investigation determined that the pump needed to be pulled and inspected. The inspection revealed significant corrosion, particularly on the cast-iron pump bowls. The new pump bowl assembly will be constructed entirely of stainless steel to prevent dissimilar metal corrosion. Additionally,140 feet of 6-inch column pipe located inside the 10-inch liner will be replaced with stainless-steel pipe. This project will be completed by the end of July 2026.

650-26-04 $100,000 Diversion Pump Replacement

The Conejo Creek Diversion structure is a key component in supplying non-potable water to our customers. It was designed with three submersible pumps that transfer water from the creek to the district’s storage ponds. These specialized Flygt pumps use high chrome wear plates and impellers to withstand the high volume of sand and other particulate carried by the creek. One of these pumps recently failed, and staff determined that it has reached the end of its service life and is not repairable. The new pump will be delivered by, and this project will be completed by the end of December 2026.

Non-Potable Water Projects

750-25-02 $325,000 Pump Station No. 4 Replacement

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 2028. This project was included in the 2024 rate study.

750-25-03 $105,000 Ag 2 Tank – Engineering

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 2026. Additional funding will be requested for the construction phase and estimate the project will be completed by Summer of 2028. This project was included in the 2024 rate study.

Wastewater Projects

500-22-01 $400,000 Ammonia Injection (Sequential Chlorination)

The District'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 The District 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 currently on hold, pending completion of the PLC Replacement at CWRF project, scheduled to be completed by the end of calendar year 2026.

550-24-02 $350,000 CWRF Influent Pump

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 2026. This project was included as part of the Headworks Improvement project in the 2024 Rate Study.

550-25-01 $1,800,000 CWRF PLC Replacement & Upgrades

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 complete. Construction is expected to begin by the Summer of 2026 and be completed by Spring 2027. This project was included in the 2024 rate study.

Wastewater Projects (continued)

550-25-02 $250,000 CWRF Power Distribution System Rehab – Engineering

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 complete and construction is expected to begin in the Winter 2026 and be completed in Winter of 2027. This project was included in the 2024 rate study.

550-25-03 $2,175,000 Lift Station No. 4

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 project will be completed by the Spring of 2027. This project was included in the 2024 rate study.

550-26-01 $235,000 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. Design is in progress and expected to be completed in late Summer 2026. Staff will return to the board for additional funding for the construction award, with construction to be completed by 2027. This project was included in the 2024 rate study.

Effluent Pond Improvements at the Camrosa Water Reclamation Facility (CWRF)

Capital Projects FY 2026-27 Summary

The following table lists capital projects appropriated in the FY 2026-27 budget. Additional projects without finalized cost estimates may be added during the fiscal year as approved by the Board.

Capital Projects	Description	Adopted Budget FY 2026-27
General Projects		
400-27-01	Presilla Ridgeline Data Relay	125,000
Total General Projects		**$ 125,000**
Potable Water Projects		
650-27-01	Tank 3A Rehabilitation (Engineering 26-27, Construction 27-28)	900,000
650-27-02	Tank 3B Rehabilitation (Engineering 26-27, Construction 28-29)	900,000
650-27-03	Tank 3C Rehabilitation (Engineering 26-27, Construction 29-30)	900,000
650-27-04	Pump Station 1 Rehabilitation	820,000
650-27-05	Distribution Valve Replacement	100,000
Total Potable Water Projects		**$ 3,620,000**
Non-Potable Water Projects		
750-27-01	Yucca Pump Station Replacement	745,000
Total Non-Potable Water Projects		**$ 745,000**
Total CIPs		**$ 4,490,000**

Capital Projects FY 2026-27 Details

General Projects

400-27-01 $125,000 Presilla Ridgeline Data Relay

Camrosa currently depends on a cellular connection to transmit Supervisory Control and Data Acquisition (SCADA) data from the Woodcreek and Lynnwood well sites because neither location has line-of-sight access to existing backbone sites typically co-located with District reservoir sites. To improve security and bring all SCADA communications onto internal networks, the project will install a high-speed data repeater linking these wells to Reservoir 1B through a new relay site in the northern Santa Rosa Valley. This relay will replace the existing cellular VPN connection, enhance Automatic Meter Reading (AMR) and SCADA coverage in the region, and provide capacity for future communication needs.

Potable Water Projects

650-27-01 $900,000 Tank 3A Rehabilitation (Engineering 26-27, Construction 27-28)

The District plans to upgrade Reservoir 3A, a water storage tank built in the 1960s, to ensure it remains safe and reliable during earthquakes. Located adjacent to the Tierra Rejada Golf Course within an avocado ranch, the tank has been shown through engineering studies to fall short of modern seismic standards and to have deteriorated interior and exterior coatings. The project will add a new foundation and anchoring system, improve piping and drainage, replace damaged components, and fully recoat the tank to reduce corrosion and maintain water quality. Additional improvements, such as paving and fencing, will help bring the site up to current standards and extend the tank's service life. This is the engineering phase, which is anticipated to be completed by the end of Fiscal Year (FY) 2026-27. Staff will return to the Board of Directors (Board) for the construction award, which is anticipated to begin in FY 2027-28. This project was included in the 2024 Rate Study.

Capital Projects FY 2026-27 Details (Continued)

Potable Water Projects (continued)

650-27-02 $900,000 Tank 3B Rehabilitation (Engineering 26-27, Construction 28-29)

The District plans to upgrade Reservoir 3B, a water storage tank built in the 1960s, to ensure it remains safe and reliable during earthquakes. Located near the McCrea Ranch YMCA, the tank has been shown through engineering studies to fall short of modern seismic standards and to have deteriorated interior and exterior coatings. The project will add a new foundation and anchoring system, improve piping and drainage, replace damaged components, and fully recoat the tank to reduce corrosion and maintain water quality. Additional improvements, such as paving and fencing, will help bring the site up to current standards and extend the tank's service life. This is the engineering phase, which is anticipated to be completed by the end of FY 2026-27. Staff will return to the Board for the construction award, which is anticipated to begin in FY 2028-29. This project was included in the 2024 Rate Study.

650-27-03 $900,000 Tank 3C Rehabilitation (Engineering 26-27, Construction 29-30)

The District plans to upgrade Reservoir 3C, a water storage tank built in the 1960s, to ensure it remains safe and reliable during earthquakes. Located at the easterly end of Precilla Road, the tank has been shown through engineering studies to fall short of modern seismic standards and to have deteriorated interior and exterior coatings. The project will add a new foundation and anchoring system, improve piping and drainage, replace damaged components, and fully recoat the tank to reduce corrosion and maintain water quality. Additional improvements, such as paving and fencing, will help bring the site up to current standards and extend the tank's service life. This is the engineering phase, which is anticipated to be completed by the end of FY 2026-27. Staff will return to the Board for the construction award, which is anticipated to begin in FY 2029-30. This project was included in the 2024 Rate Study.

650-27-04 $820,000 Pump Station 1 Rehabilitation

Pump Station 1, located at the entrance to Calleguas Municipal Water District (CMWD) headquarters, boosts water from CMWD's Meter Station 1 to Camrosa Water District's Reservoir 4A. As the sole water supply for Zone 4A, the station is essential to system reliability. The aging facility requires equipment upgrades and improved weather protection, including the possible addition of a roof. The project will refurbish or replace pumps, motors, valves, piping, and surge tanks, and will also address site needs such as drainage, lighting, and concrete repairs. Design and construction are each expected to take about six months. This project was included in the 2024 Rate Study.

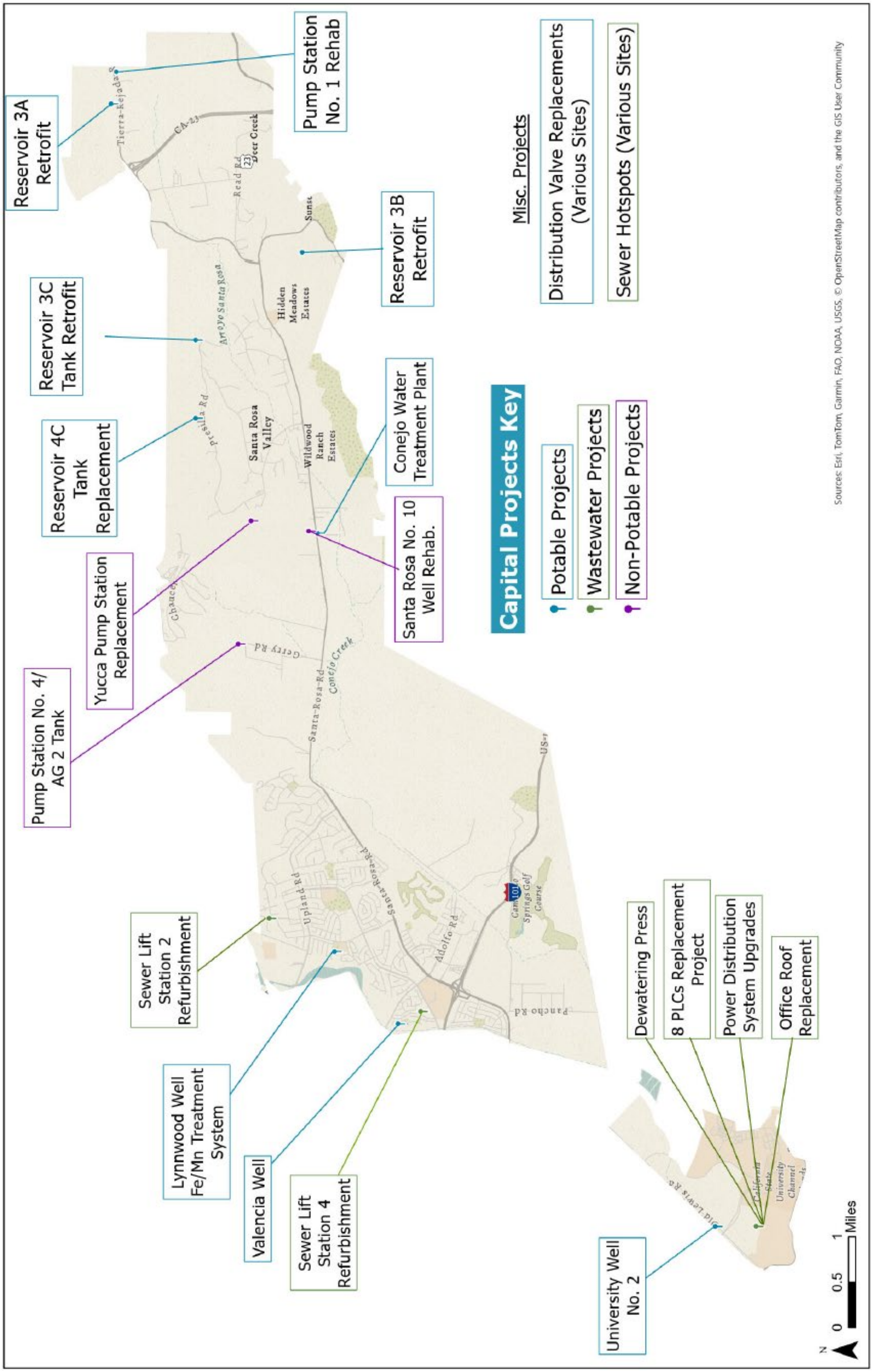
650-27-05 $100,000 Distribution Valve Replacement

The potable water distribution system includes more than 200 miles of transmission and distribution pipelines, 1,300 mainline valves, and 1,100 fire hydrant valves. Most valves were installed in the late 1960s and 1970s. The Operations and Maintenance Department replaces valves when they are stuck or damaged and during routine or emergency pipeline repairs. This project will be completed by the end of FY 2026-27. This project was included in the 2024 Rate Study.

Non-Potable Water Projects

750-27-01 $745,000 Yucca Pump Station Replacement

The Yucca Pump Station, located on Yucca Drive next to the Yucca Tank, helps keep water pressure stable for nearby agricultural users. Originally acquired from a dissolved local water company, the station is more than 26 years old and relies on outdated equipment that cannot connect to the District's modern control systems. It also lacks basic security features and emergency backup power. To improve reliability and safety, the District plans to replace the aging system with a modern pump unit that includes updated controls, enhanced security, and standby power.


Capital Projects Key
Potable Projects
Wastewater Projects
Non-Potable Projects
Misc. Projects
Distribution Valve Replacements (Various Sites)
Sewer Hotspots (Various Sites)
Reservoir 3A Retrofit
Pump Station No. 1 Rehab
Reservoir 3B Retrofit
Reservoir 3C Tank Retrofit
Reservoir 4C Tank Replacement
Conejo Water Treatment Plant
Santa Rosa No. 10 Well Rehab.
Yucca Pump Station Replacement
Pump Station No. 4/ AG 2 Tank
Sewer Lift Station 2 Refurbishment
Lynnwood Well Fe/Mn Treatment System
Valencia Well
Sewer Lift Station 4 Refurbishment
Dewatering Press
8 PLCs Replacement Project
Power Distribution System Upgrades
Office Roof Replacement
University Well No. 2
Santa Rosa Valley
Hidden Meadows Estates
Wildwood Ranch Estates
Santa Rosa Rd
Upland Rd
Adolfo Rd
Pancho Rd
Gerry Rd
Presilla Rd
Read Rd
Conejo Creek
Arroyo Santa Rosa
Camarillo Springs Golf Course
California State University Channel Islands
0 0.5 1 Miles
N
Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Five-Year Capital Outlay Forecast

The five-year capital outlay projects are planned efforts intended to help the District increase local water supply reliability, reduce imported water purchases, and maintain, rehabilitate, and replace critical infrastructure assets.

The 2024 Comprehensive Rate Study incorporated many of these projects into the rate model to establish the five-year schedule of rates and fees. As part of the ongoing Integrated Master Plan development, feasibility studies, Preliminary Design Reports (PDRs), and Benefit-Cost Analyses (BCAs) will further refine cost estimates and help the Board prioritize projects. Funds will not be appropriated from reserves until projects receive Board approval.

The following schedules reflect when budget appropriation requests will likely be presented to the Board for approval and are not intended for cash flow analysis.

Potable Water Program Projects

No.	Project Description	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32	Total
1	**Potable Water Facilities/Tanks**							
2	Tank 4C and Hydropneumatic Pump Station @ Tank 4C Replacement		4,000,000					**4,000,000**
3	Tank 3A Rehabilitation	900,000	1,800,000					**2,700,000**
4	Tank 3B Rehabilitation	900,000		1,200,000				**2,100,000**
5	Tank 3C Rehabilitation	900,000			1,200,000			**2,100,000**
6	New 3 MG Tank and Transmission Line in Zone 1				3,400,000	18,900,000		**22,300,000**
7	**Potable Water Facilities/Pump Stations**							
8	WSA Phase 1 New Pump Stations			3,200,000	7,300,000	7,000,000		**17,500,000**
9	Pump Station 1 Rehabilitation	820,000						**820,000**
10	Pump Station 2 Rehabilitation		700,000					**700,000**
11	Pump Station 3 Rehabilitation			800,000				**800,000**
12	Pump Station 5 Rehabilitation				200,000	2,000,000		**2,200,000**
13	Conejo Boosters Rehabilitation						7,700,000	**7,700,000**
14	Highland Pump Station Rehabilitation						1,900,000	**1,900,000**
15	**Potable Water Facilities/Pipelines**							
16	Distribution Valve Replacement Program	100,000	100,000	100,000	100,000	100,000	100,000	**600,000**
17	**Potable Water Facilities/Wells**							
18	New University Well #2	2,500,000						**2,500,000**
19	New PV Well # 3	4,000,000	20,200,000					**24,200,000**
20	Penny Well Rehabilitation		160,000	740,000				**900,000**
21	**Potable Water Facilities/Treatment**							
22	Conejo Wellfield RO Treatment, GAC Expansion, and Calleguas Connection	3,700,000	1,000,000	59,500,000				**64,200,000**
23	**Potable Water Facilities/General**							
24	Meter Station Replacement Program		210,000	140,000				**350,000**
25	VFD Replacement Program		90,000	60,000				**150,000**
26	New Sampling Stations	95,000	95,000	95,000	95,000	95,000	95,000	**570,000**
27	**Total Potable Water Projects**	**$ 13,915,000**	**$ 28,355,000**	**$ 65,835,000**	**$12,295,000**	**$ 28,095,000**	**$ 9,795,000**	**$ 158,290,000**

Non-Potable Water Program Projects

No.	Project Description	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32	Total
1	**Non-Potable Water Facilities/Tanks**							
2	Yucca Tank Replacement		150,000	900,000				**1,050,000**
3	**Non-Potable Water Facilities/Pump Stations**							
4	Yucca Pump Station Rehabilitation	745,000	565,000					**1,310,000**
5	AG2 Tank and Pump Station #4 Replacement	300,000	3,000,000					**3,300,000**
6	**Non-Potable Water Facilities/Wells**							
7	SR-9 Well Rehabilitation			300,000	1,300,000			**1,600,000**
8	VFD Replacement Program	25,000	25,000	25,000	25,000	25,000	25,000	**150,000**
9	MCC Replacement Program	178,000	178,000	178,000	178,000	178,000	178,000	**1,068,000**
10	**Total Non-Potable Water Projects**	**$ 1,248,000**	**$ 3,918,000**	**$ 1,403,000**	**$ 1,503,000**	**$ 203,000**	**$ 203,000**	**$ 8,478,000**

Five-Year Capital Outlay Forecast (Continued)

Wastewater Program Projects

No.	Project Description	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32	Total
1	**Wastewater Facilities/CWRF**							
2	Power Distribution System at CWRF Rehabilitation		2,200,000					**2,200,000**
3	Headworks Rehabilitation				450,000			**450,000**
4	Effluent Pump Station Rehabilitation			405,000	4,300,000			**4,705,000**
5	RAS/WAS Pump Station Rehabilitation				180,000	600,000		**780,000**
6	Effluent Line Replacement						850,000	**850,000**
7	**Wastewater Facilities/Lift Stations**							
8	Lift Station #2 Rehabilitation	2,000,000						**2,000,000**
9	Lift Station #1 Rehabilitation		150,000	1,100,000				**1,250,000**
10	Read Road Lift Station Rehabilitation		170,000	1,200,000				**1,370,000**
11	Lift Station #3 Rehabilitation				190,000	1,700,000		**1,890,000**
12	**Total Wastewater Projects**	**$ 2,000,000**	**$ 2,520,000**	**$ 2,705,000**	**$ 5,120,000**	**$ 2,300,000**	**$ 850,000**	**$ 15,495,000**

Clarifiers at the Camrosa Water Reclamation Facility (CWRF)

Five-Year Financial Forecast

The District has incorporated a five-year financial forecast into the FY 2026–27 Operating and Capital Budget. The forecast expands on the operating budget by projecting operational results, planned improvement and replacement projects, and fund-specific reserve balances over the next five years. Note: The five-year forecast reflects capital projects under consideration and potential funding options at the time the budget document was produced. The District has engaged a financial consultant to review funding options to include reserves utilization, bond issuance, grant funding, low-interest loans, and potential rate adjustments. Recommendations will be presented to the Board at a future date for discussion and approval.

Water Program Operating Budget

The Water Program combines the operating budgets for both potable and non-potable water services. The debt service coverage ratio is a minimum of 1.15 and is measured using the combined budget of these two programs. The five-year forecast shows that the Water Program meets and exceeds the required ratio.

