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A CENTURY OF SERVICE, QUALITY AND STEWARDSHIP

BEAUMONT-CHERRY VALLEY WATER DISTRICT



- FY 2027 OPERATING BUDGET
- COMMUNITY FACILITY DISTRICT BUDGET
- 2027-2031 CAPITAL IMPROVEMENT BUDGET

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Budget Message

January 01, 2027

To the Board of Directors, Customers, and Stakeholders of the Beaumont-Cherry Valley Water District:

The Beaumont-Cherry Valley Water District (BCVWD or District) and its Board of Directors remain committed to providing safe, reliable, and high-quality water service to the residents and businesses of Beaumont and Cherry Valley. The Fiscal Year (FY) 2027 Budget reflects this commitment through responsible financial planning, continued investment in water infrastructure, and careful consideration of the economic, regulatory, and operational challenges facing the District.

Development of the FY 2027 budget required balancing the increasing costs of maintaining essential services with the long-term investments necessary to support water supply reliability, organizational growth, and infrastructure sustainability. The budget also reflects changes in the District's organizational structure, continued efforts to strengthen workforce development and succession planning, and strategic decisions intended to position the District for future community needs.

The FY 2027 budget document provides a comprehensive financial plan encompassing the District's Operating Budget, Community Facilities District (CFD), and five-year Capital Improvement Budget (CIB). Together, these components outline the District's financial priorities, anticipated operating requirements, and planned investments in infrastructure and long-term system reliability.

Accomplishments and Progress

Throughout 2026, the District continued advancing initiatives that strengthen water supply reliability, improve operational efficiency, and support responsible stewardship of public resources. Among the District's most notable accomplishments are:

- **Water Supply and Infrastructure Reliability:** Advanced groundwater production and infrastructure improvements, including development of new wells, replacement of aging water mains, and planning for future storage and distribution facilities.
- **Long-Term Water Planning:** Completed the District's 2025 Urban Water Management Plan and updated Water Shortage Contingency Plan, supporting water supply planning through 2050.
- **Technology and Operational Efficiency:** Strengthened cybersecurity through advanced threat detection and automated incident response, while implementing electronic workflows to improve administrative efficiency and interdepartmental coordination.
- **Workforce Development:** Advanced employee mentorship, leadership development, and succession planning initiatives to strengthen organizational continuity and prepare employees for future responsibilities.
- **Financial and Organizational Excellence:** Continued the District's commitment to sound financial management, employee engagement, and organizational improvement, supported by professional recognition and ongoing efforts to strengthen public accountability.

These accomplishments demonstrate the District's continued focus on operational excellence, long-term planning, and maintaining a reliable water system while responding to the evolving needs of the community.

Basis of Budgeting

The District maintains its financial records in accordance with Generally Accepted Accounting Principles (GAAP), using the full accrual basis of accounting applicable to enterprise funds. Under this method, revenues are

recognized when earned and expenses are recognized when incurred, providing consistent and comparable information regarding the District's financial position and operating results.

The annual operating budget serves as a financial management tool to guide the allocation of resources, evaluate operating requirements, and support the District's strategic priorities. The budget is developed with consideration of projected revenues, anticipated operating expenditures, available reserves, and planned capital investments.

Budget development is a collaborative process involving staff across all departments. Each division evaluates existing programs, anticipated service requirements, staffing needs, and opportunities for operational improvement. Proposed expenditures are reviewed in relation to the District's financial resources and long-term priorities, with the goal of maintaining responsible fiscal management while providing essential water services.

Summary of Revenues and Expenses

For FY 2027, the District anticipates net revenues of $25,610,800 and net expenses of $24,865,700, resulting in a projected net increase of $745,100. Budgeted net expenses represent a 5.62% increase over the FY 2026 Adopted/Amended Budget.

Operating revenues continue to be primarily driven by water sales, including pass-through charges, which represent approximately 85.9% of total revenues. Other revenue sources include service fees, reimbursements, investment earnings, and miscellaneous income. Revenue projections consider historical water production and consumption trends, anticipated customer growth, weather-related variability, and the potential effects of conservation and customer behavior.

On the expenditure side, the District continues to evaluate increasing costs associated with electricity, fuel, insurance, personnel, facilities, equipment, and regulatory compliance. The FY 2027 budget also reflects organizational changes, expanded facility requirements, and continued investment in infrastructure maintenance and replacement.

Salaries and benefits represent approximately 45.0% of budgeted net expenses, reflecting a 10.5% increase over the prior year. This increase incorporates continued growth in employee health insurance costs, negotiated compensation and benefit provisions resulting from the District's 2026 Memorandum of Understanding (MOU) negotiations, and additional positions supporting succession planning and operational requirements. Staffing considerations also reflect increased administrative and compliance responsibilities associated with state-mandated programs, including expanded cross-connection control requirements.

The District's capital improvement and replacement programs remain important components of its long-term financial planning. Projects are funded through a combination of available operating revenues, reserves, capacity charges, and other appropriate funding sources. As significant infrastructure needs advance, the District will continue evaluating financing alternatives and project priorities to maintain financial stability while addressing future water system requirements.

Short- and Long-Term Issues Impacting the Budget

The District's financial planning is influenced by immediate operational needs and long-term considerations extending beyond the annual budget cycle. Several factors played an important role in developing the FY 2027 budget and will continue influencing future financial decisions.

Water Supply Sustainability and Long-Term Reliability

Ensuring a sustainable and reliable water supply remains one of the District's highest priorities. Through its continued partnership with the San Gorgonio Pass Water Agency (SGPWA), the District has prioritized the

acquisition and storage of water to strengthen long-term supply reliability and prepare for future drought conditions or potential supply limitations.

With the continued support and long-term vision of the Board of Directors and General Manager, the District has invested in additional water purchases beyond its immediate replenishment needs, increasing groundwater storage reserves for future use. Although these purchases represent a significant financial commitment, they reflect a proactive approach to protecting the community's water resources and maintaining flexibility during periods of uncertainty.

The District also continues monitoring regional and statewide water supply initiatives, including the Sites Reservoir Project, which may contribute to California's long-term water storage and supply reliability. These efforts, together with continued coordination with SGPWA, reflect the District's commitment to planning beyond current needs and strengthening water security for future generations.

Economic Conditions and Increasing Operating Costs

The District continues to experience financial pressures associated with changing economic conditions at the local, national, and global levels. Inflation, fluctuations in energy markets, and broader economic uncertainty influence the cost of materials, equipment, construction, and essential utility services. These conditions can create challenges in forecasting future expenses and require continued monitoring as economic circumstances evolve.

Like the customers it serves, the District is affected by increasing utility and operating expenses. Electricity is a significant component of water production and distribution costs, while fuel, vehicle maintenance, insurance, and facility-related expenses continue to place pressure on operating budgets.

These financial considerations require the District to carefully evaluate expenditure requests, monitor changing market conditions, and incorporate reasonable cost assumptions into its financial projections. The FY 2027 budget seeks to balance these economic pressures with the District's responsibility to maintain reliable service and responsibly manage customer revenues.

Organizational Growth, Facilities, and Workforce Planning

As the District's operational responsibilities continue to expand, its organizational structure and facilities must evolve to support current and future needs.

During late 2026, the District relocated its Engineering and Operations personnel to a larger property that provides additional office and meeting space to better accommodate current staffing and operational requirements. Although this transition increases ongoing expenses associated with rent and utilities, it addresses immediate space limitations while the District evaluates opportunities to eventually develop a permanent facility capable of supporting future growth. Recognizing that such a project would require several years of planning and development, the current arrangements provide an interim solution.

The FY 2027 budget also reflects organizational changes intended to improve accountability, operational oversight, and workforce continuity. These include establishing Human Resources and Risk Management as a separate department, distinguishing Maintenance as its own division within Operations, and evaluating position classifications and reporting relationships to better align responsibilities with District needs.

Additionally, the budget incorporates consideration of an Assistant General Manager position as part of the District's long-term leadership and succession planning efforts. This position, together with continued employee development and organizational assessments, reflects the District's commitment to maintaining effective leadership, strengthening institutional knowledge, and preparing for future transitions.

While these changes may increase near-term personnel and facility expenditures, they represent strategic investments in organizational capacity, operational efficiency, and the District's ability to meet the growing demands of the community.

Water Rates, Conservation, and Customer Behavior

Water sales remain the District's primary source of operating revenue, making changes in customer consumption an important consideration in the annual budget process. Following implementation of the updated water rate structure in 2025, the District continues monitoring consumption patterns, revenue performance, and the effects of customer conservation efforts.

The FY 2027 budget incorporates historical water production and consumption trends, anticipated growth, and conservative assumptions regarding future water demand. These considerations are particularly important because many of the District's operating and infrastructure costs remain necessary regardless of changes in customer consumption.

California's Making Conservation a Way of Life regulations further reinforce the importance of long-term water efficiency planning. The District continues evaluating conservation requirements, water loss reduction efforts, and public outreach initiatives while considering the financial implications of changing water use patterns. These considerations will also inform the next phase of the District's Cost-of-Service Study.

Infrastructure Investment and Regulatory Compliance

Maintaining a safe and reliable water system requires continued investment in aging infrastructure, water production facilities, treatment capabilities, and regulatory compliance. The District's five-year Capital Improvement Budget identifies projects necessary to strengthen system capacity, improve reliability, and accommodate future development.

Water quality regulations remain an important consideration, particularly the requirements associated with hexavalent chromium. The District continues evaluating treatment alternatives, operational strategies, and potential regional solutions, recognizing that future compliance measures may require significant capital investment and additional operating expenditures.

The District is also implementing its Fleet Management and Replacement Plan to address aging vehicles, operational efficiency, and applicable state fleet requirements. Together, these considerations reinforce the importance of long-term capital planning, careful project prioritization, and maintaining financial flexibility to respond to changing conditions.

Long-Term Financial Outlook

The District remains committed to maintaining a strong financial position while making the investments necessary to support reliable water service for current and future customers.

The FY 2027 budget reflects a combination of immediate operating requirements and strategic decisions intended to strengthen the District over time. Investments in groundwater storage, infrastructure improvements, organizational capacity, and regulatory compliance may increase expenditures in the near term but are necessary considerations in maintaining long-term service reliability and financial sustainability.

The District's financial planning also incorporates the administration of Community Facilities District No. 2025-1, which provides a dedicated funding mechanism for eligible infrastructure-related obligations associated with development. The CFD is presented separately within the budget document to provide transparency regarding its revenues, expenditures, and long-term financial responsibilities.

As the District evaluates future capital requirements, it will continue assessing available reserves, projected revenues, development-related funding, and potential financing opportunities. These evaluations will help determine the appropriate timing and funding of major projects while maintaining responsible financial practices.

Continued coordination with regional water agencies, careful monitoring of economic conditions, and ongoing evaluation of customer consumption and operating expenses will remain essential to the District's financial planning.

Looking Ahead

The FY 2027 Budget reflects the District's continued commitment to responsible financial stewardship, reliable water service, and thoughtful preparation for the future. While economic uncertainty, regulatory requirements, and increasing operating costs present challenges, the District remains focused on making decisions that support long-term sustainability and organizational resilience.

Through continued investment in water supply reliability, strategic infrastructure improvements, workforce development, and regional partnerships, the District is working to ensure that its water system remains capable of meeting the needs of a growing community.

These efforts are made possible through the dedication of District employees and the continued leadership and guidance of the Board of Directors. Together, they reflect BCVWD's commitment to transparency, accountability, and responsible management of the water resources entrusted to its care.

Respectfully Submitted,

Daniel Jaggers

General Manager





Overview

Picture Pending

About the District

Our Mission

It is the mission of Beaumont-Cherry Valley Water District to be a leader in water resource management while providing our customers with safe, reliable drinking water at the lowest possible cost.

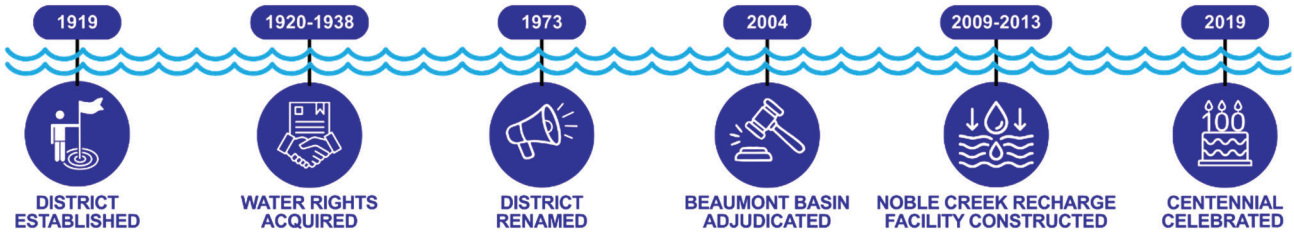
Our Vision

To ensure long-term sustainability through further development of local water resources and to be recognized in the community for our transparency, integrity, and dedication in providing high-quality drinking water to our customers.

History

Beaumont-Cherry Valley Water District traces its roots to private water systems developed in the late 1800s to support settlement and agriculture in Beaumont and Cherry Valley. The District was formed in 1919 as the Beaumont Irrigation District under California Irrigation District law, Water Code Section §20500 et seq by vote of the people. In December 1920 the district purchased holdings of the Beaumont Land & Water Company and the San Gorgonio Land and Water Company and became part of the public agency.

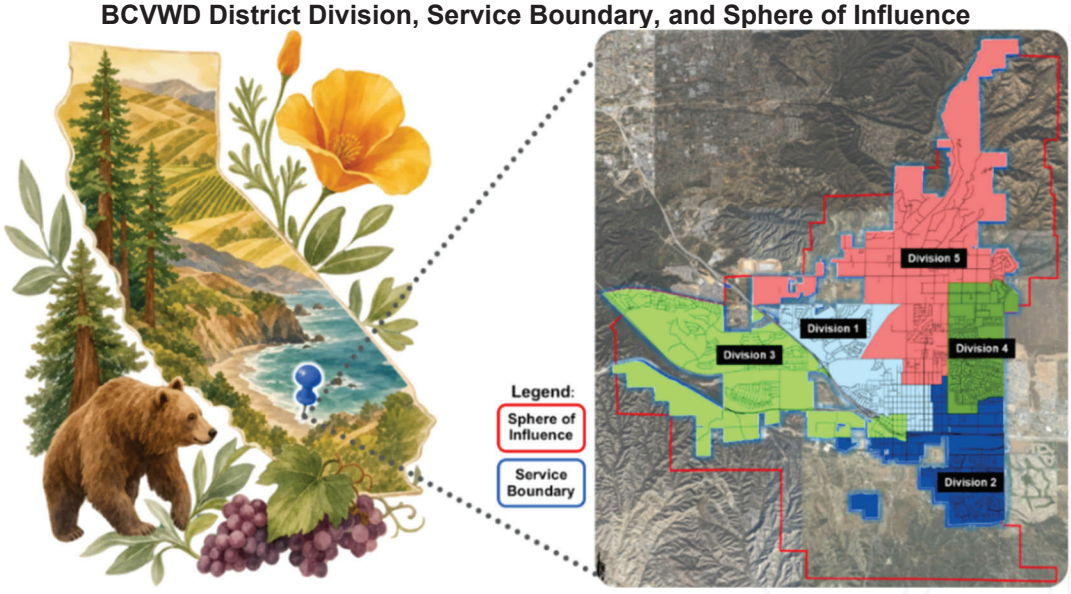
As agricultural irrigation declined and residential demand increased, the District's role evolved; it adopted the name Beaumont-Cherry Valley Water District in 1973. After the Beaumont Basin's 2004 groundwater adjudication, replenishment became central to meeting the District's water needs. Construction of the Noble Creek Recharge Facility in 2006 and its expansion in 2013 strengthened the District's ability to store imported water underground for future use. The District celebrated its centennial in 2019, marking a century of adapting its water system to serve a growing community.



Service Area

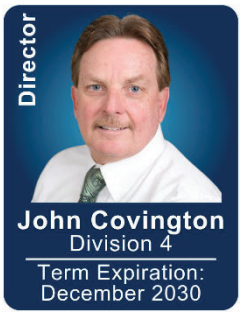
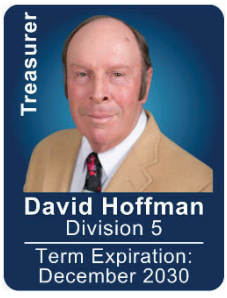
Beaumont-Cherry Valley Water District's service area consists of approximately 28 square miles, virtually all of which is in Riverside County and includes the City of Beaumont, the community of Cherry Valley, and some small areas of the City of Calimesa.

BCVWD District Division, Service Boundary, and Sphere of Influence



District Governance

The District's five-member Board of Directors represents five divisions, with members residing in their respective divisions and elected at large to staggered four-year terms. Under the Board-Manager form of government, the Board appoints a General Manager to oversee daily operations and implement Board policy. The Board typically meets on the second Wednesday and fourth Thursday of each month. Before each fiscal year, it adopts an operating budget to authorize spending, guide financial reporting and controls, and ensure accountability for District funds.

	Andy Ramirez has served on the BCVWD Board since 2016, bringing experience overseeing municipal water and sewer utilities. He has advanced conservation, recycled water cooperation, and grant-funded meter modernization. Having begun his water-industry career installing water and sewer pipelines, he combines practical infrastructure experience with a master's degree in public administration, bringing both operational and administrative perspectives to District governance and long-term planning.
	Lona Williams has served on the BCVWD Board since 2018, holding all four officer positions. Her service on the Finance and Audit, Personnel, Communications, and Board Policies committees has supported District governance and oversight. Active in Association of California Water Agencies groundwater-related committees, she emphasizes long-term water planning and reliable service. A U.S. Army veteran with an MBA, she supports responsible investment in water infrastructure, technology, and cybersecurity.
	Daniel Slawson has served on the BCVWD Board since 2012, holding all four officer positions. His service has supported financial stability and collaboration among special districts. As Chair of the San Gorgonio Pass Regional Water Alliance, he promotes conservation and regional cooperation. A licensed land surveyor, he brings extensive infrastructure planning experience to District decisions. His commitment to open communication and cooperative governance supports the District's long-term success.
	John Covington has served on the BCVWD Board since 2014 and has nearly four decades of water-industry experience. Since 2005, he has managed the Morongo Band of Mission Indians' Water and Wastewater Departments. He advocates for Native American water resources and water rights and serves on statewide and national water boards. He holds California Grade III certifications in water distribution and treatment. He also serves as Tribal Government Administrator, overseeing multiple departments beyond water operations.
	David Hoffman has served on the BCVWD Board since 2014. As Finance and Audit Committee Chair since 2016, he promotes financial accountability and responsible management of District resources. His priorities include additional water sources, safe drinking water, and quality infrastructure improvements. He has more than four decades of business and fiscal management experience. A longtime local businessman, he also emphasizes community engagement and maintaining a safe, supportive work environment for District employees.

(1) Board members and their elected positions as of December 31, 2026

Water Services, Supply, and Reliability

The District has both potable and non-potable water distribution systems. The District has 24 wells and 13 tanks ranging from 0.5 million gallons (MG) to 5 MG. Total storage approximates 23 MG.

The District's water production for the year ended December 31, 2025, totaled 13,428.03 acre-feet (AF) and consisted of 1,953 AF allocation of unused overlying water rights as determined by the Beaumont Basin Watermaster (BBW). Groundwater was pumped from Edgar Canyon (2,229.36 AF) and the Beaumont Basin (11,198.67 AF). The allocation of unused overlying water rights within the Beaumont Basin is calculated with the volume of available water not produced by the Overlying Parties and distributed to the Beaumont Basin Appropriators.

At the end of September 2026, the District had 22,402 permanent connections, 93.2% of which are for single-family residences. This reflects an increase of 213 connections since September 30, 2025.



About the Community

Local Economy and Profile

The District's service area is located within Riverside County, the fourth largest county in California by total area, according to the United States Census Bureau. Riverside County and San Bernardino County comprise the Inland Empire, one of the nation's fastest-growing metropolitan regions, encompassing approximately 27,000 square miles. The City of Beaumont has experienced significant population growth, increasing from 36,877 residents in the 2010 Census to 53,036 in 2020, while the community of Cherry Valley grew more modestly from 6,362 to 6,509 residents during the same period. By 2026, the District estimates that approximately 68,000 residents reside within the communities of Beaumont and Cherry Valley. This continued growth reflects an expanding customer base and increasing demand for housing, public services, and water infrastructure, reinforcing the importance of long-term water supply planning and strategic infrastructure investment.

Beaumont's median household income was $105,164 in the 2019–2023 ACS, compared with $78,111 in 2014–2018 while Cherry Valley's corresponding estimates were $78,125 and $54,675. Housing and commerce underpin the area's economic base. Estimated homeownership increased from 76.7% to 80.1% in Beaumont and from 78.6% between 2014-2018 to 85.0% between 2019–2023 based on the 5-year American Community Survey US Census Survey. Beaumont recorded approximately $794.8 million in retail sales, $99.1 million in accommodation and food-service sales, and $91.6 million in health care and social-assistance revenue in the 2022 Economic Census. Together, these figures suggest that residential growth and consumer-serving businesses remain important to the local economy, reinforcing the District's need to plan for reliable water service and infrastructure capacity. Table 2 presents additional demographic and economic statistics for the County of Riverside.

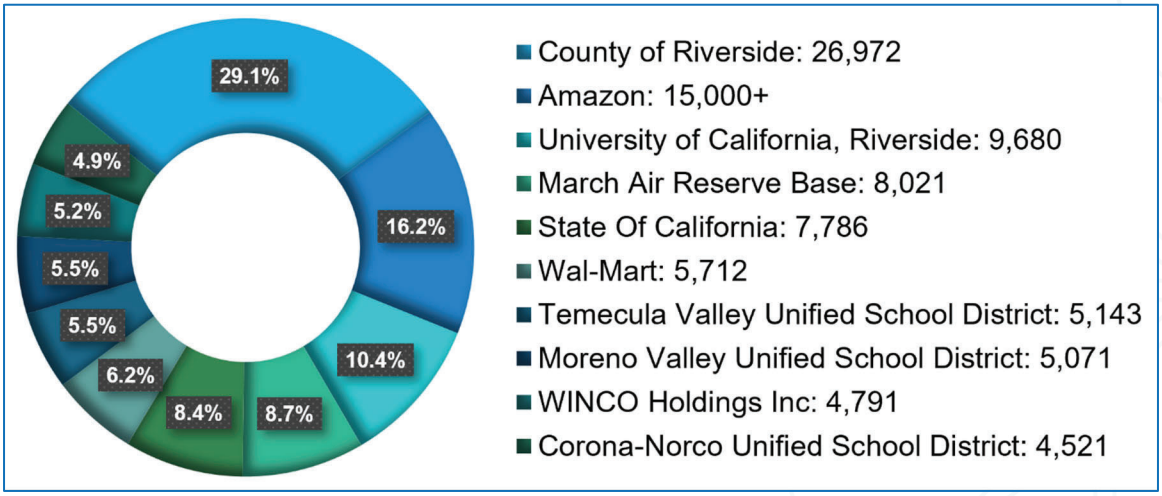
Table 2 – Demographic and Economic Statistics for the Last Ten Years

		County of Riverside		
Calendar Year	*City of Beaumont Population	Median Household Income	Per Capita Personal Income	Unemployment Rate
2016	45,349	57,972	24,443	11.3%
2017	46,179	60,807	25,700	4.3%
2018	49,630	63,948	27,142	4.1%
2019	51,475	67,005	28,596	3.6%
2020	52,686	67,005	28,596	8.6%
2021	53,036	71,000	29,900	4.9%
2022	54,690	76,066	32,079	4.3%
2023	57,416	81,928	33,100	4.2%
2024	59,708	89,672	37,162	4.2%
2025	59,896	93,074	38,317	5.2%

Sources:
Population : State of California Department of Finance , as of 12-31
County Data : Riverside County Office of Economic Development
Source: *United States Census Bureau*
Note: *BCVWD serves both the City of Beaumont and the Community of Cherry Valley, totaling a service population of approximately* ***68,000; Source:*** *2025 San Gorgonio Pass Regional Urban Water Management Plan*

The District's current customer base comprises primarily residential and commercial customers. Large consumers remain consistent year to year, with Beaumont Unified School District, CJ Foods, Country Highland MHC, Highland Springs Resort, and Perricone Juices, rounding out the top five users.

Table 3 – Top 10 Employers in Riverside County - April 2026

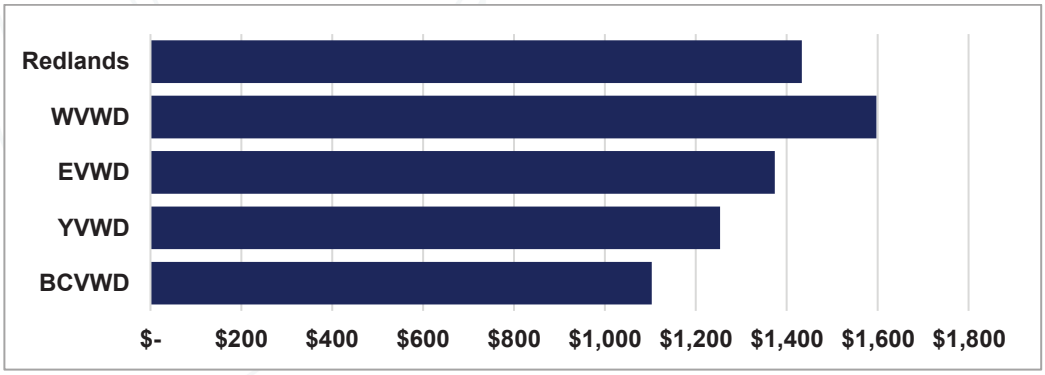


Source: *Riverside County Economic Development Agency*

Compared to Other Agencies

Operating Cost per Customer Meter

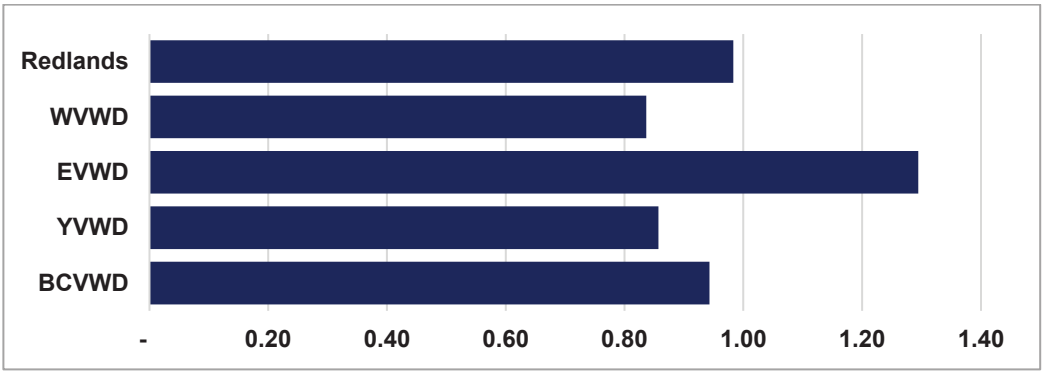
Measure of how much it costs to serve each customer device, helping to assess overall operational efficiency and cost control.



Factors Affecting the Ratio:
Service Area Size and Density
Infrastructure Age
Regulatory Compliance
Water Source(s)
Energy Costs

Cost Recovery Ratio

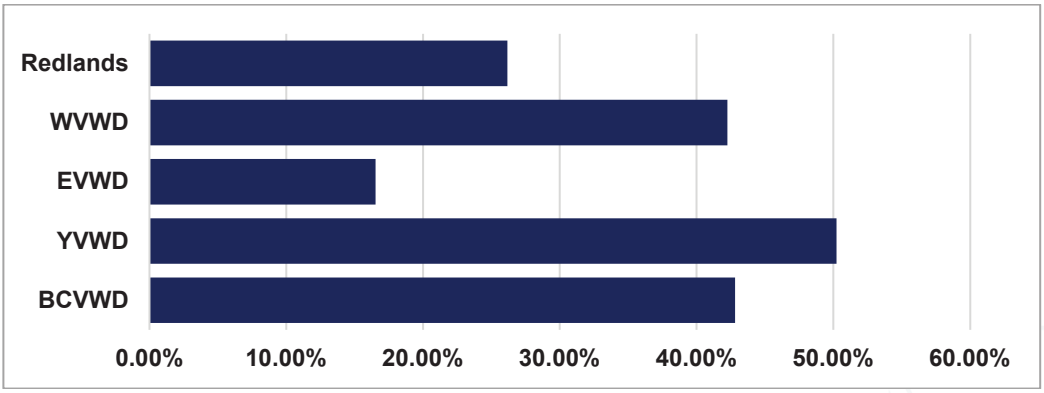
The percentage of operating costs recovered through water rates and fees, showing whether revenue generation aligns with operational expenses.



Factors Affecting the Ratio:
Revenue Generation
Operating Costs
Capital Investments and Debt
External Factors

Capital Expenditures as a Percentage of Total Expenditures

Represents the portion of total spending allocated to infrastructure and long-term assets, balancing the maintenance of current systems with planning for future needs.



Factors Affecting the Ratio:
Asset Lifecycle
Long-Term Sustainability
Debt and Funding Sources

Comparators referenced: *City of Redlands (Redlands), West Valley Water District (WVWD), East Valley Water District (EVWD) and Yucaipa Valley Water District (YVWD)*

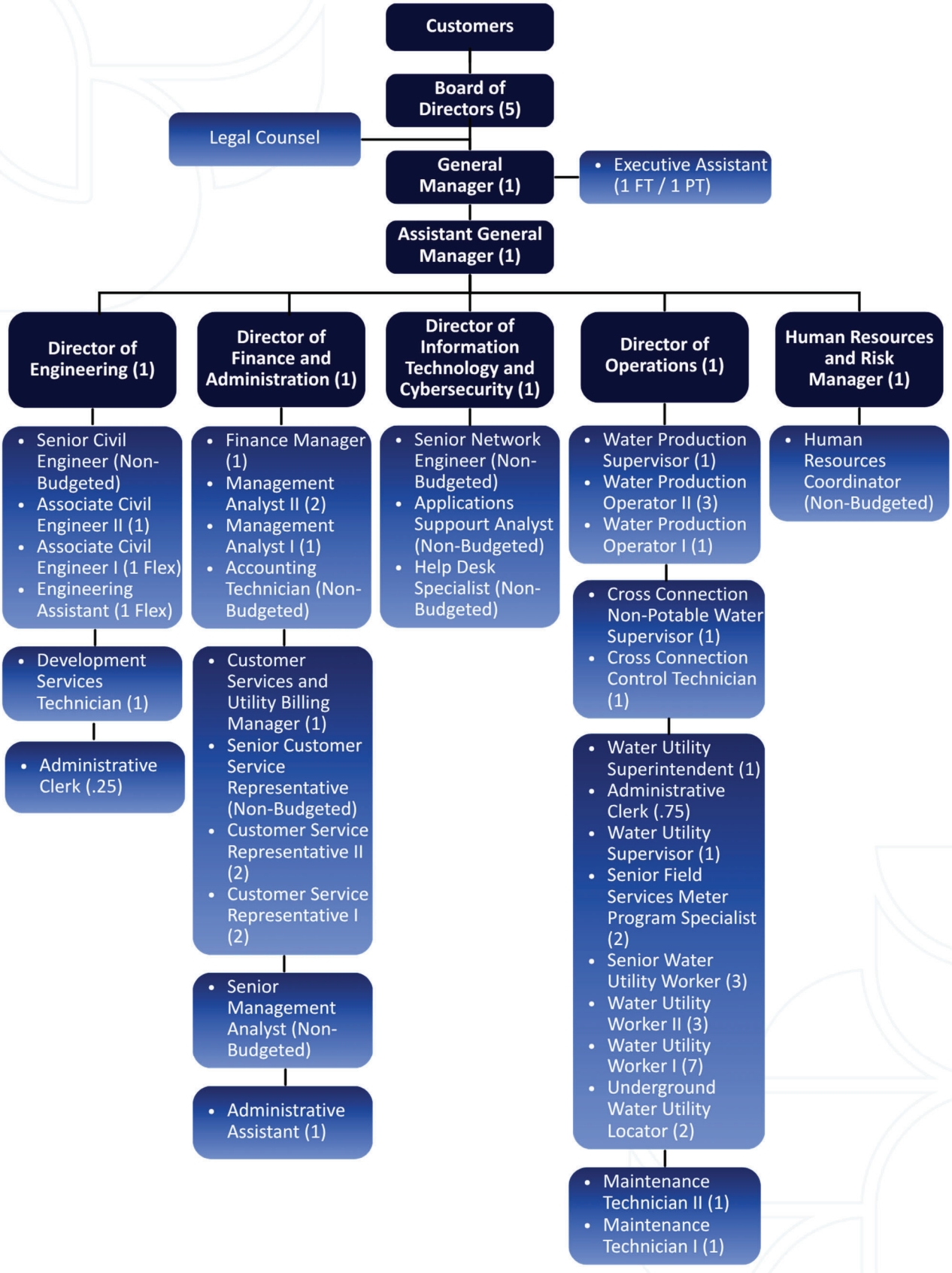
Based on fiscal year ending 2025.

Organization

PICS

Organizational Chart

2027 Organization Chart



District Staffing and Compensation

Beaumont-Cherry Valley Water District Staffing Levels

BCVWD recognizes that its employees are essential to providing safe, reliable, and high-quality water service to the community. As the District's service area and operational responsibilities continue to expand, workforce planning remains an important component of maintaining service levels, meeting regulatory requirements, and preparing for future organizational needs.

In recent years, the District has emphasized investments in permanent staffing, employee development, and succession planning to strengthen institutional knowledge and improve continuity of service. The FY 2027 budget continues this approach through strategic staffing adjustments, organizational restructuring, and the evaluation of positions necessary to support current operations and long-term District priorities. These efforts reflect the District's commitment to maintaining an effective workforce while carefully considering the financial impacts of personnel decisions.

Table 5 – Staffing Levels from 2022 to 2027

	2022 Actual [1]		2023 Actual [1]		2024 Actual [1]		2025 Budget		2026 Budget		2027 Budget	
District Employee Position	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**
Accounting Technician	0	0	0	0	0	0	0	0	0	0	0	0
Administrative Assistant	1	0	1	0	1	0	1	0	1	0	1	0
Administrative Clerk [2]									1	0	1	0
Assistant General Manager	0	0	0	0	0	0	0	0	0	0	1	0
Associate Civil Engineer I/Engineering Assistant (FLEX)	2	0	2	0	2	0	2	0	2	0	1	0
Associate Civil Engineer II	0	0	0	0	0	0	0	0	0	0	1	0
Cross Connection/Non-Potable Water Supervisor	0	0	1	0	1	0	1	0	1	0	1	0
Cross Connection Control Technician											1	0
Customer Service Representative I	2	1	1	0	2	0	2	0	2	0	2	0
Customer Service Representative II	1	0	2	0	2	0	2	0	2	0	2	0
Customer Service & Utility Billing Manager	1	0	1	0	1	0	1	0	1	0	1	0
Development Services Technician	1	0	1	0	1	0	1	0	1	0	1	0
Director of Engineering	1	0	1	0	1	0	1	0	1	0	1	0
Director of Finance and Administration	1	0	1	1	1	0	1	0	1	0	1	0
Director of Information Technology & Cybersecurity	1	0	1	0	1	0	1	0	1	0	1	0
Director of Operations	1	0	1	0	1	0	1	0	1	0	1	0
District Engineer *(contracted)*	0	1	0	1	0	2	0	2	0	2	0	2
Engineering Intern	0	0	0	0	0	1	0	1	0	1	0	1
Executive Assistant	0	1	1	0	1	0	1	0	1	1	1	1
Finance Manager	1	0	1	0	1	0	1	0	1	0	1	0
General Manager	1	0	1	0	1	0	1	0	1	0	1	0
Human Resources Coordinator	0	0	0	0	0	0	0	0	0	0	0	0
Human Resources & Risk Manager	1	0	1	0	1	0	1	0	1	0	1	0
Maintenance Technician I	0	0	0	0	1	0	1	0	1	0	1	0
Maintenance Technician II	1	0	1	0	1	0	1	0	1	0	1	0
Management Analyst I	1	0	1	0	1	0	1	0	1	0	1	0
Management Analyst II	1	0	0	0	2	0	2	0	2	0	2	0
Senior Civil Engineer	0	0	0	0	0	0	0	0	0	0	0	0
Senior Customer Service Rep	0	0	0	0	0	0	0	0	0	0	0	0
Senior Management Analyst	1	0	0	0	0	0	0	0	0	0	0	0
Senior Field Services and Metering Specialist											2	0
Senior Water Utility Worker	4	0	4	0	5	0	5	0	5	0	3	0
Underground Water Utility Locator											1	0
Water Production Operator I	0	0	1	0	1	0	1	0	1	0	1	0
Water Production Operator II	3	0	3	0	3	0	3	0	3	0	3	0
Water Production Supervisor	1	0	1	0	1	0	1	0	1	0	1	0
Water Utility Superintendent	1	0	1	0	1	0	1	0	1	0	1	0
Water Utility Supervisor	1	0	1	0	1	0	1	0	1	0	1	0
Water Utility Worker I	5	6	5	3	7	2	7	2	7	1	7	4
Water Utility Worker II	4	0	3	0	4	0	4	0	4	0	3	0
	38	9	38	5	46	5	46	5	47	5	49	8
	Count	47	Count	43	Count	51	Count	51	Count	52	Count	57
	FTE	42.5	FTE	40.5	FTE	48.5	FTE	48.5	FTE	49.5	FTE	53

(1) Actuals are based on the employee counts as of 12/31 of that budget year

(2) Administratve Clerk fully burdened cost split 25% Engineering and 75% Operations

(3) Temporary assistance used as needed in 2023, for grant portion of the project ended April 2024

Table 6 - Summary of Personnel by Department

Department	2022 Budget FTE	2022 Actual FTE	2023 Budget FTE	2023 Actual FTE	2024 Budget FTE	2024 Actual FTE	2025 Budget FTE	2025 Actual FTE	2026 Budget FTE	2026 Actual FTE as of 9/30	2027 Budget FTE
Engineering [1]	5.5	4.5	5.5	4.5	5.5	4.5	5.5	5	5.75	3.75	5.75
Human Resources and Risk Management [2]	1	1	1	1	1	1	1	1	1	1	1
Finance and Administration [2]	14	12	13	10.5	13	13	13	12	13.5	13	14.5
Information Technology and Cybersecurity	1	1	1	1	1	1	1	1	1	1	1
Operations [3]	26	24	28	23.5	28	25.5	28	26.5	28.25	26.75	30.75
	47.5	**42.5**	**48.5**	**40.5**	**48.5**	**45**	**48.5**	**45.5**	**49.5**	**45.5**	**53**

(1) 4 full-time, 3 part-time or temporary (1.5) , added 0.25 for portion of Administration Clerk

(2) Split out HR, added Assistant General Manager and kept .5 to account for transition of Executive Assistant position

(3) 28 full time, includes new Cross Control position, 4 part-time or temporary (0.5), and 0.75 for portion of Administration Clerk

Organizational Changes for FY 2027

The FY 2027 budget reflects several organizational and staffing adjustments intended to strengthen operational efficiency, clarify departmental responsibilities, and support the District's long-term workforce and succession planning efforts. These changes recognize the District's expanding service requirements, increasing regulatory responsibilities, and continued commitment to maintaining a qualified and adaptable workforce.

Among the most significant changes is the establishment of Human Resources and Risk Management as a standalone department, separate from Finance and Administration, and the reorganization of Maintenance as a distinct division reporting directly to the Director of Operations. The proposed organizational structure also includes an Assistant General Manager position within Finance and Administration to support executive leadership, organizational coordination, and long-term succession planning.

Additional adjustments within Engineering and Operations include classification changes, flexible staffing arrangements, and position modifications intended to better align employee responsibilities with operational needs. These changes also support the District's response to increasing regulatory requirements, including state-mandated cross-connection control activities. The organizational chart further identifies three additional positions within Information Technology and Cybersecurity that remain unfunded for FY 2027, allowing the District to recognize potential future staffing needs without committing current-year financial resources.

Collectively, these adjustments reflect a measured approach to organizational growth, balancing current service requirements with long-term planning, operational efficiency, and fiscal responsibility. Additional details regarding departmental staffing changes are provided within the respective department budget sections.

Salaries and Benefits

Salaries and benefits represent one of the District's largest operating expenditures, reflecting the personnel necessary to maintain daily operations, provide customer service, manage infrastructure, and meet regulatory requirements.

For FY 2027, salaries and benefits are budgeted at $11,188,300, representing approximately 45.0% of total net expenses and a 10.5% increase over the prior year.

The increase reflects several factors, including continued growth in employee health insurance costs, negotiated compensation and benefit provisions resulting from the District's 2026 Memorandum of Understanding (MOU) negotiations, and staffing adjustments intended to strengthen succession planning and operational continuity. Additional personnel considerations address expanding regulatory responsibilities, including administrative and field requirements associated with state-mandated cross-connection control activities.

The FY 2027 personnel budget includes 53 full-time equivalent positions, reflecting an increase of 2 full-time positions and 4 part-time positions, for a full-time equivalent increase of 4 above the prior year. These staffing levels incorporate organizational restructuring, classification adjustments, and proposed positions intended to better align District resources with operational needs. Positions identified in the organizational chart but not funded in FY 2027 are excluded from the budgeted staffing totals.

Labor remains the largest component of personnel costs, totaling $5,989,600. Health insurance represents another significant component, totaling $1,377,900, an increase of $75,100 from the prior year. Retirement-related costs, including employer contributions and the District's Unfunded Accrued Liability (UAL) payment, total $1,258,200.

Together, these expenditures reflect the District's continued investment in competitive compensation and benefits to attract and retain qualified employees, support workforce stability, and maintain essential services while considering long-term financial sustainability.

California Public Employees' Retirement System (CalPERS)

The District contributes to the California Public Employees' Retirement System (CalPERS), a multiple-employer defined benefit pension plan. Effective fiscal year 2002, the District adopted the 2.7% at age 55 retirement formula for employees classified as Classic Members, generally those hired before January 1, 2013, who meet applicable membership criteria.

The California Public Employees' Pension Reform Act (PEPRA), effective January 1, 2013, established a 2% at age 62 formula for employees hired after December 31, 2012, who do not qualify as Classic Members. Employee and employer contribution requirements are established in accordance with applicable CalPERS regulations, retirement classifications, and negotiated agreements.

In prior years, the District's unfunded liability was included as a percentage of the employer's contribution. Beginning in fiscal year 2018, CalPERS began collecting employer contributions for the Unfunded Accrued Liability (UAL) as dollar amounts rather than a percentage of payroll, while continuing to collect regular employer contributions as a payroll percentage. The Unfunded Liability Balance applied to each department in the 2027 budget totals $408,700 an increase of 14.36%.

Retiree Benefit/Other Post-Employment Benefits

The District offers post-employment medical benefits to eligible retirees. Benefits and employee/employer contributions are determined based on applicable eligibility requirements, including years of service, hire date, and retirement date.

In 2022, the Board of Directors adopted Resolution 2022-15, electing to participate in the California Employers' Retiree Benefit Trust (CERBT) program through CalPERS to prefund Other Post-Employment Benefits (OPEB).

CERBT is a Section 115 trust fund dedicated to prefunding OPEB obligations for eligible California public agencies. By participating in this program, the District is able to accumulate and invest resources to help offset future retiree benefit costs.

At its September 13, 2023 Regular Board Meeting, the Board adopted Resolution 2023-24, electing to participate in the California Employers' Pension Prefunding Trust (CEPPT) program through CalPERS. This program provides an additional mechanism for prefunding future employer pension contributions.

Participation in these trust programs supports the District's long-term financial planning by setting aside resources for future benefit obligations and allowing investment earnings to contribute toward those costs.

Contributions to the CERBT and CEPPT programs are voluntary and determined by the District in accordance with its funding policies and available financial resources. Under the previously established funding policy, annual contributions were $95,600 for CERBT and $38,200 for CEPPT through the end of FY 2026.

PICTURE

Salary Schedule by Classification

The salary schedule identifies each job classification approved by the Board of Directors, including classifications that may not currently be filled or may differ from positions reflected in the organizational chart. The inclusion of a classification in the salary schedule does not necessarily indicate that a position is funded in the annual operating budget.

Each classification is assigned a salary range consisting of five hourly steps. New employees typically begin at Step 1 and may be eligible for annual merit increases of 5%, subject to applicable personnel policies and negotiated agreements, until reaching Step 5.

Annual salary amounts are calculated using 2,080 hours, or 26 pay periods, for consistency, regardless of calendar years containing 27 pay periods.

Beaumont-Cherry Valley Water District Salary Schedule by Classification

Effective: January 1, 2027 Classification ****DRAFT	Salary Range*	Hourly rates (per step) Step 1	Step 2	Step 3	Step 4	Step 5	Annual Range (based on 2080 hrs.; rounded to nearest dollar)	
Accounting Technician	26	34.44	36.16	37.96	39.85	41.84	71,635	87,027
Administrative Assistant	25	33.60	35.28	37.04	38.89	40.83	69,888	84,926
Administrative Clerk	18	28.29	29.70	31.18	32.73	34.36	58,843	71,469
Assistant General Manager	73	109.84	115.33	121.09	127.14	133.49	228,467	277,659
Associate Civil Engineer I	42	51.11	53.66	56.34	59.15	62.10	106,309	129,168
Associate Civil Engineer II	47	57.83	60.72	63.75	66.93	70.27	120,286	146,162
Cross Connection/Non-Potable Water Supervisor	42	51.11	53.66	56.34	59.15	62.10	106,309	129,168
Cross Connection Control Technician	28	36.19	37.99	39.88	41.87	43.96	75,275	91,437
Customer Service & Utility Billing Manager	46	56.40	59.22	62.18	65.28	68.54	117,312	142,563
Customer Service Representative I	20	29.72	31.20	32.75	34.38	36.09	61,818	75,067
Customer Service Representative II	25	33.60	35.28	37.04	38.89	40.83	69,888	84,926
Development Services Technician	22	31.21	32.77	34.40	36.11	37.91	64,917	78,853
Director of Engineering	62	83.73	87.91	92.30	96.91	101.75	174,158	211,640
Director of Finance and Administration	67	94.71	99.44	104.41	109.63	115.11	196,997	239,429
Director of Information Technology and Cybersecurity	61	81.70	85.78	90.06	94.56	99.28	169,936	206,502
Director of Operations	61	81.70	85.78	90.06	94.56	99.28	169,936	206,502
Engineering Assistant	37	45.18	47.43	49.80	52.29	54.90	93,974	114,192
Engineering Intern	4	20.03	21.03	22.08	23.18	24.33	41,662	50,606
Executive Assistant	43	52.39	55.00	57.75	60.63	63.66	108,971	132,413
Finance Manager	50	62.25	65.36	68.62	72.05	75.65	129,480	157,352
General Manager	Contract					155.92	-	324,314
Human Resources & Risk Manager	50	62.25	65.36	68.62	72.05	75.65	129,480	157,352
Human Resources Coordinator	33	40.94	42.98	45.12	47.37	49.73	85,155	103,438
Maintenance Technician I	24	32.79	34.42	36.14	37.94	39.83	68,203	82,846
Maintenance Technician II	28	36.19	37.99	39.88	41.87	43.96	75,275	91,437
Management Analyst I	31	38.97	40.91	42.95	45.09	47.34	81,058	98,467
Management Analyst II	38	46.31	48.62	51.05	53.60	56.27	96,325	117,042
Senior Civil Engineer	53	67.05	70.40	73.91	77.60	81.48	139,464	169,478
Senior Customer Service Rep	30	38.01	39.91	41.90	43.99	46.18	79,061	96,054
Senior Field Services and Metering Specialist	32	39.92	41.91	44.00	46.20	48.51	83,034	100,901
Senior Management Analyst	45	55.03	57.78	60.66	63.69	66.87	114,462	139,090
Senior Water Utility Worker	32	39.92	41.91	44.00	46.20	48.51	83,034	100,901
Underground Water Utility Locator	28	36.19	37.99	39.88	41.87	43.96	75,275	91,437
Water Production Operator I	28	36.19	37.99	39.88	41.87	43.96	75,275	91,437
Water Production Operator II	33	40.94	42.98	45.12	47.37	49.73	85,155	103,438
Water Production Supervisor	47	57.83	60.72	63.75	66.93	70.27	120,286	146,162
Water Utility Superintendent	51	63.81	67.00	70.35	73.86	77.55	132,725	161,304
Water Utility Supervisor	44	53.71	56.39	59.20	62.16	65.26	111,717	135,741
Water Utility Worker I	24	32.79	34.42	36.14	37.94	39.83	68,203	82,846
Water Utility Worker II	28	36.19	37.99	39.88	41.87	43.96	75,275	91,437
Board of Directors		$296.40 per day for meeting attendance in accordance with District rules and regulations						

***Positions highlighted in grey are non-budget positions not intended to be filled in 2027*

*** * Positions highlighted in yellow are new and funded positions on the salary schedule requiring Board approval*

Salary Schedule by Range

The District's salary ranges, numbered 1 through 100, were established during the 2019 Classification and Compensation Study to promote transparency, internal consistency, and competitive compensation practices. Each range is separated by 2.5% and contains five hourly steps, providing a structured framework for employee compensation and advancement.

As part of the 2026 Memorandum of Understanding (MOU) negotiations, the District revised the Consumer Price Index (CPI) used to determine annual Cost-of-Living Adjustments (COLA) to the salary schedule. Previously, adjustments were based on the U.S. City Average CPI for the 12-

month period ending in August. Under the revised MOU, adjustments are based on the Riverside-San Bernardino-Ontario area CPI for the 12-month period ending in September, better reflecting regional economic conditions and changes in the local cost of living.

For the FY 2027 budget, a 3.6% COLA, based on the September 2026 12-month CPI change, was applied to the District's salary ranges. This adjustment is reflected in the Salary Schedule by Range and carries forward to the Salary Schedule by Classification, which identifies the corresponding hourly and annual compensation amounts for each position.

Beaumont-Cherry Valley Water District
2027 Full Salary Range Schedule

Salary Range	Hourly				
	Step 1	Step 2	Step 3	Step 4	Step 5
1	18.60	19.52	20.49	21.51	22.58
2	19.05	20.00	21.00	22.04	23.14
3	19.54	20.51	21.53	22.60	23.73
4	20.03	21.03	22.08	23.18	24.33
5	20.52	21.54	22.61	23.74	24.92
6	21.04	22.09	23.19	24.34	25.55
7	21.56	22.63	23.76	24.94	26.18
8	22.10	23.20	24.36	25.57	26.84
9	22.65	23.78	24.96	26.20	27.50
10	23.22	24.38	25.59	26.86	28.20
11	23.80	24.99	26.23	27.54	28.91
12	24.39	25.60	26.87	28.21	29.62
13	25.00	26.25	27.56	28.93	30.37
14	25.61	26.89	28.23	29.64	31.12
15	26.26	27.57	28.94	30.38	31.89
16	26.91	28.25	29.66	31.14	32.69
17	27.71	29.09	30.54	32.06	33.66
18	28.29	29.70	31.18	32.73	34.36
19	28.98	30.42	31.94	33.53	35.20
20	29.72	31.20	32.75	34.38	36.09
21	30.45	31.97	33.56	35.23	36.99
22	31.21	32.77	34.40	36.11	37.91
23	31.98	33.57	35.24	37.00	38.85
24	32.79	34.42	36.14	37.94	39.83
25	33.60	35.28	37.04	38.89	40.83
26	34.44	36.16	37.96	39.85	41.84
27	35.32	37.08	38.93	40.87	42.91
28	36.19	37.99	39.88	41.87	43.96
29	37.10	38.95	40.89	42.93	45.07
30	38.01	39.91	41.90	43.99	46.18
31	38.97	40.91	42.95	45.09	47.34
32	39.92	41.91	44.00	46.20	48.51
33	40.94	42.98	45.12	47.37	49.73
34	41.96	44.05	46.25	48.56	50.98
35	43.01	45.16	47.41	49.78	52.26
36	44.07	46.27	48.58	51.00	53.55
37	45.18	47.43	49.80	52.29	54.90
38	46.31	48.62	51.05	53.60	56.27
39	47.46	49.83	52.32	54.93	57.67
40	48.64	51.07	53.62	56.30	59.11
41	49.87	52.36	54.97	57.71	60.59
42	51.11	53.66	56.34	59.15	62.10
43	52.39	55.00	57.75	60.63	63.66
44	53.71	56.39	59.20	62.16	65.26
45	55.03	57.78	60.66	63.69	66.87
46	56.40	59.22	62.18	65.28	68.54
47	57.83	60.72	63.75	66.93	70.27
48	59.27	62.23	65.34	68.60	72.02
49	60.75	63.78	66.96	70.30	73.81
50	62.25	65.36	68.62	72.05	75.65

Salary Range	Hourly				
	Step 1	Step 2	Step 3	Step 4	Step 5
51	63.81	67.00	70.35	73.86	77.55
52	65.41	68.68	72.11	75.71	79.49
53	67.05	70.40	73.91	77.60	81.48
54	68.74	72.17	75.77	79.55	83.52
55	70.44	73.96	77.65	81.53	85.60
56	72.20	75.81	79.60	83.57	87.74
57	74.00	77.70	81.58	85.65	89.93
58	75.85	79.64	83.62	87.80	92.18
59	77.75	81.63	85.71	89.99	94.48
60	79.69	83.67	87.85	92.24	96.85
61	81.70	85.78	90.06	94.56	99.28
62	83.73	87.91	92.30	96.91	101.75
63	85.82	90.11	94.61	99.34	104.30
64	87.98	92.37	96.98	101.82	106.91
65	90.17	94.67	99.40	104.36	109.57
66	92.41	97.03	101.88	106.97	112.31
67	94.71	99.44	104.41	109.63	115.11
68	97.08	101.93	107.02	112.37	117.98
69	99.52	104.49	109.71	115.19	120.94
70	102.00	107.09	112.44	118.06	123.96
71	104.55	109.77	115.25	121.01	127.06
72	107.18	112.53	118.15	124.05	130.25
73	109.84	115.33	121.09	127.14	133.49
74	112.60	118.22	124.13	130.33	136.84
75	115.40	121.17	127.22	133.58	140.25
76	118.29	124.20	130.41	136.93	143.77
77	121.26	127.32	133.68	140.36	147.37
78	124.27	130.48	137.00	143.84	151.03
79	127.39	133.75	140.43	147.45	154.82
80	130.58	137.10	143.95	151.14	158.69
81	133.84	140.53	147.55	154.92	162.66
82	137.18	144.03	151.23	158.79	166.72
83	140.59	147.61	154.99	162.73	170.86
84	144.10	151.30	158.86	166.80	175.14
85	147.72	155.10	162.85	170.99	179.53
86	151.41	158.98	166.92	175.26	184.02
87	155.20	162.95	171.09	179.64	188.62
88	159.07	167.02	175.37	184.13	193.33
89	163.06	171.21	179.77	188.75	198.18
90	167.12	175.47	184.24	193.45	203.12
91	171.30	179.86	188.85	198.29	208.20
92	175.59	184.36	193.57	203.24	213.40
93	179.99	188.98	198.42	208.34	218.75
94	184.48	193.70	203.38	213.54	224.21
95	189.08	198.53	208.45	218.87	229.81
96	193.80	203.49	213.66	224.34	235.55
97	198.65	208.58	219.00	229.95	241.44
98	203.62	213.80	224.48	235.70	247.48
99	208.72	219.15	230.10	241.60	253.67
100	213.91	224.60	235.83	247.62	260.00

COLA of 3.60% applied to all salary ranges

District Achievements

PICTURE PENDING

District Accomplishments

District Accomplishments Overview

In 2026, the Beaumont-Cherry Valley Water District (BCVWD or District) continued providing reliable, high-quality water service through responsible financial management, strategic planning, operational excellence, and regional collaboration. Building on initiatives established in prior years, the District invested in infrastructure, technology, and organizational improvements to strengthen its long-term financial and operational position while supporting the needs of a growing community.

Throughout the year, BCVWD maintained its commitment to meeting applicable State and Federal water quality requirements while improving system reliability and resiliency. Investments in infrastructure, water supply planning, preventative maintenance, and regional partnerships supported the District's efforts to protect existing resources and prepare for future demands. Collaboration with the San Gorgonio Pass Water Agency (SGPWA), the City of Beaumont, and other regional partners remained essential to long-term water supply planning and resource management.

Financial stewardship remained a priority as the District continued balancing operational needs, infrastructure investments, and long-term financial sustainability. Through careful budget development, financial reporting, and evaluation of revenue and expenditure trends, BCVWD worked to maintain fiscal accountability while planning for future growth and regulatory requirements. These efforts supported informed decision-making and responsible management of customer resources.

The District also advanced organizational efficiency, innovation, and transparency through investments in cybersecurity, technology modernization, data management, and workflow improvements. Expanded public outreach and customer communication efforts provided greater access to information regarding water quality, conservation, District projects, programs, and services. These initiatives strengthened internal operations while supporting community engagement and public awareness.

The following accomplishments reflect the combined efforts of the Board of Directors, management, and staff in advancing the District's strategic and operational priorities. Together, these achievements demonstrate BCVWD's continued commitment to fiscal responsibility, water supply reliability, regulatory compliance, innovation, organizational excellence, and exceptional service to the community.



2026 District Wide Accomplishments

Service

1. Expanded public outreach and community engagement efforts to increase awareness of water conservation, including California's "Conservation as a Way of Life" initiative, water quality, infrastructure improvements, District programs, and customer resources. Through increased social media activity, website enhancements, educational campaigns, and participation in community events, the District provided timely, accessible information to customers and stakeholders. These efforts strengthened transparency, promoted responsible water use, and encouraged greater community understanding of District operations, investments, and services.
2. Successfully implemented a new capacity charge structure to ensure new development appropriately funds its share of infrastructure and water system costs. The updated structure supports responsible growth while helping protect existing ratepayers from financial impacts associated with future development.
3. Received an unmodified "clean" opinion for the District's fiscal year 2025 Single Audit, demonstrating continued transparency in compliance associated with federal grant expenditures. This accomplishment reflects the District's commitment to transparency, accountability, and accurate financial reporting.

Water

1. Completed and distributed the 2025 Water Quality and Consumer Confidence reports by the July 1, 2026 deadline, providing customers with timely information regarding the quality and safety of the District's drinking water. This accomplishment reflects BCVWD's continued commitment to public health, regulatory compliance, and transparency.
2. Implemented operational processes and treatment procedures to address Chromium VI requirements while evaluating cost-effective approaches to treatment and compliance. These efforts support the District's commitment to protecting public health while responsibly managing operational costs and regulatory requirements.
3. Developed multiple internal dashboards to improve access to operational data and support data-driven decision making across the District. These tools provide staff with more efficient access to key information, improve monitoring and analysis, and support informed planning and resource management.

Personnel

1. Expanded employee training, professional development, and leadership opportunities throughout the District, providing staff with resources to strengthen their knowledge, skills, and ability to contribute to District operations. These efforts support employee development, informed decision-making, and continued organizational excellence.
2. Provided District staff with training and exposure to emerging technologies, including GIS and artificial intelligence applications. These efforts help prepare employees for evolving operational needs while encouraging innovation and continuous improvement.
3. Advanced the District's succession planning efforts by identifying critical positions and developing training opportunities for employees. These efforts strengthen organizational continuity and help prepare the District for future retirement, employee advancement, and leadership transitions.

District Awards

Operating Budget Excellence Award

The California Society of Municipal Finance Officers (CSMFO) is a statewide organization serving all California municipal finance professionals. Its mission is to promote excellence in financial management through innovation, continuing education, and professional development. Recognizing that public representatives are obligated to serve the public's interests, CSMFO actively improves fiscal integrity and adherence to the highest standards of ethical conduct and creates better accountability by disseminating best practices.

CSMFO established the Operating Budget Excellence Award to recognize agencies whose budget documents reflect a commitment to specific statewide criteria of the highest quality. The document must be comprehensive, transparent, exhibit exceptional clarity, and must present effectiveness.


California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award
Fiscal Year 2026

Presented to the

Beaumont-Cherry Valley Water District

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

April 28, 2026

Jennifer Wakeman
2025 CSMFO President

James Russell-Field, Chair
Recognition Committee

Dedicated to Excellence in Municipal Financial Reporting

The award represents the continued commitment to following best practices in budget preparation. To receive the Excellence Award in budgeting, a governmental unit must publish a budget document that meets specific criteria as a policy document, financial plan, and communication tool. Attainment of the Operating Budget Excellence Award represents a significant accomplishment by BCVWD and its management.

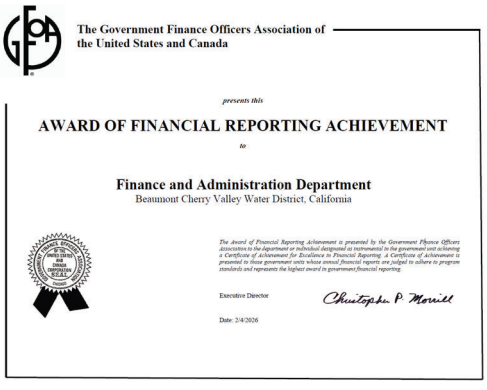
The District has received the award for the past six years (2021 through 2026).

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association (GFOA) established the Certificate of Achievement for Excellence in Financial Reporting Program (Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that represent the spirit of transparency and full disclosure and recognize individual governments to succeed in achieving that goal. The Certificate is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Reports submitted to the Program are reviewed by selected members of the GFOA professional staff and the GFOA Special Review Committee, comprised of individuals with expertise in public sector financial reporting and includes financial statement preparers, independent auditors, academics, and other finance professionals.

The District has received the award for the past eight years (2017 through 2024) and anticipates the recognition for the FY ended December 31, 2025 by March of 2027.


The Government Finance Officers Association of the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance and Administration Department
Beaumont Cherry Valley Water District, California

Executive Director

Date: 2/4/2026

Great Place to Work Certification

Organizations partner with Great Place To Work to understand how effectively their leaders create the conditions for an overwhelmingly positive employee experience. Great Place To Work offers best-in-class data about the employee experience, sourced from surveys taken by millions of employees globally. This data offers organizations invaluable insight into how their workers will interact with the workplace and establishes benchmarks for working conditions around the world.

Great Place To Work Certification criteria are the global standard for quantifying and benchmarking the employee experience. Certification evaluates workplace culture from the perspective that matters the most, the employee, offering the most comprehensive picture on the market of the internal health of an organization.

Positive employee responses to the Trust Index Survey (four and above on the five-point scale) are averaged to provide an organization-wide assessment of culture: the Trust Index. Companies that score above the current threshold become Great Place To Work Certified.

The District has received the award for the past six years (2021 through 2026).

President's Special Recognition Award

Association of California Water Agencies/Joint Power Insurance Authority (ACWA/JPIA) is a partnership of water agencies that collectively share risks associated with water purveyance. Established in 1979, the JPIA provides risk-sharing pools to its members. To join, agencies must demonstrate a strong commitment to effective safety and risk management.

Each year, ACWA/JPIA recognizes member agencies that achieve a Loss Ratio of 20% or less, comparing paid insurance claims and case reserves to deposit premiums. The evaluation spans three years and applies to the Liability, Property, or Workers' Compensation Programs.

ACWA/JPIA announced on December 31, 2025 that BCVWD had received the recognition for all three programs for the period of 2021 through 2024.



2026 Gold Tier Recognition for Well-being Works Better

Established in 1924, the American Heart Association (AHA) is a national nonprofit organization dedicated to improving cardiovascular health and promoting healthier lives. The AHA provides research, education, resources, and science-based programs that help individuals, communities, and organizations improve overall health and well-being.

The American Heart Association's Well-being Works Better™ recognition program honors organizations that demonstrate a strong commitment to creating a workplace culture that supports employee health and well-being. Organizations are evaluated using the AHA's Workforce Well-being Scorecard, which assesses policies, programs, organizational practices, leadership support, employee engagement, and efforts to improve workforce health. Gold Tier Recognition is awarded to organizations that demonstrate a high level of achievement in implementing evidence-based practices that promote physical and mental well-being, encourage employee participation, and foster a supportive and healthy workplace environment.



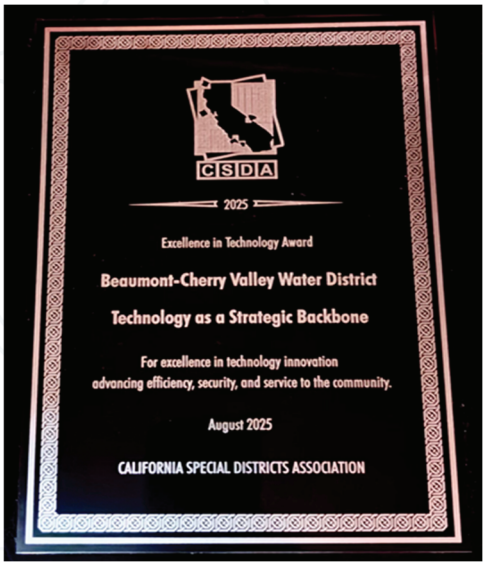
Beaumont-Cherry Valley Water District is proud to announce it has received the *2026 Gold Tier Recognition* from the American Heart Association's *Well-being Works Better™ Scorecard* program.

2026 was the first time that that District received the recognition.

2025 Award for Excellence in Technology

Established in 1969, the California Special Districts Association (CSDA) serves as the statewide voice for independent special districts across California. CSDA provides advocacy, resources, and professional development to support special districts in delivering essential services and effectively serving their communities.

The CSDA Excellence in Technology Award is presented **annually to only one** California special district that demonstrates outstanding innovation in technology. This prestigious award honors initiatives that significantly improve operational efficiency, enhance customer service, strengthen cybersecurity, and advance the district's mission. Award recipients must demonstrate measurable improvements in internal processes, community service, and transparency. Additional consideration is given to projects featuring innovative implementation, creative problem-solving, or strategic collaboration with other agencies.



Beaumont-Cherry Valley Water District (BCVWD) was honored with the CSDA Excellence in Technology Award in recognition of its commitment to modernizing infrastructure, safeguarding digital assets, and improving public accessibility. BCVWD's technology initiatives reflect the District's dedication to responsible stewardship, continuous improvement, and the strategic use of innovation to better serve its constituents.

2025 was the first time that that District received the award.

2026 Award for Excellence in Information Technology Practices

The Municipal Information Systems Association of California (MISAC) represents information technology (IT) professionals from cities, counties, special districts, and other public agencies across California. MISAC promotes excellence in government technology through its Four Pillars: education, member resources, relationships, and advocacy. These guide their mission to advance leadership, innovation, and the effective use of technology in public service.

In October 2026, BCVWD received the MISAC Excellence in Information Technology Practices Award for the fourth consecutive year. This award signifies that BCVWD met or exceeded MISAC's rigorous standards in areas such as budget and strategic planning, cybersecurity, operations, disaster recovery, GIS, and project management.

This achievement reflects BCVWD's ongoing investment in its IT and Cybersecurity programs, emphasizing proactive planning, system modernization, and a culture of digital resilience. While the District will receive the physical award late in the year, the recognition underscores BCVWD's leadership among California special districts in secure, efficient, and transparent technology management.



Resolution for Budget Adoption

Budget Resolution

Annually, the Board of Directors (BOD) approves and adopts the Fiscal Year (FY) Operating Budget and Capital Improvement Budget (CIB) by adopting a Resolution.

The District's General Manager (GM) is authorized to take all necessary actions to implement the provisions of the FY Budget as adopted by the Resolution, including recruiting and appointing positions within the limits of said Budget and Plan without further Board action.

The GM is directed to implement the Resolution's intent following applicable procedures. The expenditure amounts designated for the FY are appropriated and expended by departments per funding source designation. The Finance and Administration Department prepares the annual Operating and CIB, using projected financials for presentation to the BOD, intending to submit for full budget document approval before year-end, effective January 1, 2027.

PENDING Resolution COPY

District Wide Goals and Objectives

2027 District Wide Goals and Objectives

Service

1. By December 31, 2027, expand the District's public outreach and communication efforts by providing at least 12 plain-language customer education campaigns throughout the year addressing water conservation, water supply reliability, District projects, programs, and services. This goal will enhance transparency, increase public awareness, and strengthen engagement between the District and the community.
2. By December 31, 2027, implement at least two additional automated workflows or digital processes across a minimum of two District departments to reduce manual and paper-based processes, improve access to information, and increase organizational efficiency.
3. By December 31, 2027, evaluate and enhance the District's financial planning and reporting tools to incorporate long-term forecasting of revenues, operating costs, capital needs, reserves, and water supply investment. This goal will strengthen long-term financial planning and provide management and the Board of Directors with improved information for strategic decision making.

Water

1. By July 1, 2027, complete and distribute the 2026 Water Quality and Consumer Confidence Report, demonstrating the District's continued commitment to public health, regulatory compliance, and transparent communication regarding the quality and safety of the community's drinking water.
2. By December 31, 2027, complete identified priority improvements to the District's water system infrastructure and technology based on condition assessments, operational needs, and long-term capital planning. This goal will improve system reliability, operational efficiency, and the District's ability to provide dependable water service to current and future customers.
3. By December 31, 2027, expand the District's use of operational dashboards and data analytics by developing or enhancing tools that integrate key water system, consumption, infrastructure, and operational information. These tools will improve staff access to information, support proactive system monitoring, and strengthen data-driven planning and decision-making.

Personnel

1. By December 31, 2027, provide all District employees with opportunities for job-related training and professional development, including technical, supervisory, leadership, safety, or professional education appropriate to their positions. This goal will strengthen employee knowledge and skills while supporting continued organizational excellence and employee development.
2. By December 31, 2027, expand the District's succession planning program by documenting critical functions and institutional knowledge for identified key positions and establishing cross-training or development opportunities for employees. This goal will improve organizational continuity, reduce the risk of institutional knowledge loss, and prepare employees for future opportunities.
3. By December 31, 2027, strengthen employee engagement and organizational communication by conducting an employee engagement assessment and implementing measurable actions in response to identified opportunities for improvement. This goal will encourage employee participation, strengthen communication across the organization, and support a collaborative and effective workplace.

Financial Management and Policy Framework

PICTURE

Overview

The Financial Framework outlines the guiding policies and practices that ensure the Beaumont-Cherry Valley Water District (BCVWD) remains fiscally sound, transparent, and compliant with applicable state and federal regulations. It connects the District's mission and strategic goals to its budget process, ensuring that every financial decision supports reliable and sustainable water service.

This framework emphasizes financial integrity, accountability, and effective resource allocation, demonstrating the District's commitment to aligning financial practices with the Board's strategic objectives.

Accounting and Budgeting

Basis of Financial Reporting: Proprietary Fund Accounting

BCVWD operates as a single enterprise fund, known as the Water Fund. Enterprise funds are used by government agencies to account for services financed primarily through customer charges. This structure allows the District to track the revenues, expenses, assets, and liabilities associated with providing water service.

In accordance with Generally Accepted Accounting Principles (GAAP), the District uses full accrual accounting. Under the full accrual basis of accounting, revenues are recognized when earned and expenses are recognized when liabilities are incurred. Unbilled water utility revenues are accrued at year-end.

The Water Fund accounts for the District's financial activities, including operating revenues, expenses, debt obligations, and capital improvements. Water rates are established to generate sufficient revenue to support ongoing operations, debt service, and infrastructure maintenance and replacement. Other funding sources, including CFD special tax revenues, are tracked separately within the fund to ensure proper accounting and use of resources.

The District publishes an Annual Comprehensive Financial Report (ACFR), prepared using full accrual accounting, and provides a detailed and comprehensive presentation of the District's financial condition. The ACFR includes an independent auditor's report providing opinions concerning the conformity of the District's financial statements to GAAP.