	Combined Water Program Operations					
Water Program	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Operating Revenue						
Water Sales						
Potable	13,856,900	14,688,314	15,569,613	16,815,182	18,160,396	19,613,228
Recycle/Non-Potable	3,834,196	4,856,100	5,244,588	5,664,155	6,117,287	6,606,670
Water Sales to PV	1,706,202	1,744,818	1,797,079	1,851,063	1,906,587	2,629,372
Meter Service Charge	3,841,900	4,419,028	5,014,968	5,694,255	6,467,959	7,349,981
Special Services	110,000	110,000	110,000	110,000	110,000	110,000
Pump Zone/Miscellaneous	37,080	37,080	37,080	37,080	37,080	37,080
Total Operating Revenue	**$ 23,386,278**	**$ 25,855,340**	**$ 27,773,328**	**$ 30,171,736**	**$ 32,799,310**	**$ 36,346,332**
Non-Operating Revenue						
Property Tax	982,500	982,500	982,500	982,500	982,500	982,500
Interest Income	1,206,000	1,206,000	1,206,000	1,206,000	1,206,000	1,206,000
Rate Stabilization Contribution	862,618	-	-	-	-	-
Total Non-Operating Revenue	**$ 3,051,118**	**$ 2,188,500**	**$ 2,188,500**	**$ 2,188,500**	**$ 2,188,500**	**$ 2,188,500**
Total Water Program Revenue	**$ 26,437,396**	**$ 28,043,840**	**$ 29,961,828**	**$ 32,360,236**	**$ 34,987,810**	**$ 38,534,832**
Operating Expenditures						
Water Purchases	8,134,859	9,563,061	10,145,112	10,901,537	5,994,140	6,308,595
Pumping & Production Power	2,307,331	2,365,928	2,396,443	2,427,778	3,001,304	3,035,770
Operations and Maintenance	12,365,413	12,757,463	13,688,962	14,650,429	15,115,831	15,596,037
Total Water Program Expenditures	**$ 22,807,604**	**$ 24,686,452**	**$ 26,230,517**	**$ 27,979,744**	**$ 24,111,275**	**$ 24,940,402**
Rate Stabilization Contribution	60,000	60,000	60,000	60,000	60,000	60,000
CalPERS UAL Contribution	195,000	195,000	195,000	195,000	195,000	195,000
Capital Replacement Fund Contribution	2,500,000	2,200,000	1,010,000	560,000	6,440,000	9,230,000
Debt Service Obligation						
2011A/2016 Water and Wastewater Project	852,231	858,619	859,181	855,257	855,103	343,300
New Bonds	-	-	1,550,948.70	2,658,769.20	3,279,148.68	3,722,276.88
Total Debt Services	**$ 852,231**	**$ 858,619**	**$ 2,410,130**	**$ 3,514,026**	**$ 4,134,252**	**$ 4,065,577**
Net Operating Results less Debt Service	**$ 22,561**	**$ 43,769**	**$ 56,181**	**$ 51,465**	**$ 47,283**	**$ 43,853**
Debt Service Coverage Ratio	**4.26**	**3.91**	**1.55**	**1.25**	**2.63**	**3.34**

Potable Water Program Operating Budget

Assumptions:

Water Revenue. The commodity and meter service charge revenue projections incorporate the adopted rates through FY 2028-29. The five-year financial forecast assumes a new rate study will be performed with appropriate rate increases implemented. Recommendations will be presented to the Board at a future date for discussion and approval.

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 FY 2028-29 assuming the Board will adjust rates for these increases to 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 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 FY 2028-29 assuming the Board will adjust rates for these increases to the cost of imported water fixed charges.

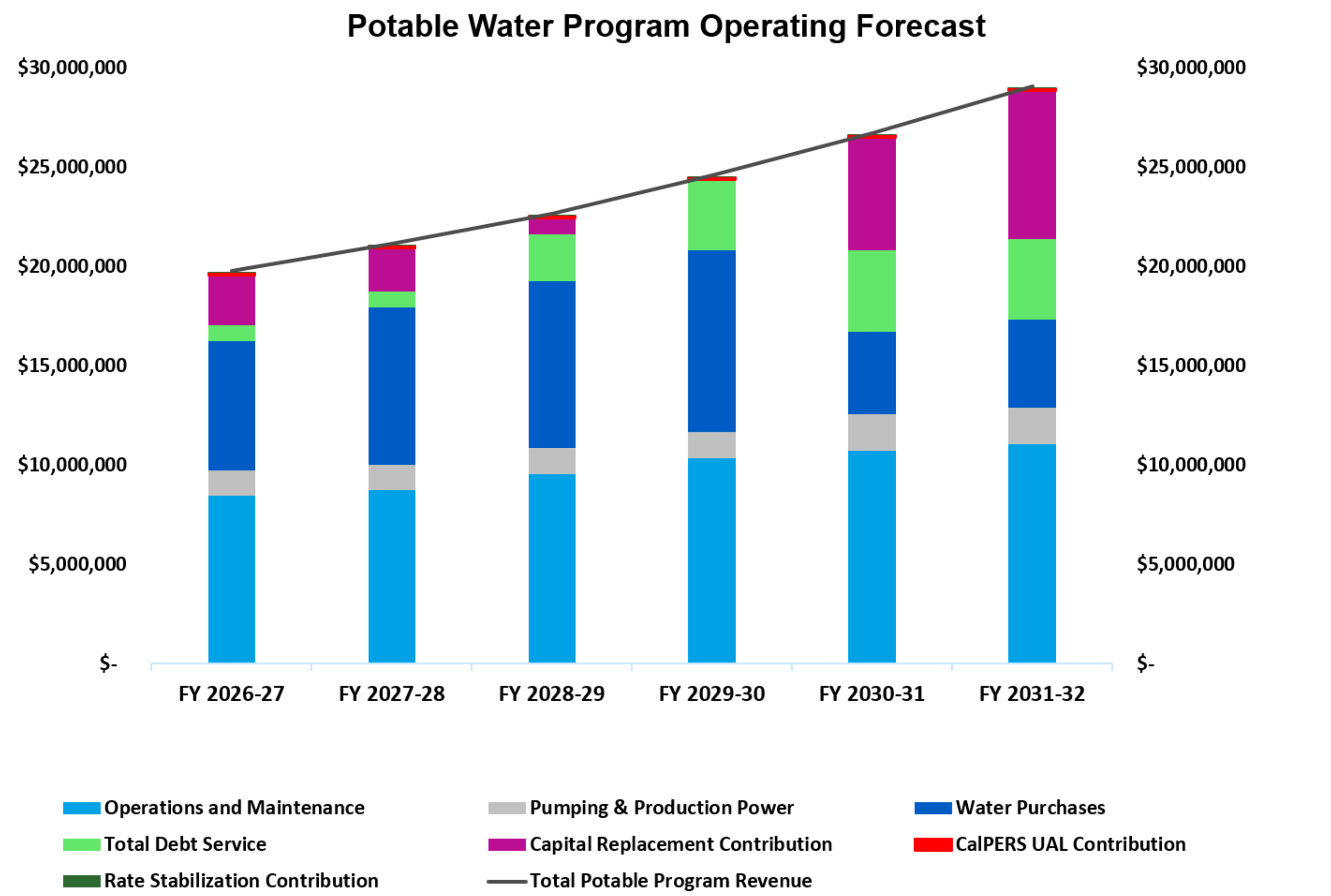
Reduction of Imported Water Purchases. The FY 2026-27 operating budget blend ratio of imported water is currently at 38%. The completion of local water resource projects coming into service will reduce imported water purchases to 13% in FY 2030-31. Optimizing and maintaining our other local potable sources (the RMWTP, Lynnwood Well, Penny Well, Tierra Rejada Well, GAC treatment facility, etc.) is critical to keeping imported volumes and costs low.

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

Bond Issuance: The District has engaged a financial consultant to review financing options for capital projects and recommendations will be presented to the Board at a future date for discussion and approval.

Potable Water Program	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Operating Revenue						
Potable Water Sales	13,856,900	14,688,314	15,569,613	16,815,182	18,160,396	19,613,228
Water Sales to PV CamSan	565,066	582,018	599,479	617,463	635,987	655,067
Meter Service Charge	3,730,200	4,252,428	4,847,768	5,526,455	6,300,159	7,182,181
Special Services	60,000	60,000	60,000	60,000	60,000	60,000
Pump Zone/Miscellaneous	21,080	21,080	21,080	21,080	21,080	21,080
Total Operating Revenue	**$ 18,233,246**	**$ 19,603,840**	**$ 21,097,940**	**$ 23,040,180**	**$ 25,177,623**	**$ 27,531,556**
Non-Operating Revenue						
Property Tax	589,500	589,500	589,500	589,500	589,500	589,500
Interest Income	940,000	940,000	940,000	940,000	940,000	940,000
Total Non-Operating Revenue	**$ 1,529,500**	**$ 1,529,500**	**$ 1,529,500**	**$ 1,529,500**	**$ 1,529,500**	**$ 1,529,500**
Total Potable Water Program Revenue	**$ 19,762,746**	**$ 21,133,340**	**$ 22,627,440**	**$ 24,569,680**	**$ 26,707,123**	**$ 29,061,056**
Operating Expenditures						
Water Purchases	6,509,784	7,889,234	8,421,070	9,125,773	4,165,104	4,424,687
Pumping & Production Power	1,286,576	1,314,549	1,313,523	1,312,371	1,852,434	1,852,434
Operations and Maintenance	8,435,304	8,709,451	9,519,509	10,355,893	10,692,459	11,039,964
Total Potable Water Program Expenditures	**$ 16,231,664**	**$ 17,913,234**	**$ 19,254,102**	**$ 20,794,037**	**$ 16,709,997**	**$ 17,317,085**
Rate Stabilization Contribution	60,000	60,000	60,000	60,000	60,000	60,000
CalPERS UAL Contribution	126,750	126,750	126,750	126,750	126,750	126,750
Capital Replacement Contribution	2,500,000	2,180,000	780,000	80,000	5,680,000	7,470,000
Debt Service Obligation						
2011A/2016 Water and Wastewater Project	821,771	827,793	828,402	824,503	824,503	343,300
New Debt	-	-	1,550,949	2,658,769	3,279,149	3,722,277
Total Debt Service	**$ 821,771**	**$ 827,793**	**$ 2,379,351**	**$ 3,483,272**	**$ 4,103,652**	**$ 4,065,577**
Net Operating Results less Debt Service	**$ 22,562**	**$ 25,563**	**$ 27,237**	**$ 25,621**	**$ 26,724**	**$ 21,644**

The following chart shows a graphical representation of the Potable Water Operating Fund. The chart shows that the District is projected to meet the projected revenue requirements through the adopted rates, pass-thru adjustments, and local water resource projects. The program reflects a contribution to the CalPERS UAL Fund, Capital Replacement Fund, and Rate Stabilization Fund.



Round Mountain Water Treatment Plant Operations

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 replacement of aging infrastructure.

Bond Issuance and Grant Funding: The District has engaged a financial consultant to review financing options for capital projects and recommendations will be presented to the Board at a future meeting for discussion and approval.

Capital Replacement Fund Balance. The projected target level set in the 2024 rate study was $8.0M in FY 2028-29. The forecast reserve fund balance in FY 2031-32 will not meet the target set in the study at approximately $6.9M.

Capital Improvement Fund Balance. The capital improvement projects will have depleted the fund balance of the Potable Water Capital Improvement Fund, and the remaining projects will be funded from the Potable Water Capital Replacement Fund beginning in FY 2026-27. Should new development occur, this would provide developer contributions towards these projects.

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

Potable Water Capital Replacement Fund	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Source of Funds						
Capital Replacement Contribution	2,500,000	2,180,000	780,000	80,000	5,680,000	7,470,000
Bond Proceeds	-	-	40,000,000	-	16,000,000	-
Total Sources	$ 2,500,000	$ 2,180,000	$ 40,780,000	$ 80,000	$ 21,680,000	$ 7,470,000
Use of Funds						
Replacement Projects	3,620,000	7,060,000	3,040,000	1,500,000	2,100,000	9,700,000
General Projects/Fixed Assets	38,870	33,800	33,800	33,800	33,800	33,800
Transfer from Capital Improvement Fund	9,156,250	1,295,000	37,795,000	795,000	13,995,000	95,000
Total Uses	$ 12,815,120	$ 8,388,800	$ 40,868,800	$ 2,328,801	$ 16,128,802	$ 9,828,803
Net Annual Cash Balance	(10,315,120)	(6,208,800)	(88,800)	(2,248,801)	5,551,198	(2,358,803)
Beginning Unrestricted Fund Balance	22,535,115	12,219,995	6,011,195	5,922,395	3,673,594	9,224,792
Net Cumulative Fund Balance	$ 12,219,995	$ 6,011,195	$ 5,922,395	$ 3,673,594	$ 9,224,792	$ 6,865,989

Potable Water Capital Improvement Fund	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Source of Funds						
Grant Funds	-	20,000,000	25,000,000	10,000,000	12,000,000	-
Total Sources	$ -	$ 20,000,000	$ 25,000,000	$ 10,000,000	$ 12,000,000	$ -
Use of Funds						
Improvement Projects	10,295,000	21,295,000	62,795,000	10,795,000	25,995,000	95,000
Transfer to Capital Replacement Fund	(9,156,250)	(1,295,000)	(37,795,000)	(795,000)	(13,995,000)	(95,000)
Total Uses	$ 1,138,750	$ 20,000,000	$ 25,000,000	$ 10,000,000	$ 12,000,000	$ -
Net Annual Cash Balance	(1,138,750)	-	-	-	-	-
Mitigation & In-Lieu Fee Fund Balance	719,215	-	-	-	-	-
Beginning Unrestricted Fund Balance	419,535	-	-	-	-	-
Net Cumulative Fund Balance	$ -	$ -	$ -	$ -	$ -	$ -

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 FY 2027-28. The operating budget will likely require a rate adjustment to offset the larger deficit beginning in FY 2028-29. The rate study completed in 2024 did not include rate adjustments for the Non-Potable Water Program. The five-year financial forecast assumes a new rate study will be performed with appropriate rate increases implemented. Recommendations will be presented to the Board at a future date for discussion and approval.

Rate Stabilization Fund Contribution. The Non-Potable Water Program for FY 2026-27 will require a contribution from the Rate Stabilization Fund to balance the budget and will be fully exhausted.

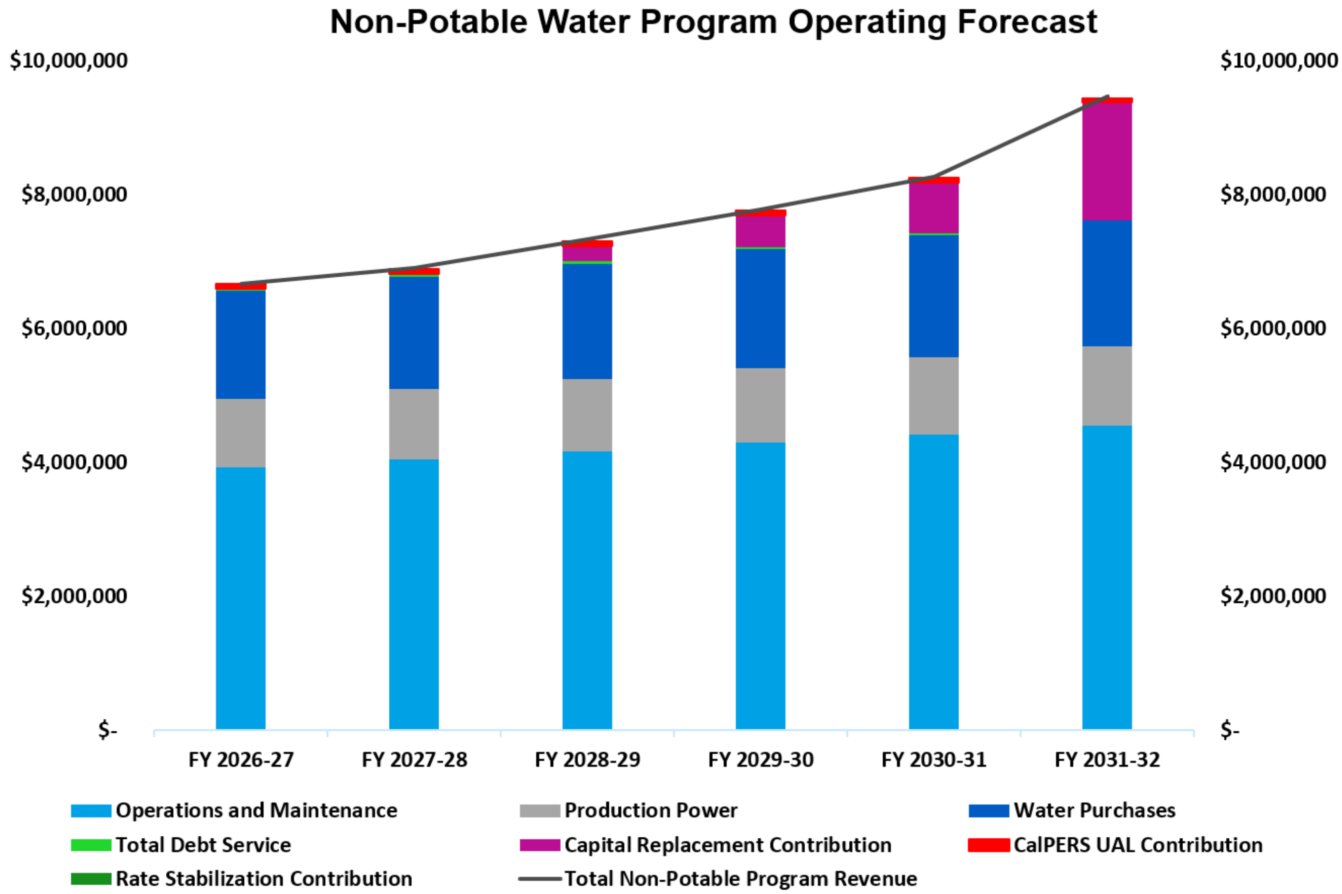
Water Purchases. Is a combination of the volumetric and fixed charges from MWD and CMWD described below, in addition to the cost of Conejo Creek Project (CCP) water purchases from the City of Thousand Oaks. The forecast assumes CCP water purchase costs will increase by 3% per year.

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 FY 2028-29 assuming the Board will adjust rates for the increased 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 Charge and a Readiness-to-Serve Charge. The forecast assumes a pass-thru of the cost increase of imported fixed charges beginning in FY 2028-29 assuming the Board will adjust rates for the increased cost of imported fixed charges.