The District operates on a calendar fiscal year beginning January 1 and ending December 31. This structure ensures transparency in financial reporting and provides a complete picture of the District's operating income, financial position, and cash flow.

Community Facilities District (CFD) Financial Management

In January 2026, the District established Community Facilities District (CFD) No. 2025-1 (Public Services) to provide funding for certain public services through special taxes collected from properties within the CFD boundaries. Unlike regular water rates paid by customers for water service, these special taxes provide a dedicated source of funding for the specific purposes established for the CFD.

Beginning with the 2027 Budget, the District will include CFD financial activity as part of its annual budget. A separate CFD Budget section will show how much revenue is expected from special taxes and interest earnings, how those funds are planned to be spent, and how much will be set aside for future needs.

Although these funds are included in the District's Water Enterprise Fund, they are tracked separately to ensure they are used for their intended purposes.

One difference between the CFD and the District's regular budget is the reporting period. The District prepares its annual budget on a calendar-year basis, from January 1 through December 31, while the CFD's annual spending limitation, known as the appropriations limit, follows a July 1 through June 30 cycle. This limit establishes a legal restriction on certain expenditures of tax revenues, rather than determining how much tax is collected or how much the District plans to spend. District staff track and reconcile the financial activity for both periods to ensure accurate reporting and compliance with applicable requirements.

Purpose of the Budget

The District's budget serves as a comprehensive management and financial planning tool with four primary functions:

Table 6 – Purpose of the Budget

Function	Purpose
Policy Document	Aligns the District's goals, priorities, and strategic direction with fiscal decision-making.
Operational Tool	Guides day-to-day management by establishing authorized spending levels and allocating resources efficiently.
Financial Plan	Ensures the responsible use of public funds and maintains the District's long-term financial stability.
Community Communication	Promotes transparency and accountability by clearly presenting how resources support services and community needs.

Budget Planning and Preparation

The District's annual budget process begins in January and is designed to promote collaboration, departmental input, accuracy, and accountability throughout development. The budget process has three key phases:

Debrief and Evaluation: In January, Finance meets with all departments to evaluate the prior year's process and identify improvements. The goal of this discussion is to foster collaboration and ensure everyone has an opportunity to voice their opinions, helping to make the report stronger and more effective.

Mid-Year Review: Beginning in June, departments review their recorded expenses and recommend adjustments or amendments based on current conditions.

An **adjustment** is a transfer within a department under $50,000, approved by the department director and the General Manager.

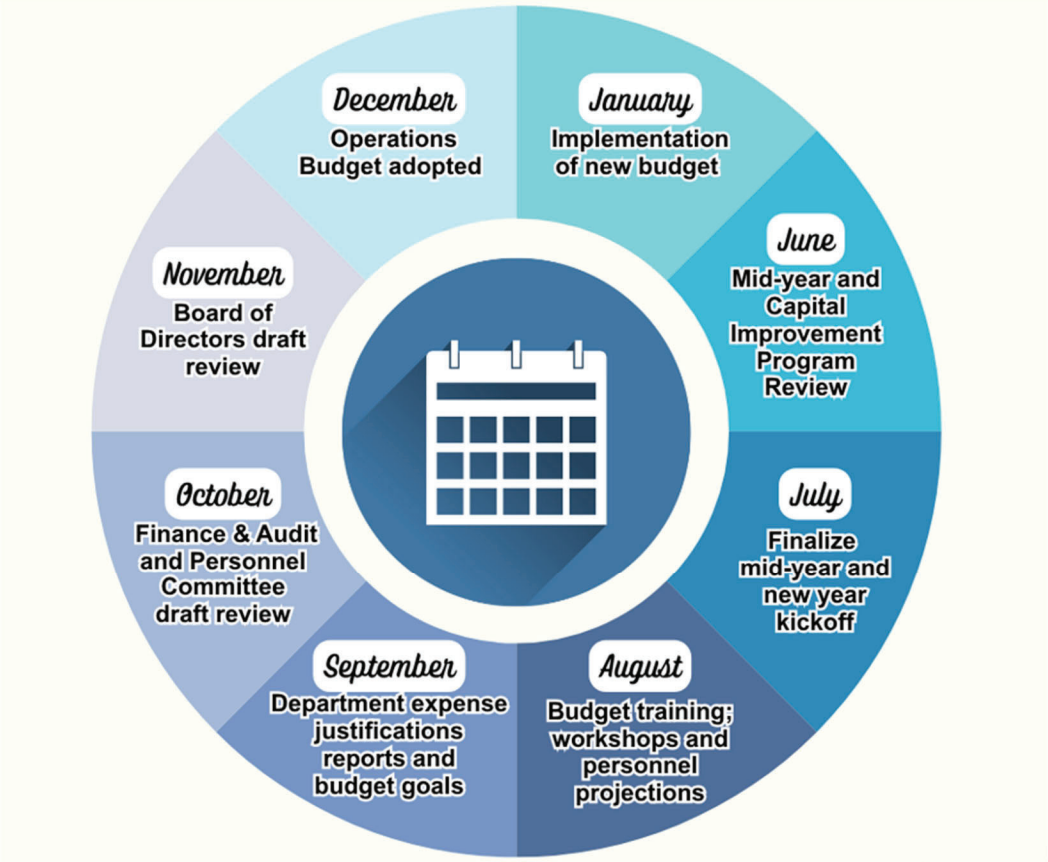
An **amendment** is a change to the adopted budget that requires approval by the Board of Directors through a Board resolution.

New Budget Development: From July through December, departments review planned Capital Improvement Projects, evaluate their staffing needs, and prepare expense justifications for each General Ledger account.

Finance reviews the requests and presents the recommendations to the General Manager, before submitting drafts to the Finance and Audit Committee, as well as the Personnel Committee, starting in October. A presentation is given to the full Board of Directors in November, before final review and adoption in December.

This structured process ensures that financial decisions are collaborative, transparent, and aligned with District priorities.

Budget Timeline by Key Process



How Does the Budget Compare to the Annual Financial Report?

While both the Annual Budget and the Annual Comprehensive Financial Report (ACFR) present the District's financial information, they serve different purposes and follow different standards.

The table below summarizes the key distinctions between the two:

Table 7 – Financial Report Differences

Aspect	Annual Budget	Annual Comprehensive Financial Report (ACFR)
Purpose	Serves as a financial plan that allocates resources to meet District goals for the upcoming year.	Provides a historical record of actual financial activity and performance for the completed fiscal year.
Basis of Accounting	Prepared on a budgetary basis, focusing on available resources and planned expenditures.	Prepared on a full accrual basis in accordance with Generally Accepted Accounting Principles (GAAP).
Focus	Future-oriented by emphasizing planned revenues, expenses, and policy directions.	Past-oriented, emphasizing actual results, financial position, and compliance with accounting standards.
Time Frame	Covers a single fiscal year prospectively (January through December).	Reports on the same fiscal year retrospectively, after year-end closing.
Authority	Adopted by the Board of Directors to guide financial operations.	Audited by independent accountants and presented to the Board for review and public transparency.
Users	Used by management and the Board to monitor spending and share with the public the District's priorities, challenges, accomplishments, and use of resources.	Used by auditors, regulatory agencies, stakeholders, and the public to assess financial health and accountability.

Together, these two documents ensure that the District's financial planning, performance, and reporting remain consistent, transparent, and compliant with accounting standards.

Budget Control and Amendment

Throughout the budget period, management staff are responsible for monitoring their department budgets to ensure that expenditures remain within approved allocations. Finance staff provide tools that allow managers to review budget status at any time. In addition to the ongoing monitoring process, a monthly budget report is presented to the Finance and Audit Committee for detailed review before being submitted to the Board of Directors (Board or BOD) for consideration and approval. These reports update the Board on the progress of all operating revenues and expenses for the Water Fund.

The Finance and Audit Committee also conducts a comprehensive mid-year review of the District's operating budget, which is subsequently presented to the Board. If, during the mid-year review or the budget presentation to the Committee, it is determined that a significant adjustment is necessary, Finance staff work with Department Directors to prepare a Budget Adjustment request for approval.

The General Manager (GM) is responsible for ensuring that expenditures remain within budget allocations and may adopt administrative budget policies necessary to carry out that responsibility. No expenditure of funds is authorized unless sufficient funds have been appropriated by the Board or reallocated by the GM, as described in this budget.

The GM may exercise discretion in administering the budget to respond to changing circumstances by requesting budget transfers between line items requested by each department on an as-needed basis. Transfers between departments require approval from each Department Director and the GM. Any single line-item modification exceeding $50,000 requires Board approval, as does any amendment (addition or reduction) to the total adopted budget. All budget transfers are documented and tracked in the District's financial system and reported to the Finance and Audit Committee during its regular monthly meetings, referred to as the "Adopted (Amended)" amount for the budget year.

In the event of a declared District Emergency, the GM, in consultation with the Board President, may exercise additional authority to protect public health and safety. The GM's Declaration of a District Emergency is a public acknowledgment that the District's resources may be insufficient to respond to the emergency. Under Public Contract Code §§20567 and 22050, the Board may delegate to the GM the authority to suspend competitive bidding and enter emergency contracts of up to $250,000. The Board must ratify the declaration within 14 days at a regular, special, or emergency Board meeting.

Additionally, the GM is authorized to hire full-time staff for positions or classifications approved by the Board and may also approve the hiring of temporary or part-time staff, as needed, to maintain operations and service levels.

Table 8 – Approvals for Budget activity

Action	Approval Required
Line-item transfers within a department	General Manager
Transfers between departments	Department Directors and General Manager
Single line-item modification over $50,000	Board of Directors
Amendments increasing or decreasing total appropriations	Board of Directors
Emergency contracts up to $250,000	General Manager, with Board ratification required within 14 days

This structure ensures that budget oversight remains transparent and responsive while preserving appropriate levels of fiscal control and accountability at each stage of the process.

Rate Setting Structure

Proposition 218

The timing of the District's budget process is closely tied to its rate-setting requirements under Proposition 218, officially titled the *"Right to Vote on Taxes Act."* Approved by California voters in 1996, Proposition 218 amended the California Constitution (Articles XIII C and XIII D) to establish additional procedural requirements and limitations on new or increased taxes, assessments, and property-related fees and charges.

For special districts such as the Beaumont-Cherry Valley Water District (BCVWD), any fee or charge imposed as an incident of property ownership, including water commodity charges, service fees, late charges, or sanitation fees, must comply with the provisions of Proposition 218. In practice, this means that the District must mail written notice to all affected property owners at least 45 days before a public hearing on any proposed rate increase. During that 45-day protest period, property owners may submit written protests opposing the proposal. If a majority (50 percent + 1) of property owners submit valid written protests, the proposed rate or fee adjustment cannot be adopted. Effectively, ratepayers are given both advance notice and the opportunity to formally oppose any increase before it takes effect.

In addition to these procedural requirements, Proposition 218 imposes substantive restrictions on how fees and rates are established and used. Specifically:

- Revenues derived from a property-related fee or charge shall not exceed the funds required to provide the service.
- The revenue shall not be used for any purpose other than that for which the fee or charge was imposed.
- The fee or charge imposed upon a parcel shall not exceed the proportional cost of service attributable to that parcel.
- No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the property owner, meaning that rates must be based directly on the cost of providing service, nothing more, and funds must stay within that purpose.

To demonstrate compliance with these requirements, BCVWD periodically conducts cost-of-service studies that document how rates are developed using industry-accepted methodologies and principles. These studies identify the costs associated with providing water service, including operations, maintenance, capital replacement, and future infrastructure needs, ensuring that each customer classification pays its fair share of the District's cost to serve.

The District voluntarily provided supplemental notifications consistent with Assembly Bill 2257 (AB 2257), further enhancing transparency and ensuring that customers remain informed and engaged throughout the rate-setting process.

Maintaining compliance with Proposition 218 ensures that the District's rate structure remains legally defensible, transparent, and financially sustainable, while continuing to uphold the public's right to review and participate in the rate-setting process.

Rate Structure

The District bills most customers, including all residential accounts, on a bi-monthly basis, resulting in six bills per year. All other accounts, such as large-volume commercial and industrial customers, are billed monthly. To ensure consistency across billing cycles, bi-monthly rates are set at one-half of the equivalent monthly rate, meaning that customers pay the same overall cost for service and water usage regardless of how often they are billed. There is no difference in the calculation of water use or tiered rates between monthly and bi-monthly customers—the rate structure applies uniformly based on consumption.

The District's potable water rate structure consists of two primary components:

1. **Fixed service charge**- Based on meter size and customer classification, which recovers costs related to system maintenance, meter reading, billing, and customer service.

2. **Commodity charge**- Based on the amount of water consumed, which recovers costs associated with water production, treatment, and delivery.

Customer classifications for water meter service charges are as follows:

1. **Domestic/Commercial/Non-Potable**: Single-family residential, single-business commercial unit, or non-potable water service per meter.

2. **Multiple Residential/Multiple Commercial**: Customers with multiple dwelling or business units served by one meter (e.g., apartment complexes or multi-unit centers).

Table 9 – Bi-Monthly Potable and Non-Potable Water Meter Service Charges for Common Meter Sizes

Meter Size	January 2026	January 2027	January 2028
5/8"	$39.20	$45.08	$51.85
3/4"	$54.01	$62.12	$71.44
1"	$83.66	$96.21	$110.65
1 1/2"	$157.81	$181.49	$208.72
2"	$246.77	$283.79	$326.36

All billable rates for potable and non-potable water service, as well as private fire service, are established in the District's *Rules and Regulations, Part 5 – Charges*. This report, most recently amended by Resolution 2025-12, defines all domestic and irrigation service charges, capacity charges, water installation fees, and miscellaneous charges. It also includes the commodity rates billed to each customer classification based on metered water consumption.

Water commodity rates by customer class are applied to all metered water consumption and are shown in Table 10, Bi-Monthly Potable and Non-Potable Water Commodity Rate. Domestic (single-family residential) customers are billed using a three-tier rate structure, which increases the rate per unit of water as usage rises. All other customer classes are billed using a uniform rate per hundred cubic feet (CCF) of water consumed.

The District includes pass-through charges for the cost of imported water and electric power used to transmit and distribute water to all customers.

Table 10 – Bi-Monthly Potable and Non-Potable Water Commodity Rates

Customer Class	Commodity Tiers (CCF)	January 2026	January 2027	January 2028
Single Family				
Tier 1	1-16	$1.18	$1.36	$1.57
Tier 2	17-34	$1.45	$1.67	$1.93
Tier 3	34+	$2.39	$2.75	$3.17

Customer Class	Monthly Tiers (CCF)	January 2026	January 2027	January 2028
Multi-Family	Uniform	$1.80	$2.07	$2.39
Commercial/Industrial	Uniform	$1.70	$1.96	$2.26
Fire Service	Uniform	$2.07	$2.39	$2.75
Landscape Irrigation	Uniform	$1.88	$2.17	$2.50
Schedule Irrigation	Uniform	$1.88	$2.17	$2.50
Construction	Uniform	$2.07	$2.39	$2.75
Non-Potable	Uniform	$1.43	$1.65	$1.90
State Water Project (SGPWA)		*$0.86*	*$0.92*	$.98
SCE Power Charge (Pumping)		*$0.60*	*$0.64*	$0.68

Water Production

Water production from January through September 2026 totaled 11,084.72 acre-feet (AF), compared to 10,451.89 AF during the same period in 2025, an increase of 632.83 AF, or approximately 6.05 percent. This increase continues the rebound from the unusually cool and wet 2023 season, when production dropped to 9,018.21 AF due to reduced outdoor demand and extended snowpack conditions into early spring.

By comparison, production levels in 2021 (10,736.55 AF) and 2022 (10,757.56 AF) were consistent with long-term averages, reflecting more typical weather patterns and stable consumption. The 2026 increase therefore represents a return to normal usage levels, driven primarily by warmer temperatures and continued new construction within the District.

Understanding Water Measurements

Water is measured in two primary units, depending on its use and purpose.

The **acre-foot (AF)** is the standard measurement used for large volumes of water, such as imported supplies purchased from the San Gorgonio Pass Water Agency (SGPWA) through the California State Water Project (SWP). One AF equals approximately **325,851 gallons**, enough to cover one acre of land with water one foot deep.

For customer billing, the District measures water consumption in **hundred cubic feet (CCF)**. One CCF equals approximately **748 gallons of water,** or enough to fill about 15 standard bathtubs**.** To put this into perspective, a customer using 10 CCF during a billing period has consumed approximately 7,480 gallons of water.

Customer water use typically varies throughout the year, with lower consumption during cooler months and higher usage during warmer months, primarily due to outdoor irrigation and landscaping needs. During the summer, it is not uncommon for customers to use two to three times as much water as they do during the winter.

Financial Guidelines and Policies

General Financial Goals

The District's financial policies are designed to ensure the long-term stability and integrity of its operations. The District strives to:

- Ensure reliable water services by maintaining a stable financial base and relying on sustainable, ongoing resources.
- Respond effectively to economic changes or new service requirements without creating undue financial stress.
- Assure ratepayers that the District's financial management is responsible, transparent, and accountable.
- Adhere to the highest professional standards established by the Government Finance Officers Association (GFOA), the Governmental Accounting Standards Board (GASB), and other authoritative agencies for financial reporting and budgeting.

Cash and Investments

The District maintains cash and investment programs in accordance with the Investment Policy, which provides guidelines for the prudent investment of surplus cash, reserves, trust funds, and restricted monies. The policy is designed to maximize the efficiency of the District's cash management system in compliance with Section 53646 of the Government Code of California.

The policy applies to all financial assets of the District as accounted for in the audited financial statements. The primary objectives of the District's investment activities, in order of priority, are:

1. **Safety of Principal** – Preservation of capital through mitigation of credit and market risks.
2. **Liquidity** – Maintenance of sufficient liquidity to meet cash flow needs.
3. **Return on Investment** – Achieving a reasonable market rate of return consistent with safety and liquidity objectives.

Operating Budget Guidelines

The District prepares a balanced budget, meaning that current operating expenses are funded through current revenues and reserves carried forward from the prior year. Additional staffing requests are considered only when justified by program needs or policy directives.

The budget process emphasizes prudent spending, long-term financial planning, and sustainable service delivery.

Reserve Policy

This policy, incorporated with Resolution 2010-10, adopted on July 14, 2010, identifies restricted reserves as Future Capital Commitments, Funds Held for Others, and Debt Service. Board-designated unrestricted reserves are identified in the policy as Emergency, Capital Replacement, and Operations. The District's reserves are divided into two main categories: Designated Reserves and Restricted Reserves.

Designated Reserves are Board-directed funds set aside for specific purposes, such as emergency response, capital replacement, or operational stability. These funds are not legally restricted and may be reallocated by Board action if priorities or circumstances change. In contrast, Restricted Reserves are externally limited funds that can only be used for purposes defined by law, regulation, or contractual obligation. Together, these reserves ensure that the District can respond effectively to financial needs, emergencies, and long-term infrastructure planning while maintaining transparency and fiscal accountability.

Designated Reserves

Emergency Reserve

The purpose of the Emergency Reserve is to ensure uninterrupted service to the District's customers during events that are impossible to anticipate or budget for, such as unforeseen emergencies or disasters. The Emergency Reserve is adjusted annually to maintain a minimum balance of 15% of the annual operating budget.

Capital Replacement Reserve

The Capital Replacement Reserve provides funding for the purchase or replacement of equipment, infrastructure, conservation projects, and other capital needs. This reserve stabilizes capital funding by accumulating "pay-as-you-go" resources for planned improvements. It is funded primarily through operating revenues and is not derived from capacity fees.

Reserve for Operations

The Reserve for Operations is to be used for working capital purposes and to ensure the continuity of customer services regardless of cash flow. This Reserve has adjusted annually to a minimum amount sufficient to pay for three months of budgeted operating expenses, not exceeding a maximum of six months of budgeted operating expenses. Maintaining adequate reserves provides the District with flexibility in responding to unanticipated expenses or revenue fluctuations.

Restricted Reserves

Reserves for Future Capital Commitments

Reserves for Future Capital Commitments are established by resolution to designate specific fees for expanding the domestic water system. The annual minimum fund represents fees collected during the year. Appropriation of reserves is approved through Board action. Funds appropriated to these reserves are invested similarly to other District investments, with interest earnings on the restricted reserves credited logically and systematically.

Reserves for Funds Held for Others

The Board of Directors establishes reserves for Funds Held for Others to segregate funds held for others, such as refundable or prepaid deposits. They are adjusted to equal the funds held for others at year-end. Funds appropriated to these reserves are invested similarly to other District investments.

Debt Service Reserve

The Debt Service Reserve is established to be used to provide for the repayment of debt. This Reserve is maintained at the minimum required by funding covenants. Funds appropriated to these reserves are invested similarly to other District investments, with interest earnings on the restricted reserves credited logically and systematically.

Other Post Employment Benefits Funding Policy

This policy ensures the District funds post-employment benefits in a sustainable and equitable manner. The District makes annual contributions to its Other Post Employment Benefits (OPEB) Trust based on the Actuarially Determined Contribution (ADC), calculated biennially by an actuarial consultant. The ADC includes the normal cost of current service and the amortization of any unfunded liability.

The District validates actuarial assumptions and reviews this policy annually with the Finance and Audit Committee to recommend adjustments as necessary. This proactive approach supports the long-term health of the District's benefit programs while maintaining compliance with professional standards.

Pension Funding Policy

The District is committed to responsibly funding its pension obligations through participation in the California Public Employees' Retirement System (CalPERS). Annual contributions are based on CalPERS actuarial valuations and include both normal costs and unfunded accrued liabilities (UAL).

To reduce future costs, the District prepays its annual UAL contribution whenever feasible and has established a Section 115 Pension Trust to stabilize funding for future pension obligations. Additional discretionary payments may be made to further reduce the UAL. Policy oversight is delegated to the General Manager, with annual reporting and periodic reviews to ensure sustainability and responsiveness to CalPERS policy changes.

Internal Controls

District management is responsible for establishing and maintaining an internal control framework that safeguards the District's assets against loss, theft, or misuse. This framework ensures sufficient accounting data is compiled to support and facilitate the preparation of financial statements in accordance with GAAP.

The internal control system is designed to provide reasonable assurance that these goals are achieved. The principle of reasonable assurance acknowledges that (1) the cost of a control should not outweigh its likely benefits, and (2) assessing costs and benefits involves management's estimates and judgments.

Purchasing Policy

The District's purchasing policy outlines the guidelines for procuring supplies, materials, equipment, services, construction, and capital improvements for District operations, aligning relevant legal requirements and District administrative policies.

This policy acts as the District's administrative procedure for procurement. It prohibits conflicts of interest and unauthorized purchases and requires all purchasing and accounts payable documentation to undergo random internal and external audits. The District has set bid and invoice authorization thresholds across leadership levels, with authorization limits increasing in line with invoice amounts.

These practices ensure efficient procurement while maintaining compliance with statutory requirements and the District's ethical standards.

Financial Summary

PICTURE

Financial Summary

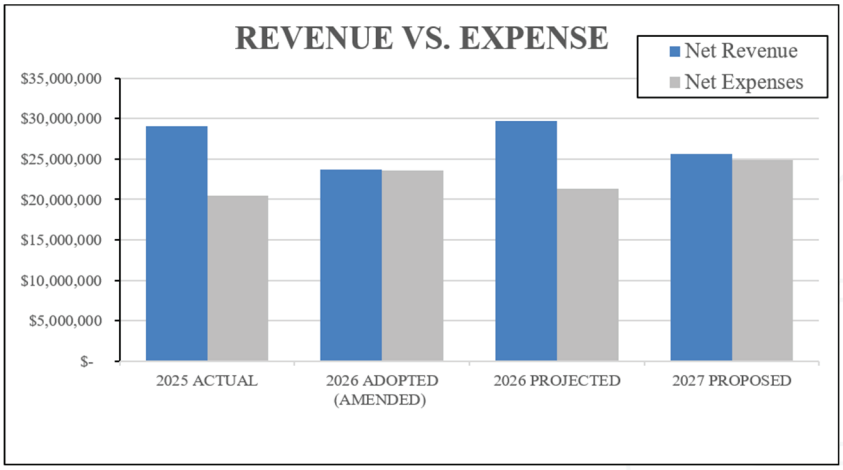
Budget Summary

The Fiscal Year (FY) 2027 Operating Budget reflects the District's continued commitment to responsible financial management, reliable water service, and long-term financial sustainability. The budget balances the resources needed for daily operations with increasing personnel, infrastructure, and regulatory requirements while maintaining reserves to support future needs.

For FY 2027, the District anticipates net revenues of $25,610,800 and net expenses of $24,865,700, resulting in a projected net increase of $745,100. Net revenues exclude $1,305,300 in capacity charges, which are restricted for eligible purposes, while net expenses exclude $4,599,500 in depreciation and other non-cash expenses. These adjustments provide a clearer picture of the revenues and expenditures used to support the District's annual operating activities.

Compared with the FY 2026 Adopted/Amended Budget, net revenues are projected to increase by $1,867,300, or 7.9%, while net expenses increase by $1,322,700, or 5.6%. Revenue growth is primarily supported by the water rate adjustments adopted in 2025, while increasing personnel costs, regulatory requirements, and infrastructure maintenance continue to influence expenditures. The budget reflects a measured approach to meeting these obligations while preserving financial resources for future capital improvements and unforeseen circumstances.

	2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	Difference (Proposed - Adopted)
Gross Revenue	$ 31,355,900	$ 25,876,900	$ 30,658,100	$ 26,916,100	$ 1,039,200
Less Capacity Charges	(2,344,200)	(2,133,400)	(997,500)	(1,305,300)	828,100
Net Revenue	$ 29,011,700	$ 23,743,500	$ 29,660,600	$ 25,610,800	$ 1,867,300
Gross Expenses	$ 24,519,803	$ 27,880,400	$ 25,722,800	$ 29,465,200	$ 1,584,800
Less Non-Cash Expenses	(85,411)	(460,900)	(180,600)	(221,400)	239,500
Less Depreciation	(3,924,316)	(3,876,500)	(4,245,300)	(4,378,100)	(501,600)
Net Expenses	$ 20,510,076	$ 23,543,000	$ 21,296,900	$ 24,865,700	$ 1,322,700
Net Increase/(loss)	**$ 8,501,624**	**$ 200,500**	**$ 8,363,700**	**$ 745,100**	**$ 544,600**



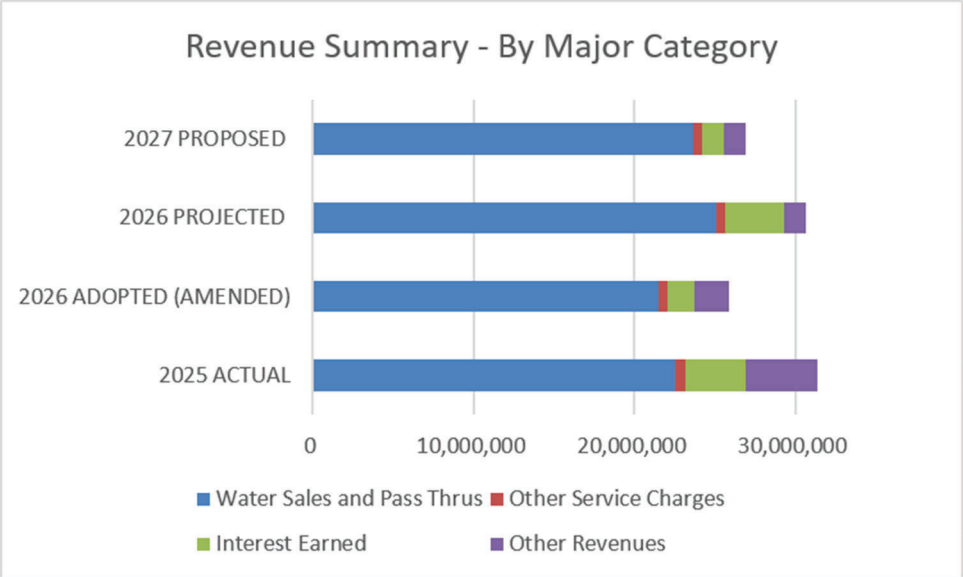
Revenue Summary

Water sales remain the District's primary source of revenue, including charges for potable and non-potable water and pass-through charges associated with imported water and pumping energy. Together, these sources account for approximately 90.3% of FY 2027 net revenues. Other revenues include development and installation charges, service fees, property maintenance fees, and investment earnings.

For FY 2027, operating revenues are projected at $24,221,000, an increase of $2,171,600, or 9.8%, compared with the FY 2026 Adopted/Amended Budget. This increase reflects the continued implementation of the water rate adjustments approved in 2025, including the scheduled adjustment effective January 2027. Revenue projections also consider anticipated customer consumption, historical water use patterns, and the effects of weather and conservation on water demand.

Investment earnings are budgeted conservatively at $1,355,500, recognizing that returns may fluctuate with market conditions. Capacity charges are projected at $1,305,300 and are accounted for separately from net operating revenues because their use is restricted to eligible purposes. Together, these revenue sources support the District's operating responsibilities and long-term financial planning.

	2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Operating Revenue					
Water Sales	$ 14,525,600	$ 14,251,700	$ 16,467,300	$ 15,865,100	$ 1,613,400
Development and Installation Charges	542,500	537,100	645,800	554,400	17,300
Water Importation Surcharge	4,375,400	4,118,900	4,741,100	4,277,200	158,300
Water Pumping Energy Surcharge	3,117,600	2,625,700	3,220,900	2,975,400	349,700
Other Charges for Service	618,000	516,000	558,500	548,900	32,900
Total Operating Revenue	23,179,100	22,049,400	25,633,600	24,221,000	2,171,600
Non-Operating Revenue					
Property Maintenance Fees	$ 34,300	$ 37,100	$ 33,100	$ 34,300	$ (2,800)
Capacity Charges	2,339,900	2,133,400	1,015,400	1,305,300	(828,100)
Interest Earned	3,780,700	1,657,000	3,661,600	1,355,500	(301,500)
Grant Revenue	2,021,900	-	314,400	-	-
Total Non-Operating Revenue	8,176,800	3,827,500	5,024,500	2,695,100	(1,132,400)
Gross Revenue	31,355,900	25,876,900	30,658,100	26,916,100	1,039,200



Expenses Summary

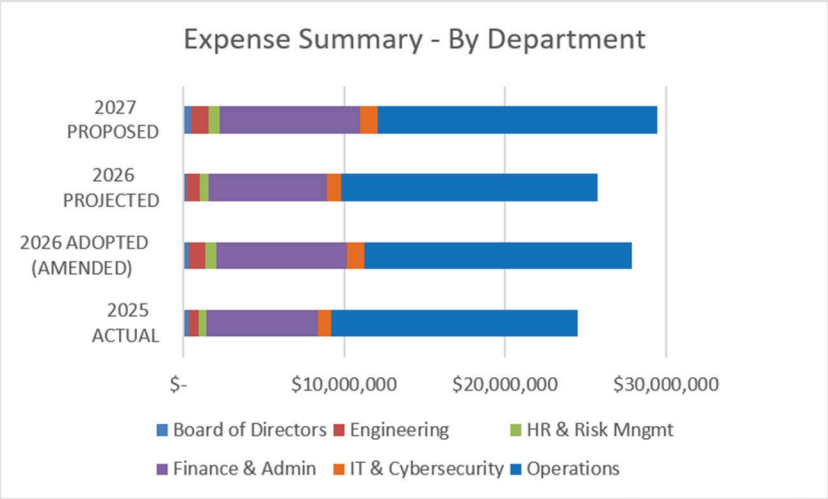
The District's FY 2027 expense budget was developed through a collaborative review of departmental needs, historical spending, anticipated operating requirements, and long-term financial priorities. Each department evaluated the resources necessary to maintain existing services while addressing increasing costs, regulatory obligations, and organizational changes.

Gross operating expenses are budgeted at $29,465,200, an increase of $1,584,800, or 5.7%, compared with the FY 2026 Adopted/Amended Budget. After excluding depreciation and other non-cash expenses, net expenses total $24,865,700. Major cost drivers include salaries and benefits, water supply purchases, infrastructure maintenance, utility expenses, and additional responsibilities associated with state-mandated programs.

Salaries and benefits represent approximately 45.0% of net expenses, reflecting increases in health insurance costs, negotiated compensation and benefit adjustments, and staffing needs associated with succession planning and regulatory compliance. The budget also supports water production and distribution, customer service, and the equipment and technology necessary for efficient operations.

Although individual departmental budgets fluctuate based on project schedules and operational priorities, the overall budget emphasizes maintaining essential services, managing costs, and preparing for future infrastructure needs.

	2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Operating Expenses, by division					
Board of Directors	$ 352,831	$ 327,400	$ 215,500	$ 472,200	$ 144,800
Engineering	517,121	915,200	749,500	988,500	73,300
Development Services	97,799	120,400	92,600	132,900	12,500
Human Resources & Risk Managment	466,035	698,400	502,900	712,600	14,200
Finance and Administrative Services	6,131,947	7,223,500	6,653,000	7,778,500	555,000
Customer Service	796,598	878,500	696,600	877,300	(1,200)
Information Technology and Cybersecurity	830,318	1,136,700	914,300	1,142,300	5,600
Source of Supply	10,636,964	10,367,100	10,918,500	10,177,400	(189,700)
Cross Connections	206,996	292,100	217,300	464,600	172,500
Transmission and Distribution	2,597,214	3,159,800	2,774,200	3,493,100	333,300
Inspections	88,836	124,100	114,200	130,700	6,600
Customer Service and Meter Reading	370,213	545,300	382,800	668,800	123,500
General Plant	909,518	1,486,100	1,011,700	1,756,700	270,600
Maintenance	517,415	605,800	479,700	669,600	63,800
Gross Operating Expenses	$ 24,519,803	$ 27,880,400	$ 25,722,800	$ 29,465,200	$ 1,584,800



2027 Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position provides a comprehensive view of the District's operating activities, capital investments, and anticipated changes in reserves. It illustrates how planned infrastructure improvements and decisions affect the District's overall financial position.

For FY 2027, the District anticipates approximately $30.5 million in capital improvement expenditures, supported by restricted funds and other available resources. These investments contribute to a $12.8 million decrease in cash flow, reflecting planned infrastructure spending rather than an operating shortfall.

Despite these investments, the District projects unrestricted reserves of $28.7 million, exceeding its $23.5 million target. This is approximately 419 days of cash on hand, providing flexibility to maintain operations, respond to emergencies, and cover unexpected expenses, although projections are subject to change.

	2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE	% CHANGE
Operating Revenue						
Water Sales	$ 14,525,600	$ 14,251,700	$ 16,467,300	$ 15,865,100	$ 1,613,400	11.3%
Development and Installation Charges	542,500	537,100	645,800	554,400	17,300	3.2%
Water Importation Surcharge	4,375,400	4,118,900	4,741,100	4,277,200	158,300	3.8%
Water Pumping Energy Surcharge	3,117,600	2,625,700	3,220,900	2,975,400	349,700	13.3%
Other Charges for Service	618,000	516,000	558,500	548,900	32,900	6.4%
Gross Operating Revenue	**23,179,100**	**22,049,400**	**25,633,600**	**24,221,000**	**2,171,600**	**9.8%**
Operating Expenses						
Board of Directors	$ 352,831	$ 327,400	$ 215,500	$ 472,200	$ 144,800	44.2%
Engineering	517,121	915,200	749,500	988,500	73,300	8.0%
Development Services	97,799	120,400	92,600	132,900	12,500	10.4%
Human Resources & Risk Management	466,035	698,400	502,900	712,600	14,200	2.0%
Finance and Administrative Services (less Depreciation and Trust Contributions)	2,180,613	2,886,100	2,285,100	3,293,300	407,200	14.1%
Customer Service	796,598	878,500	696,600	877,300	(1,200)	-0.1%
Information Technology and Cybersecurity	830,318	1,136,700	914,300	1,142,300	5,600	0.5%
Source of Supply	10,636,964	10,367,100	10,918,500	10,177,400	(189,700)	-1.8%
Cross Connections	206,996	292,100	217,300	464,600	172,500	59.1%
Transmission and Distribution	2,597,214	3,159,800	2,774,200	3,493,100	333,300	10.5%
Inspections	88,836	124,100	114,200	130,700	6,600	5.3%
Customer Service and Meter Reading	370,213	545,300	382,800	668,800	123,500	22.6%
General Plant	909,518	1,486,100	1,011,700	1,756,700	270,600	18.2%
Maintenance	517,415	605,800	479,700	669,600	63,800	10.5%
Gross Operating Expenses	**$ 20,568,469**	**$ 23,543,000**	**$ 21,354,900**	**$ 24,980,000**	**$ 1,437,000**	**6.1%**
Operating Income (Loss)	**$ 2,610,631**	**$ (1,493,600)**	**$ 4,278,700**	**$ (759,000)**	**$ 734,600**	**-49.2%**
Non-Operating Revenue (Expense)						
Property Maintenance Fees	$ 34,300	$ 37,100	$ 33,100	$ 34,300	$ (2,800)	-7.5%
Capacity Charges	2,339,900	2,133,400	1,015,400	1,305,300	(828,100)	-38.8%
Interest Earned	3,780,700	1,657,000	3,661,600	1,355,500	(301,500)	-18.2%
Grant Revenue	2,021,900	-	314,400	-	-	0.0%
Capital Improvement Budget	(5,928,476)	(32,335,800)	(3,123,121)	(30,548,900)	1,786,900	-5.5%
Developer Funded Capital Improvement	13,267,799	475,500	317,650	475,500	-	0.0%
Use of Restricted Funds	394,124	12,488,100	2,032,412	15,329,800	2,841,700	22.8%
Total Non-Operating Revenue (Expense)	**$ 15,910,247**	**$ (15,544,700)**	**$ 4,251,441**	**$ (12,048,500)**	**$ 3,496,200**	**-22.5%**
Increase (Decrease) in Cash Flow	**$ 18,520,878**	**$ (17,038,300)**	**$ 8,530,141**	**$ (12,807,500)**	**$ 4,230,800**	**-24.8%**
Beginning Unrestricted Reserve [1]	**$ 31,303,852**	**$ 32,939,135**	**$ 32,939,135**	**$ 41,469,276**	**$ 8,530,141**	**25.9%**
Days' Cash on Hand [2]	**884**	**247**	**709**	**419**	**172**	**69.6%**
Ending Unrestricted Reserve	**$ 49,824,730**	**$ 15,900,835**	**$ 41,469,276**	**$ 28,661,776**	**$ 12,760,941**	**80.3%**
Target Unrestricted Reserve [3]	**$ 21,754,067**	**$ 22,943,879**	**$ 22,068,639**	**$ 23,518,679**	**$ 574,800**	**2.5%**

(1) Source: BCVWD Annual Comprehensive Annual Financial Report (ACFR), Note 12
(2) Calculation: Ending Unrestricted Reserve multiplied by 365 days, divided by Operating Expenses less depreciation
(3) Calculation: Sum of Emergency Reserve (15% of Operating Expense), Capital Replacement Reserve, and Reserve for Operations (3 months, or 25%, of Operating expenses) The Capital Replacement Reserve Target amounts come from the 2024 Water Rate Model

Maintaining adequate reserves remains central to the District's financial strategy as it prepares for future infrastructure improvements and regulatory requirements. The FY 2027 budget balances current financial obligations with long-term investments while preserving financial stability.

2026 Statement of Revenues, Expenses, and Changes in Net Position

The prior-year statement is provided for comparison purposes only.

	2024 ACTUAL	2025 ADOPTED (AMENDED)	2025 PROJECTED	2026 PROPOSED	CHANGE	% CHANGE
Operating Revenue						
Water Sales	$ 12,679,900	$ 12,377,700	$ 14,361,700	$ 14,251,700	$ 1,874,000	15.1%
Development and Installation Charges	888,400	830,400	629,800	537,100	(293,300)	-35.3%
Water Importation Surcharge	3,844,700	3,793,300	4,379,200	4,118,900	325,600	8.6%
Water Pumping Energy Surcharge	2,040,000	2,212,800	2,748,900	2,625,700	412,900	18.7%
Other Charges for Service	642,300	503,100	597,500	516,000	12,900	2.6%
Gross Operating Revenue	**20,095,300**	**19,717,300**	**22,717,100**	**22,049,400**	**2,332,100**	**11.8%**
Operating Expenses						
Board of Directors	$ 197,036	$ 438,200	$ 361,800	$ 327,400	$ (110,800)	-25.3%
Engineering	496,849	684,700	518,100	792,200	107,500	15.7%
Development Services	100,365	113,500	93,400	120,400	6,900	6.1%
Professional Services	439,081	754,900	509,500	670,300	(84,600)	-11.2%
Finance and Admin Services (less Depreciation and Trust Contributions)	2,233,218	2,781,100	2,272,900	3,194,500	413,400	14.9%
Human Resources & Risk Management	179,964	272,200	183,600	307,900	35,700	13.1%
Customer Service	731,603	874,700	745,400	878,500	3,800	0.4%
Information Technology	723,104	1,133,400	736,300	1,136,700	3,300	0.3%
Source of Supply	9,501,541	11,196,000	10,511,000	9,238,900	(1,957,100)	-17.5%
Cross Connections	177,067	251,200	189,800	293,600	42,400	16.9%
Transmission and Distribution	2,404,249	3,271,600	2,587,500	3,159,300	(112,300)	-3.4%
Inspections	21,897	128,700	60,400	124,100	(4,600)	-3.6%
Customer Service and Meter Reading	296,120	438,000	357,300	545,300	107,300	24.5%
Maintenance and General Plant	1,109,640	2,025,800	1,339,300	2,002,900	(22,900)	-1.1%
Gross Operating Expenses	**$ 18,611,733**	**$ 24,364,000**	**$ 20,466,300**	**$ 22,792,000**	**$ (1,572,000)**	**-6.5%**
Operating Income (Loss)	**$ 1,483,567**	**$ (4,646,700)**	**$ 2,250,800**	**$ (742,600)**	**$ 3,904,100**	**-84.0%**
Non-Operating Revenue						
Property Maintenance Fees	$ 34,200	$ 36,000	$ 31,000	$ 37,100	$ 1,100	3.1%
Capacity Charges	273,200	1,908,900	1,737,300	2,133,400	224,500	11.8%
Interest Earned	3,720,100	1,573,800	3,255,600	1,657,000	83,200	5.3%
Grant Revenue	1,636,300	861,000	1,357,500	-	(861,000)	0.0%
Capital Improvement Budget	(7,574,294)	(33,258,700)	(3,152,100)	(32,335,800)	922,900	-2.8%
Developer Funded Capital Improvement	746,857	2,897,200	2,897,200	475,500	(2,421,700)	0.0%
Use of Restricted Funds	1,905,196	8,491,400	44,700	12,488,100	3,996,700	47.1%
Total Non-Operating Revenue (Expense)	**$ 741,559**	**$ (17,490,400)**	**$ 6,171,200**	**$ (15,544,700)**	**$ 1,945,700**	**-11.1%**
Increase (Decrease) in Cash Flow	**$ 2,225,126**	**$ (22,137,100)**	**$ 8,422,000**	**$ (16,287,300)**	**$ 5,849,800**	**-26.4%**
Beginning Unrestricted Reserve [1]	**$ 30,464,949**	**$ 31,303,852**	**$ 31,303,852**	**$ 39,725,852**	**$ 8,422,000**	**26.9%**
Days' Cash on Hand [2]	**641**	**137**	**708**	**375**	**238**	**173.7%**
Ending Unrestricted Reserve	**$ 32,690,075**	**$ 9,166,752**	**$ 39,725,852**	**$ 23,438,552**	**$ 14,271,800**	**155.7%**
Target Unrestricted Reserve [3]	**$ 19,017,229**	**$ 23,272,279**	**$ 21,713,199**	**$ 22,643,479**	**$ (628,800)**	**-2.7%**

(1) Source: BCVWD Annual Comprehensive Annual Financial Report (ACFR), Note 12
(2) Calculation: Ending Unrestricted Reserve multiplied by 365 days, divided by Operating Expenses less depreciation
(3) Calculation: Sum of Emergency Reserve (15% of Operating Expense), Capital Replacement Reserve, and Reserve for Operations (3 months, or 25%, of Operating expenses) The Capital Replacement Reserve Target amounts come from the 2019 Water Rate Model

Details by Department

PICTURE

Revenue Details

Operating Revenue

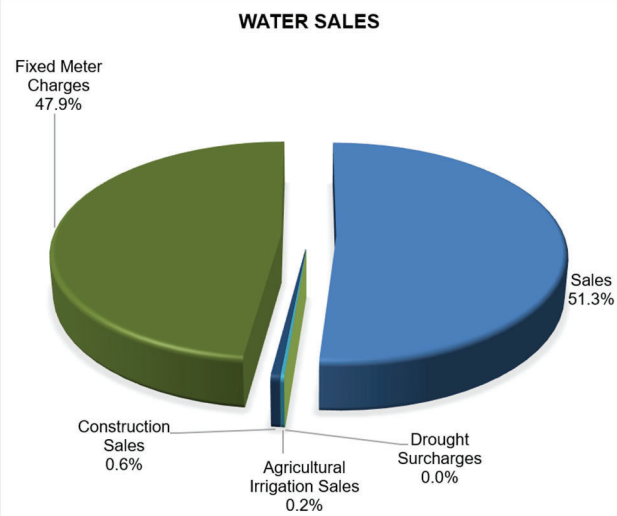
Water Sales

The District produces potable water for sale to six customer classes: single-family residential, multifamily residential, commercial, industrial, irrigation, and agricultural. Most customers are billed bi-monthly based on metered consumption, measured in hundred cubic feet (CCF), where one CCF equals 748 gallons, along with a fixed meter charge.

The 2024 Water Rate Study established rate adjustments beginning in May 2025, with additional adjustments scheduled for subsequent years. For FY 2027, revenue projections incorporate the approved rates and a conservative estimate of customer consumption, recognizing the effects of weather, conservation, and water loss.

Proposed water sales total $15,865,100, an increase of $1,613,400, or 11.3%, over the FY 2026 Adopted/Amended Budget. The projection uses a ten-year average of water production, adjusted for historical water loss and potential weather-related reductions in consumption, while fixed meter charges reflect the number of active meters and an allowance for potentially inactive accounts.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Water Sales						
01-50-510-410100	Sales	$ 7,601,000	$ 7,185,500	$ 8,742,000	$ 8,136,100	$ 950,600
01-50-510-410111	Drought Surcharges	-	-	-	-	-
01-50-510-410151	Agricultural Irrigation Sales	32,500	32,000	31,000	36,200	4,200
01-50-510-410171	Construction Sales	92,300	77,500	89,100	87,300	9,800
01-50-510-413011	Fixed Meter Charges	6,799,800	6,956,700	7,605,200	7,605,500	648,800
		$14,525,600	$ 14,251,700	$ 16,467,300	$ 15,865,100	$ 1,613,400

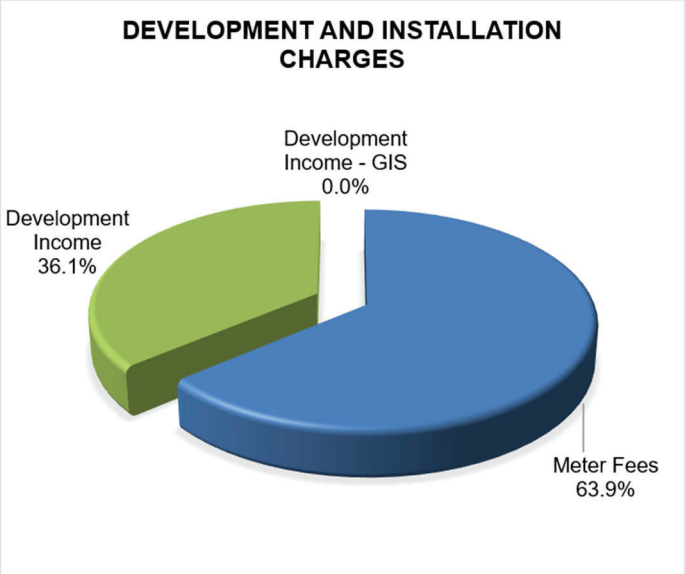


Development and Installation Charges

The District collects fees and deposits to recover engineering, legal, administrative, and installation costs associated with new development and water service connections. These amounts are recognized as revenue as the related services are performed.

Proposed development and installation charges total $554,400, an increase of $17,300, or 3.2%, over the FY 2026 Adopted/Amended Budget. The projection reflects an estimated 175 new meter installations, including 165 potable and 10 non-potable meters, using FY 2027 rates, while development-related administrative revenue remains at the prior-year budgeted level.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Development and Installation Charges						
01-50-510-413021	Meter Fees	$ 284,200	$ 337,100	$ 353,600	$ 354,400	$ 17,300
01-50-510-419011	Development Income	245,500	200,000	257,500	200,000	-
01-50-510-419012	Development Income - GIS	12,800	-	34,700	-	-
		$ 542,500	$ 537,100	$ 645,800	$ 554,400	$ 17,300



Water Importation Surcharge

The Water Importation Surcharge recovers the cost of imported water purchased through the San Gorgonio Pass Water Agency (SGPWA) to replenish groundwater supplies, subject to applicable cost limitations. These charges help offset the District's State Water Project (SWP) water costs.

Proposed FY 2027 revenue totals $4,277,200, an increase of $158,300, or 3.8%, over the FY 2026 Adopted/Amended Budget. The projection reflects anticipated water sales at the approved surcharge rates, with an allowance for billing adjustments and rounding.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Water Importation Surcharge						
01-50-510-415001	SGPWA Importation Charges	$ 4,375,400	$ 4,118,900	$ 4,741,100	$ 4,277,200	$ 158,300

Water Pumping Energy Surcharge

The Water Pumping Energy Surcharge recovers electricity costs associated with pumping and delivering water to customers, including Southern California Edison (SCE) charges for wells, pumps, and booster stations.

Proposed FY 2027 revenue totals $2,975,400, an increase of $349,700, or 13.3%, over the FY 2026 Adopted/Amended Budget. The projection is based on anticipated water sales and approved surcharge rates, with an allowance for billing adjustments and rounding.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Water Pumping Energy Surcharge						
01-50-510-415011	SCE Power Charges	$ 3,117,600	$ 2,625,700	$ 3,220,900	$ 2,975,400	$ 349,700

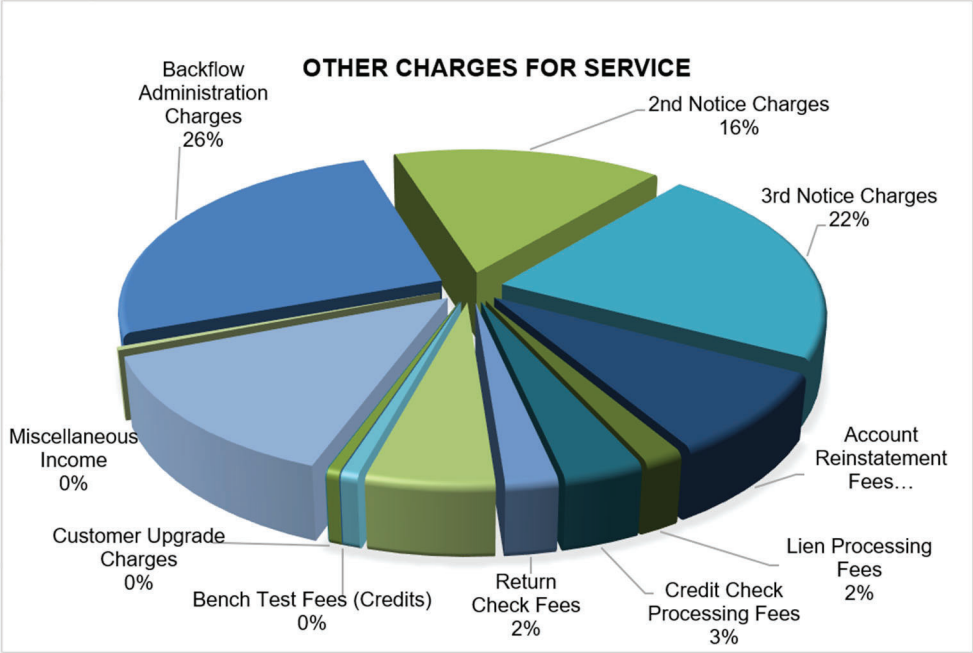
Other Charges for Service

Other Charges for Service include backflow administration fees, past-due notices, account reinstatement charges, and other service-related fees. Proposed FY 2027 revenue totals $548,900, an increase of $32,900, or 6.4%, over the FY 2026 Adopted/Amended Budget.

The primary increase is attributable to backflow administration charges, which reflect approximately 1,385 active backflow devices, charged at the 2027 program rate. Other service-related revenues are projected conservatively using historical activity, including five-year averages for delinquency notices, reinstatements, and processing fees. These estimates recognize ongoing customer payment activity while avoiding reliance on unpredictable reimbursements or miscellaneous income.

The District continues offering payment arrangements and online assistance options to help customers manage outstanding balances and reduce the need for additional collection activities.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Other Charges for Service						
01-50-510-413001	Backflow Administration Charges	$ 105,700	$ 96,900	$ 125,500	$ 141,300	$ 44,400
01-50-510-417001	2nd Notice Charges	111,000	90,400	103,400	87,100	(3,300)
01-50-510-417011	3rd Notice Charges	174,800	130,500	160,500	119,100	(11,400)
01-50-510-417021	Account Reinstatement Fees	61,800	44,800	47,400	47,600	2,800
01-50-510-417030	WaterRestrictn Noncomp10-50%	200	-	-	-	-
01-50-510-417031	Lien Processing Fees	4,600	6,800	9,200	9,400	2,600
01-50-510-417041	Credit Check Processing Fees	16,300	18,400	16,500	18,800	400
01-50-510-417051	Return Check Fees	13,100	11,200	12,500	12,300	1,100
01-50-510-417061	Customer Damages	6,100	30,800	18,500	30,000	(800)
01-50-510-417071	After-Hours Call Out Charges	4,700	3,700	4,500	4,100	400
01-50-510-417081	Bench Test Fees (Credits)	100	100	100	100	-
01-50-510-417091	Credit Card Processing Fees	14,500	-	-	-	-
01-50-510-419001	Rebates/Reimbursements	4,700	2,700	21,900	3,000	300
01-50-510-417101	Customer Upgrade Charges	-	100	200	100	-
01-50-510-419021	Recharge Income	-	-	-	-	-
01-50-510-419031	Well Maintenance Reimbursement	45,200	74,800	32,200	74,000	(800)
01-50-510-419041	Gain (Loss) - Asset Disposal	-	-	-	-	-
01-50-510-419042	Asset Disposal Account	(4,300)	-	17,900	-	-
01-50-510-419043	Fixed Asset Inv (Treated as contributed capital)	-	-	-	-	-
01-50-510-419061	Miscellaneous Income	55,200	4,800	6,100	2,000	(2,800)
		$ 613,700	$ 516,000	$ 576,400	$ 548,900	$ 32,900



Non-Operating Revenue

Property Maintenance Fees

The District owns four residential properties and collects maintenance fees and utility reimbursements for their use. Proposed FY 2027 revenue totals $34,300, a decrease of $2,800, or 7.5%, from the FY 2026 Adopted/Amended Budget.

The projection reflects modest increases in maintenance fees, partially offset by lower anticipated utility reimbursements based on recent usage trends. One property is expected to remain vacant during FY 2027, with no associated revenue budgeted.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Property Maintenance Fees						
01-50-510-471001	Maintenance Fees - 12303 Oak Glen Rd	$ -	$ -	$ -	$ -	$ -
01-50-510-471011	Maintenance Fees - 13695 Oak Glen Rd	7,200	7,500	7,300	7,800	300
01-50-510-471021	Maintenance Fees - 13697 Oak Glen Rd	8,000	8,300	8,200	8,700	400
01-50-510-471031	Maintenance Fees - 9781 Avenida Miravilla	6,700	6,900	6,800	7,300	400
01-50-510-471101	Utilities - 12303 Oak Glen Rd	-	-	-	-	-
01-50-510-471111	Utilities - 13695 Oak Glen Rd	3,100	3,700	2,800	2,700	(1,000)
01-50-510-471121	Utilities - 13697 Oak Glen Rd	5,800	7,600	5,400	5,100	(2,500)
01-50-510-471131	Utilities - 9781 Avenida Miravilla	3,500	3,100	2,600	2,700	(400)
		$ 34,300	$ 37,100	$ 33,100	$ 34,300	$ (2,800)

Capacity Charges

Industrial, commercial, and residential developers pay Capacity Charges, also known as Facilities Fees, to fund infrastructure needed to accommodate new development. These charges support improvements such as wells, storage tanks, transmission pipelines, and other facilities necessary to serve additional customers.

Proposed FY 2027 Capacity Charges total $1,305,300, a decrease of $828,100, or 38.8%, from the FY 2026 Adopted/Amended Budget. The reduction reflects a more conservative estimate of development-related collections based on recent activity, rather than an assumed increase in development. These revenues remain restricted for eligible infrastructure purposes and are accounted for separately from the District's net operating revenues.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Capcity Charges						
01-50-510-481001	Capacity Charges-Wells	$ 491,600	$ 383,600	$ 110,400	$ 186,400	$ (197,200)
01-50-510-481006	Capacity Charges-Water Rights (SWP)	19,400	242,700	8,500	4,300	(238,400)
01-50-510-481012	Capacity Charges-Water Treatment Plant	233,900	182,500	115,500	151,700	(30,800)
01-50-510-481018	Capacity Charges-Local Water Resources	7,700	96,100	42,800	41,100	(55,000)
01-50-510-481024	Capacity Charges-Recycled Water Facilities	438,200	355,500	228,100	268,800	(86,700)
01-50-510-481030	Capacity Charges-Transmission (16")	398,200	310,700	131,400	193,000	(117,700)
01-50-510-481036	Capacity Charges-Storage	543,600	397,800	181,800	279,100	(118,700)
01-50-510-481042	Capacity Charges-Booster	35,300	27,600	37,900	43,400	15,800
01-50-510-481048	Capacity Charges-Pressure Reducing Stations	18,000	14,100	10,800	13,600	(500)
01-50-510-481054	Capacity Charges-Miscellaneous Projects	15,700	12,300	34,500	36,900	24,600
01-50-510-481060	Capacity Charges-Financing Costs	79,900	60,500	17,600	29,100	(31,400)
01-50-510-485001	Front Footage Fees	62,700	50,000	78,200	57,900	7,900
		$ 2,344,200	$ 2,133,400	$ 997,500	$ 1,305,300	$ (828,100)

Interest Earned

The District maintains a diversified investment portfolio to support short-term liquidity, future capital improvements, and long-term financial stability. Investment decisions prioritize safety, liquidity, and a reasonable rate of return consistent with those objectives.

Proposed FY 2027 interest earnings total $1,355,500, a decrease of $301,500, or 18.2%, from the FY 2026 Adopted/Amended Budget. Although recent investment earnings have exceeded budgeted expectations, the FY 2027 projection takes a conservative approach by considering anticipated investment balances, market volatility, and scheduled reductions in certain assessment-related interest revenues.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Interest Earned						
01-50-510-490001	Interest Income - Bonita Vista	$ 200	$ 100	$ 100	$ 100	$ -
01-50-510-490011	Interest Income - Fairway Canyon	189,400	159,200	123,000	103,400	(55,800)
01-50-510-490021	Interest Income - General	3,446,800	1,379,000	3,409,000	1,148,700	(230,300)
01-50-510-490051	Net Amort/Accret on Investment	144,300	118,700	129,500	103,300	(15,400)
		$ 3,780,700	$ 1,657,000	$ 3,661,600	$ 1,355,500	$ (301,500)

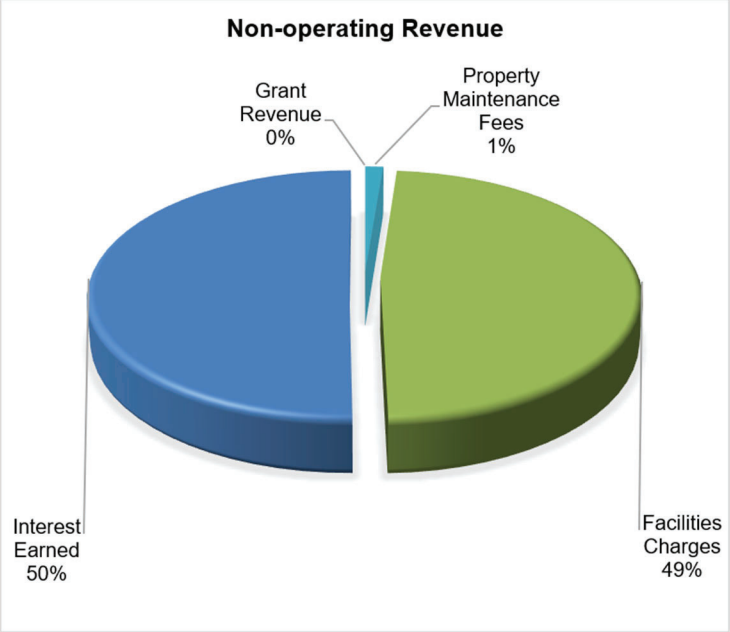
Grant Revenue

Grant revenue is budgeted based on approved funding awards and the anticipated timing of eligible project expenditures. Although the District continues pursuing grant opportunities to support infrastructure

improvements and other eligible activities, funding is not recognized in the budget until sufficiently established.

No grant revenue is proposed for FY 2027 because no new grant awards had been confirmed during budget development. The District will continue monitoring funding opportunities and adjust the budget as necessary when additional awards are secured.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Grant Revenue						
01-50-510-419051	Grant Revenue	$ 2,021,900	$ -	$ 314,400	$ -	$ -



PICTURE

Expense Details

Board of Directors

Department Description

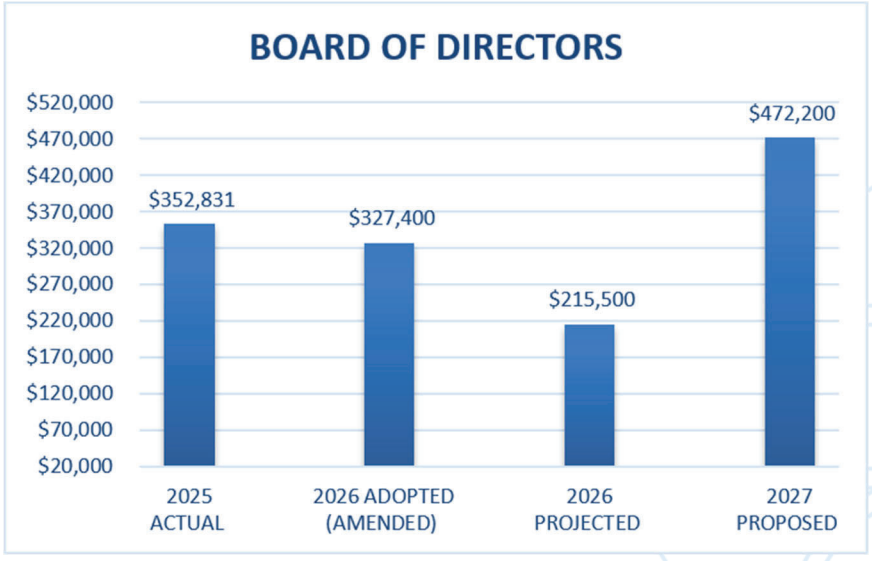
The Beaumont-Cherry Valley Water District is governed by a five-member Board of Directors elected by the residents of the District's service area. The Board establishes District policies, provides strategic direction, and oversees the responsible management of District resources. Board members receive per diem compensation for qualifying District-related activities and are eligible for associated benefits. The District also supports ongoing education and professional development to ensure Board members remain informed on regulatory requirements, water industry developments, and effective governance practices.

Budget Highlights

The Board of Directors' budget remains relatively consistent from year to year, with expenditures primarily consisting of per diem compensation, employee-related benefits, and professional development. The most significant increase for 2027 is associated with the November 2026 Board election. Although the election occurs in 2026, the District anticipates receiving and paying its share of the election costs in 2027. The proposed budget includes $150,000 for election expenses, reflecting the increased costs experienced during the previous election and anticipated population growth within the District's service area. All other expenditures are expected to remain relatively stable.

Budget Details

Board of Directors		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-10-110-500101	Board of Directors Fees	$ 112,500	$ 131,100	$ 97,300	$ 131,100	$ -
01-10-110-500115	Social Security	6,965	8,200	6,100	8,200	-
01-10-110-500120	Medicare	1,629	2,000	1,500	2,000	-
01-10-110-500125	Health Insurance	54,756	110,400	68,200	111,200	800
01-10-110-500140	Life Insurance	108	2,500	200	2,500	-
01-10-110-500143	EAP Program	118	300	200	300	-
01-10-110-500145	Workers' Compensation	704	1,100	600	1,100	-
01-10-110-500175	Training/Education/Mtgs/Travel	33,462	63,400	40,800	63,400	-
01-10-110-550012	Election Expenses	142,418	6,000	100	150,000	144,000
01-10-110-550043	Supplies-Other	171	1,400	400	1,400	-
01-10-110-550051	Advertising/Legal Notices	-	1,000	100	1,000	-
		$ 352,831	$ 327,400	$ 215,500	$ 472,200	$ 144,800



Department Summary - Engineering

Department Overview

The Engineering Department oversees the planning, design, and development of the District's water infrastructure to support reliable water service and future growth. The department manages capital improvement projects, coordinates development activities, and ensures infrastructure improvements meet District standards and regulatory requirements.

Infrastructure Planning & Design	Capital Improvement Projects	Development Services
Evaluate infrastructure needs and coordinate system planning and design to support reliability and future growth.	Oversee capital project design, construction coordination, and implementation to improve and expand the water system.	Review development proposals, coordinate with developers, and ensure projects meet District standards and requirements.

Divisions

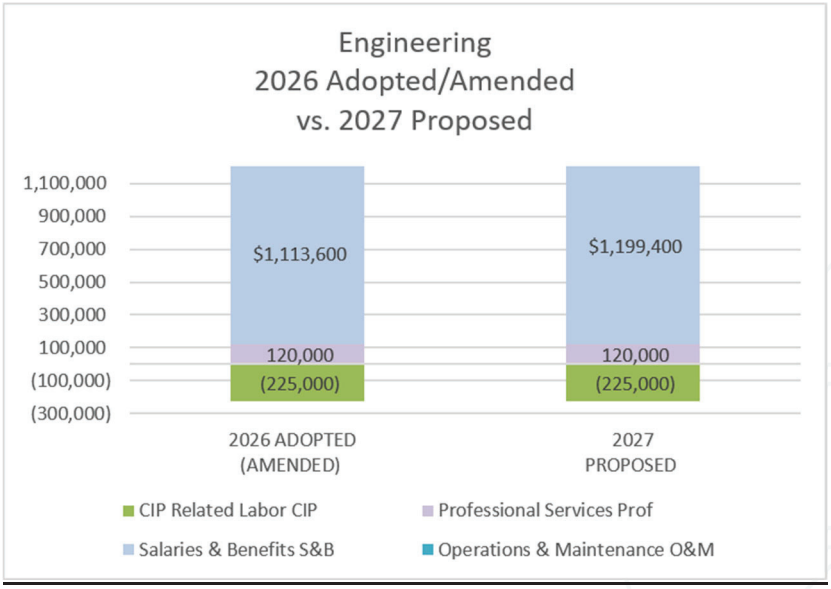
- Engineering
- Development Services

Department Budget At-A-Glance

CATEGORY	2026 ADOPTED (AMENDED)	2027 PROPOSED		$ CHANGE	% CHANGE
Salaries & Benefits	$ 1,113,600	$ 1,199,400	(1)	$ 85,800	7.70%
CIP Related Labor	(225,000)	(225,000)	(2)	-	0.00%
Operations & Maintenance	27,000	27,000		-	0.00%
Professional Services	120,000	120,000		-	0.00%
Total Department Expense	$ 1,035,600	$ 1,121,400		$ 85,800	8.29%

(1) Includes all personnel related expenses, including training, uniforms, and membership dues

(2) CIP Related Labor offsets Salaries and Benefits as fully burdened costs for staff time associated with capital improvement projects that are funded by Capacity Charges or Capital Replacement Reserves, which are not included in the Net Operating Budget



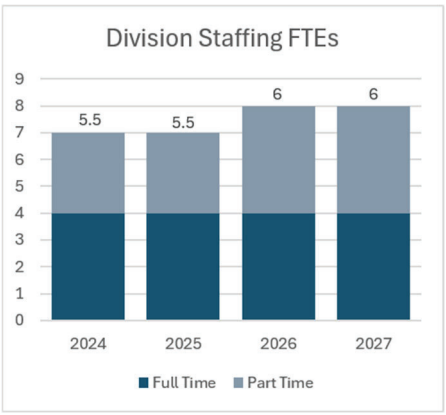
Division Details - Engineering

Division Organization

ORG CHART PENDING

Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027 Budget	
District Position	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**
Director of Engineering	1	0	1	0	1	0	1	0
Senior Civil Engineer	0	0	0	0	0	0	0	0
District Engineer *(contracted)*	0	2	0	2	0	2	0	2
Associate Civil Engineer II	0	0	0	0	0	0	1	0
Associate Civil Engineer I (FLEX) [2]	1	0	1	0	2	0	1	0
Engineering Assistant (FLEX) [2]	1	0	1	0				
Development Services Technician	1	0	1	0	1	0	1	0
Administrative Clerk [3]					0	1	0	1
Engineering Intern	0	1	0	1	0	1	0	1
	4 FTE	3 5.5	4 FTE	3 5.5	4 FTE	4 6	4 FTE	4 6



(1) Actuals are based on the employee counts as of 12/31 of that budget year

(2) Combined Flex position requested in 2026 and maintained in 2027 budget

(3) Administrative Clerk fully burdened cost split 25% Engineering and 75% Operations

2026 Division Accomplishments

1. Coordinated with the City of Beaumont and SGPWA on a potential recycled water purchase agreement and recharge sites, pending regulatory approval of Cooper's Creek water.
2. Prioritized the five-year Capital Improvement Budget with Operations, including Noble Tank No. 2, Vineland and Noble booster pump stations, Well 30, and related pipelines to improve system reliability.
3. Completed the 2025 Urban Water Management Plan, adopted by the Board on June 25, 2026, and submitted it with the updated Water Shortage Contingency Plan to the State by July 1, 2026.
4. Coordinated with regional partners on imported water delivery, groundwater recharge monitoring, MDP Line 16 improvements, and chromium-6 treatment options.
5. Submitted the State-required chromium-6 Compliance Plan and evaluated treatment, avoidance, and operational options to support regulatory compliance.

2027 Division Goals

1. By December 31, 2027, advance regional recycled water efforts through coordination with the City of Beaumont and SGPWA on a recycled water purchase agreement, infrastructure needs, and recharge sites, aligning implementation milestones with the City's pending Change of Use Permit.

2. By December 31, 2027, advance design, bidding, and construction activities for priority 2027–2031 capital projects, including Noble Tank No. 2, the Vineland Booster Pump Station (BP-2850-0001), Well 30, the Noble Tank Booster Pump Station (BP-3040-0001), and associated transmission pipelines, to strengthen system capacity and reliability.
3. By December 31, 2027, complete the annual water supply and demand assessment, update projections, and coordinate with SGPWA on imported water availability and groundwater banking opportunities to support regulatory compliance and long-term water supply planning.
4. By December 31, 2027, coordinate with SGPWA and regional partners to advance imported water delivery and groundwater recharge, prioritizing completion and commissioning of MDP Line 16 stormwater monitoring facilities.
5. By December 31, 2027, advance the chromium-6 Compliance Plan by evaluating treatment and avoidance alternatives and coordinating with SGPWA and the City of Banning on regional solutions.