Non-Potable Water Program	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Operating Revenue						
Recycle/Non-Potable	3,834,196	4,856,100	5,244,588	5,664,155	6,117,287	6,606,670
Water Sales to PV	1,141,136	1,162,800	1,197,600	1,233,600	1,270,600	1,974,305
Meter Service Charge	111,700	166,600	167,200	167,800	167,800	167,800
Special Services	50,000	50,000	50,000	50,000	50,000	50,000
Pump Zone/Miscellaneous	16,000	16,000	16,000	16,000	16,000	16,000
Total Operating Revenue	**$ 5,153,032**	**$ 6,251,500**	**$ 6,675,388**	**$ 7,131,555**	**$ 7,621,687**	**$ 8,814,776**
Non-Operating Revenue						
Property Tax	393,000	393,000	393,000	393,000	393,000	393,000
Interest Income	266,000	266,000	266,000	266,000	266,000	266,000
Rate Stabilization Transfer-In	862,618	-	-	-	-	-
Total Non-Operating Revenue	**$ 1,521,618**	**$ 659,000**	**$ 659,000**	**$ 659,000**	**$ 659,000**	**$ 659,000**
Total Non-Potable Water Program Revenue	**$ 6,674,650**	**$ 6,910,500**	**$ 7,334,388**	**$ 7,790,555**	**$ 8,280,687**	**$ 9,473,776**
Operating Expenditures						
Water Purchases	1,625,075	1,673,827	1,724,042	1,775,764	1,829,036	1,883,908
Production Power	1,020,756	1,051,379	1,082,920	1,115,407	1,148,870	1,183,336
Operations and Maintenance	3,930,109	4,048,012	4,169,453	4,294,536	4,423,372	4,556,073
Total Non-Potable Water Program Expenditures	**$ 6,575,940**	**$ 6,773,218**	**$ 6,976,415**	**$ 7,185,707**	**$ 7,401,278**	**$ 7,623,317**
Rate Stabilization Contribution	-	-	-	-	-	-
CalPERS UAL Contribution	68,250	68,250	68,250	68,250	68,250	68,250
Capital Replacement Contribution	-	20,000	230,000	480,000	760,000	1,760,000
Debt Service Obligation						
2011A/2016 Water and Wastewater Project	30,460	30,826	30,779	30,754	30,600	-
Total Debt Service	**$ 30,460**	**$ 30,826**	**$ 30,779**	**$ 30,754**	**$ 30,600**	**$ -**
Net Operating Results less Debt Service	**$ 0**	**$ 18,206**	**$ 28,944**	**$ 25,844**	**$ 20,559**	**$ 22,209**

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



Zone 1 Storage Reservoir

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 Water 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 reserve funds. The Non-Potable Water Program does not have developer connection fees; therefore, the Non-Potable Capital Improvement Fund is not reflected.

Capital Replacement Contribution. The capital replacement contribution is budgeted in the Non-Potable Water Program and transferred to the Capital Replacement Fund for replacement of aging infrastructure.

Bond Issuance and Grant Funding: The District has engaged a financial consultant to review financing options for capital projects and recommendations will be presented to the Board at a future meeting for discussion and approval.

The following table depicts the Non-Potable Water Program's sources and uses of the reserve funds of the Non-Potable Capital Replacement Fund.

Non-Potable Capital Replacement Fund	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Source of Funds						
Capital Replacement Contribution	-	20,000	230,000	480,000	760,000	1,760,000
Grants	-	5,000,000	-	-	-	-
Total Sources	$ -	$ 5,020,000	$ 230,000	$ 480,000	$ 760,000	$ 1,760,000
Use of Funds						
Contribution to Rate Stabilization Fund	862,618	-	-	-	-	-
Replacement Projects	1,248,000	3,918,000	1,403,000	1,503,000	203,000	203,000
General Projects/Fixed Assets	31,200	31,200	31,200	31,200	31,200	87,700
Total Uses	$ 2,141,818	$ 3,949,200	$ 1,434,200	$ 1,534,200	$ 234,200	$ 290,700
Net Annual Cash Balance	(2,141,818)	1,070,800	(1,204,200)	(1,054,200)	525,800	1,469,300
In-lieu Fee Fund Balance	333,342	-	-	-	-	-
Beginning Unrestricted Fund Balance	3,891,089	2,082,613	3,153,413	1,949,213	895,013	1,420,813
Net Cumulative Fund Balance	$ 2,082,613	$ 3,153,413	$ 1,949,213	$ 895,013	$ 1,420,813	$ 2,890,113

Conejo Creek Diversion

Wastewater Program Operating Budget

Assumptions:

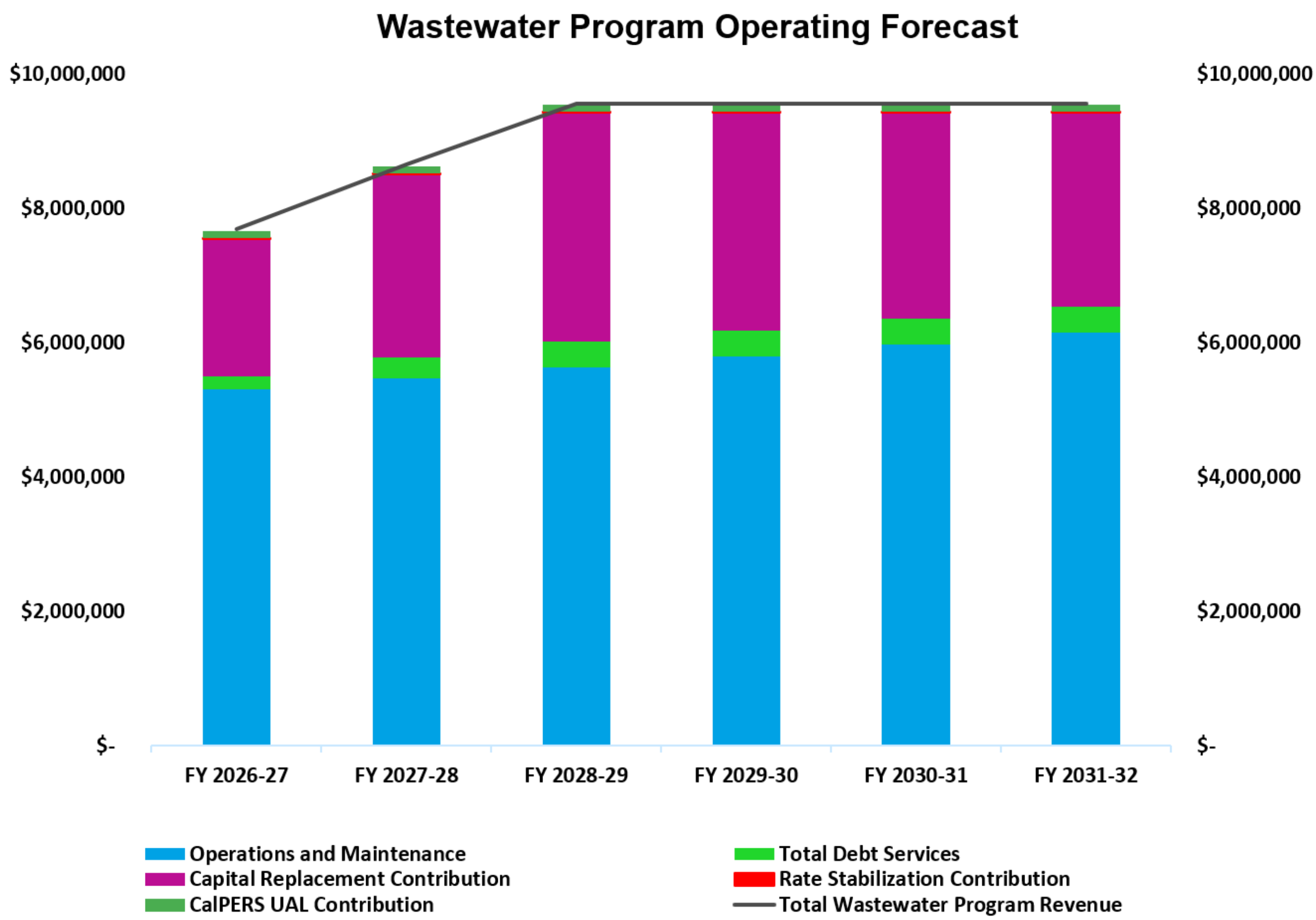
Wastewater Revenue. The sewer service charge revenue projections incorporate the adopted rates through FY 2028-29. The outer years of the forecast are held constant as the Net Operating Results are sufficient to fund the Capital Replacement Contribution.

The debt service coverage ratio is a minimum of 1.15. The five-year forecast shows that the Wastewater Program meets and exceeds the required ratio.

Wastewater Program	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Operating Revenue						
Sewer Service Charge	7,347,200	8,313,000	9,227,600	9,227,600	9,227,600	9,227,600
Special Services	42,000	42,000	42,000	42,000	42,000	42,000
Miscellaneous	1,120	1,120	1,120	1,120	1,120	1,120
Total Operating Revenue	$ 7,390,320	$ 8,356,120	$ 9,270,720	$ 9,270,720	$ 9,270,720	$ 9,270,720
Non-Operating Revenue						
Interest Income	300,000	300,000	300,000	300,000	300,000	300,000
Total Non-Operating Revenue	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000
Total Wastewater Program Revenue	$ 7,690,320	$ 8,656,120	$ 9,570,720	$ 9,570,720	$ 9,570,720	$ 9,570,720
Operating Expenditures						
Salinity Management Pipeline-Calleguas	15,000	15,000	15,000	15,000	15,000	15,000
Operations and Maintenance	5,293,954	5,452,773	5,616,356	5,784,846	5,958,392	6,137,144
Total Wastewater Program Expenditures	$ 5,308,954	$ 5,467,773	$ 5,631,356	$ 5,799,846	$ 5,973,392	$ 6,152,144
Rate Stabilization Contribution	10,000	10,000	10,000	10,000	10,000	10,000
CalPERS UAL Contribution	105,000	105,000	105,000	105,000	105,000	105,000
Capital Replacement Contribution	2,050,000	2,740,000	3,410,000	3,240,000	3,070,000	2,890,000
Debt Service Obligation						
2011A\2016 Water and Wastewater Project	189,750	194,525	190,475	191,594	192,256	192,256
New Debt	0	116,321	199,408	199,408	199,408	199,408
Total Debt Services	$ 189,750	$ 310,846	$ 389,883	$ 391,001	$ 391,664	$ 391,664
Net Operating Results less Debt Service	$ 26,616	$ 22,501	$ 24,482	$ 24,872	$ 20,664	$ 21,913
Debt Service Coverage Ratio	12.55	10.26	10.10	9.64	9.18	8.73

Round Mountain Water Treatment Plant

The following chart shows a graphical representation of the Wastewater Operating Fund. The chart shows that the District is expected to 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 has incorporated anticipated capital outlay projects that will occur in the five-year financial forecast and the use of reserve funds.

Bond Issuance and Grant Funding: The District has engaged a financial consultant to review financing options for capital projects and recommendations will be presented to the Board at a future meeting for discussion and approval.

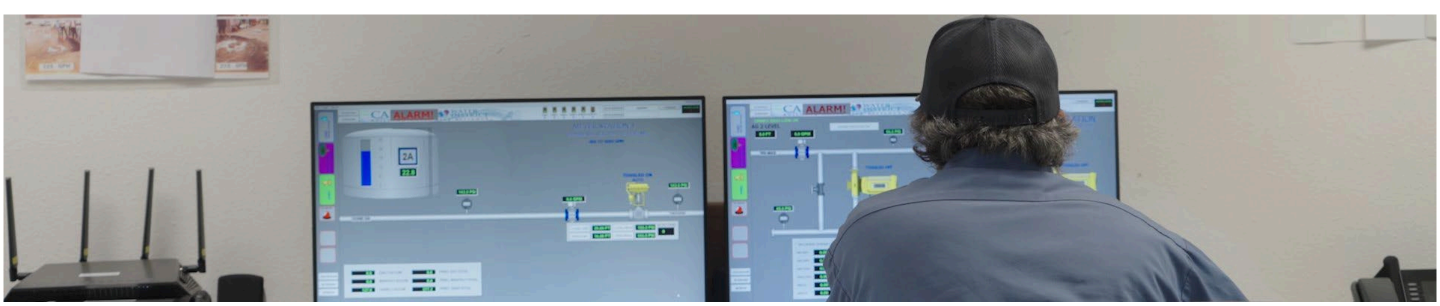
Capital Replacement Fund Balance. The projected target level set in the 2024 rate study was $3.9M in FY 2028-29. The forecast reserve fund balance in FY 2031-32 exceeds the target set in the study at approximately $4.8M.

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 FY 2028-29. Should new development occur, this would provide developer contributions towards these projects.

The following tables depict the Wastewater Program's sources and uses of the reserve funds of the Wastewater Capital Replacement and Wastewater Capital Improvement Funds.

Wastewater Capital Replacement Fund	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Source of Funds						
Capital Replacement Contribution	2,050,000	2,740,000	3,410,000	3,240,000	3,070,000	2,890,000
Bond Proceeds	-	3,000,000	-	-	-	-
Total Sources	**$ 2,050,000**	**$ 5,740,000**	**$ 3,410,000**	**$ 3,240,000**	**$ 3,070,000**	**$ 2,890,000**
Use of Funds						
Replacement Projects	2,000,000	2,520,000	2,300,000	190,000	1,700,000	850,000
General Projects/Fixed Assets	40,250	35,000	35,000	35,000	35,000	35,000
Transfer from Capital Improvement Fund	-	-	368,617	4,930,000	600,000	-
Total Uses	**$ 2,040,250**	**$ 2,555,000**	**$ 2,703,617**	**$ 5,155,000**	**$ 2,335,000**	**$ 885,000**
Net Annual Cash Balance	9,750	3,185,000	706,383	(1,915,000)	735,000	2,005,000
Beginning Unrestricted Fund Balance	68,317	78,067	3,263,067	3,969,450	2,054,450	2,789,450
Net Cumulative Fund Balance	**$ 78,067**	**$ 3,263,067**	**$ 3,969,450**	**$ 2,054,450**	**$ 2,789,450**	**$ 4,794,450**

Wastewater Capital Improvement Fund	Projected FY 2026-27	Forecast FY 2027-28	Forecast FY 2028-29	Forecast FY 2029-30	Forecast FY 2030-31	Forecast FY 2031-32
Source of Funds						
Developer Contributions	-	-	-	-	-	-
Total Sources	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Use of Funds						
Improvement Projects	-	-	405,000	4,930,000	600,000	-
Transfer To Capital Replacement Fund	-	-	(368,617)	(4,930,000)	(600,000)	-
Total Uses	**$ -**	**$ -**	**$ 36,383**	**$ -**	**$ -**	**$ -**
Net Annual Cash Balance	-	-	(36,383)	-	-	-
Beginning Unrestricted Fund Balance	36,383	36,383	36,383	-	-	-
Net Cumulative Fund Balance	**$ 36,383**	**$ 36,383**	**$ -**	**$ -**	**$ -**	**$ -**



System Monitoring by Camrosa Staff

Reserves

Although the District 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 FY 2026-27 has been established at $4,490,000. Unrestricted reserves have been appropriated and transferred into the restricted accounts. Reserves in the amount of $720,329 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 2025.

There are six 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 revenue. The reserve target level is 10% of the prior year's revenue generated from commodity charges only.

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.

Finally, the Funding Procurement Fund segregates funds for both short-term and long-term purposes. The objective is to provide funds for the current and future operational expenditures, improvement of facilities for planning and engineering.

The FY 2026-27 budget is projected to begin with a $32.1 million unrestricted reserves balance, of which $4,490,000 is committed to new capital projects.

Reserves (Continued)

	Projected FY 2025-26	CIP FY 2026-27	Fixed Assets FY 2026-27	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	Adopted FY 2026-27
Unrestricted Reserves										
Potable Water Program										
Potable Water Capital Replacement Fund (PWCRF)	$ 22,535,115	$ (3,682,500)	$ (38,870)	$ -	$ -	$ 2,500,000	$ -	$ -	$ -	$ 21,313,745
Potable Water Operating and Emergency Reserves (OER)	1,250,261	-	-	-	-	-	22,561	-	-	1,272,822
Potable Water Unfunded Accrued Liability Reserve (UAL)	253,500	-	-	-	126,750	-	-	-	-	380,250
Potable Water Rate Stabilization Fund	390,625	-	-	60,000	-	-	-	-	-	450,625
Potable Water Funding Procurement Policy	118,000	-		-	-	-	-	-	-	118,000
Potable Water Capital Improvement Fund (PWCIF)	419,535	-	-	-	-	-	-	-	-	419,535
Potable Water Mitigation & In-Lieu Fees	719,215								-	719,215
Total Potable Water Program Funds	**$ 25,686,251**	**$ (3,682,500)**	**$ (38,870)**	**$ 60,000**	**$ 126,750**	**$ 2,500,000**	**$ 22,561**	**$ -**	**$ -**	**$ 24,674,192**
Non-Potable Water Program										
Non-Potable Water Capital Replacement Fund (NPWCRF)	$ 3,891,089	$ (807,500)	$ (35,880)	$ -	$ -	$ -	$ -	$ (619,624)		$ 2,428,085
Non-Potable Water Operating and Emergency Reserves (OER)	557,687	-	-	-	-	-	-			557,687
Non-Potable Water Unfunded Accrued Liability Reserve (UAL)	136,500	-	-	-	68,250					204,750
Non-Potable Water Rate Stabilization Fund	242,994	-	-	-	-	-	-	619,624	(862,618)	-
Non-Potable Water In-lieu Fees (Wildwood Preserve)	333,342	-	-	-	-	-	-			333,342
Total Non-Potable Water Program Funds	**$ 5,161,612**	**$ (807,500)**	**$ (35,880)**	**$ -**	**$ 68,250**	**$ -**	**$ -**	**$ -**	**$ (862,618)**	**$ 3,523,864**
Wastewater Program										
Wastewater Capital Replacement Fund (WWCRF)	$ 68,317	$ -	$ (40,250)	$ -	$ -	$ 2,050,000	$ -	$ -	$ -	$ 2,078,067
Wastewater Operating and Emergency Reserves (OER)	625,371	-	-	-	-	-	26,616	-	-	651,987
Wastewater Unfunded Accrued Liability Reserve (UAL)	210,000	-	-	-	105,000			-	-	315,000
Wastewater Rate Stabilization Fund	283,750	-	-	10,000	-	-	-	-	-	293,750
Wastewater Capital Improvement Fund (WWCIF)	36,383	-	-	-	-	-	-	-	-	36,383
Total Wastewater Program Funds	**$ 1,223,821**	**$ -**	**$ (40,250)**	**$ 10,000**	**$ 105,000**	**$ 2,050,000**	**$ 26,616**	**$ -**	**$ -**	**$ 3,375,187**
Total Unrestricted Reserves	**$ 32,071,684**	**$ (4,490,000)**	**$ (115,000)**	**$ 70,000**	**$ 300,000**	**$ 4,550,000**	**$ 49,177**	**$ -**	**$ (862,618)**	**$ 31,573,243**
Restricted Reserves										
Restricted Assets										
Debt Reserves 2016	720,329	-	-	-	-	-	-			$ 720,329
Total Restricted Assets	**$ 720,329**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 720,329**
Capital Improvement Projects										
Potable Water Capital Replacements	$ 1,367,167	$ 3,682,500	$ 38,870	$ -	$ -	$ -	$ -	$ -	$ -	$ 5,088,537
Non-Potable Water Capital Replacements	446,095	807,500	35,880	-	-	-	-	-	-	1,289,475
Wastewater Capital Replacements	3,366,923	-	40,250	-	-	-	-	-	-	3,407,173
Potable Water Capital Improvements	175,000	-	-	-	-	-	-	-	-	175,000
Potable Water Mitigation & In-Lieu Fees	228,798	-	-	-	-	-	-	-	-	228,798
Wastewater Capital Improvements	216,812	-	-	-	-	-	-	-	-	216,812
Total Capital Improvement Projects	**$ 5,800,795**	**$ 4,490,000**	**$ 115,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 10,405,795**
Total Restricted Reserves	**$ 6,521,124**	**$ 4,490,000**	**$ 115,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 11,126,124**
Total Reserves	**$ 38,592,808**	**$ -**	**$ -**	**$ 70,000**	**$ 300,000**	**$ 4,550,000**	**$ 49,177**	**$ -**	**$ (862,618)**	**$ 42,699,367**

Sequential Chlorination Project at CWRF

Reserves (Continued)