Significant Changes to the Budget

The Engineering Department's 2027 budget changes are primarily related to salaries and benefits. The budget includes funding for the Associate Civil Engineer II position, which was not funded in 2026. Additionally, the District approved a flexible classification between Associate Civil Engineer I and Engineering Assistant in late 2026, maintaining the existing staffing level while budgeting the position at the higher Associate Civil Engineer I classification. Other operating expenses remain relatively consistent with the prior year.

Division Budget Details

Engineering		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-20-210-500105	Labor	$ 377,696	$ 619,600	$ 404,000	$ 655,100	$ 35,500
01-20-210-500114	Incentive Pay	-	2,400	-	1,800	(600)
01-20-210-500115	Social Security	24,646	47,200	26,400	47,800	600
01-20-210-500120	Medicare	6,203	11,100	6,700	11,200	100
01-20-210-500125	Health Insurance	91,569	113,600	103,300	125,800	12,200
01-20-210-500140	Life Insurance	600	1,000	700	1,100	100
01-20-210-500143	EAP Program	115	300	200	300	-
01-20-210-500145	Workers' Compensation	2,970	5,900	2,800	6,200	300
01-20-210-500150	Unemployment Insurance	-	15,100	-	15,900	800
01-20-210-500155	Retirement/CalPERS	35,150	69,300	40,700	80,800	11,500
01-20-210-500165	Uniforms & Employee Benefits	-	500	200	500	-
01-20-210-500175	Training/Education/Mtgs/Travel	2,312	8,000	1,300	8,000	-
01-20-210-500180	Accrued Sick Leave Expense	9,038	33,900	15,400	41,700	7,800
01-20-210-500185	Accrued Vacation Leave Expense	20,201	37,400	15,300	37,900	500
01-20-210-500187	Accrued Leave Payments	17,557	27,900	28,100	32,400	4,500
01-20-210-500190	Temporary Labor	15,453	-	300	-	-
01-20-210-500195	CIP Related Labor	(111,418)	(225,000)	(22,300)	(225,000)	-
01-20-210-540012	Development Reimbursable Engineering	-	-	22,800	-	-
01-20-210-540014	Development Reimbursable GIS	7,680	-	33,000	-	-
01-20-210-540048	Permits, Fees & Licensing	-	3,000	-	3,000	-
01-20-210-550029	Administrative Expenses	9,035	11,000	8,300	11,000	-
01-20-210-550030	Membership Dues	751	2,000	600	2,000	-
01-20-210-550042	Office Supplies	851	1,000	500	1,000	-
01-20-210-550046	Office Equipment	2,837	5,000	3,700	5,000	-
01-20-210-550051	Advertising/Legal Notices	1,156	5,000	500	5,000	-
01-20-210-580031	Outside Engineering	2,720	120,000	57,000	120,000	-
01-20-210-580032	CIP Related Outside Engineering	-	-	-	-	-
		$ 517,121	$ 915,200	$ 749,500	$ 988,500	$ 73,300

Division Details - Development Services

Division Organization

ORG CHART PENDING

Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027Budget	
District Position	FT	PT	FT	PT	FT	PT	FT	PT
Filled by staff from division 210								

2026 Division Accomplishments

1. Managed approximately 38 active development projects, including 11 pursuing initial Will-Serve Letters and five under construction. Coordinated development planning and compliance with District requirements.
2. Completed technical reviews of development proposals, including 14 water improvement plan checks, five Plans of Service, four Water Supply Assessments, and three fire-flow analyses to evaluate water demands, system capacity, and infrastructure requirements.
3. Prepared and coordinated Will-Serve Letter requests and extensions for residential, commercial, and institutional developments, evaluating water demands, capacity charges, and service requirements to support Board consideration.
4. Advanced annexation and service planning for major developments, coordinating with developers and neighboring jurisdictions on infrastructure needs, service boundaries, and development responsibilities.
5. Coordinated developer-funded engineering reviews and consultant services, including plan checks, service agreements, and capacity-charge evaluations, supporting technical oversight, cost recovery, and accountability for development-related expenses.

2027 Division Goals

1. By December 31, 2027, maintain an updated inventory of active development applications and consistently track Will-Serve requests, Plans of Service, Water Supply Assessments, improvement plan checks, and outstanding requirements.
2. By December 31, 2027, conduct and document technical reviews of improvement plans, Plans of Service, Water Supply Assessments, and fire-flow analyses to evaluate system capacity,

infrastructure needs, and developer responsibilities before recommending service or construction approvals.

3. By December 31, 2027, evaluate and update, as appropriate, development conditions and procedures for accessory dwelling units, changes in water demand, Will-Serve extensions, and continuation-of-service requests to ensure consistent application of District requirements.
4. By December 31, 2027, advance technical reviews and interagency coordination for major developments and potential annexations, documenting infrastructure needs, service-area impacts, easements, cost-sharing obligations, and developer-funded improvements.
5. By December 31, 2027, review and refine procedures for tracking applicant deposits, consultant plan-check expenses, reimbursable staff time, and development project balances to improve cost recovery, billing consistency, and financial reporting.

Significant Changes to the budget

The Development Services Division's 2027 budget changes are limited to salaries and benefits, reflecting personnel cost adjustments within the Engineering Department. Expenses in this division represent the portion of Engineering staff time allocated to development-related activities, rather than separate staffing positions. As a result, budget changes are consistent with the personnel adjustments reflected in the Engineering Division.

Division Budget Details

Development Services		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-20-220-500105	Labor	$ 72,652	$ 81,800	$ 68,400	$ 88,900	$ 7,100
01-20-220-500114	Incentive Pay	-	-	-	-	-
01-20-220-500115	Social Security	4,088	5,300	3,900	5,600	300
01-20-220-500120	Medicare	1,058	1,300	1,000	1,300	-
01-20-220-500125	Health Insurance	13,618	21,000	12,900	23,500	2,500
01-20-220-500140	Life Insurance	100	200	200	200	-
01-20-220-500143	EAP Program	13	100	100	100	-
01-20-220-500145	Workers' Compensation	542	800	500	900	100
01-20-220-500150	Unemployment Insurance	-	2,000	-	2,200	200
01-20-220-500155	Retirement/CalPERS	5,727	7,900	5,600	10,200	2,300
01-20-220-500180	Accrued Sick Leave Expense	-	-	-	-	-
01-20-220-500185	Accrued Vacation Leave Expense	-	-	-	-	-
01-20-220-500187	Accrued Leave Payments	-	-	-	-	-
		$ 97,799	$ 120,400	$ 92,600	$ 132,900	$ 12,500

PICTURE

Department Summary – Human Resources and Risk Management

Department Overview

The Human Resources and Risk Management Department supports the District's workforce, promotes a safe and productive workplace, and manages organizational risks through employee services, regulatory compliance, and District-wide safety and insurance programs. Established as a standalone department in 2027, it provides independent, District-wide support while balancing employee needs and organizational responsibilities.

Human Resources Administration	Employee Relations & Development	Risk Management & Safety
Administer recruitment, benefits, compensation, personnel policies, and employment practices to support compliance and effective workforce management.	Support employee relations, performance management, professional development, and workplace initiatives that promote a positive and productive work environment.	Oversee workplace safety, employee training, insurance programs, claims coordination, and risk mitigation to protect employees and District resources.

Divisions

- Human Resources and Risk Management

Department Budget At-A-Glance

CATEGORY	2026 ADOPTED (AMENDED)	2027 PROPOSED		$ CHANGE	% CHANGE
Salaries & Benefits	$ 224,700	$ 236,000	(1)	$ 11,300	5.03%
CIP Related Labor	-	-	(2)	-	0.00%
Operations & Maintenance	439,400	441,800		2,400	0.55%
Professional Services	34,300	34,800		500	1.46%
Total Department Expense	$ 698,400	$ 712,600		$ 14,200	2.03%

(1) Includes all personnel related expenses, including training, uniforms, and membership dues

(2) No CIP Related Labor for staff time associated with capital improvement projects anticipated



Division Details – Human Resources

Division Organization

ORG CHART PENDING

Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027 Budget	
District Position	FT	PT	FT	PT	FT	PT	FT	PT
Human Resources & Risk Manager	1	0	1	0	1	0	1	0
Human Resources Coordinator	0	0	0	0	0	0	0	0
	1	0	1	0	1	0	1	0
	Count	1	Count	1	Count	1	Count	1
	FTE	1	FTE	1	FTE	1	FTE	1

(1) Actuals are based on the employee counts as of 12/31 of that budget year



2026 Division Accomplishments

1. Implemented succession and workforce planning initiatives ahead of schedule through mentorship, leadership development, identification of key personnel, and a leadership workshop. Maintained employee turnover at approximately 8%, below the 10% goal.
2. Digitized safety reporting processes, including incident reports, occupational injury documentation, and site inspections, in partnership with IT and Cybersecurity to improve reporting efficiency, accessibility, and risk monitoring.
3. Expanded employee engagement and internal communication through District-wide activities, team-building opportunities, and digital signage, improving access to safety information, wellness resources, and District announcements.
4. Conducted the second annual Employee Benefits Survey, achieving 79% participation and 78% satisfaction, slightly below the 80% target. Survey feedback informed 2027 dental and vision benefit improvements and expanded employee education.
5. Coordinated District-wide safety and emergency preparedness training, achieving 92% completion of required FEMA training among designated Emergency Response Team members as of August 2026, with a goal of 100% by year-end.

2027 Division Goals

1. By December 31, 2027, integrate the District's Succession and Workforce Planning Program into annual performance evaluations to identify critical positions, establish development priorities, and strengthen leadership readiness.
2. By December 31, 2027, complete a comprehensive classification and compensation review and present recommendations to District leadership and the Board of Directors, as appropriate, to support internal equity and market competitiveness.
3. By December 31, 2027, assess 100% of safety-sensitive positions and critical field operations, documenting mitigation measures, responsible parties, and completion timelines for all identified high-priority risks.
4. By December 31, 2027, review at least 80% of personnel and HR-related policies scheduled for evaluation and recommend revisions to maintain legal compliance and alignment with District operations and applicable agreements.
5. By December 31, 2027, review processes and implement at least one measurable improvement in each of five service areas: recruitment and onboarding, benefits administration, employee relations, workers' compensation and claims management, and safety compliance.

Significant Changes to the Budget

The Human Resources and Risk Management Department is presented as a standalone department in the 2027 budget, following its separation from Finance and Administration. Existing personnel, safety, insurance, and risk management expenses have been transferred to the new department to reflect its District-wide responsibilities.

Most operating expenses remain consistent with the prior year. Budget changes primarily reflect standard salary adjustments, including cost-of-living increases and associated employee benefits. Funding for employment testing has also increased to accommodate anticipated recruitment and testing needs associated with additional temporary positions requested by other departments in 2027.

Division Budget Details

Human Resources and Risk Management		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-25-215-500105	Labor	$ 116,353	$ 145,400	$ 135,000	$ 150,600	$ 5,200
01-25-215-500110	Overtime	-	-	-	-	-
01-25-215-500111	Double Time	-	-	-	-	-
01-25-215-500112	Stipend-Association Mtg Attend	525	2,000	600	2,000	-
01-25-215-500114	Incentive Pay	-	600	-	-	(600)
01-25-215-500115	Social Security	7,436	10,100	9,000	10,500	400
01-25-215-500120	Medicare	1,739	2,400	2,100	2,500	100
01-25-215-500125	Health Insurance	30,330	27,200	28,200	30,000	2,800
01-25-215-500140	Life Insurance	177	300	300	300	-
01-25-215-500143	EAP Program	24	100	100	100	-
01-25-215-500145	Workers' Compensation	713	1,200	800	1,200	-
01-25-215-500150	Unemployment Insurance	-	3,600	-	3,700	100
01-25-215-500155	Retirement/CalPERS	10,662	13,400	13,300	16,100	2,700
01-25-215-500165	Uniforms & Employee Benefits	27	300	100	300	-
01-25-215-500175	Training/Education/Mtgs/Travel	285	3,800	-	3,800	-
01-25-215-500176	District Professional Development	500	18,800	9,800	18,800	-
01-25-215-500177	General Safety Training & Supplies	10,060	21,200	14,700	21,200	-
01-25-215-500180	Accrued Sick Leave Expense	6,450	8,900	2,200	9,200	300
01-25-215-500185	Accrued Vacation Leave Expense	8,438	7,400	7,300	7,700	300
01-25-215-500187	Accrued Leave Payments	-	-	100	-	-
01-25-215-500190	Temporary Labor	-	-	-	-	-

Human Resources and Risk Management (continued)		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-25-215-540066	Property Damage & Theft	16,402	60,000	17,700	60,000	-
01-25-215-550024	Employment Testing	4,823	8,100	5,900	10,000	1,900
01-25-215-550025	Employee Retention	2,665	6,000	1,000	6,000	-
01-25-215-550026	Recruitment Expense	1,348	9,000	500	9,000	-
01-25-215-550028	District Certification	4,179	4,500	4,300	5,000	500
01-25-215-550030	Membership Dues	932	1,100	500	1,500	400
01-25-215-550042	Office Supplies	272	1,900	100	2,000	100
01-25-215-550051	Advertising/Legal Notices	-	1,600	300	1,600	-
01-25-215-550054	Property, Auto & General Liability Insurance	230,477	317,500	242,700	317,500	-
01-25-215-550074	Disaster Preparedness Ongoing Expenses	8,087	11,000	4,000	11,000	-
01-25-215-580036	Other Professional Services	3,131	11,000	2,300	11,000	-
		$ 466,035	$ 698,400	$ 502,900	$ 712,600	$ 14,200

PICTURE

Department Summary - Finance and Administration

Department Overview

The Finance and Administration Department oversees the District's financial management, administrative operations, and customer service functions. Responsibilities include budgeting, financial reporting, investments, and financial planning; administrative support for the General Manager and Board of Directors, including meeting coordination, records management, and governance activities; and customer service, utility billing, and account management. Through these functions, the department promotes fiscal responsibility, organizational efficiency, transparency, and responsive service to the community.

Finance & Financial Management	Administration & Board Support	Customer Service & Utility Billing
Oversee budgeting, accounting, payroll, investments, financial reporting, audits, grants, and long-term financial planning to maintain fiscal accountability and District resources.	Support the General Manager and Board of Directors through agenda preparation, meeting coordination, records management, and policy administration.	Manage customer accounts, utility billing, payment processing, customer assistance, and public inquiries to ensure accurate billing and responsive customer service.

Divisions

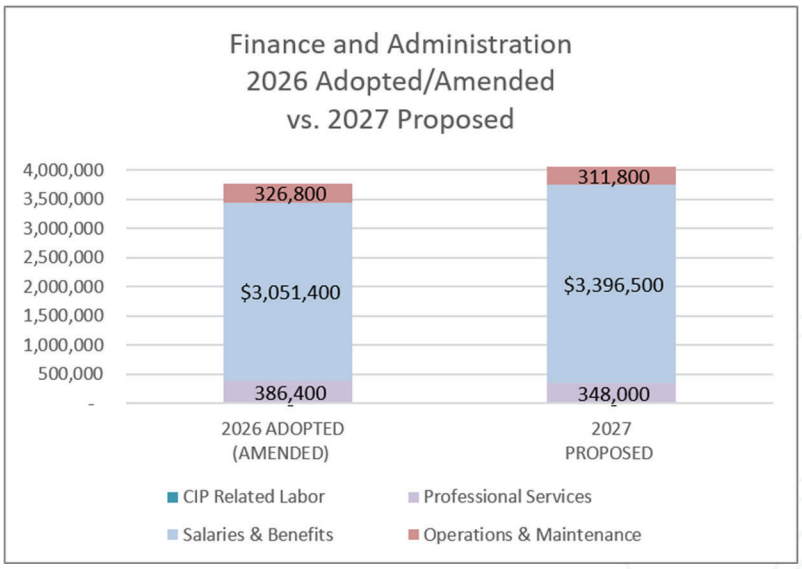
- Finance and Administration
- Customer Service

Department Budget At-A-Glance

CATEGORY	2026 ADOPTED (AMENDED)	2027 PROPOSED		$ CHANGE	% CHANGE
Salaries & Benefits	$ 3,051,400	$ 3,396,500	(1)	$ 345,100	11.31%
CIP Related Labor	-	-	(2)	-	0.00%
Operations & Maintenance	326,800	311,800		(15,000)	-4.59%
Professional Services	386,400	348,000		(38,400)	-9.94%
Total Department Expense	$ 3,764,600	$ 4,056,300		$ 291,700	7.75%

(1) Includes all personnel related expenses, including training, uniforms, and membership dues

(2) No CIP Related Labor for staff time associated with capital improvement projects anticipated



Division Details - Finance and Administration

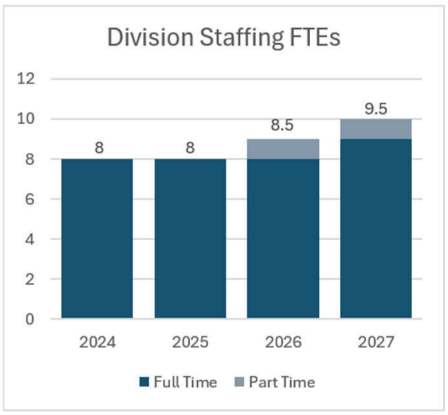
Division Organization

ORG CHART PENDING

Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027 Budget	
District Position	FT	PT	FT	PT	FT	PT	FT	PT
General Manager	1	0	1	0	1	0	1	0
Assistant General Manager	0	0	0	0	0	0	1	0
Executive Assistant	1	0	1	0	1	1	1	1
Director of Finance and Administration	1	0	1	0	1	0	1	0
Administrative Assistant	1	0	1	0	1	0	1	0
Finance Manager	1	0	1	0	1	0	1	0
Senior Management Analyst	0	0	0	0	0	0	0	0
Management Analyst II	2	0	2	0	2	0	2	0
Management Analyst I	1	0	1	0	1	0	1	0
Accounting Technician	0	0	0	0	0	0	0	0
	8	0	8	0	8	1	9	1
	Count	8	Count	8	Count	9	Count	10
	FTE	8	FTE	8	FTE	8.5	FTE	9.5

(1) Actuals are based on the employee counts as of 12/31 of that budget year



2026 Division Accomplishments

1. Continued the District's recognition for financial reporting and budget excellence, maintaining the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting and the California Society of Municipal Finance Officers (CSMFO) Operating Budget Excellence Award.
2. Coordinated the District's annual financial audit and Single Audit for Fiscal Year 2025, supporting financial transparency, regulatory compliance, and accountability for public funds.
3. Advanced the administration and financial planning of Community Facilities Districts (CFDs), including coordination of special tax revenues, budget development, and financial tracking to support infrastructure funding, accountability, and long-term fiscal planning.
4. Expanded employee development through a seven-session Budget Academy and writing and communication training, strengthening staff understanding of budgeting, financial responsibilities, and preparation of District reports.
5. Expanded in-house public outreach and District communications through regular social media updates, project announcements, employee recognition, and financial education, maintaining the cost savings achieved by reducing reliance on outside consultants.

2027 Division Goals

1. By December 31, 2027, submit the District's Annual Comprehensive Financial Report and Operating Budget for applicable GFOA and CSMFO recognition programs, maintaining established standards for financial transparency and budget excellence.
2. By December 31, 2027, complete the Fiscal Year 2026 financial audit and required Single Audit, with the objective of obtaining unmodified audit opinions and no findings.
3. By October 31, 2027, develop and publish a condensed, two-page Budget Snapshot highlighting the District's revenues, expenses, infrastructure investments, and financial challenges to improve public understanding of District finances.
4. By December 31, 2027, establish financial tracking and reporting procedures for CFD 2025-1, including special tax revenues, expenditures, and fund balances, and complete quarterly reconciliations to strengthen accountability and financial oversight.
5. By December 31, 2027, strengthen grant and financial oversight by reviewing existing grant-management procedures, developing standardized tracking for active grants, and completing quarterly reviews of grant expenditures, reporting deadlines, and reimbursement activity.

Significant Changes to the Budget

The Finance and Administration Division's 2027 budget changes primarily reflect personnel adjustments and reductions in selected operating expenses. Salaries and benefits include standard cost-of-living and benefit adjustments, the addition of the Assistant General Manager position, and funding for succession planning associated with the Executive Assistant position.

Most other operating expenses remain consistent with or below the prior year. Postage expenses have been reduced in anticipation of increased electronic notifications and communications, while legal services have been adjusted to reflect anticipated needs, recognizing that actual expenditures may fluctuate depending on District activities and legal matters.

Division Budget Details

Finance and Administration		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-30-310-500105	Labor	$ 1,044,361	$ 1,238,800	$ 1,074,200	$ 1,416,900	$ 178,100
01-30-310-500110	Overtime	330	6,000	300	2,300	(3,700)
01-30-310-500111	Double Time	77	4,100	-	4,200	100
01-30-310-500114	Incentive Pay	600	3,600	700	3,600	-
01-30-310-500115	Social Security	61,734	99,000	64,300	112,700	13,700
01-30-310-500120	Medicare	14,853	23,200	17,300	26,400	3,200
01-30-310-500125	Health Insurance	179,440	205,200	191,200	234,200	29,000
01-30-310-500130	CalPERS Health Administration Costs	1,803	2,500	1,300	1,500	(1,000)
01-30-310-500140	Life Insurance	1,641	2,000	1,800	2,300	300
01-30-310-500143	EAP Program	189	500	200	500	-
01-30-310-500145	Workers' Compensation	7,015	10,100	6,400	11,700	1,600
01-30-310-500150	Unemployment Insurance	11,700	29,800	6,100	34,400	4,600
01-30-310-500155	Retirement/CalPERS	241,961	285,800	265,600	349,500	63,700
01-30-310-500165	Uniforms & Employee Benefits	524	1,000	300	1,500	500
01-30-310-500175	Training/Education/Mtgs/Travel	11,353	38,000	14,300	45,000	7,000
01-30-310-500180	Accrued Sick Leave Expense	48,729	67,500	37,400	92,300	24,800
01-30-310-500185	Accrued Vacation Leave Expense	68,386	114,900	59,500	121,400	6,500
01-30-310-500187	Accrued Leave Payments	38,311	144,500	52,400	156,600	12,100
01-30-310-500190	Temporary Labor	-	-	7,600	-	-
01-30-310-500195	CIP Related Labor	-	-	-	-	-
01-30-310-540018	Grant & Loan Procurement	-	-	-	-	-
01-30-310-550001	Bank/Financial Service Fees	3,755	4,500	4,000	6,000	1,500
01-30-310-550030	Membership Dues	42,332	50,500	47,600	54,500	4,000
01-30-310-550042	Office Supplies	10,029	11,600	7,900	11,000	(600)

Finance and Administration (continued)		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-30-310-550046	Office Equipment	364	3,300	2,000	3,000	(300)
01-30-310-550048	Postage	22,729	141,900	78,000	130,000	(11,900)
01-30-310-550051	Advertising/Legal Notices	862	1,500	1,500	1,500	-
01-30-310-550066	Subscriptions	134	500	-	500	-
01-30-310-550072	Miscellaneous Operating Expenses	319	500	300	500	-
01-30-310-550078	Bad Debt Expense	-	25,000	-	25,000	-
01-30-310-580001	Accounting and Audit	47,755	48,200	39,300	50,000	1,800
01-30-310-580011	General Legal	171,605	179,300	140,900	140,000	(39,300)
01-30-310-580036	Other Professional Services	89,328	142,800	104,700	140,000	(2,800)
		$ 2,122,219	$ 2,886,100	$ 2,227,100	$ 3,179,000	$ 292,900

PICTURE

Non-Cash Accounting Adjustments

Certain expenses, including depreciation and other non-cash accounting adjustments, are presented separately to distinguish financial reporting requirements from expenditures that require cash payments. These amounts are included in gross expenses but excluded when calculating net operating expenses, providing a clearer picture of the District's annual operating funding needs.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-30-310-500161	Estimated Current Year OPEB Expense	54,424	99,700	81,100	95,600	(4,100)
01-30-310-550084	Depreciation	3,924,316	3,876,500	4,245,300	4,378,100	501,600
01-30-310-550086	Amort Expense - ROU Asset	58,393	-	58,000	87,600	87,600
01-30-310-560000	GASB 68 Pension Expense	$ (27,406)	$ 361,200	$ 41,500	$ 38,200	$ (323,000)
		$ 4,009,727	$ 4,337,400	$ 4,425,900	$ 4,599,500	$ 262,100

Division Details - Customer Service

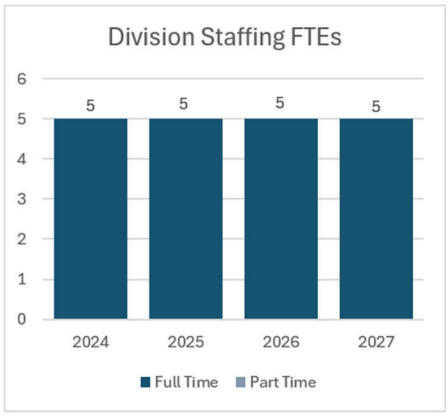
Division Organization

ORG CHART PENDING

Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027 Budget	
District Position	FT	PT	FT	PT	FT	PT	FT	PT
Customer Service & Utility Billing Mana	1	0	1	0	1	0	1	0
Senior Customer Service Rep	0	0	0	0	0	0	0	0
Customer Service Representative II	2	0	2	0	2	0	2	0
Customer Service Representative I	2	0	2	0	2	0	2	0
	5	0	5	0	5	0	5	0
	Count	5	Count	5	Count	5	Count	5
	FTE	5	FTE	5	FTE	5	FTE	5

(1) Actuals are based on the employee counts as of 12/31 of that budget year



2026 Division Accomplishments

1. Expanded customer access to convenient payment options through continued promotion of the Paymentus platform, including online payments, automatic payments, electronic billing, and alternative payment channels.
2. Strengthened customer assistance through payment arrangements, account reviews, and individualized support, helping customers manage outstanding balances while maintaining consistent collection practices.
3. Enhanced customer communication through educational outreach on billing, payment options, high water usage, conservation, and account management, providing customers with information to better understand and manage their water service.
4. Improved customer service operations through updated staff responsibilities, employee training, and coordination with Finance, Operations, and IT to support billing accuracy, timely responses, and consistent service delivery.
5. Expanded customer access to information through the District's Aqualina virtual assistant, introduced in 2026 to provide additional self-service support and improve access to commonly requested information.

2026 Division Goals

1. By June 30, 2027, review and update standardized customer service procedures for at least five common customer interactions, including billing inquiries, payment arrangements, high-usage concerns, service requests, and account adjustments, to improve consistency and accuracy.
2. By June 30, 2027, develop a cross-training plan identifying at least four critical Customer Service and Utility Billing functions. By December 31, 2027, complete and document cross-training for at

least three employees in two additional functions outside their primary responsibilities to improve staff flexibility, service consistency, and operational continuity.

3. By December 31, 2027, complete quarterly reviews of utility billing and customer account processes, documenting findings and corrective actions to strengthen billing accuracy, internal controls, and compliance with District policies.
4. By December 31, 2027, publish at least four bilingual customer communications addressing billing, payment assistance, conservation, water service, and other customer needs to improve access to important District information.
5. By December 31, 2027, evaluate customer adoption of electronic billing, automatic payments, and online self-service tools, implement at least three targeted outreach efforts, and increase enrollment in at least one digital service by 5% over the 2026 year-end baseline.

Significant Changes to the Budget

The Customer Service Division's 2027 budget remains relatively consistent with the prior year, with changes primarily reflecting standard salary and benefit adjustments and reductions based on historical expenditures. Funding for temporary staffing has increased slightly to provide coverage during extended employee absences. Utility billing service expenses have been reduced as the District continues transitioning customers to electronic billing, while maintaining funding for potential customer notifications associated with the next phase of the water rate study. Most other operating expenses remain relatively unchanged.

Division Budget Details

Customer Service		**2025 ACTUAL**	**2026 ADOPTED (AMENDED)**	**2026 PROJECTED**	**2027 PROPOSED**	**CHANGE** *(Proposed less Adopted-Amended)*
01-30-330-500105	Labor	$ 347,805	$ 423,500	$ 358,400	$ 441,500	$ 18,000
01-30-330-500110	Overtime	1,901	5,600	200	2,000	(3,600)
01-30-330-500111	Double Time	325	-	-	-	-
01-30-330-500114	Incentive Pay	-	3,000	-	1,200	(1,800)
01-30-330-500115	Social Security	23,415	31,100	24,200	31,900	800
01-30-330-500120	Medicare	5,476	7,300	5,700	7,500	200
01-30-330-500125	Health Insurance	127,440	139,900	131,200	118,800	(21,100)
01-30-330-500140	Life Insurance	554	700	600	800	100
01-30-330-500143	EAP Program	110	300	200	300	-
01-30-330-500145	Workers' Compensation	2,234	3,300	2,000	3,500	200
01-30-330-500150	Unemployment Insurance	-	10,400	-	10,800	400
01-30-330-500155	Retirement/CalPERS	61,774	71,000	66,800	84,400	13,400
01-30-330-500165	Uniforms & Employee Benefits	545	500	300	800	300
01-30-330-500175	Training/Education/Mtgs/Travel	5,560	8,000	2,600	8,000	-
01-30-330-500180	Accrued Sick Leave Expense	11,522	21,100	9,700	24,600	3,500
01-30-330-500185	Accrued Vacation Leave Expense	17,222	26,800	9,000	26,300	(500)
01-30-330-500187	Accrued Leave Payments	5,517	22,400	11,900	17,100	(5,300)
01-30-330-500190	Temporary Labor	9,884	16,100	-	18,000	1,900
01-30-330-500195	CIP Related Labor	-	-	-	-	-
01-30-330-550006	Cashiering Shortages/Overages	152	100	100	100	-
01-30-330-550008	Transaction/Return Fees	614	1,200	700	1,000	(200)
01-30-330-550010	Transaction/Credit Card Fees	17,520	-	23,100	-	-
01-30-330-550014	Credit Check Fees	5,209	6,200	5,300	6,000	(200)
01-30-330-550030	Membership Dues	-	1,100	-	200	(900)
01-30-330-550036	Notary & Lien Fees	600	2,000	800	2,000	-
01-30-330-550050	Utility Billing Service	151,218	76,000	43,800	70,000	(6,000)
01-30-330-550051	Advertising/Legal Notices	-	900	-	500	(400)
		$ 796,598	$ 878,500	$ 696,600	$ 877,300	$ (1,200)

Department Summary - Information Technology and Cybersecurity

Department Overview

The Information Technology and Cybersecurity Division oversees the District's technology infrastructure, information systems, and cybersecurity programs to support secure, reliable, and efficient operations. The division ensures technology resources remain available and protected while supporting daily operations, organizational needs, and the continuity of essential District services.

IT Infrastructure & Technical Support	Information Systems Management	Cybersecurity & Data Protection
Maintain the District's computer networks, telecommunications, hardware, and technology infrastructure while providing technical support to ensure reliable daily operations.	Administer District software, applications, licensing, system upgrades, and technology resources to support operational efficiency and long-term technology needs.	Protect District systems and information through access controls, cybersecurity monitoring, vulnerability management, training, and incident response planning.

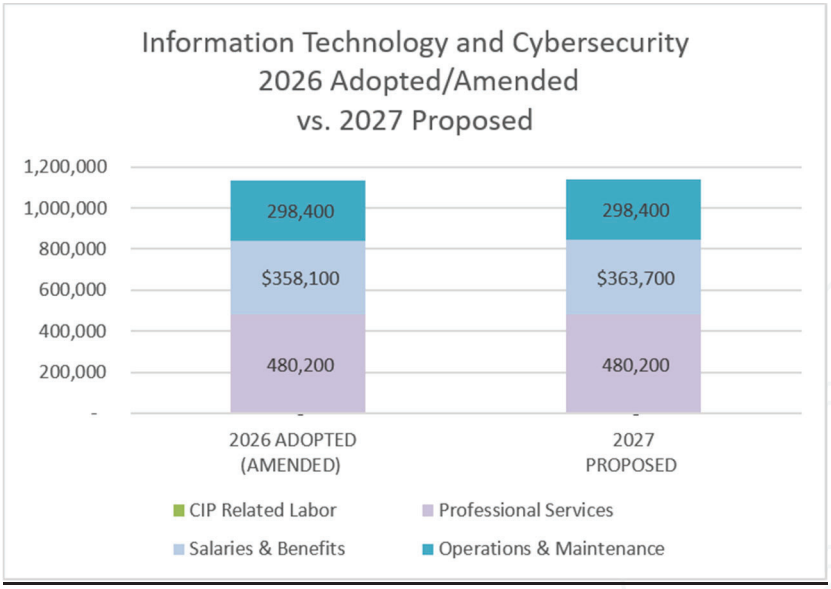
Divisions

- Information Technology and Cybersecurity

Department Budget At-A-Glance

CATEGORY	2026 ADOPTED (AMENDED)	2027 PROPOSED		$ CHANGE	% CHANGE
Salaries & Benefits	$ 358,100	$ 363,700	(1)	$ 5,600	1.56%
CIP Related Labor	-	-	(2)	-	0.00%
Operations & Maintenance	298,400	298,400		-	0.00%
Professional Services	480,200	480,200		-	0.00%
Total Department Expense	$ 1,136,700	$ 1,142,300		$ 5,600	0.49%

(1) Includes all personnel related expenses, including training, uniforms, and membership dues
(2) No CIP Related Labor for staff time associated with capital improvement projects anticipated



Division Details - Information Technology and Cybersecurity

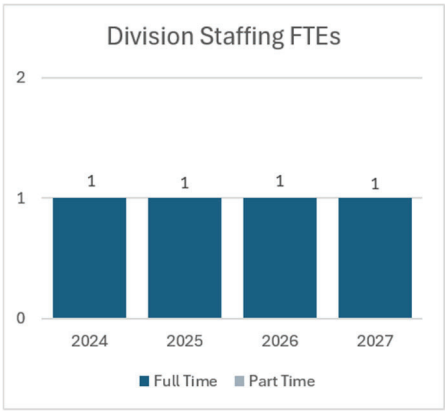
Division Organization

ORG CHART PENDING

Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027 Budget	
District Position	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**
Director of Information Technology & Cybersecurity	1	0	1	0	1	0	1	0
Senior Network Engineer							0	0
Applications Support Analyst							0	0
Help Desk Specialist							0	0
	1	0	1	0	1	0	1	0
	Count	1	Count	1	Count	1	Count	1
	FTE	1	FTE	1	FTE	1	FTE	1

(1) Actuals are based on the employee counts as of 12/31 of that budget year



2026 Department Accomplishments

1. Deployed a District-wide zero-trust security architecture with real-time, AI-assisted threat detection and automated incident response, strengthening cybersecurity monitoring and response capabilities without additional staffing.
2. Initiated the District's multi-year SCADA modernization program by conducting a comprehensive field audit of existing hardware, software, and infrastructure. The findings informed the development of a modernization plan for future Board consideration.
3. Earned the Municipal Information Systems Association of California (MISAC) Award for Excellence, the organization's highest recognition, highlighting the District's achievements in information technology management, cybersecurity, and operational innovation.
4. Designed and deployed 13 operational automation modules, including AquaVault, Public Records Requests, Start/End Water Service, and Work Requests, through the District's intranet and workflow platform. These tools reduced manual processes and improved interdepartmental coordination.
5. Improved operational efficiency and reduced projected costs through infrastructure upgrades and process automation. A fully redundant main server room uninterruptible power supply (UPS) system was completed for under $25,000, compared with an estimated $160,000, while automation reduced the immediate need for additional IT staffing.

2027 Department Goals

1. By December 31, 2027, review SCADA site audit findings, present the multi-year modernization plan to the Board, and initiate Phase 2 upgrades of aging field hardware and software to improve system reliability and expand mobile monitoring capabilities.