	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY2024-25	Projected FY 2025-26	Adopted FY 2026-27
Unrestricted Reserves					
Potable Water Program					
Potable Water Capital Replacement Fund (PWCRF)	$ 17,650,435	$ 17,690,524	$ 19,342,863	$ 22,535,115	$ 21,313,745
Potable Water Operating and Emergency Reserves (OER)	821,153	951,403	1,188,622	1,250,261	1,272,822
Potable Water Unfunded Accrued Liability Reserve (UAL)	-	-	126,750	253,500	380,250
Potable Water Rate Stabilization Fund	270,625	270,625	330,625	390,625	450,625
Potable Water Funding Procurement Policy	-	-	-	118,000	118,000
Potable Water Capital Improvement Fund (PWCIF)	1,512,418	594,663	371,135	419,535	419,535
Potable Water Mitigation & In-Lieu Fees	1,623,421	5,445,354	2,512,726	719,215	719,215
Total Potable Water Program Funds	**$ 21,878,052**	**$ 24,952,569**	**$ 23,872,721**	**$ 25,686,251**	**$ 24,674,192**
Non-Potable Water Program					
Non-Potable Water Capital Replacement Fund (NPWCRF)	$ 5,788,036	$ 5,961,945	$ 4,340,728	$ 3,891,089	$ 2,428,085
Non-Potable Water Operating and Emergency Reserves (OER)	480,339	546,341	557,687	557,687	557,687
Non-Potable Water Unfunded Accrued Liability Reserve (UAL)	-	-	68,250	136,500	204,750
Non-Potable Water Rate Stabilization Fund	605,625	605,625	605,625	242,994	-
Non-Potable Water In-lieu Fees (Wildwood Preserve)	318,538	318,538	333,342	333,342	333,342
Total Non-Potable Water Program Funds	**$ 7,192,538**	**$ 7,432,449**	**$ 5,905,632**	**$ 5,161,612**	**$ 3,523,864**
Wastewater Program					
Wastewater Capital Replacement Fund (WWCRF)	$ 2,973,101	$ 3,973,296	$ 2,543,187	$ 68,317	$ 2,078,067
Wastewater Operating and Emergency Reserves (OER)	475,285	558,879	589,943	625,371	651,987
Wastewater Unfunded Accrued Liability Reserve (UAL)	-	-	105,000	210,000	315,000
Wastewater Rate Stabilization Fund	263,750	263,750	273,750	283,750	293,750
Wastewater Capital Improvement Fund (WWCIF)	369,528	167,978	281,708	36,383	36,383
Total Wastewater Program Funds	**$ 4,081,664**	**$ 4,963,903**	**$ 3,793,588**	**$ 1,223,821**	**$ 3,375,187**
Total Unrestricted Reserves	**$ 33,152,254**	**$ 37,348,921**	**$ 33,571,941**	**$ 32,071,684**	**$ 31,573,243**
Restricted Reserves					
Restricted Receivables					
Grant Receivable PV Well	83,822	83,822	84,425	-	$ -
Total Restricted Receivables	**$ 83,822**	**$ 83,822**	**$ 84,425**	**$ -**	**$ -**
Restricted Assets					
Debt Reserves 2016	879,529	879,529	879,529	720,329	$ 720,329
Total Restricted Assets	**$ 879,529**	**$ 879,529**	**$ 879,529**	**$ 720,329**	**$ 720,329**
Capital Improvement Projects					
Potable Water Capital Replacements	$ 2,506,359	$ 939,290	$ 982,404	$ 1,367,167	$ 5,088,537
Non-Potable Water Capital Replacements	307,368	405,124	1,288,101	446,095	1,289,475
Wastewater Capital Replacements	2,818,572	2,984,016	2,669,140	3,366,923	3,407,173
Potable Water Capital Improvements	1,007,451	266,768	448,935	175,000	175,000
Potable Water Mitigation & In-Lieu Fees	-	221,460	3,266,661	228,798	228,798
Wastewater Capital Improvements	823,304	2,785,203	829,686	216,812	216,812
Total Capital Improvement Projects	**$ 7,463,054**	**$ 7,601,861**	**$ 9,484,927**	**$ 5,800,795**	**$ 10,405,795**
Total Restricted Reserves	**$ 8,426,405**	**$ 8,565,212**	**$ 10,448,881**	**$ 6,521,124**	**$ 11,126,124**
Total Reserves minus Receivables	**$ 41,494,837**	**$ 45,830,311**	**$ 43,936,397**	**$ 38,592,808**	**$ 42,699,367**

Reserves (Continued)

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

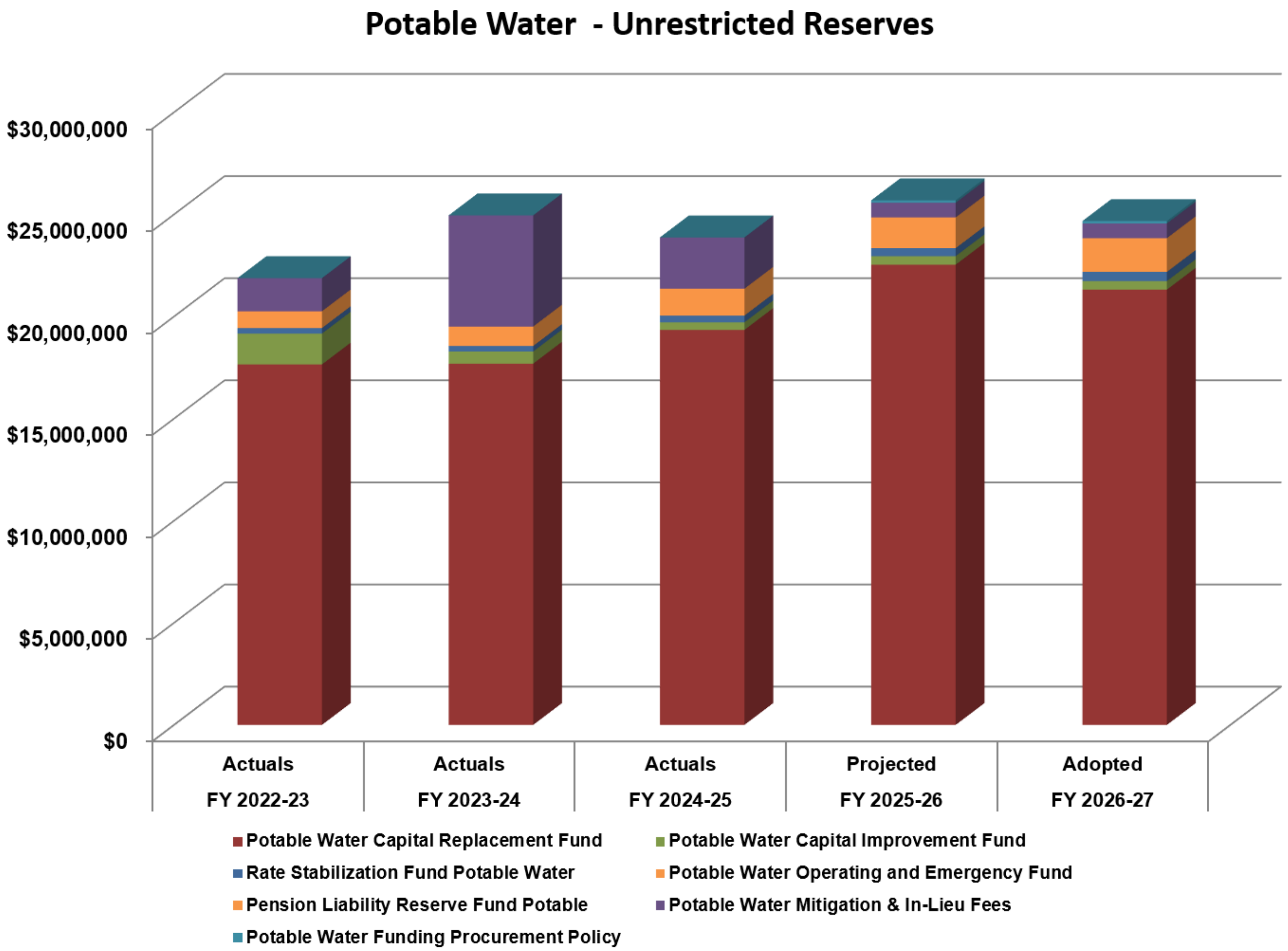


Figure 13 – Unrestricted Potable Water Reserves

In FY 2025-26, Potable Water Funds appropriated approximately $1,214,750 toward Capital Projects. The FY 2026-27 budget will appropriate $3,682,500 from Potable Water Funds toward Capital Projects and $38,870 toward Fixed Assets.

The Potable Water Capital Replacement Fund receives funding from capital replacement contributions. The projected Capital Replacement Contributions amount for FY 2025-26 is $4,318,000. The Capital Improvement Fund receives funding from connection fees, in FY 2025-26 the District received $8,400 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 FY 2025-26 and FY 2026-27.

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 FY 2025-26, the District projects a contribution of $61,639 and anticipates a contribution of $22,561 in FY 2026-27.

The District will contribute $126,750 to the Pension Unfunded Accrued Liability Reserve Fund for FY 2025-26 and FY 2026-27.

Reserves (Continued)

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

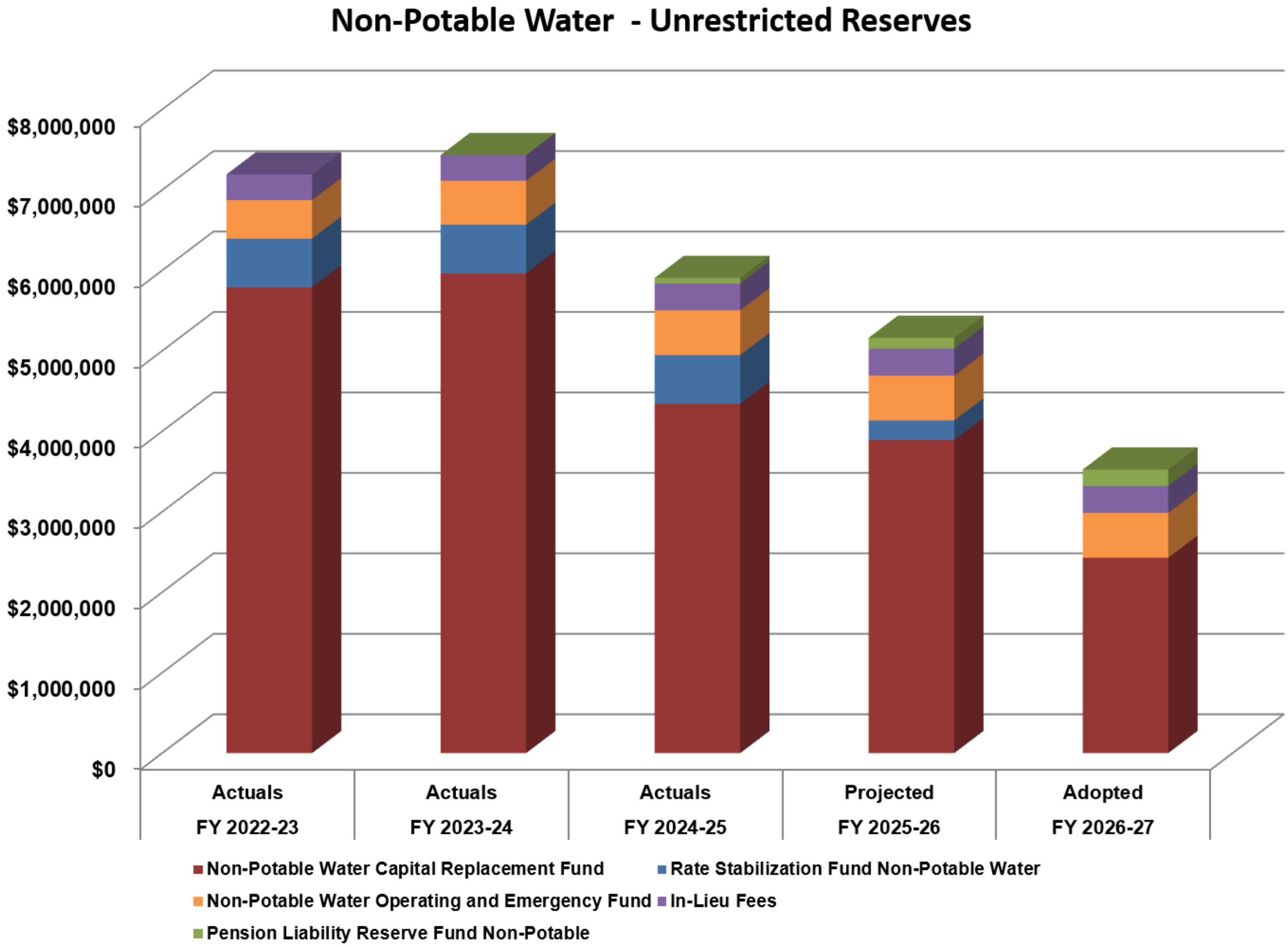


Figure 14 – Unrestricted Non-Potable Water Reserves

In FY 2025-26, Non-Potable Water Funds appropriated approximately $779,000 toward Capital Projects. The FY 2026-27 budget will appropriate $807,500 from Non-Potable Water Funds toward Capital Projects and $35,880 toward Fixed Assets.

The Non-Potable Water Capital Replacement Fund receives funding from capital replacement contributions. There will not be a Capital Replacement Contributions for FY 2025-26.

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 FY 2025-26 or FY 2026-27.

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. For FY 2025-26 and FY 2026-27, a transfer from the Rate Stabilization Fund into the Operations in the amount of $362,631 and $862,618, respectively are anticipated to balance the budget.

The District will contribute $68,250 to the Pension Unfunded Accrued Liability Reserve Fund for FY 2025-26 and FY 2026-27.

Reserves (Continued)

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

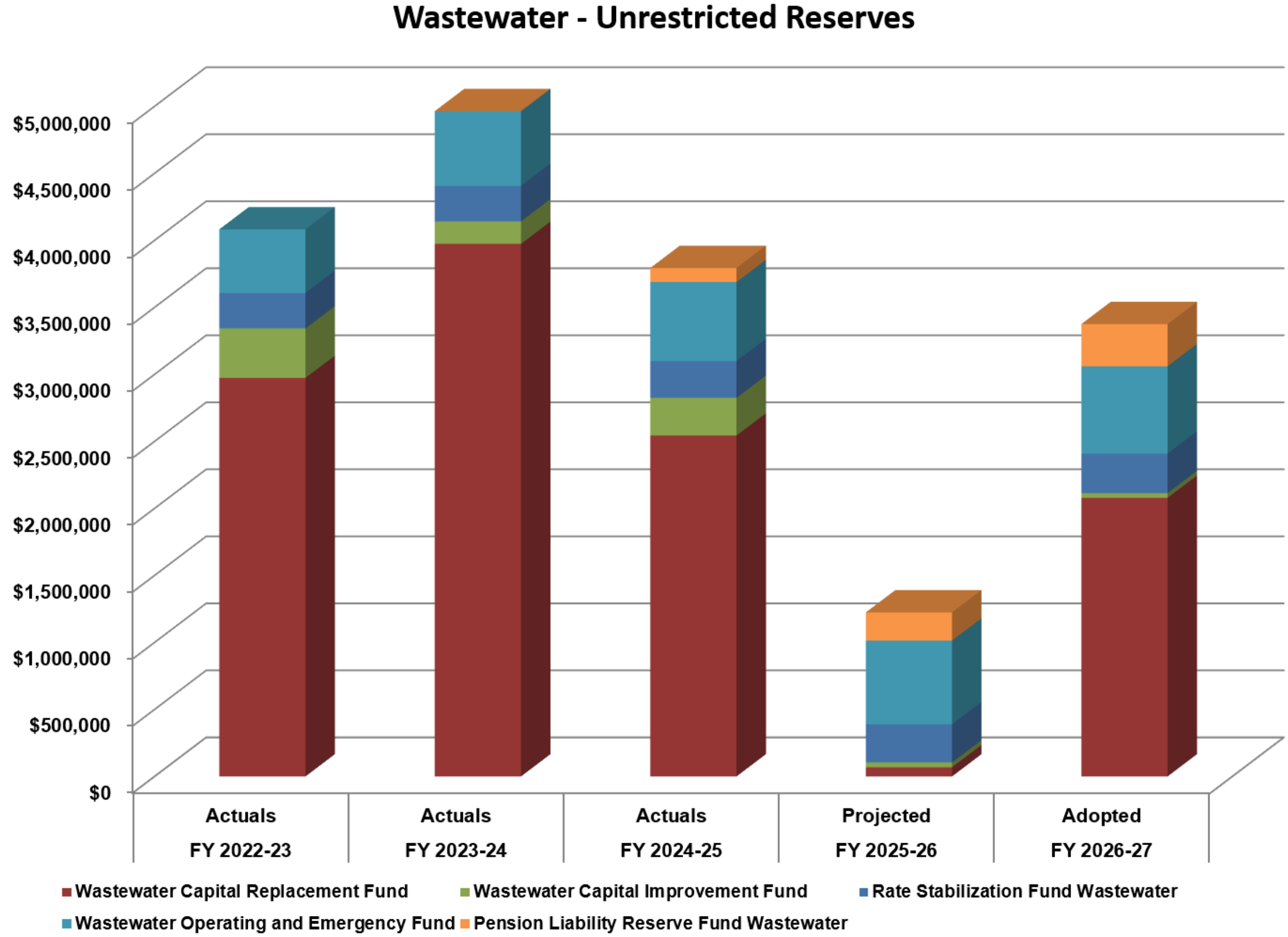


Figure 15 – Unrestricted Wastewater Reserves

In FY 2025-26 Wastewater funds appropriated approximately $4,608,250 toward Capital Projects and $80,000 toward Fixed Assets. The FY 2026-27 budget will appropriate $40,250 toward Fixed Assets.

The Wastewater Capital Replacement Fund receives funding from capital replacement contributions. The Capital Replacement Contribution for FY 2025-26 is projected to be $1,312,000.

The Capital Improvement Fund receives funding from connection fees, in FY 2025-26 the District received $4,675 in 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 FY 2025-26 and FY 2026-27.

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 FY 2025-26, the District projects a contribution of $35,428 and anticipates contributing $26,616 in FY 2026-27.

In FY 2024-25, the District started contributing to the Pension Unfunded Accrued Liability Reserve Fund, the anticipated contribution for both FY 2025-26 and FY 2026-27 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 FY 2026-27 on the Series 2011A/2016 will be approximately $1,041,981. Approximately $189,750 is paid with sewer service revenue. The remaining $852,231 is paid with water revenue. A complete debt service schedule is located in Appendix #3.

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 FY 2026-27 is budgeted to 4.26 for Water and 12.55 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 Program Debt Service Coverage Ratio

Water Program	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Projections FY 2025-26	Adopted FY 2026-27
Revenues					
Water Sales:					
Potable	$ 9,209,757	$ 10,602,546	$ 13,440,328	$ 13,052,048	$ 13,856,900
Recycle/Non-Potable	3,573,563	3,304,164	4,173,539	3,888,416	3,834,196
Water Sales to Pleasant Valley	1,608,935	1,998,484	1,711,690	1,456,026	1,706,202
Meter Service Charge	2,608,044	2,717,519	2,952,068	3,356,521	3,841,900
Special Services	48,513	58,024	66,155	105,700	110,000
Pump Zone Charges	35,239	31,408	39,042	35,877	35,000
Miscellaneous	47,591	4,156	8,097	13,610	2,080
Interest Revenues	1,074,433	1,690,219	1,636,344	1,294,158	1,206,000
Taxes	772,770	805,988	873,760	927,775	982,500
Mitigation & In-Lieu Fees	298,743	4,205,860	9,734	6,489	-
Rate Stabilization Contribution	-	-	-	362,631	862,618
Funding Procurement Policy	-	-	-	102,000	-
Legal Settlement	-	-	-	2,555,094	-
Capital Fees	55,575	177,575	30,000	8,400	-
Total Revenues	**$ 19,333,163**	**$ 25,595,943**	**$ 24,940,757**	**$ 27,164,745**	**$ 26,437,396**
Expenses					
Production	$ 8,710,941	$ 9,824,834	$ 11,268,034	$ 10,805,722	$ 10,442,191
Salaries & Benefits	2,566,876	2,968,890	3,228,785	3,645,007	4,062,588
Outside Contracts & Professional Services	1,466,822	1,975,296	1,447,697	3,284,661	3,796,401
Supplies & Services	2,150,410	2,500,011	2,705,512	3,921,508	4,506,424
Total Expenses	**$ 14,895,049**	**$ 17,269,031**	**$ 18,650,028**	**$ 21,656,898**	**$ 22,807,604**
Net Operating Revenues	**$ 4,438,114**	**$ 8,326,912**	**$ 6,290,729**	**$ 5,507,847**	**$ 3,629,792**
Debt Service	845,806	852,031	844,931	858,319	852,231
Debt Service Coverage Ratio	**5.25**	**9.77**	**7.45**	**4.99**	**4.26**

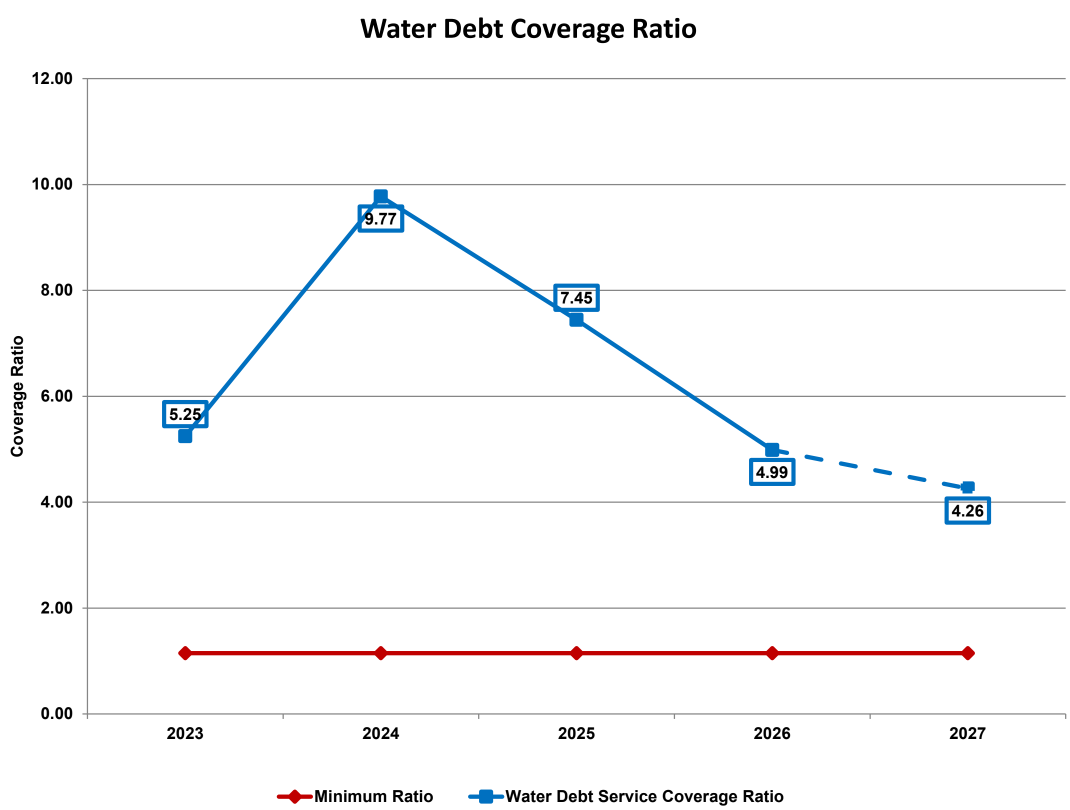


Figure 16 – Historical Debt Service Coverage Ratios – Water

Wastewater Program Debt Service Coverage Ratio

Wastewater Program	Actuals FY 2022-23	Actuals FY 2023-24	Actuals FY 2024-25	Projections FY 2025-26	Adopted FY 2026-27
Revenues					
Sewer Service Charge	$ 4,426,781	$ 4,764,475	$ 5,407,215	$ 6,060,000	$ 7,347,200
Special Services	16,919	19,606	24,585	41,500	42,000
Miscellaneous	3,447	1,721	4,356	5,396	1,120
Interest Revenues	201,853	399,502	430,394	265,476	300,000
Capital Fees	233,750	1,804,550	-	4,675	-
Total Revenues	**$ 4,882,750**	**$ 6,989,854**	**$ 5,866,550**	**$ 6,377,047**	**$ 7,690,320**
Expenses					
Production	$ 7,853	$ 9,134	$ 11,066	$ 13,041	$ 15,000
Salaries & Benefits	1,382,165	1,598,634	1,738,576	1,962,695	2,187,548
Outside Contracts & Professional Services	1,211,828	1,239,356	1,383,734	1,986,575	2,164,979
Supplies & Services	527,485	535,519	647,410	757,020	941,427
Total Expenses	**$ 3,129,331**	**$ 3,382,643**	**$ 3,780,786**	**$ 4,719,331**	**$ 5,308,954**
Net Operating Revenues	**$ 1,753,419**	**$ 3,607,211**	**$ 2,085,764**	**$ 1,657,716**	**$ 2,381,366**
Debt Service	189,525	187,900	191,700	190,613	189,750
Debt Service Coverage Ratio	**9.25**	**19.20**	**10.88**	**8.70**	**12.55**

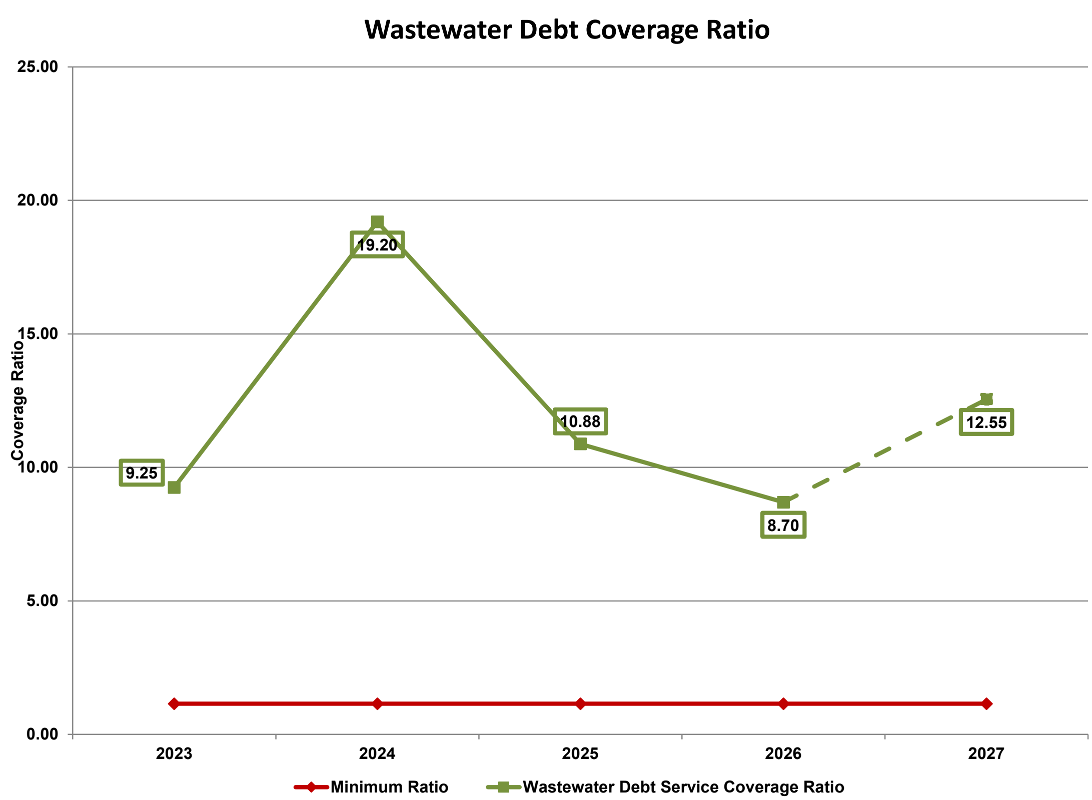


Figure 17 – Historical Debt Service Coverage Ratios – Wastewater

Appendices

#1 Arroyo Santa Rosa Valley Basin GSA FY 2026-27 Budget

ARROYO SANTA ROSA VALLEY BASIN GROUNDWATER SUSTAINABILITY AGENCY

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

Fiscal Year 2026-27 Budget

Overview

The Arroyo Santa Rosa Valley Basin Groundwater Sustainability Agency (ASRVBGSA) presents the Fiscal Year (FY) 2026-27 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 a Joint Powers Authority (JPA) organized under a joint powers agreement 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, Kim Nakamura, Camrosa Finance Manager, 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.

FY 2026-27 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 FY 2021-22. 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 FY 2026-27 GSA budget includes the annual reporting, initiating a groundwater monitoring network enhancement project, and administrative functions. The GSA's bank account has sufficient funds to cover budgeted expenses for the upcoming fiscal year.

Arroyo Santa Rosa GSA
Annual Budget
FY 2026-27

Transfer In		**Object Code**	**FY 2022-23 Actuals**	**FY 2023-24 Actuals**	**FY 2024-25 Actuals**	**FY 2025-26 EOY**	**FY 2026-27 Budget**
Camrosa Water District							
Contribution Budgeted				**$ 80,000**	**$ 80,000**	**$ -**	**$ -**
Transfer from Reserves			**$ 107,203**	**$ 101,787**	**$ -**	**$ 45,495** -	**$ 115,200**
TOTAL TRANSFERS IN			**$ 107,203**	**$ 181,787**	**$ 80,000**	**$ 45,495**	**$ 115,200**
Administrative Fees							
Communications		**50210**	**$ -**	**$ -**	**$ 1,000.00**	**$ -**	
Outside Contracts		**50220**	**$ -**	**$ -**	**$ -**	**$ 1,100**	**$ 1,200**
	Audio/Visual (meetings)		$ -	$ -	$ -	$ -	$ -
	Web Hosting/Domain Forwarding		$ -	$ -	$ 1,000	$ 1,100	$ 1,200
	Billing (process TBD)		$ -	$ -	$ -	$ -	$ -
	Contract Services		$ -	$ -	$ -	$ -	$ -
	Meter Calibration Program		$ -	$ -	$ -	$ -	$ -
	Meter Installation		$ -	$ -	$ -	$ -	$ -
	Room Rental (meetings)		$ -	$ -	$ -	$ -	$ -
Professional Services		**50230**	**$ 274,074**	**$ 175,311**	**$ 44,864**	**$ 37,510**	**$ 105,000**
	Annual Reporting (Intera)		$ -	$ 54,248	$ -	$ 32,510	$ 45,000
	Auditing Services		$ -	$ -	$ -	$ -	$ -
	Engineering Services (Intera)		$ 229,561	$ 104,378	$ 42,810	$ -	$ 25,000
	Grant Reporting		$ -	$ -	$ -	$ -	$ -
	GSA Administration		$ -	$ -	$ -	$ -	$ -
	Monitoring Program		$ -	$ -	$ -	$ -	$ 20,000
	Project Management (Bondy)		$ 44,513	$ 16,685	$ 2,054	$ 5,000	$ 15,000
	Rate Pumping Fee Study		$ -	$ -	$ -	$ -	$ -
Materials & Supplies		**50260**	**$ 2,897**	**$ -**	**$ -**	**$ -**	**$ -**
	Check stock		$ -	$ -	$ -	$ -	$ -
	General postage		$ -	$ -	$ -	$ -	$ -
	Stakeholder meeting supplies		$ -	$ -	$ -	$ -	
	Printing & mailing		$ 2,392	$ -	$ -	$ -	$ -
	Public Hearing notification		$ 505	$ -	$ -	$ -	$ -
	Office supplies		$ -	$ -	$ -	$ -	
Legal Services		**50280**	**$ 4,831**	**$ 656**	**$ 2,065**	**$ 1,000**	**$ 1,000**
Dues & Subscriptions		**50290**	**$ 918**	**$ 4,060**	**$ 4,060**	**$ 4,200**	**$ 5,000**
	ACWA		$ 918	$ 4,060	$ 4,060	$ 4,200	$ 5,000
Conference & Travel		**50300**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Safety & Training		**50310**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Board Expenses		**50330**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Fees & Charges		**50350**	**$ 439**	**$ 635**	**$ 564**	**$ 560**	**$ 1,000**
	Banking fees		$ 439	$ 635	$ 564	$ 560	$ 1,000
Insurance		**50360**	**$ 1,125**	**$ 1,125**	**$ 1,125**	**$ 1,125**	**$ 2,000**
	JPIA premiums		$ 1,125	$ 1,125	$ 1,125	$ 1,125	$ 2,000
TOTAL ADMINISTRATIVE FEES			**$ 284,284**	**$ 181,787**	**$ 53,678**	**$ 45,495**	**$ 115,200**
Non-Operating Revenues							
Grant Revenue			**$ 177,081**				

#2 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

#2 Schedule of Water and Wastewater Rates (Continued)

Water Commodity Charges

Potable Water					
Description	Rate				
	July 2024	July 2025	July 2026	July 2027	July 2028
Residential, Master Meter, Domestic Agricultural	($/HCF)	($/HCF)	($/HCF)	($/HCF)	($/HCF)
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 situatated 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.

#3 Outstanding Debt

Camrosa Water District 2011A/2016 Project Bonds			
FY	Interest	Principal	Total
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
TOTAL	**$ 2,594,204**	**$ 7,760,000**	**$ 10,354,204**

Water Program Debt Service			
FY	Interest	Principal	Total
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
TOTAL	**$ 2,540,604**	**$ 6,855,000**	**$ 9,395,604**

Potable Water Program 2011A/2016 Project Bonds			
FY	Interest	Principal	Total
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
TOTAL	**$ 2,532,025**	**$ 6,710,100**	**$ 9,242,125**

Non-Potable Water Program 2011A/2016 Project Bonds			
FY	Interest	Principal	Total
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
TOTAL	**$ 8,579**	**$ 144,900**	**$ 153,479**

Wastewater Program 2011A/2016 Project Bonds			
FY	Interest	Principal	Total
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
TOTAL	**$ 53,600**	**$ 905,000**	**$ 958,600**

Conejo Wellfield Granular Activated Carbon (GAC) Water Treatment Plant

#4 Banking & Cash Management Policy

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Resolution No: 26-05

A Resolution of the Board of Directors
of Camrosa Water District

Adopting the Banking & Cash Management Policy

Whereas, the Banking & Cash Management Policy establishes guidelines to ensure the secure, transparent, and efficient management of Camrosa Water District's funds; and,

Whereas, the policy ensures compliance with regulations; and,

Whereas, the District's bank accounts shall be established and maintained in the banks designated by the Board of Directors; and,

Whereas, the District's overall banking and cash management procedures shall be designed and managed with a degree of professionalism worthy of public trust, focusing on safety, liquidity, efficiency, and fraud prevention; and,

Whereas, procedures are included on the transfer of funds and routine review of disbursements by the Board;

Now, Therefore, Be It Resolved by the Camrosa Water District Board of Directors that the Banking & Cash Management Policy is hereby adopted and made effective this date.

Adopted, Signed, and Approved this 14th day of April 2026.

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

(ATTEST)

Norman Huff, Secretary
Board of Directors
Camrosa Water District

BANKING & CASH MANAGEMENT POLICY
April 2026

PURPOSE:

To establish guidelines to ensure the secure, transparent, and efficient management of the Camrosa Water District's (District) funds and ensure compliance with regulations.

SCOPE:

This banking policy applies to all District's operating bank accounts and related deposit of all collected revenues and the disbursement of expenditures.

POLICY:

The District's bank accounts shall be established and maintained in the banks designated by the Board of Directors for the deposit of all collected revenues and the disbursement of expenditures.

Deposits Bank Account – All collected revenues shall be deposited to this account. Funds from this account may be transferred to other bank accounts with the authorization of any two (2) members of the Board of Directors. The signed authorization should contain the transferred amount, the destination and the purpose of the transfer. Only the Board of Directors should be listed as authorized signers for this account.

Lockbox Account – Lockbox services are designed to expedite the collection of paper-based payments and provide timely payment information. They are usually provided by a third-party processor improving cash flow by reducing processing time between delivery of mail and depositing payments. If a separate account is maintained for the collection, processing and deposits of payments sent to a designated lockbox, collected payments should be transferred to the District's Deposits Bank account on a weekly basis. The lockbox account balance should not exceed $5,000 after weekly transfers.

Disbursements Bank Account – All financial obligations shall be disbursed from this account with the approval of two bank authorized signers. The General Manager shall designate which staff members should be listed as authorized signers for this account. Finance staff should ensure that sufficient funds exist in this account prior to the mailing or scheduling electronic vendor payments. The disbursements account shall only be funded by transferring funds from the Deposits Bank Account after authorization of any two (2) members of the Board of Directors.

Disbursements Board Authorization – At each regular board meeting of the Board of Directors, the General Manager shall present to the Board of Directors a list of vendor payments for approval. The list should contain the vendor's name, payable number, description of materials or services purchased and amount. Payroll related payables should also be included in this report. In addition to this, the General Manager shall present to the Board of Directors a request for deposit from the Deposits Account to the Disbursements account for an amount sufficient to cover the vendor payments presented for approval. Two (2) members of the Board of Directors should sign the disbursements approval and the request for transfer to the disbursements account. The disbursements account balance should not exceed $50,000 of the approved payable obligations.

OBJECTIVES:

The District's overall banking procedures shall be designed and managed with a degree of professionalism worthy of public trust, focusing on safety, liquidity, efficiency, and fraud prevention.

The basic objectives of the District's banking policy are:

1) Safety of funds: Prioritizing the security of public funds through proper collateralization using qualified public depositories.

2) Liquidity Management: Ensuring enough cash is available to meet payment obligations by using ongoing cash forecasting to limit idle cash.

3) Efficiency: Promoting the use of electronic means (ACH, CAL-Card) for payment to reduce paper checks, improve security, and streamline reconciliation.

4) Fraud Prevention: Implementing strong internal controls to protect against bank account fraud.

RESPONSIBILITIES:

General Manager – The General Manager is charged with responsibility for maintaining custody of all public funds belonging to or under the control of the District, and for the deposit of those funds in accordance with principles of sound fiscal management and in conformance with applicable laws and regulations.

Due Diligence & Evaluation – Finance staff should conduct regular reviews of banks, including evaluating their financial condition and service quality.

Internal Controls & Security – Establish procedures for securing bank accounts, managing electronic approvals, and ensuring proper segregation of duties to prevent fraud.

Operational Management – Maintain timely bank reconciliations, monitor banking fees, and manage banking relationships to ensure they align with the District's operational needs.

Policy Documentation – Formally adopt, review, and communicate written banking policies that define the scope of authorized banking services and security protocols.

Compliance – Adhere to federal, state, and local regulations concerning the handling of public funds.

ANNUAL REVIEW:

The Banking & Cash Management Policy shall be reviewed annually by the Board of Directors, or a Board designated committee, to ensure compliance with regulations. Proposed amendments to the policy shall be reviewed by the Board, or its designated committee, to be considered by the Board of Directors for adoption.