2. By December 31, 2027, develop, test, and deploy at least four additional workflow automation modules within the District's intranet platform, reducing manual and paper-based processes in at least two additional departments.
3. By December 31, 2027, update the District's Cybersecurity Incident Response Plan to incorporate automated response and AI-assisted threat detection capabilities, and conduct at least three tabletop exercises to evaluate and strengthen incident response readiness.
4. By September 30, 2027, implement and test enhanced backup infrastructure capable of supporting hourly recovery points to improve data protection and operational continuity.
5. By December 31, 2027, conduct quarterly phishing simulations and role-based cybersecurity training for all employees, achieving at least 95% training completion and reducing simulated phishing click rates compared with the 2026 baseline to strengthen District-wide cybersecurity awareness.

Significant Changes to the Budget

The Information Technology and Cybersecurity Division's 2027 budget remains relatively consistent with the prior year, with changes primarily reflecting standard salary and benefit adjustments. Most operating expenses, including software licensing, technology maintenance, cybersecurity, and equipment support, remain unchanged. The division's organizational chart includes three unfunded positions identified for long-term succession planning and future operational needs. These positions are not included in the 2027 personnel budget, and any future funding would be subject to District staffing priorities and budget approval.

Division Budget Details

Information Technology and Cybersecurity		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-35-315-500105	Labor	$ 188,896	$ 206,300	$ 217,000	$ 213,500	$ 7,200
01-35-315-500114	Incentive Pay	-	600	-	600	-
01-35-315-500115	Social Security	10,903	17,200	9,500	17,200	-
01-35-315-500120	Medicare	3,171	4,100	3,000	4,100	-
01-35-315-500125	Health Insurance	25,849	28,800	28,200	30,700	1,900
01-35-315-500140	Life Insurance	289	400	300	400	-
01-35-315-500143	EAP Program	24	100	100	100	-
01-35-315-500145	Workers' Compensation	1,170	1,600	1,100	1,700	100
01-35-315-500150	Unemployment Insurance	-	5,000	-	5,100	100
01-35-315-500155	Retirement/CalPERS	14,060	19,200	19,800	22,800	3,600
01-35-315-500165	Uniforms & Employee Benefits	-	-	-	-	-
01-35-315-500175	Training/Education/Mtgs/Travel	4,800	5,300	5,500	5,300	-
01-35-315-500180	Accrued Sick Leave Expense	(3,428)	11,600	-	12,100	500
01-35-315-500185	Accrued Vacation Leave Expense	11,519	25,000	-	25,900	900
01-35-315-500187	Accrued Leave Payments	23,804	32,900	25,900	24,200	(8,700)
01-35-315-500190	Temporary Labor	-	-	-	-	-
01-35-315-500195	CIP Related Labor	-	-	-	-	-
01-35-315-501511	Telephone/Internet Service	100,841	93,000	86,200	93,000	-
01-35-315-501521	Building Alarms and Security	17,729	34,000	17,000	34,000	-
01-35-315-540016	GIS Maintenance and Updates	4,480	30,000	15,400	30,000	-
01-35-315-550030	Membership Dues	1,710	3,000	2,000	3,000	-
01-35-315-550044	Printing/Toner & Maintenance	20,913	30,000	22,400	30,000	-
01-35-315-550051	Advertising/Legal Notices	-	-	-	-	-
01-35-315-550058	Cyber Security Liability Insurance	5,585	7,500	5,900	7,500	-
01-35-315-580016	Computer Hardware	26,395	30,000	30,600	30,000	-
01-35-315-580021	IT/Software Support	-	8,000	2,200	8,000	-
01-35-315-580026	License/Maintenance/Support	245,193	301,000	265,700	301,000	-
01-35-315-580027	AMR/AMI/SCADA License/Maintenance/Support	63,565	171,200	87,500	171,200	-
01-35-315-580028	Cybersecurity Software/Hardware	55,465	60,900	61,100	60,900	-
01-35-315-580030	Repair/Purchase Radio Comm Equip	7,386	10,000	7,900	10,000	-
		$ 830,318	$ 1,136,700	$ 914,300	$ 1,142,300	$ 5,600

Department Summary - Operations

Department Overview

The Operations Department oversees the operation, maintenance, and reliability of the District's water supply, storage, and distribution systems. As the District's largest department, Operations is responsible for delivering safe, reliable water while maintaining infrastructure, supporting capital improvement projects, and ensuring regulatory compliance. Through preventative maintenance, system monitoring, and field services, the department promotes operational efficiency, infrastructure sustainability, and responsive service to the community.

Water Supply & System Operations	Infrastructure Maintenance & Field Services	Water Quality & Regulatory Compliance
Operate and monitor wells, booster stations, reservoirs, recharge facilities, and potable and non-potable systems to ensure reliable water production and delivery.	Maintain and repair pipelines, valves, hydrants, meters, and related infrastructure while providing field-based customer support, inspections, and system maintenance.	Monitor water quality, conduct required testing and inspections, and ensure compliance with drinking water, cross-connection control, and safety regulations.

Divisions

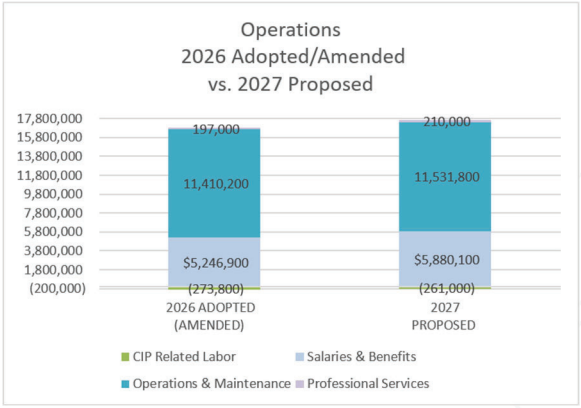
- Source of Supply
- Cross-Connection/Non-Potable Water
- Transmission and Distribution
- Field Inspections
- Customer Service and Meter Reading
- General Plant
- Maintenance

Department Budget At-A-Glance

CATEGORY	2026 ADOPTED (AMENDED)	2027 PROPOSED		$ CHANGE	% CHANGE
Salaries & Benefits	$ 5,246,900	$ 5,880,100	(1)	$ 633,200	12.07%
CIP Related Labor	(273,800)	(261,000)	(2)	12,800	0.00%
Operations & Maintenance	11,410,200	11,531,800		121,600	1.07%
Professional Services	197,000	210,000		13,000	0.00%
Total Department Expense	$ 16,580,300	$ 17,360,900		$ 780,600	4.71%

(1) Includes all personnel related expenses, including training, uniforms, and membership dues

(2) CIP Related Labor offsets Salaries and Benefits as fully burdened costs for staff time associated with capital improvement projects are funded by Capacity Charges or Capital Replacement Reserves, which are not included in the Net Operating Budget



Division Details – Source of Supply

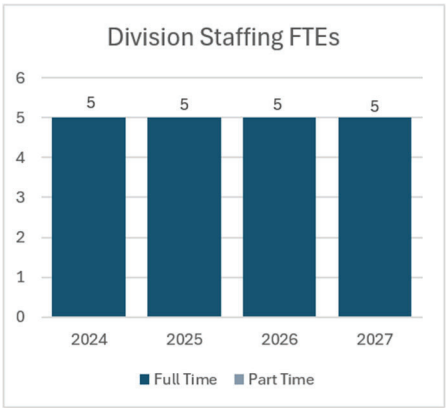
Division Organization

ORG CHART PENDING

Division Personnel

District Position	2024 Budget[1] FT	2024 Budget[1] PT	2025 Budget FT	2025 Budget PT	2026 Budget FT	2026 Budget PT	2027 Budget FT	2027 Budget PT
Water Production Supervisor	1	0	1	0	1	0	1	0
Water Production Operator II	3	0	3	0	3	0	3	0
Water Production Operator I	1	0	1	0	1	0	1	0
	5	0	5	0	5	0	5	0
	Count	5	Count	5	Count	5	Count	5
	FTE	5	FTE	5	FTE	5	FTE	5

(1) Actuals are based on the employee counts as of 12/31 of that budget year



2026 Division Accomplishments

1. Completed development of Well 1A, preparing the facility for initial non-potable use while water-quality monitoring continues. Also completed drilling and development of Well 2A, advancing the District's water-supply infrastructure.
2. Advanced rehabilitation planning and design for Cherry Tanks I–III, Vineland Tank I, and Lower Edgar Tank, preparing these facilities for future infrastructure improvements.
3. Completed emerging-contaminant monitoring and initiated mitigation measures to address hexavalent chromium levels, supporting water-quality oversight and regulatory compliance.
4. Partnered with the San Gorgonio Pass Water Agency to recharge all 2026 replenishment water and additional water purchased for future drought storage, supporting groundwater sustainability and long-term supply reliability.
5. Continued proactive monitoring and preventive maintenance of high-horsepower motors to improve equipment reliability and reduce unplanned downtime.

2027 Division Goals

1. By June 30, 2027, place Well 1A into non-potable service and complete scheduled water-quality monitoring to support system demands.
2. By December 31, 2027, complete drilling and development of Well 30 to expand production capacity and improve long-term water-supply reliability.

3. By March 31, 2027, retrofit the Well 21 chlorination system to modernize treatment processes, provide treatment redundancy, and minimize operational downtime.
4. By June 30, 2027, implement District-developed IT modules to streamline production data collection and improve operational reporting and analysis.
5. By December 31, 2027, recharge 100% of available 2027 replenishment and drought-storage water in partnership with the San Gorgonio Pass Water Agency to support groundwater sustainability and long-term supply reliability.

Significant Changes to the Budget

The Source of Supply Division's 2027 budget reflects standard salary and benefit adjustments, along with changes in water purchases, electricity, and regulatory expenses. The State Project Water budget includes 12,639 acre-feet (AF), consistent with the adopted water rate study, although the Board has authorized the purchase of up to 14,000 AF. Any additional purchases beyond the budgeted amount would be considered later in the year, with the Board notified accordingly. This approach continues the District's investment in groundwater replenishment and long-term drought storage, strengthening water supply reliability during future dry periods.

Electricity expenses increase due to anticipated rate adjustments and additional properties, while regulatory mandates and tariffs increase to address expanding compliance requirements. Additional funding is also included for laboratory testing associated with Chromium-6 and PFAS monitoring.

Division Budget Details

Source of Supply		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-410-500105	Labor	$ 467,730	$ 535,700	$ 470,600	$ 562,000	$ 26,300
01-40-410-500110	Overtime	13,601	42,100	18,300	47,000	4,900
01-40-410-500111	Double Time	4,864	19,900	7,100	22,000	2,100
01-40-410-500113	Standby/On-Call	15,180	14,700	14,600	43,800	29,100
01-40-410-500114	Incentive Pay	2,400	3,000	2,500	6,000	3,000
01-40-410-500115	Social Security	34,704	44,700	36,000	48,600	3,900
01-40-410-500120	Medicare	8,116	10,500	8,400	11,400	900
01-40-410-500125	Health Insurance	128,344	138,200	136,200	147,200	9,000
01-40-410-500140	Life Insurance	769	900	800	1,000	100
01-40-410-500143	EAP Program	119	300	200	300	-
01-40-410-500145	Workers' Compensation	17,385	22,400	15,800	24,600	2,200
01-40-410-500150	Unemployment Insurance	-	63,100	-	68,500	5,400
01-40-410-500155	Retirement/CalPERS	117,573	137,300	124,400	149,200	11,900
01-40-410-500165	Uniforms & Employee Benefits	3,141	3,500	2,800	4,000	500
01-40-410-500175	Training/Education/Mtgs/Travel	4,097	2,500	800	4,000	1,500
01-40-410-500180	Accrued Sick Leave Expense	26,480	24,700	27,200	25,600	900
01-40-410-500185	Accrued Vacation Leave Expense	46,366	40,500	42,900	42,400	1,900
01-40-410-500187	Accrued Leave Payments	3,515	39,800	9,100	36,200	(3,600)
01-40-410-500195	CIP Related Labor	(1,736)	(22,800)	(900)	(10,000)	12,800
01-40-410-500501	State Project Water Purchases	6,475,770	5,586,000	6,562,400	5,043,000	(543,000)
01-40-410-500511	Ground Water Purchases	-	-	-	-	-
01-40-410-501101	Electricity - Wells	2,798,788	3,000,000	2,887,000	3,100,000	100,000
01-40-410-501201	Gas - Wells	181	500	200	500	-
01-40-410-510011	Treatment & Chemicals	143,644	225,000	155,300	250,000	25,000
01-40-410-510021	Lab Testing	81,979	100,000	126,400	130,000	30,000
01-40-410-510031	Small Tools, Parts & Maintenance	6,072	10,000	8,700	5,000	(5,000)
01-40-410-520021	Maintenance & Repair-Telemetry Equipment	1,197	5,000	1,000	10,000	5,000
01-40-410-520061	Maintenance & Repair-Pumping Equipment	67,425	128,000	128,700	150,000	22,000
01-40-410-530001	Minor Capital Acquisitions	9,100	500	3,100	500	-
01-40-410-540084	Regulations Mandates & Tariffs	157,504	185,000	126,300	250,000	65,000
01-40-410-550030	Membership Dues	-	2,000	-	500	(1,500)
01-40-410-550042	Office Supplies	1,022	1,600	1,900	1,600	-
01-40-410-550051	Advertising/Legal Notices	-	2,000	600	2,000	-
01-40-410-550066	Subscriptions	1,633	500	100	500	-
		$ 10,636,964	$ 10,367,100	$ 10,918,500	$ 10,177,400	$ (189,700)

Division Details - Cross-Connection/Non-Potable Water

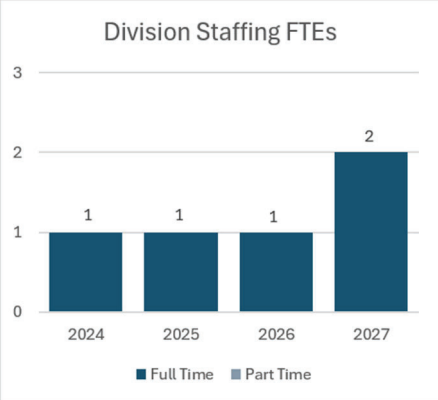
Division Organization

ORG CHART PENDING

Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027 Budget	
District Position	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**
Cross Connection/Non-Potable Water Supervisor	1	0	1	0	1	0	1	0
Cross Connection Control Technician							1	0
	1	0	1	0	1	0	2	0
	Count	1	Count	1	Count	1	Count	2
	FTE	1	FTE	1	FTE	1	FTE	2

(1) Actuals are based on the employee counts as of 12/31 of that budget year



2026 Division Accomplishments

1. Maintained compliance with the updated State Cross-Connection Control Policy Handbook and implemented measures to meet hazard-assessment goals submitted to the Division of Drinking Water.
2. Initiated hazard assessments of existing service connections in accordance with the District's approved Cross-Connection Control Management Plan, maintaining progress toward implementation requirements.
3. Achieved 100% electronic submission of backflow test results in 2026, improving documentation, compliance tracking, and administrative efficiency.
4. Coordinated with the Fire Marshal and City to inspect passive purge systems at new buildings, supporting proper installation and protection of the potable water system.
5. Advanced coordination with the City to receive recycled water, including planning for the non-potable booster station and future system testing, pending execution of the required agreement.

2027 Division Goals

1. By December 31, 2027, maintain 100% electronic submission of backflow test results to improve compliance tracking and administrative efficiency.
2. By December 31, 2027, inspect passive purge systems at 100% of applicable new buildings in coordination with the City and Fire Marshal to verify proper installation and protect the potable water system.
3. By June 30, 2027, attach identification tags to at least 200 backflow devices within the District's service area to improve test reporting, tracking, and compliance.

4. By December 31, 2027, conduct a shutdown test at one park using non-potable water for landscape irrigation and develop a Standard Operating Procedure documenting the process to verify separation from the potable water system.
5. By March 31, 2027, conduct at least 100 hazard assessments for existing District customers to identify potential cross-connection risks, verify appropriate backflow protection, and support compliance with the District's Cross-Connection Control Management Plan.

Significant Changes to the Budget

The Cross-Connection and Non-Potable Water Division's 2027 budget reflects the addition of a Cross-Connection Technician to address expanded State regulatory requirements. These requirements include hazard assessments and documentation associated with property ownership changes, new service installations, and changes in property classifications, such as conversions from single-family to multifamily residential use. The additional position will provide dedicated support for the increased administrative workload and compliance responsibilities. Backflow Maintenance expenses also increase to accommodate additional customer notifications and related regulatory requirements.

Division Budget Details

Cross Connections		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-430-500105	Labor	$ 99,488	$ 119,900	$ 103,800	$ 206,500	$ 86,600
01-40-430-500110	Overtime	-	5,400	100	5,900	500
01-40-430-500111	Double Time	-	1,500	100	1,700	200
01-40-430-500113	Standby/On-Call	-	-	-	-	-
01-40-430-500114	Incentive Pay	600	600	700	1,800	1,200
01-40-430-500115	Social Security	7,123	9,500	7,500	15,500	6,000
01-40-430-500120	Medicare	1,666	2,300	1,800	3,700	1,400
01-40-430-500125	Health Insurance	25,842	28,800	28,000	61,400	32,600
01-40-430-500140	Life Insurance	162	200	200	400	200
01-40-430-500143	EAP Program	24	100	100	200	100
01-40-430-500145	Workers' Compensation	3,496	4,900	3,300	8,400	3,500
01-40-430-500150	Unemployment Insurance	-	3,000	-	5,100	2,100
01-40-430-500155	Retirement/CalPERS	38,576	42,400	41,700	55,700	13,300
01-40-430-500165	Uniforms & Employee Benefits	579	1,000	400	2,000	1,000
01-40-430-500175	Training/Education/Mtgs/Travel	1,226	2,000	700	2,500	500
01-40-430-500180	Accrued Sick Leave Expense	4,542	5,600	4,900	10,500	4,900
01-40-430-500185	Accrued Vacation Leave Expense	3,815	8,600	5,900	13,700	5,100
01-40-430-500187	Accrued Leave Payments	4,122	9,800	4,300	10,100	300
01-40-430-500195	CIP Related Labor	-	-	-	-	-
01-40-430-510031	Small Tools, Parts & Maintenance	3,005	2,000	1,200	4,000	2,000
01-40-430-530001	Minor Capital Acquisitions	-	-	-	-	-
01-40-430-540001	Backflow Maintenance	11,491	40,800	10,500	50,000	9,200
01-40-430-550030	Membership Dues	-	2,500	1,700	2,500	-
01-40-430-550042	Office Supplies	238	200	-	500	300
01-40-430-550051	Advertising/Legal Notices	-	500	-	500	-
01-40-430-550066	Subscriptions	1,000	500	400	2,000	1,500
		$ 206,996	$ 292,100	$ 217,300	$ 464,600	$ 172,500

PICTURE

Division Details - Transmission and Distribution

Division Organization

ORG CHART PENDING

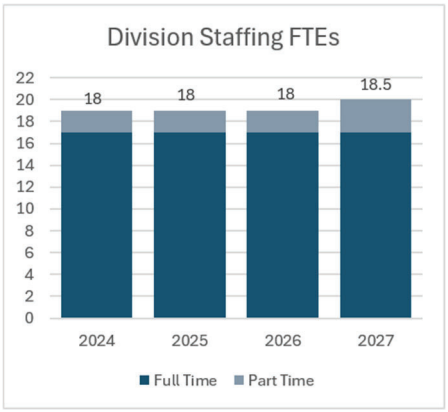
Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027 Budget	
District Position	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**	**FT**	**PT**
Director of Operations	1	0	1	0	1	0	1	0
Water Utility Superintendent	1	0	1	0	1	0	1	0
Water Utility Supervisor	1	0	1	0	1	0	1	0
Administrative Clerk [2]					0	1	0	1
Senior Water Utility Worker [3]	3	0	3	0	3	0	3	0
Water Utility Worker II	4	0	4	0	4	0	3	0
Underground Water Utility Locator							1	0
Water Utility Worker I	7	2	7	2	7	1	7	2
	17	2	17	2	17	2	17	3
	Count	19	Count	19	Count	19	Count	20
	FTE	18	FTE	18	FTE	18	FTE	18.5

(1) Actuals are based on the employee counts as of 12/31 of that budget year

(2) Administrative Clerk fully burdened cost split 25% Engineering and 75% Operations

(3) Personnel counts reflect employees assigned to Division 440. A portion of their personnel costs is allocated to Divisions 450, 460, and 480 based on anticipated work assignments. Employees may support these divisions as operational needs require.



2026 Division Accomplishments

1. Completed water-main replacements on American Avenue and 11th Street, improving infrastructure and supporting distribution-system reliability.
2. Completed planned service line replacements in coordination with City of Beaumont sidewalk projects, supporting infrastructure maintenance and leak reduction.
3. Responded to emergencies and completed emergency repairs within one to three days, supporting timely service restoration and system reliability.
4. Completed hydrant inspections and continued painting activities to maintain equipment condition and support fire protection readiness.
5. Advanced the distribution-system valve exercising program toward its annual target, supporting valve operability and maintenance readiness.

2027 Division Goals

1. By December 31, 2027, complete all Board-approved 2027 water-main replacement projects to replace aging infrastructure and improve distribution-system reliability.
2. By December 31, 2027, inspect at least 500 hydrants and complete identified maintenance and painting to support fire protection readiness and extend equipment life.

3. By December 31, 2027, exercise and inspect at least 250 distribution-system valves to verify operability, identify needed repairs, and improve system isolation during emergencies and planned maintenance.
4. By December 31, 2027, flush at least 100 blow-off locations to maintain water quality, remove accumulated sediment, and verify system operation.
5. Throughout 2027, respond to and initiate repairs for at least 95% of reported or identified distribution-system leaks within one business day to minimize water loss, reduce customer impacts, and maintain system reliability.

Significant Changes to the Budget

The Transmission and Distribution Division's 2027 budget reflects the reclassification of one Water Utility Worker II position to an Underground Water Utility Locator, with no additional personnel cost. The budget also includes two temporary Water Utility Worker I positions to support Board-approved projects, accelerate in-house project completion, and maintain core operations during peak leak season.

Operating expenses increase by a combined $80,000 across two maintenance accounts. Pipeline and Hydrant Maintenance increases due to a rise in fire hydrant thefts, which have declined following increased public outreach but continue to represent a significant cost to the District. To reduce future losses, staff plan to replace brass hydrant components with ductile iron alternatives in less-traveled areas, reducing their scrap value and potential replacement costs. Hydraulic Valve Maintenance increases to accommodate additional pressure-reducing valve stations requiring service and larger valve replacements.

Division Budget Details

Transmission and Distribution		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-440-500105	Labor	$ 1,210,492	$ 1,470,400	$ 1,229,900	$ 1,569,500	$ 99,100
01-40-440-500110	Overtime	62,223	86,700	70,200	100,100	13,400
01-40-440-500111	Double Time	17,471	37,900	19,300	38,000	100
01-40-440-500113	Standby/On-Call	25,130	22,900	25,200	18,300	(4,600)
01-40-440-500114	Incentive Pay	1,500	6,600	3,900	12,600	6,000
01-40-440-500115	Social Security	88,126	118,500	89,600	127,800	9,300
01-40-440-500120	Medicare	20,819	27,800	21,300	30,000	2,200
01-40-440-500125	Health Insurance	243,654	318,200	272,000	326,200	8,000
01-40-440-500140	Life Insurance	1,938	2,400	2,100	2,600	200
01-40-440-500143	EAP Program	349	900	400	1,000	100
01-40-440-500145	Workers' Compensation	40,113	47,900	35,000	51,200	3,300
01-40-440-500155	Retirement/CalPERS	269,673	299,000	291,700	344,900	45,900
01-40-440-500165	Uniforms & Employee Benefits	16,741	15,500	15,200	17,000	1,500
01-40-440-500175	Training/Education/Mtgs/Travel	17,466	18,500	18,200	18,500	-
01-40-440-500178	General Safety Supplies	13,179	12,000	9,300	15,000	3,000
01-40-440-500180	Accrued Sick Leave Expense	54,811	78,700	43,300	88,500	9,800
01-40-440-500185	Accrued Vacation Leave Expense	80,446	109,800	46,000	123,100	13,300
01-40-440-500187	Accrued Leave Payments	14,536	94,800	28,200	114,300	19,500
01-40-440-500190	Temporary Labor	46,358	-	7,500	-	-
01-40-440-500195	CIP Related Labor	(71,957)	(200,000)	(19,600)	(200,000)	-
01-40-440-510031	Small Tools, Parts & Maintenance	20,244	40,000	36,000	40,000	-
01-40-440-520071	Maintenance and Repair- Pipeline & Hydrants	75,477	145,000	168,800	200,000	55,000
01-40-440-520081	Maintenance and Repair- Hydraulic Valves	23,776	50,000	21,600	75,000	25,000
01-40-440-530001	Minor Capital Acquisitions	-	-	6,600	20,000	20,000
01-40-440-540024	Inventory Adjustments	36,664	50,000	50,000	50,000	-
01-40-440-540036	Line Locates	3,603	4,800	5,300	6,000	1,200
01-40-440-540042	Meters Maintenance & Services	212,772	250,000	262,900	250,000	-
01-40-440-540078	Reservoirs Maintenance	70,837	50,000	13,800	50,000	-
01-40-440-550030	Membership Dues	-	1,500	-	1,500	-
01-40-440-550051	Advertising/Legal Notices	775	-	500	2,000	2,000
		$ 2,597,214	$ 3,159,800	$ 2,774,200	$ 3,493,100	$ 333,300

Division Details - Field Inspections

Division Organization

ORG CHART PENDING

Division Personnel

District Position	2024 Budget[1] FT	2024 Budget[1] PT	2025 Budget FT	2025 Budget PT	2026 Budget FT	2026 Budget PT	2027 Budget FT	2027 Budget PT
Filled by staff from division 440 [2]								

(1) Actuals are based on the employee counts as of 12/31 of that budget year

(2) No employees are assigned directly to Division 450. Inspection activities are performed by employees assigned to Division 440, with a portion of their personnel costs allocated to this division.

Significant Changes to the Budget

The Inspections Division's 2027 budget primarily reflects a portion of the personnel costs associated with Transmission and Distribution staff anticipated to perform inspections on behalf of the District, including applicable salary and benefit adjustments. These costs fluctuate annually based on anticipated inspection activity and may be adjusted through budget transfers as operational needs change throughout the year. No significant changes to non-personnel operating expenses are anticipated.

Division Budget Details

Inspections		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-450-500105	Labor	$ 57,342	$ 67,900	$ 73,900	$ 74,000	$ 6,100
01-40-450-500110	Overtime	9,342	7,900	11,000	9,100	1,200
01-40-450-500111	Double Time	498	3,200	600	3,300	100
01-40-450-500113	Standby/On-Call	-	2,800	-	-	(2,800)
01-40-450-500115	Social Security	4,172	5,300	5,400	5,400	100
01-40-450-500120	Medicare	976	1,300	1,300	1,300	-
01-40-450-500125	Health Insurance	9,541	18,600	12,700	18,400	(200)
01-40-450-500140	Life Insurance	77	200	200	200	-
01-40-450-500143	EAP Program	16	100	100	100	-
01-40-450-500145	Workers' Compensation	1,870	2,900	2,400	3,100	200
01-40-450-500155	Retirement/CalPERS	5,002	13,900	6,600	15,800	1,900
01-40-450-530001	Minor Capital Acquisitions	-	-	-	-	-
		$ 88,836	$ 124,100	$ 114,200	$ 130,700	$ 6,600

Customer Service and Meter Reading

Division Organization

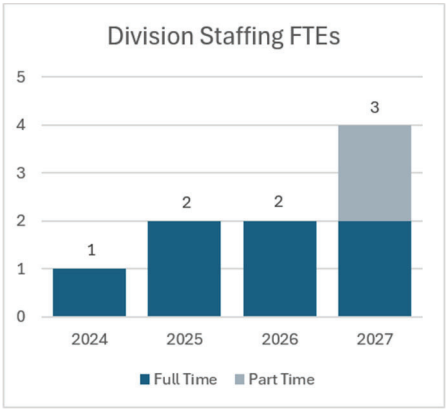
ORG CHART PENDING

Division Personnel

District Position	2024 Budget[1] FT	2024 Budget[1] PT	2025 Budget FT	2025 Budget PT	2026 Budget FT	2026 Budget PT	2027 Budget FT	2027 Budget PT
Senior Field Services and Meter Program Specialist [2]	1	0	2	0	2	0	2	0
Water Utility Worker I								2
	1	0	2	0	2	0	2	2
	Count	1	Count	2	Count	2	Count	4
	FTE	1	FTE	2	FTE	2	FTE	3

(1) Actuals are based on the employee counts as of 12/31 of that budget year

(2) Personnel counts reflect employees assigned directly to Division 460. Additional support is provided by Division 440 employees as needed, with a portion of their personnel costs allocated to this division.



2026 Division Accomplishments

1. Supported the District's AMR/AMI meter reading operations by monitoring meter communications, reviewing meter data, and assisting with the identification and resolution of reading issues to support accurate and timely utility billing.
2. Completed field service orders associated with customer accounts, including service activations, disconnections, meter investigations, and other customer-related requests, supporting responsive service and coordination with Customer Service staff.
3. Supported the District's AMR/AMI infrastructure improvements, including the installation of a new meter-data collector at a City of Banning facility, expanding communication coverage and improving meter-data collection reliability.
4. Assisted with meter inspections, troubleshooting, and field investigations to identify equipment issues, verify water usage, and support the resolution of customer billing inquiries.
5. Coordinated with Customer Service, Information Technology, and Operations personnel to address meter communication issues, service requests, and field-related customer concerns, supporting efficient operations and timely issue resolution.

2027 Division Goals

1. By December 31, 2027, complete at least 95% of routine field service orders within two business days of assignment to support timely customer service and efficient field operations.

2. By December 31, 2027, review AMR/AMI meter communication reports monthly and investigate at least 95% of identified communication failures within five business days to improve meter-data reliability and billing accuracy.
3. By June 30, 2027, develop and implement standardized procedures for at least three common field service activities, including service activations, disconnections, and meter investigations, to improve consistency and coordination with Customer Service.
4. By December 31, 2027, complete quarterly reviews of AMR/AMI meter-reading exceptions and document corrective actions to reduce unresolved reading issues and support accurate utility billing.
5. By December 31, 2027, conduct at least two joint training sessions with Customer Service staff on field service procedures, meter investigations, and AMR/AMI troubleshooting to strengthen coordination and improve customer issue resolution.

Significant Changes to the Budget

The Customer Service and Meter Reading Division's 2027 budget reflects standard salary and benefit adjustments, along with the reclassification of two Senior Water Utility Worker positions to Senior Field Services and Meter Program Specialists. The updated classification more accurately reflects the specialized technical responsibilities of these positions, including AMR/AMI system management, meter troubleshooting, consumption data analysis, and coordination with Utility Billing and IT and Cybersecurity.

The primary budget increase is attributable to the addition of two temporary positions dedicated to AMR/AMI improvement projects. These positions will focus on identifying and resolving problematic meters, investigating communication coverage deficiencies, addressing meter box obstructions, and troubleshooting equipment issues to improve meter reading accuracy and system reliability. No other significant operating expense changes are anticipated.

Division Budget Details

Customer Service and Meter Reading		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-460-500105	Labor	$ 198,714	$ 293,400	$ 208,400	$ 375,500	$ 82,100
01-40-460-500110	Overtime	1,209	17,500	2,800	19,700	2,200
01-40-460-500111	Double Time	1,127	6,200	1,900	6,400	200
01-40-460-500113	Standby/On-Call	-	2,800	-	-	(2,800)
01-40-460-500114	Incentive Pay	-	1,200	-	1,200	-
01-40-460-500115	Social Security	14,149	23,000	14,700	28,800	5,800
01-40-460-500120	Medicare	3,309	5,400	3,500	6,800	1,400
01-40-460-500125	Health Insurance	60,783	89,500	60,100	89,900	400
01-40-460-500140	Life Insurance	326	500	400	700	200
01-40-460-500143	EAP Program	58	200	100	300	100
01-40-460-500145	Workers' Compensation	7,213	12,100	6,700	15,300	3,200
01-40-460-500155	Retirement/CalPERS	75,075	87,100	80,900	104,100	17,000
01-40-460-500165	Uniforms & Employee Benefits	654	1,500	1,300	1,500	-
01-40-460-500175	Training/Education/Mtgs/Travel	-	600	100	600	-
01-40-460-500180	Accrued Sick Leave Expense	7,604	9,100	3,100	12,100	3,000
01-40-460-500185	Accrued Vacation Leave Expense	8,754	17,000	7,800	17,600	600
01-40-460-500187	Accrued Leave Payments	-	19,100	-	29,300	10,200
01-40-460-500195	CIP Related Labor	(8,760)	(41,000)	(9,000)	(41,000)	-
01-40-460-530001	Minor Capital Acquisitions	-	-	-	-	-
01-40-460-550030	Membership Dues	-	100	-	-	(100)
		$ 370,213	$ 545,300	$ 382,800	$ 668,800	$ 123,500

Division Details - General Plant

Division Organization

ORG CHART PENDING

Division Personnel

District Position	2024 Budget FT	2024 Budget PT	2025 Budget FT	2025 Budget PT	2026 Budget FT	2026 Budget PT	2027 Budget FT	2027 Budget PT
No Personnel Expenses Anticipated (1)								

(1) Personnel previously assigned to Division 470 have been reassigned to Division 480, Maintenance. No personnel expenses are anticipated in Division.

Significant Changes to the Budget

The General Plant Division's 2027 budget reflects a significant decrease primarily due to the transfer of all previously assigned personnel and related expenses to the newly established Maintenance Division. Several associated operating accounts, including building maintenance, fleet maintenance, and landscape maintenance, were also transferred to better distinguish general facility operations from maintenance activities.

Operating expenses reflect the addition of utility, property maintenance, and other costs associated with the Young and Viele properties acquired in 2026. The Young Property is being evaluated for potential occupancy, while the Viele Property provides additional office and meeting space for Engineering and Operations staff. Other adjustments reflect rising costs for materials and services. The most significant operating increase is in Recharge Facility Maintenance, with additional funding to address potential maintenance needs associated with anticipated El Niño conditions.