#5 Budget Policy

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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 26th 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
January 2017

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.

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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 11th 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

DEBT MANAGEMENT POLICY
August 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 included 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 arbitrate 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.

#7 Investment Policy

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Resolution No: 26-03

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 interest of the District to review the District Investment Policy annually to ensure maximum yield while maintaining criteria to ensure safety and liquidity; and,

Whereas, The District Investment Policy was last adopted in March 2025 and was aligned with permitted investments and maturities according to state government codes and best management practices; and,

Whereas, The District Investment Policy has been reviewed for compliance with current regulations and it has been determined that only minor changes were required; and,

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

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

Adopted, Signed, and Approved this 10th day of March, 2026.

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

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

STATEMENT OF INVESTMENT POLICY
March 2026

PURPOSE:

This statement is intended to provide guidelines for prudent investment of Camrosa Water District's (District/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, 2026). This table will be reviewed annually and updated as needed as part of the investment policy annual review. See "Table of Notes for Figure 1" on the last page for footnotes related to this figure.

Figure 1:

INVESTMENT TYPE	MAXIMUM MATURITY[C]	MAXIMUM SPECIFIED % OF PORTFOLIO[D]	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)
Bankers' Acceptances	180 days	40%[E]	None	53601(g)
Commercial Paper—Non-Pooled Funds[F] (under $100,000,000 of investments)	397 days or less	25% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53601(h)(2)(c)
Commercial Paper—Non-Pooled Funds[I] (min. $100,000,000 of investments)	397 days or less	40% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53601(h)(2)(c)
Commercial Paper—Pooled Funds[J]	397 days or less	40% of the agency's money[G]	Highest letter and number rating by an NRSRO[H]	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30%[K]	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50%[L]	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50%[L]	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days[M]	20% of the base value of the portfolio	None[N]	53601(j)
Medium-Term Notes[O]	5 years or less	30%	"A" rating category or its equivalent or better	53601(k)
Mutual Funds And Money Market Mutual Funds	N/A	20%[P]	Multiple[Q, R]	53601(l) and 53601.6(b)
Collateralized Bank Deposits[S]	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass–Through and Asset–Backed Securities[T]	5 years or less[T]	20%	"AA" rating category or its equivalent or better[T]	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple[U]	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund[V]	N/A	None	None	16340
Supranational Obligations[W]	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

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. Funds held in deposit accounts at FDIC-insured banks shall not exceed the FDIC deposit insurance coverage limit.

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 – Only 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.

The Board of Directors, or a Board designated committee, may 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 Board, or its designated 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, 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 District Investment Policy shall be reviewed annually by the Board of Directors, or a Board designated 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 Board, or its designated committee, to be considered by the Board of Directors for adoption.

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.

TABLE OF NOTES FOR FIGURE 1

A Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.

B Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.

C Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years from the settlement date. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.

D Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.

E No more than 30% of the agency's money may be in bankers' acceptances of any one commercial bank.

F Applies to local agencies, other than counties or a city and county, with less than $100 million of investment assets under management. Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.

G Local agencies, other than counties or a city and county, may purchase no more than 10% of the outstanding commercial paper and medium-term notes of any single issuer.

H Issuing corporation must be organized and operating within the U.S., have assets in excess of $500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating organization.

I Applies to counties or a city and county, and the City of Los Angeles that have $100 million or more of investment assets under management.

J Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).

K No more than 30% of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).

L Effective January 1, 2020, no more than 50% of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2031, the maximum percentage of the portfolio reverts back to 30%. Investments made pursuant to 53635.8 remain subject to a maximum of 30% of the portfolio.

M Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.

N Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.

O "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."

P No more than 10% invested in any one mutual fund. This limitation does not apply to money market mutual funds.

Q 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 Sections 53601 and 53635.

R 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.

S Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.

T Security types authorized under Section 53601(o) that are issued or guaranteed by an issuer identified in subdivisions (b) or (f), are not subject to the limitations placed on privately issued securities authorized in Section 53601(o)(2)(A)(B).

U A joint powers 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).

V Local entities can deposit between $200 million and $10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.

W Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.

#8 Pension Funding Policy

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

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 14th 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

PENSION FUNDING POLICY
October 2021

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 pay

off 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.

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.

#9 Procurement Policy

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Resolution No: 26-13

A Resolution of the Board of Directors
of Camrosa Water District

Adopting the District Procurement Policy

Whereas, the Board of Directors deems it essential that Camrosa Water District adhere to sound business practices; and

Whereas, it is the desire of the Board of Directors that Camrosa conduct business in a manner which ensures costs to the District are minimized; and

Whereas, it is the desire of the Board of Directors that Camrosa conduct business in an open, fair, and equitable manner when procuring equipment and supplies from among competing vendors; and

Whereas, it is the desire of the Board of Directors that maximum value be received from vendors in return for payment; and

Whereas, it is in the best interests of the District to establish a written procurement policy that reflects the foregoing; and

Now, Therefore, Be It Resolved by the Camrosa Water District Board of Directors that the attached Procurement Policy is hereby incorporated into this resolution, and adopted by the Board of Directors, effective May 26, 2026; and

Be It Further Resolved that the General Manager is provided with the authority to interpret and implement this policy within the District.

Adopted, Signed, and Approved this 26th day of May 2026.

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

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

PROCUREMENT POLICY
May 2026

PURPOSE:

This Procurement Policy is established to ensure efficiency and effectiveness in procuring materials and services for Camrosa Water District (District). It establishes sound business practices and ensures the District receives the highest quality and best value for money expended. It provides that the District operate in a fair, open, transparent and nondiscriminatory manner in the marketplace and requires conscious management of the risk inherent in all procurements. Finally, it requires everyone in the procurement process to operate at the highest ethical standard.

SCOPE:

Purchase approval authority for procurements made on behalf of the District shall be delegated in relation to the value of the procurement, the nature of the goods or service procured, and terms of the agreement or contract.

OBJECTIVES:

1) Establish and communicate the District's policies and procedures as they relate to the procurement process
2) Establish authority, responsibility, and accountability for procurement activity
3) Procure the best goods and services at the most favorable price
4) Provide an environment of fair competition and impartiality in the procurement process

POLICY:

OPERATIONAL GOODS AND SERVICES

Operational Goods and Services – The General Manager is responsible for approving all purchases for goods and services, including Fixed Assets, totaling less than $50,000 (including tax and shipping) except as otherwise noted herein.

The Board of Directors (Board) shall approve all purchases of goods and services totaling $50,000 or more.

The following procurements are exempt from the competitive solicitation process and Board approval:

- Debt service payments, chemicals, fuel/diesel, legal services, maintenance software licenses, memberships, payments to other governmental units, permits, and utilities (such as electricity, telephone, natural gas, sewer, and water); and
- When goods and services are necessary to respond to an emergency; and
- Construction or maintenance work costing less than $35,000 when it is not possible to clearly define the work scope in advance.

Procurement of Goods and Services – Purchases made on behalf of the District should minimize cost to the extent practicable, but the final decision to award to a particular vendor must be carried out on the basis of obtaining best possible value for the District. Price quotations should be routinely sought, and goods and services may be procured as authorized below:

1) Items with a value of less than $5,000:
    a) No price quotation is required; and
    b) No Purchase Order is required.
2) Items with a value of $5,000 or greater but less than $50,000:

a) Requires solicitation of two price quotations and the quotations may be received either orally or in writing; and

b) Requires a Purchase Order and the price quotations become part of the purchase order documentation.

3) Items with a value of $50,000 or greater:

a) Requires solicitation of three written price quotations; and

b) Requires a Purchase Order and the price quotations shall accompany the Purchase Order and become part of the purchase documentation.

Change Orders/Contingencies – The General Manager shall have approval authority for change orders and contingencies up to a combined total of $50,000. Board approval shall be required for any change orders or contingencies that significantly change the scope of the project or work being performed.

Emergency Procurements – The General Manager is authorized to make emergency procurements of goods and services in excess of $50,000 to protect the health, safety or property of private individuals and public entities. In such cases, the Board must be notified verbally as soon as possible following the emergency procurement, with written notification provided as soon as practicable thereafter. The Board must ratify the procurement at the next regular Board meeting.

Encouragement of Local Procurement – In meeting the criteria outlined above, staff is encouraged to use local vendors in meeting the District's needs for goods and services.

Internet Procurements – The above notwithstanding, the General Manager may authorize staff to make procurements through internet commerce in instances when such procurement results in minimizing the cost to Camrosa or ensuring responsiveness to the needs and timelines of the District.

Long-term Agreements – The Board shall approve all contracts and agreements with a term longer than 12 months or in excess of $50,000.

The General Manager may further delegate authority via written Memorandum outlining each authority, including limitations, for approving purchases as necessary to ensure efficiency and effectiveness of District operations. Only the General Manager or his/her delegates are authorized to obligate the District in a procurement arrangement.

Prequalification of Vendors – The General Manager may establish a list of qualified vendors for goods and services which the District frequently purchases. This list will be valid for 5 years and vendors who prove to be unqualified shall be removed and vendors who demonstrate their qualifications may be added.

The General Manger may purchase goods and services from qualified vendors on the list described above without further bidding if the amount of the purchase is less than $50,000. The Board must approve purchases from qualified vendors if the amount of the purchase is $50,000 or greater.

Procurement from Other Than the Lowest Quoting Vendor – While it is the desire of the Board of Directors to purchase goods and services at the least cost to the District, there may be instances when the award of a purchase to other than the least-cost vendor produces greatest value and is in the best interests of the District. To the extent possible, District staff should:

- maximize the value received
- use sources which will be responsive to the needs and timelines of District
- seek commonality in major equipment to minimize inventory and training costs
- consider minimizing the cost of ownership over the lifetime of the requirement consistent with meeting acceptable quality, reliability, and delivery constraints.

Procurement through Negotiation – While competitive solicitation is the normal procedure to be used to purchase goods and services, negotiation with a single vendor may be beneficial in some instances. Circumstances that might indicate negotiation include situations where competition does not exist (e.g., only one vendor is interested in providing goods or service) or where special economies may exist outside the competitive process (e.g., when a contractor is already mobilized for another purpose). The Board may authorize the General Manager to negotiate procurement when extraordinary circumstances exist.

Property – The Board shall approve all purchases of real property regardless of value.

Sole-source Procurements – The competitive solicitation process is waived for procurement where the goods or service is available from only one viable source or provider. Negotiations shall be conducted with the provider of the goods or service to achieve the most favorable pricing terms of sale. All sole-source purchases for items valued at $5,000 or more must document the reason for the sole-source procurement and such documentation must become part of the purchase order documentation.

Split Procurements – When determining which body must approve a procurement, or the procedures necessary in documenting the procurement, the maximum possible monetary value and/or the aggregate expense of a procurement must be taken into account. Under no circumstances may a procurement be intentionally split in order to change the approving authority or the procedures required in documenting the purchase price. The system of controls should provide complete transparency in the procurement process. Total expenditures by vendor will be presented to the Board for review four times a year.

PROFESSIONAL SERVICES

Procurement of Professional Services – Professional services contracts shall be awarded to consultants based on qualifications that demonstrate expertise and experience in the type of work to be performed, as well as a proven history of high-quality work. Selection shall not to be based solely on the lowest cost or fee and can be negotiated by District staff to ensure fair and reasonable costs.

Contracts will typically reflect for a “not-to-exceed” amount associated with a defined scope of work. When it is not possible to define the scope of work in advance, work may be performed on a time-and-materials basis.

The following criteria shall be used to qualify candidates for consultants and professional services:

1) Specialized experience and technical competence of the consultant and its personnel considering the type of services required and the complexity of the project.
2) The consultant’s familiarity with the types of problems applicable to the project.
3) Willingness to negotiate fair and reasonable compensation for the proposed project scope.
4) Past record of performance on projects with the District, other governmental agencies or public bodies, and with private industry, including such factors as control of costs, quality of work, and ability to meet schedules.
5) The consultant’s capacity to perform the work (including any specialized services) within the time limitations and with proposed staff, considering the firm’s current and planned workload.
6) The consultant’s level of financial responsibility.
7) Whether the consultant is already engaged in another project which has a direct and substantial physical relationship to the proposed project.
8) Cost proposal for the proposed services.
9) Other key factors as appropriate for the type of service.

PUBLIC WORKS CONTRACTS

Public Works Contracts – Public Works projects include construction, alteration, demolition, installation, or repair work done under contract and paid in whole or in part out of public funds. It can include pre-construction and post-construction activities related to a public works project.

Small project exemption from public works contractor registration means that contractors who work exclusively on small projects are not required to register as public works contractors or file electronic certified payroll reports for those projects. However, prevailing wages must still be paid on projects with small project exemption.

Small project exemption is applied based on the amount of the entire project, not a contractor's subcontracted amount of the project. Small project exemption applies for all public works projects that do not exceed:

- $15,000 for maintenance; or
- $35,000 for new construction, alteration, installation, demolition, or repair.

All public works projects that are greater than $15,000 for maintenance and $35,000 for new construction must be registered with the Department of Industrial Relations (DIR). Anyone working on a public works project must be paid prevailing wages as determined by the DIR.

Procurement of Public Works projects with a value of $35,000 or more are subject to competitive bidding, and the following solicitation process:

1) At least one bid solicitation notice shall be advertised in a local newspaper of general circulation, District website, and/or public contract solicitation website.
2) Sealed bids will be publicly opened at a pre-determined date, time, and location.
3) Contracts will be awarded to the lowest responsive and responsible bidder, and the District always reserves the right to waive non-substantial irregularities or reject all bids.
4) Consideration should be given not only to the bid price, but also to the general qualifications of the contractor for the performance of the work. A contractor must submit evidence that he or she is competent to manage the proposed project and carry it forward to a successful conclusion, has professional integrity and honesty of purpose, and has sufficient financial resources to complete the project.
5) Contracts shall not be awarded to any contractor listed by the California Labor Commissioner as ineligible to bid, work on, or be awarded a public works project.
6) Requires a contract and purchase order authorized by the General Manager if less than $50,000 and authorized by the Board of Directors if greater than $50,000.
7) Expenditures shall not be broken down or divided into sub-groups for purposes of avoiding the above guidelines.

Capital Project Change Orders – The General Manager may approve change orders, or work performed on a time and materials basis, for works of improvement provided the total cost of the changed work does not exceed 10% of the budget for the project work approved by the Board. Board approval shall be required for any change orders or work performed on a time and materials basis that significantly change the scope of the project or work being performed.

The Board shall approve any change order for Board-approved project work that exceeds either $100,000 or 10% of the approved project budget, whichever amount is less.

The General Manager shall provide the Board with a report of change orders and contingencies on a monthly basis including contractor negotiated price and basis of change.

RESPONSIBILITIES:

Code of Ethics – In exercising procurement authority, it is essential that each individual maintain an unimpeachable standard of integrity and foster the highest possible standard of professional competence. Complying with both the letter and the spirit of the principles of ethical behavior is essential. In doing so, each individual must declare any personal interest that may impinge, or might reasonably be deemed by others to impinge, upon a person's impartiality in any procurement decision.

Conflicting Policies – This policy shall prevail over any District policies and procedures found in conflict.

Implementation – This policy shall become effective upon adoption by the Board.

Internal Controls – The General Manager shall establish a system of internal controls that provide an audit trail for all purchases. It should provide for:

- more than one person to be involved in each transaction, end-to-end; and
- confirmation of purchase is a budgeted item and sufficient budget available; and
- prior approval of purchases with a purchase order; and
- certification of receipt of the goods; and
- reconciliation of the purchase order with the invoice and final payment.

Modification – This policy may be modified from time to time by resolution of the Board.

Risk Transfer – In order to minimize the potential liability exposure of the District, Contracts and Agreements with consultants, contractors, and vendors for goods and services shall include appropriate risk transfer clauses as recommended by the District's liability insurance provider. Contractors and suppliers must, at a minimum, have adequate liability and workers' compensation insurance. An order should not be made effective with a contractor until the relevant insurance documents, including a performance bond, if necessary, have been reviewed and accepted. The risk transfer language will be standardized in the District's agreements and approved by the Board. Once approved, any changes to the risk transfer language must return to the Board for approval.

ANNUAL REVIEW:

The Procurement Policy shall be reviewed annually by the Board of Directors, or a Board designated committee, to ensure efficiency and effectiveness in procuring goods and services for the District. Proposed amendments to the policy shall be reviewed by the Board, or its designated committee, to be considered by the Board of Directors for adoption.

#10 Reserve Policy

CAMROSA WATER DISTRICT
BUILDING WATER SELF-RELIANCE

Resolution No: 25-18

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 in the best interests of the customers of Camrosa to set aside monies for future prepayments of Unfunded Accrued Liability to CalPERS; 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 a Procurement Funding Fund (PFF) to set aside monies from the source of water quality settlements to fund current and future operational expenditures such lobbying, grant research and monitoring to identify potential grant funding opportunities to offset future capital outlay project expenditures, and ;

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 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 CalPERS Unfunded Accrued Liability
- 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 14th day of October 2025.

Eugene F. West, President	Norman Huff, Secretary (ATTEST)
Board of Directors	Board of Directors
Camrosa Water District	**Camrosa Water District**

Statement of Reserve Fund Policy
October 2025

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. *CIP 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.

f. ***Funding Procurement Fund (FPF) -*** Funds are for both short-term and long- term purposes. The objective is to provide funds for the current and future operational expenditures, improvement of facilities for planning and engineering.

Applicable Funds: Potable, Non-Potable and Wastewater Funding Procurement 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.

f. ***Funding Procurement Fund (FPF) –*** Contribution from water quality settlements.

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.

g. ***Funding Procurement Fund (FPF)*** – The FPF target level will not apply, as funds are utilized as needed from settlements.

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.