Division Budget Details

General Plant		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-470-501111	Electricity - 560 Magnolia Ave	40,186	44,000	50,900	47,000	3,000
01-40-470-501121	Electricity - 12303 Oak Glen Rd	123	2,600	300	2,600	-
01-40-470-501131	Electricity - 13695 Oak Glen Rd	1,808	4,000	1,800	4,500	500
01-40-470-501141	Electricity - 13697 Oak Glen Rd	3,296	5,000	3,700	5,500	500
01-40-470-501151	Electricity - 9781 Avenida Miravilla	2,160	3,000	2,200	3,500	500
01-40-470-501161	Electricity - 815 E. 12th St	8,866	15,400	8,000	16,500	1,100
01-40-470-501171	Electricity - 851 E. 6th St	4,463	5,400	4,800	-	(5,400)
01-40-470-501181	Electricity - 37612 Ch Val Blvd	-	700	100	5,500	4,800
01-40-470-501191	Electricity -635 Veile Ave	-	-	6,000	26,500	26,500
01-40-470-501281	Gas - 37612 Ch Val Blvd	-	350	100	2,000	1,650
01-40-470-501291	Gas -635 Veile Ave	-	-	600	2,000	2,000

General Plant (continued)		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-470-501321	Propane - 12303 Oak Glen Rd	-	2,000	-	1,000	(1,000)
01-40-470-501331	Propane - 13695 Oak Glen Rd	1,002	4,000	1,100	4,500	500
01-40-470-501341	Propane - 13697 Oak Glen Rd	2,538	5,500	1,900	6,500	1,000
01-40-470-501351	Propane-9781 Avenida Miravilla	1,311	2,300	700	3,000	700
01-40-470-501411	Sanitation - 560 Magnolia Ave	3,505	8,000	5,300	10,000	2,000
01-40-470-501461	Sanitation - 815 E. 12th St	6,526	8,000	6,900	10,000	2,000
01-40-470-501471	Sanitation - 11083 Cherry Ave	4,460	8,000	5,400	10,000	2,000
01-40-470-501481	Sanitation - 39500 Brookside	6,265	8,000	6,100	10,000	2,000
01-40-470-501491	Sanitation - 37612 Ch Val Blvd	-	350	-	10,000	9,650
01-40-470-501501	Sanitation -635 Veile Ave	-	-	3,000	10,000	10,000
01-40-470-501611	Maintenance & Repair- 560 Magnolia Ave	21,907	83,600	46,300	100,000	16,400
01-40-470-501621	Maintenance & Repair- 12303 Oak Glen Rd	53	21,000	-	21,000	-
01-40-470-501631	Maintenance & Repair- 13695 Oak Glen Rd	3,691	3,000	600	5,000	2,000
01-40-470-501641	Maintenance & Repair- 13697 Oak Glen Rd	7,884	3,000	200	5,000	2,000
01-40-470-501651	Maintenance & Repair- 9781 Avenida Miravilla	991	4,500	1,100	5,000	500
01-40-470-501661	Maintenance & Repair- 815 E. 12th St	15,447	50,000	24,100	35,000	(15,000)
01-40-470-501671	Maintenance & Repair- 851 E. 6th St	5,484	5,000	5,100	-	(5,000)
01-40-470-501681	Maintenance & Repair- 39500 Brookside	1,080	4,000	3,300	4,500	500
01-40-470-501701	Maint & Repair-37612 Ch Va Blv	-	-	-	5,500	5,500
01-40-470-501711	Maint & Repair -638 Veile Ave	-	-	-	13,000	13,000
01-40-470-510001	Auto/Fuel	136,576	179,300	141,200	210,000	30,700
01-40-470-510002	CIP Related Fuel	-	(10,000)	-	(10,000)	-
01-40-470-520011	Maintenance & Repair-Safety Equipment	6,773	10,000	8,900	10,000	-
01-40-470-520031	Maintenance & Repair-General Equipment	72,336	100,000	63,400	100,000	-
01-40-470-520033	CIP Related Mnt & Rpr-Gen Equ	-	-	-	-	-
01-40-470-520051	Maintenance & Repair-Paving	25,449	100,000	44,700	100,000	-
01-40-470-520053	Maintenance & Repair-Paving (City of Beaumont)	175,421	270,000	186,700	270,000	-
01-40-470-540052	Encroachment Permits	3,660	20,000	5,600	20,000	-
01-40-470-540072	Recharge Facility, Canyon & Pond Maintenance	211,487	260,300	218,900	360,300	100,000
01-50-510-502001	Rents/Leases	-	41,000	35,300	84,000	43,000
01-50-510-510031	Small Tools, Parts & Maintenance	1,003	1,000	500	1,000	-
01-50-510-550040	General Supplies	3,772	15,800	7,500	15,800	-
01-50-510-550060	Public Education/Community Outreach	34,762	25,000	15,400	35,000	10,000
01-50-510-550072	Miscellaneous Operating Expenses	472	1,000	200	1,000	-
01-50-510-550096	Beaumont Basin Watermaster	70,629	135,000	86,500	135,000	-
01-50-510-550097	SAWPA Basin Monitoring Program	24,131	37,000	7,300	40,000	3,000
		$ 909,518	$ 1,486,100	$ 1,011,700	$ 1,756,700	$ 270,600

PICTURE

Division Details - Maintenance

Division Organization

ORG CHART PENDING

Division Personnel

	2024 Budget[1]		2025 Budget		2026 Budget		2027 Budget[2]	
District Position	FT	PT	FT	PT	FT	PT	FT	PT
Maintenance Technician II	1	0	1	0	1	0	1	0
Maintenance Technician I	0	0	1	0	1	0	1	0
	1	0	2	0	2	0	2	0
	Count	1	Count	2	Count	2	Count	2
	FTE	1	FTE	2	FTE	2	FTE	2



(1) Actuals are based on the employee counts as of 12/31 of that budget year

(2) Personnel counts reflect two employees assigned directly to Division 480 that were previously recorded under Division 470. Additional support is provided by Division 440 employees as needed, with a portion of their personnel costs allocated to this division.

2026 Division Accomplishments

1. Completed facility maintenance requests within five days, supporting safe, reliable, and efficient District operations.
2. Completed scheduled maintenance for District-owned and Enterprise Fleet vehicles, helping minimize unplanned repairs and vehicle downtime.
3. Replaced building structures at Wells 14 and 20, improving facility infrastructure and supporting continued operations.
4. Installed LED lighting at multiple District facilities and replaced the Field Office HVAC system, improving energy efficiency and facility operations.
5. Completed low-water-use landscape improvements at Wells 3 and 25 and advanced upgrades at additional facilities, supporting water conservation and maintenance efficiency.

2027 Division Goals

1. By December 31, 2027, complete at least 95% of scheduled preventive vehicle maintenance on time to reduce unplanned repairs, operating costs, and vehicle downtime.
2. By December 31, 2027, repair and seal the Main Office roof, replacing broken tiles and reusing serviceable tiles to prevent leaks and extend the facility's useful life.
3. By December 31, 2027, complete annual inspections and scheduled preventive maintenance at all District-operated facilities to identify and address deficiencies before equipment failures occur.

4. By June 30, 2027, complete drought-tolerant landscape improvements at the Well 1 and Well 2 facilities to reduce water use and maintenance needs.
5. By December 31, 2027, complete approved LED lighting and energy-efficiency improvements at five District facilities to reduce energy use and operating costs.

Significant Changes to the Budget

The Maintenance Division is separately identified in the 2027 budget following its separation from General Plant. Personnel and directly related operating expenses, including building maintenance, fleet maintenance, and landscape maintenance, have been transferred from Division 470 to better align costs with maintenance responsibilities.

Budget changes primarily reflect standard salary and benefit adjustments, along with increased funding for planned landscape improvements and facility maintenance activities. Additional funding is also included for tools and supplies to support ongoing maintenance operations. Most other operating expenses remain relatively consistent with the prior year.

Division Budget Details

Maintenance		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-480-500105	Labor	$ 222,350	$ 221,700	$ 211,300	$ 235,600	$ 13,900
01-40-480-500110	Overtime	1,456	8,800	4,400	8,800	-
01-40-480-500111	Double Time	65	3,400	200	3,100	(300)
01-40-480-500113	Standby/On-Call	-	2,800	-	-	(2,800)
01-40-480-500114	Incentive Pay	1,100	1,200	1,300	3,000	1,800
01-40-480-500115	Social Security	14,612	16,300	14,300	16,800	500
01-40-480-500120	Medicare	3,417	3,900	3,400	4,000	100
01-40-480-500125	Health Insurance	56,100	63,400	56,600	60,600	(2,800)
01-40-480-500140	Life Insurance	352	400	400	400	-
01-40-480-500143	EAP Program	75	200	100	200	-
01-40-480-500145	Workers' Compensation	7,510	9,200	6,500	9,600	400
01-40-480-500155	Retirement/CalPERS	20,162	21,100	20,600	24,700	3,600
01-40-480-500165	Uniforms & Employee Benefits	1,185	2,000	4,400	2,000	-
01-40-480-500175	Training/Education/Mtgs/Travel	245	2,000	500	2,000	-
01-40-480-500180	Accrued Sick Leave Expenses	6,482	7,500	6,200	8,500	1,000
01-40-480-500185	Accrued Vacation Expenses	7,595	9,600	7,100	9,700	100
01-40-480-500187	Accrued Leave Payments	-	5,200	-	3,100	(2,100)
01-40-480-500195	CIP Related Labor	(12,566)	-	-	-	-
01-40-480-501600	Property Maintenance & Repairs	769	4,000	100	4,000	-
01-40-480-501691	Maintenance & Repair- Buildings (General)	13,541	29,000	23,700	45,000	16,000
01-40-480-510031	Small Tools, Parts, & Maint	-	-	-	5,000	5,000
01-40-480-520041	Maintenance & Repair-Fleet	100,847	90,000	50,200	90,000	-
01-40-480-530001	Minor Capital Acquisitions	-	14,000	13,300	10,000	(4,000)
01-40-480-540030	Landscape Maintenance	72,117	90,000	55,100	120,000	30,000
01-40-480-540052	Permits	-	-	-	500	500
01-40-480-550030	Membership Dues	-	100	-	1,000	900
01-40-480-550042	Office Supplies	-	-	-	1,000	1,000
01-40-480-550051	Advertising/Legal Notices	-	-	-	500	500
01-40-480-550066	Subscriptions	-	-	-	500	500
		$ 517,415	$ 605,800	$ 479,700	$ 669,600	$ 63,800

PICTURE?

Details by Account

PICTURE

Revenues: Budget Detail from 2025 Adopted to 2027 Proposed

		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
OPERATING REVENUE										
Water Sales										
01-50-510-410100	Sales	$ 6,158,300	$ 7,601,000	$ 7,185,500	$ -	$ -	$ 7,185,500	$ 8,742,000	$ 8,136,100	$ 950,600
01-50-510-410111	Drought Surcharges	-	-	-	-	-	-	-	-	-
01-50-510-410151	Agricultural Irrigation Sales	22,600	32,500	32,000	-	-	32,000	31,000	36,200	4,200
01-50-510-410171	Construction Sales	73,600	92,300	77,500	-	-	77,500	89,100	87,300	9,800
01-50-510-413011	Fixed Meter Charges	6,123,200	6,799,800	6,956,700	-	-	6,956,700	7,605,200	7,605,500	648,800
		$ 12,377,700	$ 14,525,600	$ 14,251,700	$ -	$ -	$ 14,251,700	$ 16,467,300	$ 15,865,100	$ 1,613,400
Development and Installation Charges										
01-50-510-413021	Meter Fees	$ 537,300	$ 284,200	$ 337,100	$ -	$ -	$ 337,100	$ 353,600	$ 354,400	$ 17,300
01-50-510-419011	Development Income	241,900	245,500	200,000	-	-	200,000	257,500	200,000	-
01-50-510-419012	Development Income - GIS	51,200	12,800	-	-	-	-	34,700	-	-
		$ 830,400	$ 542,500	$ 537,100	$ -	$ -	$ 537,100	$ 645,800	$ 554,400	$ 17,300
Water Importation Surcharge										
01-50-510-415001	SGPWA Importation Charges	$ 3,793,300	$ 4,375,400	$ 4,118,900	$ -	$ -	$ 4,118,900	$ 4,741,100	$ 4,277,200	$ 158,300
Water Pumping Energy Surcharge										
01-50-510-415011	SCE Power Charges	$ 2,212,800	$ 3,117,600	$ 2,625,700	$ -	$ -	$ 2,625,700	$ 3,220,900	$ 2,975,400	$ 349,700
Other Charges for Service										
01-50-510-413001	Backflow Administration Charges	$ 91,000	$ 105,700	$ 96,900	$ -	$ -	$ 96,900	$ 125,500	$ 141,300	$ 44,400
01-50-510-417001	2nd Notice Charges	82,700	111,000	90,400	-	-	90,400	103,400	87,100	(3,300)
01-50-510-417011	3rd Notice Charges	115,100	174,800	130,500	-	-	130,500	160,500	119,100	(11,400)
01-50-510-417030	WaterRestrictn Noncomp10-50%	-	200	-	-	-	-	-	-	-
01-50-510-417021	Account Reinstatement Fees	37,500	61,800	44,800	-	-	44,800	47,400	47,600	2,800
01-50-510-417031	Lien Processing Fees	7,200	4,600	6,800	-	-	6,800	9,200	9,400	2,600
01-50-510-417041	Credit Check Processing Fees	18,500	16,300	18,400	-	-	18,400	16,500	18,800	400
01-50-510-417051	Return Check Fees	5,500	13,100	11,200	-	-	11,200	12,500	12,300	1,100
01-50-510-417061	Customer Damages	30,000	6,100	30,800	-	-	30,800	18,500	30,000	(800)
01-50-510-417071	After-Hours Call Out Charges	2,800	4,700	3,700	-	-	3,700	4,500	4,100	400
01-50-510-417081	Bench Test Fees (Credits)	100	100	100	-	-	100	100	100	-
01-50-510-417091	Credit Card Processing Fees	-	14,500	-	-	-	-	-	-	-
01-50-510-417101	Customer Upgrade Charges	-	-	100	-	-	100	200	100	-
01-50-510-419001	Rebates/Reimbursements	-	4,700	2,700	-	-	2,700	21,900	3,000	300
01-50-510-419021	Recharge Income	-	-	-	-	-	-	-	-	-
01-50-510-419031	Well Maintenance Reimbursemnt	107,700	45,200	74,800	-	-	74,800	32,200	74,000	(800)
01-50-510-419041	Gain (Loss) - Asset Disposal	-	-	-	-	-	-	-	-	-
01-50-510-419061	Miscellaneous Income	5,000	55,200	4,800	-	-	4,800	6,100	2,000	(2,800)
		$ 503,100	$ 618,000	$ 516,000	$ -	$ -	$ 516,000	$ 558,500	$ 548,900	$ 32,900
	Total Operating Revenues	$ 19,717,300	$ 23,179,100	$ 22,049,400	$ -	$ -	$ 22,049,400	$ 25,633,600	$ 24,221,000	$ 2,171,600
NON-OPERATING REVENUE										
Property Maintenance Fees										
01-50-510-471001	Maintenance Fees - 12303 Oak Glen Rd	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
01-50-510-471011	Maintenance Fees - 13695 Oak Glen Rd	7,500	7,200	7,500	-	-	7,500	7,300	7,800	300
01-50-510-471021	Maintenance Fees - 13697 Oak Glen Rd	8,000	8,000	8,300	-	-	8,300	8,200	8,700	400

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		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
Property Maintenance Fees (continued)										
01-50-510-471031	Maintenance Fees - 9781 Avenida Miravilla	7,000	6,700	6,900	-	-	6,900	6,800	7,300	400
01-50-510-471101	Utilities - 12303 Oak Glen Rd	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
01-50-510-471111	Utilities - 13695 Oak Glen Rd	3,500	3,100	3,700	-	-	3,700	2,800	2,700	(1,000)
01-50-510-471121	Utilities - 13697 Oak Glen Rd	6,000	5,800	7,600	-	-	7,600	5,400	5,100	(2,500)
01-50-510-471131	Utilities - 9781 Avenida Miravilla	4,000	3,500	3,100	-	-	3,100	2,600	2,700	(400)
		$ 36,000	$ 34,300	$ 37,100	$ -	$ -	$ 37,100	$ 33,100	$ 34,300	$ (2,800)
Facilities Charges										
01-50-510-481001	Capacity Charges-Wells	$ 360,000	$ 491,600	$ 383,600	$ -	$ -	$ 383,600	$ 110,400	$ 186,400	$ (197,200)
01-50-510-481006	Capacity Charges-Water Rights (SWP)	227,800	19,400	242,700	-	-	242,700	8,500	4,300	(238,400)
01-50-510-481012	Capacity Charges-Water Treatment Plant	171,300	233,900	182,500	-	-	182,500	115,500	151,700	(30,800)
01-50-510-481018	Capacity Charges-Local Water Resources	90,200	7,700	96,100	-	-	96,100	42,800	41,100	(55,000)
01-50-510-481024	Capacity Charges-Recycled Water Facilities	260,800	438,200	355,500	-	-	355,500	228,100	268,800	(86,700)
01-50-510-481030	Capacity Charges-Transmission (16")	291,600	398,200	310,700	-	-	310,700	131,400	193,000	(117,700)
01-50-510-481036	Capacity Charges-Storage	373,400	543,600	397,800	-	-	397,800	181,800	279,100	(118,700)
01-50-510-481042	Capacity Charges-Booster	25,900	35,300	27,600	-	-	27,600	37,900	43,400	15,800
01-50-510-481048	Capacity Charges-Pressure Reducing Stations	13,300	18,000	14,100	-	-	14,100	10,800	13,600	(500)
01-50-510-481054	Capacity Charges-Miscellaneous Projects	11,600	15,700	12,300	-	-	12,300	34,500	36,900	24,600
01-50-510-481060	Capacity Charges-Financing Costs	56,800	79,900	60,500	-	-	60,500	17,600	29,100	(31,400)
01-50-510-485001	Front Footage Fees	26,200	62,700	50,000	-	-	50,000	78,200	57,900	7,900
01-50-510-419042	Asset Disposal Account	-	(4,300)	-	-	-	-	17,900	-	-
01-50-510-419043	Fixed Asset Inv (Treated as contributed capital)	-	-	-	-	-	-	-	-	-
		$ 1,908,900	$ 2,339,900	$ 2,133,400	$ -	$ -	$ 2,133,400	$ 1,015,400	$ 1,305,300	$ (828,100)
Interest Earned										
01-50-510-490001	Interest Income - Bonita Vista	$ 300	$ 200	$ 100	$ -	$ -	$ 100	$ 100	$ 100	$ -
01-50-510-490011	Interest Income - Fairway Canyon	192,000	189,400	159,200	-	-	159,200	123,000	103,400	(55,800)
01-50-510-490021	Interest Income - General	1,131,500	3,446,800	1,379,000	-	-	1,379,000	3,409,000	1,148,700	(230,300)
01-50-510-490051	Net Amort/Accret on Investment	250,000	144,300	118,700	-	-	118,700	129,500	103,300	(15,400)
		$ 1,573,800	$ 3,780,700	$ 1,657,000	$ -	$ -	$ 1,657,000	$ 3,661,600	$ 1,355,500	$ (301,500)
Grant Revenue										
01-50-510-419051	Grant Revenue	$ 861,000	$ 2,021,900	$ -	$ -	$ -	$ -	$ 314,400	$ -	$ -
	Total Non-Operating Revenues	$ 4,379,700	$ 8,176,800	$ 3,827,500	$ -	$ -	$ 3,827,500	$ 5,024,500	$ 2,695,100	$ (1,132,400)
	Total Revenues	**$ 24,097,000**	**$ 31,355,900**	**$ 25,876,900**	**$ -**	**$ -**	**$ 25,876,900**	**$ 30,658,100**	**$ 26,916,100**	**$ 1,039,200**

		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
BOARD OF DIRECTORS										
01-10-110-500101	Board of Directors Fees	$ 128,000	$ 112,500	$ 131,100	$ -	$ -	$ 131,100	$ 97,300	$ 131,100	$ -
01-10-110-500115	Social Security	8,000	6,965	8,200	-	-	8,200	6,100	8,200	-
01-10-110-500120	Medicare	2,000	1,629	2,000	-	-	2,000	1,500	2,000	-
01-10-110-500125	Health Insurance	94,500	54,756	110,400	-	-	110,400	68,200	111,200	800
01-10-110-500140	Life Insurance	2,500	108	2,500	-	-	2,500	200	2,500	-
01-10-110-500143	EAP Program	500	118	300	-	-	300	200	300	-
01-10-110-500145	Workers' Compensation	1,000	704	1,100	-	-	1,100	600	1,100	-
01-10-110-500175	Training/Education/Mtgs/Travel	55,000	33,462	63,400	-	-	63,400	40,800	63,400	-
01-10-110-550012	Election Expenses	143,000	142,418	6,000	-	-	6,000	100	150,000	144,000
01-10-110-550043	Supplies-Other	1,700	171	1,400	-	-	1,400	400	1,400	-
01-10-110-550051	Advertising/Legal Notices	2,000	-	1,000	-	-	1,000	100	1,000	-
		$ 438,200	$ 352,831	$ 327,400	$ -	$ -	$ 327,400	$ 215,500	$ 472,200	$ 144,800
ENGINEERING										
01-20-210-500105	Labor	$ 539,500	$ 377,696	$ 619,600	$ -	$ -	$ 619,600	$ 404,000	$ 655,100	$ 35,500
01-20-210-500114	Incentive Pay	2,500	-	2,400	-	-	2,400	-	1,800	(600)
01-20-210-500115	Social Security	42,000	24,646	47,200	-	-	47,200	26,400	47,800	600
01-20-210-500120	Medicare	10,000	6,203	11,100	-	-	11,100	6,700	11,200	100
01-20-210-500125	Health Insurance	97,000	91,569	113,600	-	-	113,600	103,300	125,800	12,200
01-20-210-500140	Life Insurance	1,000	600	1,000	-	-	1,000	700	1,100	100
01-20-210-500143	EAP Program	500	115	300	-	-	300	200	300	-
01-20-210-500145	Workers' Compensation	5,500	2,970	5,900	-	-	5,900	2,800	6,200	300
01-20-210-500150	Unemployment Insurance	8,000	-	15,100	-	-	15,100	-	15,900	800
01-20-210-500155	Retirement/CalPERS	55,500	35,150	69,300	-	-	69,300	40,700	80,800	11,500
01-20-210-500165	Uniforms & Employee Benefits	500	-	500	-	-	500	200	500	-
01-20-210-500175	Training/Education/Mtgs/Travel	8,000	2,312	8,000	-	-	8,000	1,300	8,000	-
01-20-210-500180	Accrued Sick Leave Expense	35,500	9,038	33,900	-	-	33,900	15,400	41,700	7,800
01-20-210-500185	Accrued Vacation Leave Expense	31,500	20,201	37,400	-	-	37,400	15,300	37,900	500
01-20-210-500187	Accrued Leave Payments	27,500	17,557	27,900	-	-	27,900	28,100	32,400	4,500
01-20-210-500190	Temporary Labor	21,100	15,453	-	-	-	-	300	-	-
01-20-210-500195	CIP Related Labor	(225,000)	(111,418)	(225,000)	-	-	(225,000)	(22,300)	(225,000)	-
01-20-210-540012	Development Reimbursable Engineering	-	-	-	-	-	-	22,800	-	-
01-20-210-540014	Development Reimbursable GIS	8,000	7,680	-	-	-	-	33,000	-	-
01-20-210-540048	Permits, Fees & Licensing	3,000	-	3,000	-	-	3,000	-	3,000	-
01-20-210-550029	Administrative Expenses	11,000	9,035	11,000	-	-	11,000	8,300	11,000	-
01-20-210-550030	Membership Dues	2,100	751	2,000	-	-	2,000	600	2,000	-
01-20-210-550042	Office Supplies	1,000	851	1,000	-	-	1,000	500	1,000	-
01-20-210-550046	Office Equipment	5,000	2,837	5,000	-	-	5,000	3,700	5,000	-
01-20-210-550051	Advertising/Legal Notices	5,000	1,156	5,000	-	-	5,000	500	5,000	-
01-20-210-580031	Outside Engineering	112,000	2,720	120,000	-	-	120,000	57,000	120,000	-
01-20-210-580032	CIP Related Outside Engineering	-	-	-	-	-	-	-	-	-
		$ 807,700	$ 517,121	$ 915,200	$ -	$ -	$ 915,200	$ 749,500	$ 988,500	$ 73,300
DEVELOPMENT SERVICES										
01-20-220-500105	Labor	$ 77,000	$ 72,652	$ 81,800	$ -	$ -	$ 81,800	$ 68,400	$ 88,900	$ 7,100
01-20-220-500114	Incentive Pay	-	-	-	-	-	-	-	-	-
01-20-220-500115	Social Security	5,000	4,088	5,300	-	-	5,300	3,900	5,600	300
01-20-220-500120	Medicare	1,500	1,058	1,300	-	-	1,300	1,000	1,300	-
01-20-220-500125	Health Insurance	19,500	13,618	21,000	-	-	21,000	12,900	23,500	2,500
01-20-220-500140	Life Insurance	500	100	200	-	-	200	200	200	-
01-20-220-500143	EAP Program	500	13	100	-	-	100	100	100	-

DEVELOPMENT SERVICES (continued)		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-20-220-500145	Workers' Compensation	1,000	542	800	-	-	800	500	900	100
01-20-220-500150	Unemployment Insurance	1,500	-	2,000	-	-	2,000	-	2,200	200
01-20-220-500155	Retirement/CalPERS	7,000	5,727	7,900	-	-	7,900	5,600	10,200	2,300
01-20-220-500180	Accrued Sick Leave Expense	-	-	-	-	-	-	-	-	-
01-20-220-500185	Accrued Vacation Leave Expense	-	-	-	-	-	-	-	-	-
01-20-220-500187	Accrued Leave Payments	-	-	-	-	-	-	-	-	-
		$ 113,500	$ 97,799	$ 120,400	$ -	$ -	$ 120,400	$ 92,600	$ 132,900	$ 12,500
HUMAN RESOURCES AND RISK MANAGEMENT										
01-25-215-500105	Labor	$ 119,000	$ 116,353	$ 145,400	$ -	$ -	$ 145,400	$ 135,000	$ 150,600	$ 5,200
01-25-215-500110	Overtime	-	-	-	-	-	-	-	-	-
01-25-215-500111	Double Time	-	-	-	-	-	-	-	-	-
01-25-215-500112	Stipend-Association Mtg Attend	1,300	525	2,000	-	-	2,000	600	2,000	-
01-25-215-500114	Incentive Pay	1,000	-	600	-	-	600	-	-	(600)
01-25-215-500115	Social Security	8,500	7,436	10,100	-	-	10,100	9,000	10,500	400
01-25-215-500120	Medicare	2,000	1,739	2,400	-	-	2,400	2,100	2,500	100
01-25-215-500125	Health Insurance	30,500	30,330	27,200	-	-	27,200	28,200	30,000	2,800
01-25-215-500140	Life Insurance	500	177	300	-	-	300	300	300	-
01-25-215-500143	EAP Program	500	24	100	-	-	100	100	100	-
01-25-215-500145	Workers' Compensation	1,000	713	1,200	-	-	1,200	800	1,200	-
01-25-215-500150	Unemployment Insurance	2,000	-	3,600	-	-	3,600	-	3,700	100
01-25-215-500155	Retirement/CalPERS	11,000	10,662	13,400	-	-	13,400	13,300	16,100	2,700
01-25-215-500165	Uniforms & Employee Benefits	300	27	300	-	-	300	100	300	-
01-25-215-500175	Training/Education/Mtgs/Travel	3,800	285	3,800	-	-	3,800	-	3,800	-
01-25-215-500176	District Professional Development	18,800	500	18,800	-	-	18,800	9,800	18,800	-
01-25-215-500177	General Safety Training & Supplies	24,069	10,060	24,200	-	(3,000)	21,200	14,700	21,200	-
01-25-215-500180	Accrued Sick Leave Expense	7,500	6,450	8,900	-	-	8,900	2,200	9,200	300
01-25-215-500185	Accrued Vacation Leave Expense	6,500	8,438	7,400	-	-	7,400	7,300	7,700	300
01-25-215-500187	Accrued Leave Payments	-	-	-	-	-	-	100	-	-
01-25-215-500190	Temporary Labor	-	-	-	-	-	-	-	-	-
01-25-215-540066	Property Damage & Theft	40,000	16,402	60,000	-	-	60,000	17,700	60,000	-
01-25-215-550024	Employment Testing	4,631	4,823	5,100	3,000	-	8,100	5,900	10,000	1,900
01-25-215-550025	Employee Retention	6,000	2,665	6,000	-	-	6,000	1,000	6,000	-
01-25-215-550026	Recruitment Expense	9,000	1,348	9,000	-	-	9,000	500	9,000	-
01-25-215-550028	District Certification	4,500	4,179	4,500	-	-	4,500	4,300	5,000	500
01-25-215-550030	Membership Dues	1,100	932	1,100	-	-	1,100	500	1,500	400
01-25-215-550042	Office Supplies	1,400	272	1,900	-	-	1,900	100	2,000	100
01-25-215-550051	Advertising/Legal Notices	1,600	-	1,600	-	-	1,600	300	1,600	-
01-25-215-550054	Property, Auto & General Liability Insurance	378,000	230,477	319,000	-	(1,500)	317,500	242,700	317,500	-
01-25-215-550074	Disaster Preparedness Ongoing Expenses	11,000	8,087	11,000	-	-	11,000	4,000	11,000	-
01-25-215-580036	Other Professional Services	7,000	3,131	11,000	-	-	11,000	2,300	11,000	-
		$ 702,500	$ 466,035	$ 699,900	$ 3,000	$ (4,500)	$ 698,400	$ 502,900	$ 712,600	$ 14,200

FINANCE AND ADMINISTRATIVE SERVICES		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-30-310-500105	Labor	$ 1,114,000	$ 1,044,361	$ 1,238,800	$ -	$ -	$ 1,238,800	$ 1,074,200	$ 1,416,900	$ 178,100
01-30-310-500110	Overtime	4,000	330	6,000	-	-	6,000	300	2,300	(3,700)
01-30-310-500111	Double Time	2,500	77	4,100	-	-	4,100	-	4,200	100
01-30-310-500114	Incentive Pay	4,500	600	3,600	-	-	3,600	700	3,600	-
01-30-310-500115	Social Security	89,000	61,734	99,000	-	-	99,000	64,300	112,700	13,700
01-30-310-500120	Medicare	21,000	14,853	23,200	-	-	23,200	17,300	26,400	3,200
01-30-310-500125	Health Insurance	184,500	179,440	205,200	-	-	205,200	191,200	234,200	29,000
01-30-310-500130	CalPERS Health Administration Costs	3,000	1,803	2,500	-	-	2,500	1,300	1,500	(1,000)
01-30-310-500140	Life Insurance	2,000	1,641	2,000	-	-	2,000	1,800	2,300	300

FINANCE AND ADMINISTRATIVE SERVICES (continued)		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-30-310-500143	EAP Program	500	189	500	-	-	500	200	500	-
01-30-310-500145	Workers' Compensation	9,500	7,015	10,100	-	-	10,100	6,400	11,700	1,600
01-30-310-500150	Unemployment Insurance	16,500	11,700	29,800	-	-	29,800	6,100	34,400	4,600
01-30-310-500155	Retirement/CalPERS	242,000	241,961	285,800	-	-	285,800	265,600	349,500	63,700
01-30-310-500165	Uniforms & Employee Benefits	1,000	524	1,000	-	-	1,000	300	1,500	500
01-30-310-500175	Training/Education/Mtgs/Travel	35,000	11,353	38,000	-	-	38,000	14,300	45,000	7,000
01-30-310-500180	Accrued Sick Leave Expense	63,500	48,729	67,500	-	-	67,500	37,400	92,300	24,800
01-30-310-500185	Accrued Vacation Leave Expense	100,500	68,386	114,900	-	-	114,900	59,500	121,400	6,500
01-30-310-500187	Accrued Leave Payments	138,000	38,311	144,500	-	-	144,500	52,400	156,600	12,100
01-30-310-500190	Temporary Labor	-	-	-	-	-	-	7,600	-	-
01-30-310-500195	CIP Related Labor	-	-	-	-	-	-	-	-	-
01-30-310-540018	Grant & Loan Procurement	-	-	-	-	-	-	-	-	-
01-30-310-550001	Bank/Financial Service Fees	4,448	3,755	4,000	500	-	4,500	4,000	6,000	1,500
01-30-310-550030	Membership Dues	46,200	42,332	49,000	1,500	-	50,500	47,600	54,500	4,000
01-30-310-550042	Office Supplies	11,200	10,029	12,100	-	(500)	11,600	7,900	11,000	(600)
01-30-310-550046	Office Equipment	5,500	364	3,300	-	-	3,300	2,000	3,000	(300)
01-30-310-550048	Postage	54,900	22,729	141,900	-	-	141,900	78,000	130,000	(11,900)
01-30-310-550051	Advertising/Legal Notices	1,500	862	1,500	-	-	1,500	1,500	1,500	-
01-30-310-550066	Subscriptions	500	134	500	-	-	500	-	500	-
01-30-310-550072	Miscellaneous Operating Expenses	500	319	500	-	-	500	300	500	-
01-30-310-550078	Bad Debt Expense	25,000	-	25,000	-	-	25,000	-	25,000	-
01-30-310-580001	Accounting and Audit	48,400	47,755	48,200	-	-	48,200	39,300	50,000	1,800
01-30-310-580011	General Legal	219,500	171,605	179,300	-	-	179,300	140,900	140,000	(39,300)
01-30-310-580036	Other Professional Services	194,000	89,328	142,800	-	-	142,800	104,700	140,000	(2,800)
		$ 2,642,648	$ 2,122,219	$ 2,884,600	$ 2,000	$ (500)	$ 2,886,100	$ 2,227,100	$ 3,179,000	$ 292,900

DEPRECIATION AND NON-CASH TRANSACTIONS		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-30-310-500161	Estimated Current Year OPEB Expense	111,300	54,424	99,700	-	-	99,700	81,100	95,600	(4,100)
01-30-310-550084	Depreciation	3,616,300	3,924,316	3,876,500	-	-	3,876,500	4,245,300	4,378,100	501,600
01-30-310-550086	Amort Expense - ROU Asset	-	58,393	-	-	-	-	58,000	87,600	87,600
01-30-310-560000	GASB 68 Pension Expense	215,000	(27,406)	361,200	-	-	361,200	41,500	38,200	(323,000)
		$ 3,942,600	$ 4,009,727	$ 4,337,400	$ -	$ -	$ 4,337,400	$ 4,425,900	$ 4,599,500	$ 262,100

CUSTOMER SERVICE		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-30-330-500105	Labor	$ 381,500	$ 347,805	$ 423,500	$ -	$ -	$ 423,500	$ 358,400	$ 441,500	$ 18,000
01-30-330-500110	Overtime	3,500	1,901	5,600	-	-	5,600	200	2,000	(3,600)
01-30-330-500111	Double Time	700	325	-	-	-	-	-	-	-
01-30-330-500114	Incentive Pay	3,000	-	3,000	-	-	3,000	-	1,200	(1,800)
01-30-330-500115	Social Security	29,000	23,415	31,100	-	-	31,100	24,200	31,900	800
01-30-330-500120	Medicare	7,000	5,476	7,300	-	-	7,300	5,700	7,500	200
01-30-330-500125	Health Insurance	133,000	127,440	139,900	-	-	139,900	131,200	118,800	(21,100)
01-30-330-500140	Life Insurance	1,000	554	700	-	-	700	600	800	100
01-30-330-500143	EAP Program	500	110	300	-	-	300	200	300	-
01-30-330-500145	Workers' Compensation	3,500	2,234	3,300	-	-	3,300	2,000	3,500	200
01-30-330-500150	Unemployment Insurance	6,000	-	10,400	-	-	10,400	-	10,800	400
01-30-330-500155	Retirement/CalPERS	61,800	61,774	71,000	-	-	71,000	66,800	84,400	13,400
01-30-330-500165	Uniforms & Employee Benefits	545	545	500	-	-	500	300	800	300
01-30-330-500175	Training/Education/Mtgs/Travel	7,955	5,560	8,000	-	-	8,000	2,600	8,000	-
01-30-330-500180	Accrued Sick Leave Expense	18,500	11,522	21,100	-	-	21,100	9,700	24,600	3,500
01-30-330-500185	Accrued Vacation Leave Expense	25,500	17,222	26,800	-	-	26,800	9,000	26,300	(500)
01-30-330-500187	Accrued Leave Payments	19,500	5,517	22,400	-	-	22,400	11,900	17,100	(5,300)
01-30-330-500190	Temporary Labor	15,600	9,884	16,100	-	-	16,100	-	18,000	1,900
01-30-330-500195	CIP Related Labor	-	-	-	-	-	-	-	-	-
01-30-330-550006	Cashiering Shortages/Overages	152	152	100	-	-	100	100	100	-
01-30-330-550008	Transaction/Return Fees	1,500	614	1,200	-	-	1,200	700	1,000	(200)
01-30-330-550010	Transaction/Credit Card Fees	-	17,520	-	-	-	-	23,100	-	-