#11 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
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
2025	4.0%	69,618	3,921,197	56,325

The District's service area encompasses property with over $8.0 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
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%
2025	7,687,173,438	340,114,853	8,027,288,291	4.90%

#12 Top Ten Customers

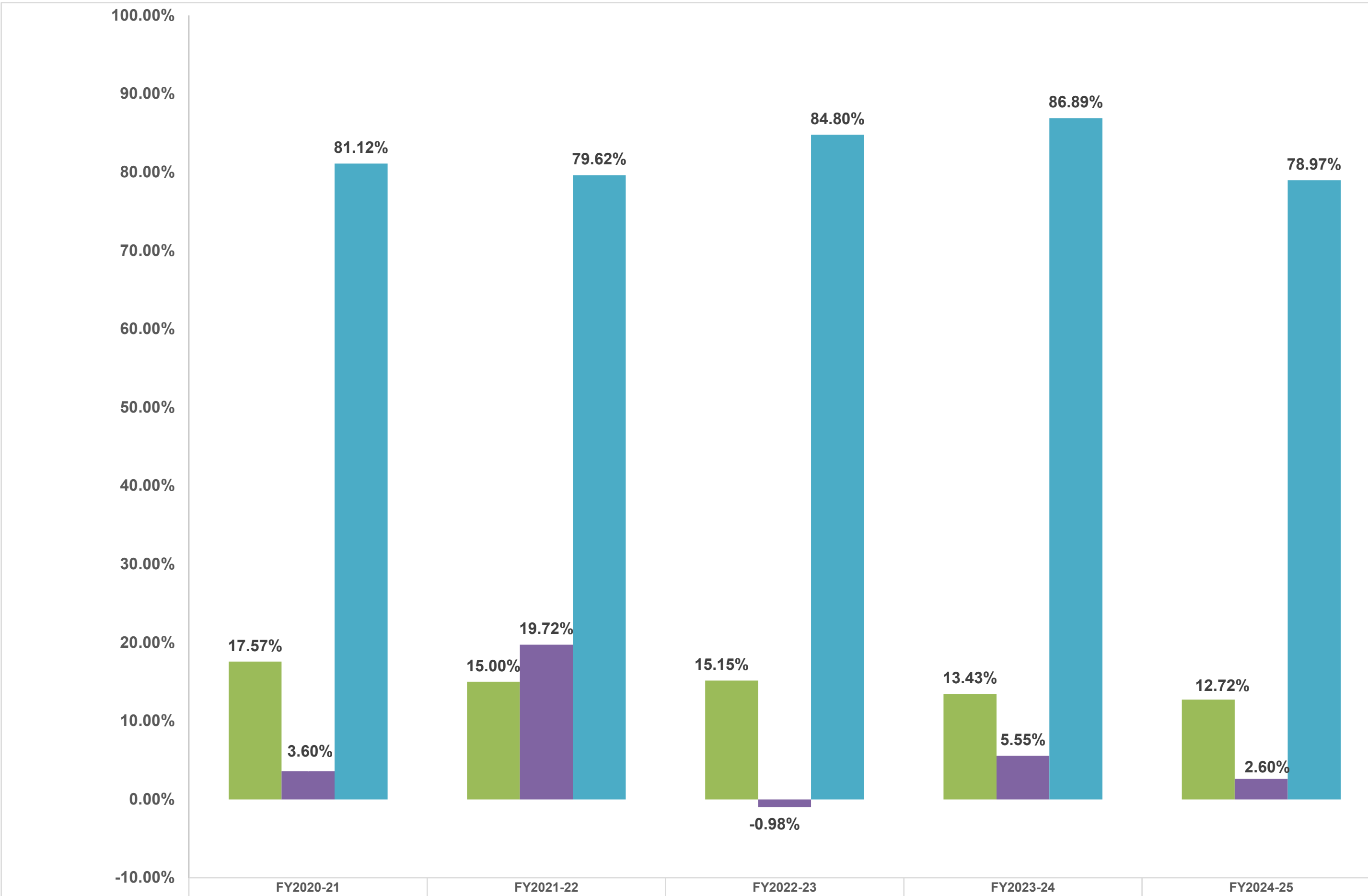
Ten Largest Water Customers
Fiscal Year 2025

Customer	Customer Type	Acre-Feet	Annual Revenues	% of Water Sales
Leisure Village	Residential	902	$ 1,293,512	5.80%
Reiter Brother Inc	Agricultural	928	1,087,335	4.87%
Cal State University CI	Public	395	616,347	2.76%
Mahan Ranch Golf Club LLC	Commercial	268	571,413	2.56%
Duda Farm Fresh Foods, Inc.	Agricultural	531	480,196	2.15%
Camlam Farms, Inc.	Agricultural	723	251,516	1.13%
A Hartman Ranch, Inc	Agricultural	208	219,529	0.98%
Pleasant Valley Park & Rec	Irrigation	88	195,780	0.88%
City of Camarillo	Irrigation	66	179,728	0.81%
A.B.P.	Agricultural	113	169,239	**0.76%**
Total Ten Largest Customers		**4,222**	**5,064,595**	**22.69%**
All Other Customers		7,323	17,252,174	77.31%
Total Water Revenue for District		**11,545**	**$ 22,316,769**	**100.00%**

Ten Largest Wastewater Customers
Fiscal Year 2025

Customer	EDUs	Annual Revenue	% of Wastewater Sales
Leisure Village	2,162	$ 1,264,996	23.39%
CSUCI	815	476,971	8.82%
Rancho Adolfo Mobile Home Estates	255	149,236	2.76%
Corte Madera/AvalonBay Communities	161	94,224	1.74%
Essex Camino Inc.	161	94,224	1.74%
Adolfo Camarillo Highschool	59	34,529	0.64%
Camarillo Senior Living (ACSR, LLC)	56	32,773	0.61%
Marriott Brighton Gardens	42	24,580	0.45%
Pleasant Valley School	38	22,239	0.41%
Seminary	34	19,898	0.37%
Total Ten Largest Wastewater Customers	**3,783**	**$ 2,213,670**	**40.94%**
All Other Customers	5,476	3,193,545	59.06%
Total Wastewater Revenue for District	**9,259**	**$ 5,407,215**	**100.00%**

#13 Financial Metrics



	FY2020-21	FY2021-22	FY2022-23	FY2023-24	FY2024-25
Debt Ratio Total Liab/Total Assets	17.57%	15.00%	15.15%	13.43%	12.72%
Return on Assets Net Income/Total Assets	3.60%	19.72%	-0.98%	5.55%	2.60%
Operating Ratio Total Op Exp/Net Sales	81.12%	79.62%	84.80%	86.89%	78.97%

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 downward trend shows that the District has not been reliant on debt financing, which translates into financial stability and lower risk, and debt obligations that are manageable. Appendix #3 shows detailed information on outstanding debt.

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 expense, and therefore, it is subject to fluctuation from year to year due to its non-cash component to measure the change in the District's unfunded pension liability. The increased ratio in FY 2021-22 is due to the recognition of a large pension credit. In contrast, in FY 2022-23, the District recognized a large pension expense. In FY 2023-24, the District received $6.1 million in mitigation fees, which contributed to a higher return on assets ratio. A healthy ratio is generally considered to be over 5%.

Operating Ratio: This ratio compares operating expenses to net revenue to measure efficiency. 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 98.

#14 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	32,700	11,450	9,474	28	6,701	4,845	350	77.5	$ 27,342,395	$ 27,821,922	7,446,095	$ 1,036,631
Triunfo Water and Santitation District	50	33,000	4,888	10,826	19	1,786	1,000	55	120	$ 18,131,266	$ 31,599,956	646,552	$ 1,736,392
Las Virgenes Municipal Water District	123	70,000	19,982	17,238	124	15,459	6,000	460	68.6	$ 57,637,008	$ 81,845,718	8,598,542	$ 1,124,465
Ojai Valley Sanitation District	120	23,000	0	10,600	21	0	0	0	120	$ 10,703,189	$ 9,778,983	2,889,080	$ 792,400
Carpinteria Valley Water Distirct	17.61	16,500	4,503	0	22	3,500	0	90	0	$ 15,961,482	$ 17,056,824	3,312,755	$ 2,262,504
Casitas Municipal Water District	150	70,000	7,000	0	63	10,835	0	163.4	0	$ 26,442,329	$ 24,316,894	4,630,515	$ 3,402,760

Mission Oaks & Conejo Creek

FY 2026-27 Budget

	Activity Code	FY 2025-26 District Budget Combined	FY 2026-27 District Budget Combined	Increase/ (Decrease)	Human Resources 5	General Administration 10	Info Systems 11	Resce Plng & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Grnds & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	Wastewater Services 57	All Programs Totals
Production:																
Water Purchases	50010	$ 5,637,137	$ 5,647,452	$ 10,315									5,033,649	613,803		$ 5,647,452
CMWD Fixed Charges	50012	$ 1,077,252	$ 1,152,373	$ 75,121									1,030,127	122,246		$ 1,152,373
CCP	50011	$ 1,014,104	$ 889,026	$ (125,078)										889,026		$ 889,026
SMP CMWD	50011	$ 277,152	$ 297,191	$ 20,039									282,191		15,000	$ 297,191
CamSan	50013	$ 158,736	$ 163,817	$ 5,081									163,817			$ 163,817
Pumping & Production Power	50020	$ 3,168,180	$ 2,307,332	$ (860,848)		`							1,286,576	1,020,756		$ 2,307,332
		$ 11,332,561	**$ 10,457,191**	**$ (875,370)**									**$7,796,360**	**$2,645,831**	**$15,000**	**$10,457,191**
Salaries & Benefits:																
Regular	50100	$ 4,178,199	$ 4,423,201	$ 245,002	$4,423,201											$ 4,423,201
Overtime	50110	$ 178,830	$ 209,205	$ 30,375	$209,205											$ 209,205
Part-Time	50120	$ 98,099	$ 78,052	$ (20,047)	$78,052											$ 78,052
Standby	50130	$ 33,489	$ 34,700	$ 1,211	$34,700											$ 34,700
Benefits	50140	$ 1,437,371	$ 1,504,978	$ 67,607	$1,504,978											$ 1,504,978
		$ 5,925,988	**$ 6,250,136**	**$ 324,148**	**$6,250,136**											**$ 6,250,136**
Outside Contracts:	50220	$ 4,367,163	$ 4,401,555	$ 34,392	$26,600	$28,500	$849,955	$155,000	$19,000	$102,500	$110,000	$316,500	$1,196,000	$463,000	$1,134,500	$ 4,401,555
Professional Services	50230	$ 1,379,130	$ 1,559,826	$ 180,696	$10,000	$883,947	$0	$75,000	$0	$269,000	$0	$0	$260,500	$43,500	$17,879	$ 1,559,826
		$ 5,746,293	**$ 5,961,381**	**$ 215,088**	**$36,600**	**$912,447**	**$849,955**	**$230,000**	**$19,000**	**$371,500**	**$110,000**	**$316,500**	**$1,456,500**	**$506,500**	**$1,152,379**	**$ 5,961,381**
Services & Supplies:																
Utilities	50200	$ 129,500	$ 130,700	$ 1,200	$0	$0	$0	$0	$0	$0	$0	$44,500	$65,000	$1,200	$20,000	$ 130,700
Communications	50210	$ 84,600	$ 95,700	$ 11,100	$0	$0	$95,700	$0	$0	$0	$0	$0	$0	$0	$0	$ 95,700
Pipeline Repairs	50240	$ 490,000	$ 490,000	$ -	$0	$0	$0	$0	$0	$0	$0	$0	$380,000	$80,000	$30,000	$ 490,000
Small Tools & Equipment(Small Tools, Equip & Equip Maint.)	50250	$ 47,350	$ 54,500	$ 7,150	$0	$5,000	$0	$500	$0	$0	$17,500	$2,000	$20,000	$4,500	$5,000	$ 54,500
Materials & Supplies(Stock Supplies)	50260	$ 1,563,715	$ 1,628,250	$ 64,535	$0	$36,500	$0	$250	$0	$3,000	$51,000	$135,000	$1,208,000	$37,000	$157,500	$ 1,628,250
Repair Parts & Equipment Maintenance	50270	$ 1,465,000	$ 1,520,000	$ 55,000	$0	$0	$75,000	$0	$0	$0	$12,000	$80,500	$832,500	$385,000	$135,000	$ 1,520,000
Legal Services	50280	$ 305,000	$ 570,000	$ 265,000	$0	$170,000	$0	$0	$0	$0	$0	$0	$240,000	$160,000	$0	$ 570,000
Dues & Subscriptions	50290	$ 57,000	$ 58,575	$ 1,575	$7,000	$50,575	$1,000	$0	$0	$0	$0	$0	$0	$0	$0	$ 58,575
Conference & Travel	50300	$ 28,400	$ 42,400	$ 14,000	$11,600	$30,800	$0	$0	$0	$0	$0	$0	$0	$0	$0	$ 42,400
Safety & Training	50310	$ 57,000	$ 78,000	$ 21,000	$78,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$ 78,000
Board Expense	50330	$ 177,000	$ 190,000	$ 13,000	$0	$190,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$ 190,000
Bad Debt	50340	$ 10,000	$ 10,000	$ -	$0	$10,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$ 10,000
Fees & Charges	50350	$ 356,375	$ 362,725	$ 6,350	$250	$58,400	$0	$0	$0	$0	$15,000	$16,500	$168,575	$19,500	$84,500	$ 362,725
Insurance	50360	$ 216,500	$ 217,000	$ 500	$0	$217,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$ 217,000
		$ 4,987,440	**$ 5,447,850**	**$ 460,410**	**$96,850**	**$768,275**	**$171,700**	**$750**	**$0**	**$3,000**	**$95,500**	**$278,500**	**$2,914,075**	**$687,200**	**$432,000**	**$ 5,447,850**
		$ 27,992,282	**$ 28,116,558**	**$ 124,276**	**$6,383,586**	**$1,680,722**	**$1,021,655**	**$230,750**	**$19,000**	**$374,500**	**$205,500**	**$595,000**	**$12,166,935**	**$3,839,531**	**$1,599,379**	**$ 28,116,558**
Fixed Assets:		**$ -**	**$ 115,000**	**$ 115,000**	**$ -**	**$ -**	**$ 40,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 75,000**	**$ -**	**$ -**	**$ -**	**$ 115,000**
		$ 27,992,282	**$ 28,231,558**	**$ 239,276**	**$ 6,383,586**	**$ 1,680,722**	**$ 1,061,655**	**$ 230,750**	**$ 19,000**	**$ 374,500**	**$ 205,500**	**$ 670,000**	**$ 12,166,935**	**$ 3,839,531**	**$ 1,599,379**	**$ 28,231,558**

FY 2026-27 Budget

		Activity Code	FY 2025-26 District Budget Combined	FY 2026-27 District Budget Combined	Increase/ (Decrease)	Human Resources 5	General Administration 10	Info Systems 11	Resce Plng & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Grnds & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	Wastewater Services 57	All Programs Totals
Salaries & Benefits			**$ 5,925,988**	**$6,250,136**	**$ 324,148**	**$6,250,136**											**$6,250,136**
Salaries			$ 4,488,617	$4,745,158	$ 256,541	4,745,158											4,745,158
Medical	50141		$ 735,872	$ 785,431	$ 49,559	785,431											785,431
Dental	50142		$ 36,003	$ 37,752	$ 1,749	37,752											37,752
Vision	50147		$ 6,530	$ 6,951	$ 421	6,951											6,951
Workman's Comp	50148		$ 59,363	$ 76,196	$ 16,833	76,196											76,196
Medicare	50151		$ 65,088	$ 68,809	$ 3,721	68,809											68,809
Social Security	50153		$ 3,031	$ 4,839	$ 1,808	4,839											4,839
PERS-Normal Cost	50135		$ 503,765	$ 495,569	$ (8,196)	495,569											495,569
STD, LTD and Life Insurance			$ 27,719	$ 29,431	$ 1,712	29,431											29,431
Utilities	**50200**		**$ 129,500**	**$ 130,700**	**$ 1,200**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$44,500**	**$65,000**	**$1,200**	**$20,000**	**$130,700**
SCE			$ 82,000	$ 83,200	$ 1,200								42,000	20,000	1,200	20,000	83,200
Gas			$ 2,500	$ 2,500	$ -								2,500				2,500
Water-in-house			$ 45,000	$ 45,000	$ -									45,000			45,000
Communications	**50210**		**$ 84,600**	**$ 95,700**	**$ 11,100**	**$0**	**$0**	**$95,700**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$95,700**
Answering Service			$ 6,200	$ 6,200	$ -			6,200									6,200
ISP Internet & Cable News			$ 23,000	$ 24,000	$ 1,000			24,000									24,000
Tablet Upgrades			$ -	$ 15,000	$ 15,000			15,000									15,000
Verizon (Mobile & VPN Services)			$ 53,500	$ 40,000	$ (13,500)			40,000									40,000
Sage Networks (Desk Phones and Virtual PBX)			$ -	$ 8,500	$ 8,500			8,500									8,500
Satellite Phones			$ 1,900	$ 2,000	$ 100			2,000									2,000
Outside Contracts	**50220**		**$ 4,367,163**	**$ 4,401,555**	**$ 34,392**	**$26,600**	**$28,500**	**$849,955**	**$155,000**	**$19,000**	**$102,500**	**$110,000**	**$316,500**	**$1,196,000**	**$463,000**	**$1,134,500**	**$4,401,555**
Air Conditioner Maintenance			$ 5,500	$ 18,000	$ 12,500								18,000				18,000
Air Compressor Maintenance			$ 13,500	$ 13,500	$ -								1,500	6,000	3,000	3,000	13,500
Alchemy Migration			$ 10,000	$ -	$ (10,000)			-									0
Analyzer Maintenance (HACH)			$ 36,000	$ 36,000	$ -									22,000		14,000	36,000
Analyzer Maintenance (HACH) RMWTP			$ 8,500	$ 8,500	$ -									8,500			8,500
Araya (Metroscan/Core Logic)			$ -	$ 2,100	$ 2,100			2,100									2,100
Backflow Testing			$ 5,000	$ 5,000	$ -									2,500	2,500		5,000
Barscreen Maintenance			$ 100,000	$ 100,000	$ -										85,000	15,000	100,000
Cloud Hosting Fees -CISv5 Environment			$ 28,800	$ 30,000	$ 1,200			30,000									30,000
Consumer Confidence Rpt			$ 3,500	$ 3,500	$ -									3,500			3,500
Converting As-builts to GIS			$ 3,000	$ 3,000	$ -			3,000									3,000
County Shapefile Updates			$ 3,400	$ 3,400	$ -			3,400									3,400
Courier Service			$ 4,800	$ 5,500	$ 700						5,500						5,500
Cross-Connection Control Program			$ 160,000	$ 168,000	$ 8,000									84,000	84,000		168,000
Customer Receipt Proc. Svcs			$ 7,500	$ 7,000	$ (500)						7,000						7,000
Internal PEN Testing			$ 50,000	$ 50,000	$ -			50,000									50,000
Dig Alert (USA-Underground Svc Alert)			$ 8,000	$ 8,000	$ -				-				8,000				8,000
Distribution Maintenance			$ 450,000	$ 450,000	$ -									400,000	50,000		450,000
Document Production Software- ACFR and Budget			$ -	$ 45,285	$ 45,285			45,285									45,285
DOT Random Survey			$ 500	$ 500	$ -	500											500
Employment Background/Physical			$ 2,200	$ 2,700	$ 500	2,700											2,700
Facility Tour contracts (tent, bus, sound)			$ 20,000	$ -	$ (20,000)												-
Fuel Tank Inspections			$ 15,000	$ 15,000	$ -								15,000				15,000
General Labor			$ 11,000	$ 11,000	$ -								10,000		1,000		11,000
GIS Support Contract			$ 100,000	$ 100,000	$ -			-	100,000								100,000
Grounds Cleaning			$ 100,000	$ 100,000	$ -								30,000	40,000	20,000	10,000	100,000
Hepatitis Shots			$ 400	$ 400	$ -	400											400
Hydrant Repair/Maint.			$ 40,000	$ 40,000	$ -									40,000			40,000
Incode Out of Scope			$ 5,000	$ 5,000	$ -			5,000									5,000
Info Send			$ 65,000	$ 62,000	$ (3,000)						62,000						62,000
Info Send-Insert Mailing			$ 8,000	$ 8,000	$ -		4,000			-	4,000						8,000
Information Systems Support & Maintenance			$ 30,000	$ 60,000	$ 30,000			60,000									60,000
Inspection Services			$ 50,000	$ 55,000	$ 5,000				55,000								55,000
IT Managed Service Provider (All Connected)			$ 285,000	$ 299,250	$ 14,250			299,250									299,250
Janitor Service			$ 25,000	$ 25,000	$ -								25,000				25,000
Lab waste disposal			$ 10,000	$ 10,000	$ -							10,000					10,000
Landscaping			$ 30,000	$ 30,000	$ -								30,000				30,000
Lead Service Line Inventory (Regulatory Requirement)			$ -	$ -	$ -												0
Leak Detection			$ -	$ -	$ -												0
Maintenance Support - Alchemy			$ 3,500	$ 4,500	$ 1,000			4,500									4,500
Maintenance Support - AMR (Aclara)			$ 25,500	$ 25,500	$ -			25,500									25,500
Maintenance Support - ArcGIS Enterprise Server (ESRI)			$ 12,000	$ 12,000	$ -			12,000									12,000
Maintenance Support - Azure cloud hosted SQL database			$ -	$ 7,320	$ 7,320			7,320									7,320
Maintenance Support - CIS			$ 82,500	$ 87,500	$ 5,000			87,500									87,500
Maintenance Support - Dig-Smart Ticketing Annual Maint			$ 6,000	$ 6,000	$ -			6,000									6,000
Maintenance Support - Eagle Aerial			$ 12,000	$ 15,000	$ 3,000									7,500	7,500		15,000
Maintenance Support - Fortnite 24/7 Router/Firewall Support			$ 8,700	$ 5,000	$ (3,700)			5,000									5,000
Maintenance Support - Hosted DNS			$ 2,500	$ 2,500	$ -			2,500									2,500
Maintenance Support - Tyler Software			$ 30,000	$ 35,600	$ 5,600			35,600									35,600
Maintenance Support - ACAD (DLT/GDMS)			$ 1,300	$ 1,500	$ 200			1,500									1,500

FY 2026-27 Budget		Activity Code	FY 2025-26 District Budget Combined	FY 2026-27 District Budget Combined	Increase/ (Decrease)	Human Resources 5	General Administration 10	Info Systems 11	Resce Plng & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Grnds & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	Wastewater Services 57	All Programs Totals
Maintenance Support - SCADA Rockwell PLC Software			$ 18,900	$ 18,900	$ -			18,900									18,900
Maintenance Support - SCADA Software			$ 60,000	$ 60,000	$ -			60,000									60,000
Maintenance Support - SCADA TeamViewer			$ 6,000	$ 3,500	$ (2,500)			3,500									3,500
Maintenance Support - SCADA Win 911 Software			$ 5,000	$ 5,000	$ -			5,000									5,000
Maintenance Support - Thinking2 (website)			$ 5,000	$ 5,000	$ -			5,000									5,000
Maintenance Support - Verkada Cameras			$ 8,663	$ 8,000	$ (663)			8,000									8,000
Maintenance Support - WIMS Software			$ -	$ 10,000	$ 10,000			10,000									10,000
Maintenance Support - Zoom			$ 8,000	$ -	$ (8,000)			-									0
Manhole Rehabilitation			$ 200,000	$ 200,000	$ -											200,000	200,000
MCC IR Inspection and Cleaning			$ 130,000	$ 130,000	$ -									60,000	30,000	40,000	130,000
Meter Maintenance and Replacement		002	$ 150,000	$ 150,000	$ -									150,000			150,000
Metroscan CoreLogic			$ 2,100	$ -	$ (2,100)			-									0
Offsite Water Quality Testing			$ 82,500	$ 100,000	$ 17,500							100,000					100,000
Painting/Industrial Cleaning			$ 105,000	$ 105,000	$ -								20,000	40,000	30,000	15,000	105,000
Payment Processing - Invoice Cloud			$ 20,000	$ 24,000	$ 4,000						24,000						24,000
Pest			$ 20,000	$ 20,000	$ -								20,000				20,000
Production Copying			$ 500	$ 500	$ -		500										500
Production Meter Calibration and Repair			$ 21,000	$ 21,000	$ -									12,000	5,000	4,000	21,000
Public Hearing Notice Advertisement			$ 4,000	$ 3,000	$ (1,000)		3,000										3,000
Raise valve stackings/Manholes			$ 210,000	$ 210,000	$ -									100,000	10,000	100,000	210,000
Recruitment			$ -	$ 3,000	$ 3,000	3,000											3,000
Reservoir Cleaning			$ 90,000	$ 90,000	$ -									60,000	30,000		90,000
Road Repair/Maint.			$ 70,000	$ 70,000	$ -									40,000		30,000	70,000
Sand Removal			$ 65,000	$ 65,000	$ -										65,000		65,000
SCADA Support Services			$ 70,000	$ 70,000	$ -									40,000	10,000	20,000	70,000
Security Service			$ 8,000	$ 8,000	$ -		-						8,000				8,000
Sewer Lift Maintenance			$ 20,000	$ 20,000	$ -											20,000	20,000
Sludge Pressing			$ 115,000	$ 115,000	$ -											115,000	115,000
Sludge Removal			$ 125,000	$ 125,000	$ -											125,000	125,000
Smart Cover System Maintenance			$ 50,000	$ 55,000	$ 5,000											55,000	55,000
TO Sewer Disposal Services			$ 8,500	$ 8,500	$ -											8,500	8,500
Tree and Site Maintenance			$ 55,000	$ 55,000	$ -								15,000	25,000	15,000		55,000
Trash Removal			$ 16,500	$ 21,000	$ 4,500								6,000		5,000	10,000	21,000
Uniforms/Rug and Towel Service			$ 25,000	$ 26,000	$ 1,000	20,000	6,000										26,000
Uninterruptable Power Supply Replacement			$ -	$ 30,000	$ 30,000			30,000									30,000
Urban Water Use Objective (Reporting Requirement)			$ -	$ -	$ -												0
Vehicle Lease			$ 200,000	$ 60,000	$ (140,000)								60,000				60,000
SSL Wildcard Certificates (Comodo)			$ 3,400	$ 4,100	$ 700			4,100									4,100
VRSD			$ 350,000	$ 350,000	$ -											350,000	350,000
Water Softener			$ 5,000	$ 5,000	$ -									5,000			5,000
Water Loss Audit			$ 3,000	$ 4,000	$ 1,000					4,000							4,000
Water Loss Control & Leak Detection			$ 70,000	$ 75,000	$ 5,000					15,000				50,000	10,000		75,000
Waterworth Rate Model			$ 15,000	$ 15,000	$ -		15,000										15,000
Weed Abatement			$ 50,000	$ 50,000	$ -								50,000				50,000
Workflow App Annual Support			$ 17,500	$ 20,000	$ 2,500			20,000									20,000
Professional Services	**50230**		**$ 1,379,130**	**$ 1,559,826**	**$ 180,696**	**$10,000**	**$883,947**	**$0**	**$75,000**	**$0**	**$269,000**	**$0**	**$0**	**$260,500**	**$43,500**	**$17,879**	**$1,559,826**
Arbitrage			$ 700	$ 700	$ -		700										700
Audit			$ 34,180	$ 35,547	$ 1,367		35,547										35,547
ACFR Review			$ 600	$ 600	$ -		600										600
CSMFO Budget Review			$ 150	$ 200	$ 50		200										200
Defined Benefit Evaluation			$ 10,000	$ 10,000	$ -	10,000											10,000
Digital AI Assessment			$ 65,000	$ -	$ (65,000)			-									0
Docu Management Program			$ -	$ 10,000	$ 10,000		10,000										10,000
On-Call Engineering Services			$ 75,000	$ 75,000	$ -				75,000								75,000
Financial Advisor			$ 20,000	$ -	$ (20,000)		-										0
Grant Applications (monitoring, applications, admin)			$ 65,000	$ 65,000	$ -		65,000										65,000
In-Lieu Fee Study			$ 10,000	$ -	$ (10,000)				-								0
Investment Policy Review			$ 6,000	$ 5,600	$ (400)		5,600										5,600
Impact Fees Reporting - NBS			$ -	$ 6,300	$ 6,300		6,300										6,300
Master Plan			$ 550,000	$ 760,000	$ 210,000		760,000										760,000
Master Plan Program EIR			$ 100,000	$ -	$ (100,000)		-										0
OPV Basin - As needed services			$ 30,000	$ 16,000	$ (14,000)									10,000	6,000		16,000
Preliminary Design PV #3			$ 72,000	$ 72,000	$ -									72,000			72,000
Public Relations			$ 35,000	$ 269,000	$ 234,000						269,000						269,000
PV Modeling			$ 20,000	$ 60,000	$ 40,000									60,000			60,000
PV Modeling Project Manager			$ 2,500	$ 6,000	$ 3,500									6,000			6,000
Rate Consultant			$ 50,000	$ -	$ (50,000)												0
Santa Rosa Basin GSA			$ -	$ -	$ -												0
TMDL			$ 18,000	$ 17,879	$ (121)											17,879	17,879
Urban Water Management Plan			$ 65,000	$ -	$ (65,000)												0
Well Asset Management			$ 150,000	$ 150,000	$ -									112,500	37,500		150,000
					$ -												

FY 2026-27 Budget

		Activity Code	FY 2025-26 District Budget Combined	FY 2026-27 District Budget Combined	Increase/ (Decrease)	Human Resources 5	General Administration 10	Info Systems 11	Resce Plng & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Grnds & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	Wastewater Services 57	All Programs Totals
Pipeline Maintenance	**50240**		**$ 490,000**	**$ 490,000**	**$ -**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$380,000**	**$80,000**	**$30,000**	**$490,000**
Unscheduled Leak Repairs			$ 490,000	$ 490,000	$ -									380,000	80,000	30,000	490,000
					$ -												
Small Tools & Equipment	**50250**		**$ 47,350**	**$ 54,500**	**$ 7,150**	**$0**	**$5,000**	**$0**	**$500**	**$0**	**$0**	**$17,500**	**$2,000**	**$20,000**	**$4,500**	**$5,000**	**$54,500**
Ergonomic office equipment			$ 4,000	$ 5,000	$ 1,000		5,000										5,000
Hand Tools			$ 28,100	$ 27,750	$ (350)				500			750	2,000	15,000	4,500	5,000	27,750
Lab Equipment			$ 7,000	$ 13,500	$ 6,500							13,500					13,500
RMWTP - Hand Tools		001	$ 5,000	$ 5,000	$ -									5,000			5,000
Sampling Tools			$ 3,250	$ 3,250	$ -							3,250					3,250
Materials & Supplies	**50260**		**$ 1,563,715**	**$ 1,628,250**	**$ 64,535**	**$0**	**$36,500**	**$0**	**$250**	**$0**	**$3,000**	**$51,000**	**$135,000**	**$1,208,000**	**$37,000**	**$157,500**	**$1,628,250**
Argon Gas/Welding Gas			$ 6,300	$ 6,300	$ -							3,300	3,000				6,300
Business Cards			$ 1,000	$ 1,000	$ -		1,000										1,000
Check Stock/Tax Forms			$ 1,000	$ 500	$ (500)		500										500
Chemicals (Ammonia, Alum, Chlorine, CO2, Misc)			$ 405,000	$ 405,000	$ -									285,000		120,000	405,000
Distilled Water Svc			$ 1,715	$ 1,715	$ -							715				1,000	1,715
Door Hangers			$ 1,000	$ 1,000	$ -						1,000						1,000
Equip/Glassware			$ 8,800	$ 8,800	$ -							8,800					8,800
Flags			$ 1,000	$ 1,000	$ -		-						1,000				1,000
Fuel			$ 155,000	$ 165,000	$ 10,000								120,000	30,000	10,000	5,000	165,000
GAC Media Replacement			$ 220,000	$ 260,000	$ 40,000									260,000			260,000
General Materials			$ 10,000	$ 10,000	$ -									10,000			10,000
General Postage Charges			$ 6,500	$ 6,500	$ -		6,500										6,500
Kitchen/Restroom Supplies			$ 10,000	$ 11,500	$ 1,500		11,500										11,500
Office Supplies			$ 14,000	$ 16,000	$ 2,000		16,000										16,000
Parcel Service			$ 500	$ 500	$ -		500										500
Petroleum Lubricants			$ 10,500	$ 10,500	$ -								-	6,000	3,000	1,500	10,500
Pipe Supplies			$ 40,000	$ 40,000	$ -									20,000	20,000		40,000
Print Cartridges (5si,Laser,Epson color)			$ -	$ -	$ -												0
Pump Packing/Hoses			$ 7,000	$ 7,000	$ -									3,000	4,000		7,000
Reagents			$ 77,050	$ 81,085	$ 4,035							21,085		30,000		30,000	81,085
Recertification Samples			$ 8,000	$ 10,000	$ 2,000							10,000					10,000
Reference Materials			$ 1,850	$ 1,850	$ -		500		250			1,100					1,850
RMWTP - Cartridge Filters		001	$ 9,000	$ 9,000	$ -									9,000			9,000
RMWTP - Chemicals		001	$ 500,000	$ 500,000	$ -									500,000			500,000
RMWTP - Reagents		001	$ 10,000	$ 10,000	$ -									10,000			10,000
RMWTP - Supplies and Materials		001	$ 40,000	$ 40,000	$ -									40,000			40,000
Salt/Chlorine			$ -	$ -	$ -												0
Supplies/Parts			$ 11,000	$ 11,000	$ -								6,000	5,000			11,000
Testing Materials			$ -	$ 6,000	$ 6,000							6,000					6,000
Tour Materials			$ 1,500	$ -	$ (1,500)						-						0
Underground Service Alert Supplies			$ 5,000	$ 5,000	$ -				-				5,000				5,000
Water Efficient Devices			$ 1,000	$ 2,000	$ 1,000						2,000						2,000
Repair Parts & Equipment Maintenance	**50270**		**$ 1,465,000**	**$ 1,520,000**	**$ 55,000**	**$0**	**$0**	**$75,000**	**$0**	**$0**	**$0**	**$12,000**	**$80,500**	**$832,500**	**$385,000**	**$135,000**	**$1,520,000**
Blueprint/Plotting Supplies/Services			$ 15,000	$ 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			$ 54,000	$ 57,000	$ 3,000			57,000									57,000
Instrument Repairs-Lab			$ 2,000	$ 4,000	$ 2,000							4,000					4,000
Metals Analyzer Maintenance			$ 6,000	$ 6,000	$ -							6,000					6,000
Metering Repair & Equipment Maintenance		002	$ 500,000	$ 500,000	$ -									400,000	100,000		500,000
Printer Maintenance			$ 3,000	$ 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
RMWTP		001	$ 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	$ 170,000	$ 50,000									95,000	45,000	30,000	170,000
Legal Services	**50280**		**$ 305,000**	**$ 570,000**	**$ 265,000**	**$0**	**$170,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$240,000**	**$160,000**	**$0**	**$570,000**
Legal Counsel			$ 120,000	$ 130,000	$ 10,000		130,000							-	-		130,000
Legal Counsel - Special Counsel			$ 185,000	$ 440,000	$ 255,000		40,000							240,000	160,000		440,000
					$ -												

FY 2026-27 Budget		Activity Code	FY 2025-26 District Budget Combined	FY 2026-27 District Budget Combined	Increase/ (Decrease)	Human Resources 5	General Administration 10	Info Systems 11	Resce Plng & Engin Ser. 12	Water Resource Management 22	Customer Service 24	Water Quality 25	Build/Grnds & Rolling Stk 26	Potable Water 52	Non-Potable Water 53	Wastewater Services 57	All Programs Totals
Dues & Subscriptions	**50290**		**$ 57,000**	**$ 58,575**	**$ 1,575**	**$7,000**	**$50,575**	**$1,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$55,075**
ACWA			$ 27,500	$ 27,500	$ -		27,500										27,500
AWA			$ 8,000	$ 4,000	$ (4,000)		4,000										4,000
AWWA			$ 2,850	$ 2,850	$ -		2,850										2,850
CalWEP			$ -	$ 3,500	$ 3,500		3,500										
CASA			$ 6,500	$ 6,500	$ -		6,500										6,500
CMUA			$ 5,000	$ 5,500	$ 500		5,500										5,500
CWEA			$ -	$ -	$ -											-	0
IT Knowledge Base			$ -	$ -	$ -												0
Memberships			$ 3,000	$ 3,000	$ -	3,000											3,000
Recertifications			$ 4,000	$ 4,000	$ -	4,000											4,000
VCSDA			$ 150	$ 725	$ 575		725										725
Water Reuse			$ -	$ -	$ -												0
WCVC			$ -	$ -	$ -												0
YouTube TV for OPS Emergency Monitoring			$ -	$ 1,000	$ 1,000			1,000									1,000
Conference & Travel	**50300**		**$ 28,400**	**$ 42,400**	**$ 14,000**	**$11,600**	**$30,800**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$42,400**
ACWA			$ 17,000	$ 20,000	$ 3,000	4,000	16,000										20,000
AWA			$ 1,600	$ 4,600	$ 3,000	600	4,000										4,600
CASA			$ 4,500	$ 4,500	$ -		4,500										4,500
General Meetings			$ 3,000	$ 11,000	$ 8,000	5,000	6,000										11,000
SWRCB/Legislature			$ 2,000	$ 2,000	$ -	2,000											2,000
VCSDA			$ 300	$ 300	$ -		300										300
Safety & Training	50310		$ 57,000	$ 78,000	$ 21,000	$78,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$78,000
Employee Recognition			$ 10,000	$ 20,000	$ 10,000	20,000											20,000
Education Courses			$ 15,000	$ 21,000	$ 6,000	21,000											21,000
Safety Luncheons			$ 12,000	$ 12,000	$ -	12,000											12,000
Safety Shoes			$ 5,000	$ 5,000	$ -	5,000											5,000
Technical Seminars/Safety Training			$ 15,000	$ 20,000	$ 5,000	20,000											20,000
					$ -												
Board Expense	**50330**		**$ 177,000**	**$ 190,000**	**$ 13,000**	**$0**	**$190,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$190,000**
Directors Fees			$ 177,000	$ 190,000	$ 13,000		190,000										190,000
Election Costs			$ -	$ -	$ -												0
					$ -												
Bad Debt	**50340**		**$ 10,000**	**$ 10,000**	**$ -**	**$0**	**$10,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$10,000**
Bad Debt			$ 10,000	$ 10,000	$ -		10,000										10,000
					$ -												
Fees and Charges	**50350**		**$ 356,375**	**$ 362,725**	**$ 6,350**	**$250**	**$58,400**	**$0**	**$0**	**$0**	**$0**	**$15,000**	**$16,500**	**$168,575**	**$19,500**	**$84,500**	**$362,725**
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			$ 25,000	$ 25,000	$ -		25,000										25,000
City of Camarillo Encroachment Permit			$ 7,500	$ 7,500	$ -								7,500				7,500
Collection Agency			$ 500	$ 300	$ (200)		300										300
EPA Fees			$ 1,500	$ 1,500	$ -											1,500	1,500
GASB 68 Report			$ 800	$ 350	$ (450)		350										350
GMA Extraction Fees			$ 75,000	$ 75,000	$ -									75,000			75,000
Health Savings Administration Fee			$ 250	$ 250	$ -	250											250
LAFCO			$ 18,000	$ 26,000	$ 8,000		26,000										26,000
MWPRCA			$ 1,000	$ -	$ (1,000)		-										0
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			$ 76,000	$ 76,000	$ -									60,000	16,000		76,000
Ventura Co. Annual Excavation Permit			$ 2,500	$ 2,500	$ -								2,500				2,500
Ven Co. HazMat Fee (fuel tanks)			$ 27,500	$ 27,500	$ -								2,500	17,000		8,000	27,500
Ventura Co. Generator Permits			$ 21,000	$ 21,000	$ -								4,000	12,000		5,000	21,000
Ventura Co. Watershed			$ 5,500	$ 5,500	$ -									2,500	3,000		5,500
Wilmington Trustee Fees			$ 2,750	$ 2,750	$ -		2,750										2,750
Insurance	**50360**		**$ 216,500**	**$ 217,000**	**$ 500**	**$0**	**$217,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$217,000**
Claims against Self-Insurance			$ 10,000	$ 10,000	$ -		10,000										10,000
Liability			$ 117,500	$ 115,000	$ (2,500)		115,000										115,000
Property (Auto) & Cyber			$ 89,000	$ 92,000	$ 3,000		92,000										92,000