		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
CUSTOMER SERVICE (continued)										
01-30-330-550014	Credit Check Fees	6,500	5,209	6,200	-	-	6,200	5,300	6,000	(200)
01-30-330-550030	Membership Dues	1,100	-	1,100	-	-	1,100	-	200	(900)
01-30-330-550036	Notary & Lien Fees	2,500	600	2,000	-	-	2,000	800	2,000	-
01-30-330-550050	Utility Billing Service	151,300	151,218	76,000	-	-	76,000	43,800	70,000	(6,000)
01-30-330-550051	Advertising/Legal Notices	900	-	900	-	-	900	-	500	(400)
		$ 882,052	$ 796,598	$ 878,500	$ -	$ -	$ 878,500	$ 696,600	$ 877,300	$ (1,200)
INFORMATION TECHNOLOGY										
01-35-315-500105	Labor	$ 196,000	$ 188,896	$ 206,300	$ -	$ -	$ 206,300	$ 217,000	$ 213,500	$ 7,200
01-35-315-500114	Incentive Pay	1,000	-	600	-	-	600	-	600	-
01-35-315-500115	Social Security	16,500	10,903	17,200	-	-	17,200	9,500	17,200	-
01-35-315-500120	Medicare	4,000	3,171	4,100	-	-	4,100	3,000	4,100	-
01-35-315-500125	Health Insurance	26,000	25,849	28,800	-	-	28,800	28,200	30,700	1,900
01-35-315-500140	Life Insurance	500	289	400	-	-	400	300	400	-
01-35-315-500143	EAP Program	500	24	100	-	-	100	100	100	-
01-35-315-500145	Workers' Compensation	2,000	1,170	1,600	-	-	1,600	1,100	1,700	100
01-35-315-500150	Unemployment Insurance	3,000	-	5,000	-	-	5,000	-	5,100	100
01-35-315-500155	Retirement/CalPERS	34,500	14,060	19,200	-	-	19,200	19,800	22,800	3,600
01-35-315-500165	Uniforms & Employee Benefits	-	-	-	-	-	-	-	-	-
01-35-315-500175	Training/Education/Mtgs/Travel	5,300	4,800	5,300	-	-	5,300	5,500	5,300	-
01-35-315-500180	Accrued Sick Leave Expense	11,500	(3,428)	11,600	-	-	11,600	-	12,100	500
01-35-315-500185	Accrued Vacation Leave Expense	21,500	11,519	25,000	-	-	25,000	-	25,900	900
01-35-315-500187	Accrued Leave Payments	32,500	23,804	32,900	-	-	32,900	25,900	24,200	(8,700)
01-35-315-500190	Temporary Labor	-	-	-	-	-	-	-	-	-
01-35-315-500195	CIP Related Labor	-	-	-	-	-	-	-	-	-
01-35-315-501511	Telephone/Internet Service	99,237	100,841	93,000	-	-	93,000	86,200	93,000	-
01-35-315-501521	Building Alarms and Security	27,763	17,729	34,000	-	-	34,000	17,000	34,000	-
01-35-315-540016	GIS Maintenance and Updates	-	4,480	10,000	20,000	-	30,000	15,400	30,000	-
01-35-315-550030	Membership Dues	3,000	1,710	3,000	-	-	3,000	2,000	3,000	-
01-35-315-550044	Printing/Toner & Maintenance	30,000	20,913	30,000	-	-	30,000	22,400	30,000	-
01-35-315-550051	Advertising/Legal Notices	-	-	-	-	-	-	-	-	-
01-35-315-550058	Cyber Security Liability Insurance	7,500	5,585	7,500	-	-	7,500	5,900	7,500	-
01-35-315-580016	Computer Hardware	30,000	26,395	30,000	-	-	30,000	30,600	30,000	-
01-35-315-580021	IT/Software Support	8,000	-	8,000	-	-	8,000	2,200	8,000	-
01-35-315-580026	License/Maintenance/Support	321,000	245,193	321,000	-	(20,000)	301,000	265,700	301,000	-
01-35-315-580027	AMR/AMI/SCADA License/Maintenance/Support	171,200	63,565	171,200	-	-	171,200	87,500	171,200	-
01-35-315-580028	Cybersecurity Software/Hardware	60,900	55,465	60,900	-	-	60,900	61,100	60,900	-
01-35-315-580030	Repair/Purchase Radio Comm Equip	10,000	7,386	10,000	-	-	10,000	7,900	10,000	-
		$ 1,123,400	$ 830,318	$ 1,136,700	$ 20,000	$ (20,000)	$ 1,136,700	$ 914,300	$ 1,142,300	$ 5,600
SOURCE OF SUPPLY										
01-40-410-500105	Labor	$ 511,000	$ 467,730	$ 535,700	$ -	$ -	$ 535,700	$ 470,600	$ 562,000	$ 26,300
01-40-410-500110	Overtime	26,000	13,601	42,100	-	-	42,100	18,300	47,000	4,900
01-40-410-500111	Double Time	10,500	4,864	19,900	-	-	19,900	7,100	22,000	2,100
01-40-410-500113	Standby/On-Call	15,500	15,180	14,700	-	-	14,700	14,600	43,800	29,100
01-40-410-500114	Incentive Pay	3,000	2,400	3,000	-	-	3,000	2,500	6,000	3,000
01-40-410-500115	Social Security	41,500	34,704	44,700	-	-	44,700	36,000	48,600	3,900
01-40-410-500120	Medicare	10,000	8,116	10,500	-	-	10,500	8,400	11,400	900
01-40-410-500125	Health Insurance	130,000	128,344	138,200	-	-	138,200	136,200	147,200	9,000
01-40-410-500140	Life Insurance	1,000	769	900	-	-	900	800	1,000	100
01-40-410-500143	EAP Program	500	119	300	-	-	300	200	300	-
01-40-410-500145	Workers' Compensation	22,000	17,385	22,400	-	-	22,400	15,800	24,600	2,200

Source of Supply (continued)		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-410-500150	Unemployment Insurance	36,500	-	63,100	-	-	63,100	-	68,500	5,400
01-40-410-500155	Retirement/CalPERS	125,500	117,573	137,300	-	-	137,300	124,400	149,200	11,900
01-40-410-500165	Uniforms & Employee Benefits	3,500	3,141	3,500	-	-	3,500	2,800	4,000	500
01-40-410-500175	Training/Education/Mtgs/Travel	4,500	4,097	2,500	-	-	2,500	800	4,000	1,500
01-40-410-500180	Accrued Sick Leave Expense	24,000	26,480	24,700	-	-	24,700	27,200	25,600	900
01-40-410-500185	Accrued Vacation Leave Expense	43,600	46,366	40,500	-	-	40,500	42,900	42,400	1,900
01-40-410-500187	Accrued Leave Payments	30,000	3,515	39,800	-	-	39,800	9,100	36,200	(3,600)
01-40-410-500195	CIP Related Labor	(22,800)	(1,736)	(22,800)	-	-	(22,800)	(900)	(10,000)	12,800
01-40-410-500501	State Project Water Purchases	6,463,800	6,475,770	4,468,800	1,117,200	-	5,586,000	6,562,400	5,043,000	(543,000)
01-40-410-500511	Ground Water Purchases	-	-	-	-	-	-	-	-	-
01-40-410-501101	Electricity - Wells	3,100,000	2,798,788	3,000,000	-	-	3,000,000	2,887,000	3,100,000	100,000
01-40-410-501201	Gas - Wells	500	181	500	-	-	500	200	500	-
01-40-410-510011	Treatment & Chemicals	219,400	143,644	225,000	-	-	225,000	155,300	250,000	25,000
01-40-410-510021	Lab Testing	94,500	81,979	100,000	-	-	100,000	126,400	130,000	30,000
01-40-410-510031	Small Tools, Parts & Maintenance	6,960	6,072	10,000	-	-	10,000	8,700	5,000	(5,000)
01-40-410-520021	Maintenance & Repair-Telemetry Equipment	5,000	1,197	5,000	-	-	5,000	1,000	10,000	5,000
01-40-410-520061	Maintenance & Repair-Pumping Equipment	118,000	67,425	118,000	10,000	-	128,000	128,700	150,000	22,000
01-40-410-530001	Minor Capital Acquisitions	10,000	9,100	500	-	-	500	3,100	500	-
01-40-410-540084	Regulations Mandates & Tariffs	160,000	157,504	185,000	-	-	185,000	126,300	250,000	65,000
01-40-410-550030	Membership Dues	-	-	2,000	-	-	2,000	-	500	(1,500)
01-40-410-550042	Office Supplies	1,600	1,022	1,600	-	-	1,600	1,900	1,600	-
01-40-410-550051	Advertising/Legal Notices	-	-	1,000	1,000	-	2,000	600	2,000	-
01-40-410-550066	Subscriptions	2,000	1,633	500	-	-	500	100	500	-
		$ 11,197,560	$ 10,636,964	$ 9,238,900	$ 1,128,200	$ -	$ 10,367,100	$ 10,918,500	$ 10,177,400	$ (189,700)
CROSS-CONNECTION/NON-POTABLE WATER										
01-40-430-500105	Labor	$ 111,000	$ 99,488	$ 119,900	$ -	$ -	$ 119,900	$ 103,800	$ 206,500	$ 86,600
01-40-430-500110	Overtime	7,000	-	5,400	-	-	5,400	100	5,900	500
01-40-430-500111	Double Time	1,000	-	1,500	-	-	1,500	100	1,700	200
01-40-430-500113	Standby/On-Call	-	-	-	-	-	-	-	-	-
01-40-430-500114	Incentive Pay	1,000	600	600	-	-	600	700	1,800	1,200
01-40-430-500115	Social Security	9,000	7,123	9,500	-	-	9,500	7,500	15,500	6,000
01-40-430-500120	Medicare	2,500	1,666	2,300	-	-	2,300	1,800	3,700	1,400
01-40-430-500125	Health Insurance	26,000	25,842	28,800	-	-	28,800	28,000	61,400	32,600
01-40-430-500140	Life Insurance	500	162	200	-	-	200	200	400	200
01-40-430-500143	EAP Program	500	24	100	-	-	100	100	200	100
01-40-430-500145	Workers' Compensation	5,000	3,496	4,900	-	-	4,900	3,300	8,400	3,500
01-40-430-500150	Unemployment Insurance	2,000	-	3,000	-	-	3,000	-	5,100	2,100
01-40-430-500155	Retirement/CalPERS	38,600	38,576	42,400	-	-	42,400	41,700	55,700	13,300
01-40-430-500165	Uniforms & Employee Benefits	1,000	579	1,000	-	-	1,000	400	2,000	1,000
01-40-430-500175	Training/Education/Mtgs/Travel	3,500	1,226	3,500	-	(1,500)	2,000	700	2,500	500
01-40-430-500180	Accrued Sick Leave Expense	5,500	4,542	5,600	-	-	5,600	4,900	10,500	4,900
01-40-430-500185	Accrued Vacation Leave Expense	8,000	3,815	8,600	-	-	8,600	5,900	13,700	5,100
01-40-430-500187	Accrued Leave Payments	8,000	4,122	9,800	-	-	9,800	4,300	10,100	300
01-40-430-500195	CIP Related Labor	-	-	-	-	-	-	-	-	-
01-40-430-510031	Small Tools, Parts & Maintenance	3,020	3,005	2,000	-	-	2,000	1,200	4,000	2,000
01-40-430-530001	Minor Capital Acquisitions	-	-	-	-	-	-	-	-	-
01-40-430-540001	Backflow Maintenance	14,800	11,491	40,800	-	-	40,800	10,500	50,000	9,200
01-40-430-550030	Membership Dues	-	-	2,500	-	-	2,500	1,700	2,500	-
01-40-430-550042	Office Supplies	300	238	200	-	-	200	-	500	300
01-40-430-550051	Advertising/Legal Notices	500	-	500	-	-	500	-	500	-
01-40-430-550066	Subscriptions	3,700	1,000	500	-	-	500	400	2,000	1,500
		$ 252,420	$ 206,996	$ 293,600	$ -	$ (1,500)	$ 292,100	$ 217,300	$ 464,600	$ 172,500

TRANSMISSION AND DISTRIBUTION		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-440-500105	Labor	$ 1,392,500	$ 1,210,492	$ 1,470,400	$ -	$ -	$ 1,470,400	$ 1,229,900	$ 1,569,500	$ 99,100
01-40-440-500110	Overtime	64,500	62,223	86,700	-	-	86,700	70,200	100,100	13,400
01-40-440-500111	Double Time	25,500	17,471	37,900	-	-	37,900	19,300	38,000	100
01-40-440-500113	Standby/On-Call	25,150	25,130	22,900	-	-	22,900	25,200	18,300	(4,600)
01-40-440-500114	Incentive Pay	7,000	1,500	6,600	-	-	6,600	3,900	12,600	6,000
01-40-440-500115	Social Security	$ 112,000	$ 88,126	$ 118,500	$ -	$ -	$ 118,500	$ 89,600	$ 127,800	$ 9,300
01-40-440-500120	Medicare	26,500	20,819	27,800	-	-	27,800	21,300	30,000	2,200
01-40-440-500125	Health Insurance	344,500	243,654	318,200	-	-	318,200	272,000	326,200	8,000
01-40-440-500140	Life Insurance	2,500	1,938	2,400	-	-	2,400	2,100	2,600	200
01-40-440-500143	EAP Program	1,000	349	900	-	-	900	400	1,000	100
01-40-440-500145	Workers' Compensation	48,500	40,113	47,900	-	-	47,900	35,000	51,200	3,300
01-40-440-500155	Retirement/CalPERS	280,730	269,673	299,000	-	-	299,000	291,700	344,900	45,900
01-40-440-500165	Uniforms & Employee Benefits	18,600	16,741	15,500	-	-	15,500	15,200	17,000	1,500
01-40-440-500175	Training/Education/Mtgs/Travel	18,500	17,466	17,000	-	1,500	18,500	18,200	18,500	-
01-40-440-500178	General Safety Supplies	15,000	13,179	12,000	-	-	12,000	9,300	15,000	3,000
01-40-440-500180	Accrued Sick Leave Expense	74,000	54,811	78,700	-	-	78,700	43,300	88,500	9,800
01-40-440-500185	Accrued Vacation Leave Expense	98,400	80,446	109,800	-	-	109,800	46,000	123,100	13,300
01-40-440-500187	Accrued Leave Payments	80,500	14,536	94,800	-	-	94,800	28,200	114,300	19,500
01-40-440-500190	Temporary Labor	63,300	46,358	-	-	-	-	7,500	-	-
01-40-440-500195	CIP Related Labor	(40,000)	(71,957)	(200,000)	-	-	(200,000)	(19,600)	(200,000)	-
01-40-440-510031	Small Tools, Parts & Maintenance	21,000	20,244	40,000	-	-	40,000	36,000	40,000	-
01-40-440-520071	Maintenance and Repair- Pipeline & Hydrants	145,000	75,477	145,000	-	-	145,000	168,800	200,000	55,000
01-40-440-520081	Maintenance and Repair- Hydraulic Valves	42,000	23,776	50,000	-	-	50,000	21,600	75,000	25,000
01-40-440-530001	Minor Capital Acquisitions	2,000	-	20,000	-	(20,000)	-	6,600	20,000	20,000
01-40-440-540024	Inventory Adjustments	50,000	36,664	50,000	-	-	50,000	50,000	50,000	-
01-40-440-540036	Line Locates	3,800	3,603	3,800	1,000	-	4,800	5,300	6,000	1,200
01-40-440-540042	Meters Maintenance & Services	230,000	212,772	230,000	20,000	-	250,000	262,900	250,000	-
01-40-440-540078	Reservoirs Maintenance	89,400	70,837	50,000	-	-	50,000	13,800	50,000	-
01-40-440-550030	Membership Dues	-	-	1,500	-	-	1,500	-	1,500	-
01-40-440-550051	Advertising/Legal Notices	5,000	775	2,000	-	(2,000)	-	500	2,000	2,000
		$ 3,246,880	$ 2,597,214	$ 3,159,300	$ 21,000	$ (20,500)	$ 3,159,800	$ 2,774,200	$ 3,493,100	$ 333,300
INSPECTIONS										
01-40-450-500105	Labor	$ 74,000	$ 57,342	$ 67,900	$ -	$ -	$ 67,900	$ 73,900	$ 74,000	$ 6,100
01-40-450-500110	Overtime	12,000	9,342	7,900	-	-	7,900	11,000	9,100	1,200
01-40-450-500111	Double Time	4,500	498	3,200	-	-	3,200	600	3,300	100
01-40-450-500113	Standby/On-Call	2,350	-	2,800	-	-	2,800	-	-	(2,800)
01-40-450-500115	Social Security	6,000	4,172	5,300	-	-	5,300	5,400	5,400	100
01-40-450-500120	Medicare	1,500	976	1,300	-	-	1,300	1,300	1,300	-
01-40-450-500125	Health Insurance	13,200	9,541	18,600	-	-	18,600	12,700	18,400	(200)
01-40-450-500140	Life Insurance	500	77	200	-	-	200	200	200	-
01-40-450-500143	EAP Program	500	16	100	-	-	100	100	100	-
01-40-450-500145	Workers' Compensation	3,500	1,870	2,900	-	-	2,900	2,400	3,100	200
01-40-450-500155	Retirement/CalPERS	10,000	5,002	13,900	-	-	13,900	6,600	15,800	1,900
01-40-450-530001	Minor Capital Acquisitions	-	-	-	-	-	-	-	-	-
		$ 128,050	$ 88,836	$ 124,100	$ -	$ -	$ 124,100	$ 114,200	$ 130,700	$ 6,600
CUSTOMER SERVICE AND METER READING										
01-40-460-500105	Labor	$ 242,000	$ 198,714	$ 293,400	$ -	$ -	$ 293,400	$ 208,400	$ 375,500	$ 82,100
01-40-460-500110	Overtime	6,500	1,209	17,500	-	-	17,500	2,800	19,700	2,200
01-40-460-500111	Double Time	2,000	1,127	6,200	-	-	6,200	1,900	6,400	200
01-40-460-500113	Standby/On-Call	6,500	-	2,800	-	-	2,800	-	-	(2,800)
01-40-460-500114	Incentive Pay	1,500	-	1,200	-	-	1,200	-	1,200	-

CUSTOMER SERVICE AND METER READING (continued)		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-460-500115	Social Security	19,000	14,149	23,000	-	-	23,000	14,700	28,800	5,800
01-40-460-500120	Medicare	4,500	3,309	5,400	-	-	5,400	3,500	6,800	1,400
01-40-460-500125	Health Insurance	$ 65,500	$ 60,783	$ 89,500	$ -	$ -	$ 89,500	$ 60,100	$ 89,900	$ 400
01-40-460-500140	Life Insurance	500	326	500	-	-	500	400	700	200
01-40-460-500143	EAP Program	500	58	200	-	-	200	100	300	100
01-40-460-500145	Workers' Compensation	10,500	7,213	12,100	-	-	12,100	6,700	15,300	3,200
01-40-460-500155	Retirement/CalPERS	75,000	75,075	87,100	-	-	87,100	80,900	104,100	17,000
01-40-460-500165	Uniforms & Employee Benefits	2,500	654	1,500	-	-	1,500	1,300	1,500	-
01-40-460-500175	Training/Education/Mtgs/Travel	2,000	-	600	-	-	600	100	600	-
01-40-460-500180	Accrued Sick Leave Expense	9,000	7,604	9,100	-	-	9,100	3,100	12,100	3,000
01-40-460-500185	Accrued Vacation Leave Expense	17,000	8,754	17,000	-	-	17,000	7,800	17,600	600
01-40-460-500187	Accrued Leave Payments	14,500	-	19,100	-	-	19,100	-	29,300	10,200
01-40-460-500195	CIP Related Labor	(41,000)	(8,760)	(41,000)	-	-	(41,000)	(9,000)	(41,000)	-
01-40-460-530001	Minor Capital Acquisitions	-	-	-	-	-	-	-	-	-
01-40-460-550030	Membership Dues	-	-	100	-	-	100	-	-	(100)
		$ 438,000	$ 370,213	$ 545,300	$ -	$ -	$ 545,300	$ 382,800	$ 668,800	$ 123,500
GENERAL PLANT										
01-40-470-501111	Electricity - 560 Magnolia Ave	44,000	40,186	44,000	-	-	44,000	50,900	47,000	3,000
01-40-470-501121	Electricity - 12303 Oak Glen Rd	4,000	123	4,000	-	(1,400)	2,600	300	2,600	-
01-40-470-501131	Electricity - 13695 Oak Glen Rd	3,600	1,808	4,000	-	-	4,000	1,800	4,500	500
01-40-470-501141	Electricity - 13697 Oak Glen Rd	3,600	3,296	5,000	-	-	5,000	3,700	5,500	500
01-40-470-501151	Electricity - 9781 Avenida Miravilla	2,500	2,160	3,000	-	-	3,000	2,200	3,500	500
01-40-470-501161	Electricity - 815 E. 12th St	15,400	8,866	15,400	-	-	15,400	8,000	16,500	1,100
01-40-470-501171	Electricity - 851 E. 6th St	5,400	4,463	5,400	-	-	5,400	4,800	-	(5,400)
01-40-470-501181	Electricity - 37612 Ch Val Blvd	-	-	-	700	-	700	100	5,500	4,800
01-40-470-501191	Electricity -635 Veile Ave	-	-	-	-	-	-	6,000	26,500	26,500
01-40-470-501281	Gas - 37612 Ch Val Blvd	-	-	-	350	-	350	100	2,000	1,650
01-40-470-501291	Gas -635 Veile Ave	-	-	-	-	-	-	600	2,000	2,000
01-40-470-501321	Propane - 12303 Oak Glen Rd	2,000	-	2,000	-	-	2,000	-	1,000	(1,000)
01-40-470-501331	Propane - 13695 Oak Glen Rd	4,000	1,002	4,000	-	-	4,000	1,100	4,500	500
01-40-470-501341	Propane - 13697 Oak Glen Rd	5,500	2,538	5,500	-	-	5,500	1,900	6,500	1,000
01-40-470-501351	Propane-9781 Avenida Miravilla	2,300	1,311	2,300	-	-	2,300	700	3,000	700
01-40-470-501411	Sanitation - 560 Magnolia Ave	6,500	3,505	8,000	-	-	8,000	5,300	10,000	2,000
01-40-470-501461	Sanitation - 815 E. 12th St	7,500	6,526	8,000	-	-	8,000	6,900	10,000	2,000
01-40-470-501471	Sanitation - 11083 Cherry Ave	7,000	4,460	8,000	-	-	8,000	5,400	10,000	2,000
01-40-470-501481	Sanitation - 39500 Brookside	8,000	6,265	8,000	-	-	8,000	6,100	10,000	2,000
01-40-470-501491	Sanitation - 37612 Ch Val Blvd	-	-	-	350	-	350	-	10,000	9,650
01-40-470-501501	Sanitation -635 Veile Ave	-	-	-	-	-	-	3,000	10,000	10,000
01-40-470-501611	Maintenance & Repair- 560 Magnolia Ave	83,600	21,907	83,600	-	-	83,600	46,300	100,000	16,400
01-40-470-501621	Maintenance & Repair- 12303 Oak Glen Rd	31,000	53	31,000	-	(10,000)	21,000	-	21,000	-
01-40-470-501631	Maintenance & Repair- 13695 Oak Glen Rd	6,000	3,691	3,000	-	-	3,000	600	5,000	2,000
01-40-470-501641	Maintenance & Repair- 13697 Oak Glen Rd	9,000	7,884	3,000	-	-	3,000	200	5,000	2,000
01-40-470-501651	Maintenance & Repair- 9781 Avenida Miravilla	4,500	991	4,500	-	-	4,500	1,100	5,000	500
01-40-470-501661	Maintenance & Repair- 815 E. 12th St	83,000	15,447	50,000	-	-	50,000	24,100	35,000	(15,000)
01-40-470-501671	Maintenance & Repair- 851 E. 6th St	6,200	5,484	5,000	-	-	5,000	5,100	-	(5,000)
01-40-470-501681	Maintenance & Repair- 39500 Brookside	3,000	1,080	3,000	1,000	-	4,000	3,300	4,500	500
01-40-470-501701	Maint & Repair-37612 Ch Va Blv	-	-	-	-	-	-	-	5,500	5,500
01-40-470-501711	Maint & Repair -638 Veile Ave	-	-	-	-	-	-	-	13,000	13,000
01-40-470-510001	Auto/Fuel	179,300	136,576	179,300	-	-	179,300	141,200	210,000	30,700
01-40-470-510002	CIP Related Fuel	(10,000)	-	(10,000)	-	-	(10,000)	-	(10,000)	-
01-40-470-520011	Maintenance & Repair-Safety Equipment	20,000	6,773	10,000	-	-	10,000	8,900	10,000	-
01-40-470-520031	Maintenance & Repair-General Equipment	80,000	72,336	100,000	-	-	100,000	63,400	100,000	-

GENERAL PLANT (continued)		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-470-520033	CIP Related Mnt & Rpr-Gen Equ	-	-	-	-	-	-	-	-	-
01-40-470-520051	Maintenance & Repair-Paving	120,000	25,449	120,000	-	(20,000)	100,000	44,700	100,000	-
01-40-470-520053	Maintenance & Repair-Paving (City of Beaumont)	270,000	175,421	270,000	-	-	270,000	186,700	270,000	-
01-40-470-540052	Encroachment Permits	20,000	3,660	20,000	-	-	20,000	5,600	20,000	-
01-40-470-540072	Recharge Facility, Canyon & Pond Maintenance	260,300	211,487	260,300	-	-	260,300	218,900	360,300	100,000
01-50-510-502001	Rents/Leases	35,000	-	37,000	4,000	-	41,000	35,300	84,000	43,000
01-50-510-510031	Small Tools, Parts & Maintenance	1,020	1,003	1,000	-	-	1,000	500	1,000	-
01-50-510-550040	General Supplies	6,200	3,772	19,800	-	(4,000)	15,800	7,500	15,800	-
01-50-510-550060	Public Education/Community Outreach	40,200	34,762	25,000	-	-	25,000	15,400	35,000	10,000
01-50-510-550072	Miscellaneous Operating Expenses	1,000	472	1,000	-	-	1,000	200	1,000	-
01-50-510-550096	Beaumont Basin Watermaster	135,000	70,629	135,000	-	-	135,000	86,500	135,000	-
01-50-510-550097	SAWPA Basin Monitoring Program	30,000	24,131	37,000	-	-	37,000	7,300	40,000	3,000
		$ 1,535,620	$ 909,518	$ 1,515,100	$ 6,400	$ (35,400)	$ 1,486,100	$ 1,011,700	$ 1,756,700	$ 270,600

MAINTENANCE		2025 ADOPTED	2025 ACTUAL	2026 ADOPTED	2026 ADDITIONS	2026 DELETIONS	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-40-480-500105	Labor	226,000	222,350	221,700	-	-	221,700	211,300	235,600	13,900
01-40-480-500110	Overtime	4,500	1,456	8,800	-	-	8,800	4,400	8,800	-
01-40-480-500111	Double Time	1,000	65	3,400	-	-	3,400	200	3,100	(300)
01-40-480-500113	Standby/On-Call	-	-	2,800	-	-	2,800	-	-	(2,800)
01-40-480-500114	Incentive Pay	1,500	1,100	1,200	-	-	1,200	1,300	3,000	1,800
01-40-480-500115	Social Security	14,500	14,612	16,300	-	-	16,300	14,300	16,800	500
01-40-480-500120	Medicare	3,500	3,417	3,900	-	-	3,900	3,400	4,000	100
01-40-480-500125	Health Insurance	57,800	56,100	63,400	-	-	63,400	56,600	60,600	(2,800)
01-40-480-500140	Life Insurance	500	352	400	-	-	400	400	400	-
01-40-480-500143	EAP Program	500	75	200	-	-	200	100	200	-
01-40-480-500145	Workers' Compensation	8,000	7,510	9,200	-	-	9,200	6,500	9,600	400
01-40-480-500155	Retirement/CalPERS	20,170	20,162	21,100	-	-	21,100	20,600	24,700	3,600
01-40-480-500165	Uniforms & Employee Benefits	2,000	1,185	2,000	-	-	2,000	4,400	2,000	-
01-40-480-500175	Training/Education/Mtgs/Travel	2,000	245	2,000	-	-	2,000	500	2,000	-
01-40-480-500180	Accrued Sick Leave Expenses	7,500	6,482	7,500	-	-	7,500	6,200	8,500	1,000
01-40-480-500185	Accrued Vacation Expenses	8,500	7,595	9,600	-	-	9,600	7,100	9,700	100
01-40-480-500187	Accrued Leave Payments	3,500	-	5,200	-	-	5,200	-	3,100	(2,100)
01-40-480-500195	CIP Related Labor	-	(12,566)	-	-	-	-	-	-	-
01-40-480-501600	Property Maintenance & Repairs	4,000	769	4,000	-	-	4,000	100	4,000	-
01-40-480-501691	Maintenance & Repair- Buildings (General)	68,000	13,541	30,000	-	(1,000)	29,000	23,700	45,000	16,000
01-40-480-510031	Small Tools, Parts, & Maint	-	-	-	-	-	-	-	5,000	5,000
01-40-480-520041	Maintenance & Repair-Fleet	110,000	100,847	70,000	20,000	-	90,000	50,200	90,000	-
01-40-480-530001	Minor Capital Acquisitions	5,000	-	14,000	-	-	14,000	13,300	10,000	(4,000)
01-40-480-540030	Landscape Maintenance	82,000	72,117	90,000	-	-	90,000	55,100	120,000	30,000
01-40-480-540052	Permits	-	-	-	-	-	-	-	500	500
01-40-480-550030	Membership Dues	-	-	100	-	-	100	-	1,000	900
01-40-480-550042	Office Supplies	-	-	-	-	-	-	-	1,000	1,000
01-40-480-550051	Advertising/Legal Notices	-	-	-	-	-	-	-	500	500
01-40-480-550066	Subscriptions	-	-	-	-	-	-	-	500	500
		$ 630,470	$ 517,415	$ 586,800	$ 20,000	$ (1,000)	$ 605,800	$ 479,700	$ 669,600	$ 63,800
	TOTAL OPERATING EXPENSE	**$ 28,081,600**	**$ 24,519,803**	**$ 26,763,200**	**$ 1,200,600**	**$ (83,400)**	**$ 27,880,400**	**$ 25,722,800**	**$ 29,465,200**	**$ 1,584,800**

Total Additions	$ 1,200,600	
Total Deletions	$ (83,400)	
Difference between Adopted and Amended Budget	$ 1,117,200	
Prior Year Carryovers, approved by the Board of Directors	$ -	
Amendment - State Project Water Purchases	$ 1,117,200	*Resolution 2026-23*
	$ 1,117,200	
Difference	$ -	

Budget References and Terms

PLACEHOLDER

Community Facilities District

PICTURE

Community Facilities District

What is a Community Facilities District?

A Community Facilities District (CFD) is a way for public agencies to fund certain services and infrastructure needs associated with development. Under California's Mello-Roos law, a CFD allows a public agency to collect a special tax from properties within a designated area to help pay for eligible costs.

For water districts, a CFD can help ensure that the costs of maintaining and eventually replacing infrastructure serving a particular development are supported by the properties benefiting from those improvements. This approach helps protect existing customers from paying for services and infrastructure needs that primarily benefit a specific development.

CFD No. 2025-1

On January 14, 2026, the Beaumont-Cherry Valley Water District Board of Directors established Community Facilities District No. 2025-1 (Public Services), the District's first CFD, in connection with the Beaumont Pointe development.

The development requires significant water infrastructure improvements to meet its anticipated service needs. Because these improvements primarily benefit the development, the CFD was established to provide a dedicated funding mechanism for eligible ongoing maintenance and future replacement costs, rather than passing those costs on to the District's existing customers.

Under the proposed arrangement, the developer is responsible for funding the infrastructure improvements, while special taxes collected through the CFD will support authorized long-term costs associated with the improvements. This approach allows the District to serve the development while protecting existing ratepayers from subsidizing infrastructure needs primarily associated with one property.

Basis of Budget

The District prepares its annual budget on a calendar-year basis, from January through December. However, CFD special taxes are calculated and collected on a fiscal-year basis, from July through June.

To account for this difference, the 2027 CFD budget combines the last six months of the 2026–27 fiscal year with the first six months of the 2027–28 fiscal year. This allows the District to present CFD financial information alongside its regular Operating Budget while accounting for the different collection periods.

Future costs are estimated using anticipated expenses and annual adjustments to account for inflation and other expected changes.

Budget and Financial Activities

The proposed 2027 CFD budget includes approximately $199,900 in revenues, primarily from special taxes collected from properties within the CFD and anticipated interest earnings.

Approximately $9,100 is budgeted for administrative costs, including District staff time, contracted services, and County collection fees. An additional $185,900 is designated for future infrastructure replacement, allowing funds to accumulate over time to address the long-term needs of the development.

Overall, the proposed budget provides approximately $195,000 in funding allocations, resulting in a projected surplus of $4,900 to offset expenses incurred in 2026. By establishing a dedicated funding

source for these costs, the District can plan for future infrastructure needs without relying on revenues collected from its broader customer base.

2027 CFD Budget Summary

	2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	Difference (Proposed - Adopted)
Gross Revenue	$ -	$ -	$ -	$ 199,900	$ 199,900
Net Revenue	$ -	$ -	$ -	$ 199,900	$ 199,900
Gross Expenses	$ -	$ -	$ 4,500	$ 195,000	$ 195,000
Net Expenses	$ -	$ -	$ 4,500	$ 195,000	$ 195,000
Net Increase/(loss)	**$ -**	**$ -**	**$ (4,500)**	**$ 4,900**	**$ 4,900**

The 2027 budget represents the District's first full calendar-year financial plan for CFD No. 2025-1. The budget anticipates collecting slightly more revenue than the amount allocated for administration and future infrastructure replacement. The projected difference will help offset costs associated with establishing and administering the CFD in 2026.

As the development progresses, the District will continue evaluating actual collections, expenses, and long-term funding needs to refine future budgets.

2027 Revenue and Budgetary Uses

The following table provides a breakdown of how CFD funds are expected to be collected and allocated during 2027. Most revenues come from special taxes paid by properties within the CFD, with a smaller amount anticipated from interest earnings. The majority of these funds will be set aside for future infrastructure replacement, while a smaller portion will support the annual costs of administering the CFD.

Revenues	**2027 proposed**
Special Tax Revenue	$ 197,900
Interest Income	2,000
Total Revenues	**$ 199,900**

Budgetary Uses	**2027 proposed**
District Labor and Benefits	$ 4,000
Contracted CFD Administration	5,000
County Collection Fees	100
Total Current Administration	**$ 9,100**
Future Replacement Reserve Allocation	185900
Total Budgetary Uses	**$ 195,000**
Net Increase in CFD Cash and Reserves	**$ 4,900**

Replacement Reserve and Financial Admiration

The infrastructure needed to serve the Beaumont Pointe development will require ongoing maintenance and eventual replacement as it ages. While the initial improvements are funded by the developer, the CFD provides a dedicated source of funding to help address eligible long-term infrastructure costs.

The 2027 budget designates approximately $185,900 for future infrastructure replacement. These funds are intended to accumulate over time and remain available when qualifying replacement projects are needed. By planning for these expenses in advance, the District can maintain the infrastructure serving the development without relying on existing customers to fund improvements that primarily benefit the CFD.

Financial Administration and Accountability

The District is responsible for managing CFD funds and ensuring they are used for authorized purposes. To support transparency and accountability, CFD revenues, expenses, and funds designated for future infrastructure replacement will be tracked through dedicated accounting records.

Administrative expenses may include District staff time, contracted services needed to manage the CFD, and County fees associated with collecting special taxes. Tracking these costs separately helps ensure that expenses attributable to the CFD are appropriately assigned rather than absorbed by the District's general operations.

As the development progresses, staff will monitor financial activity, evaluate future infrastructure needs, and update budget projections to support the long-term financial management of the CFD.

Gann Appropriations Limit

California law establishes an annual spending limit for certain tax-supported government activities, commonly known as the Gann Limit. Community Facilities Districts are also subject to this requirement, which helps establish limits on how certain tax revenues may be appropriated.

When CFD No. 2025-1 was established, its initial Gann Limit was set at $1,000,000 for FY 2025–26. For FY2026–27, the calculated limit is approximately $1,052,753, reflecting annual adjustments for changes in personal income and population.

The Gann Limit is not the amount the District plans to collect or spend. Instead, it establishes a separate legal limit that is reviewed and adjusted annually. The FY2026–27 amount remains subject to Board adoption.

The FY2026–27 appropriations limit is subject to adoption by the Board of Directors.

Appropriations limit	**Amount**	
FY 2025-26 Initial Limit	$	1,000,000
FY 2026-27 Calculated Limit		1,052,753
Increase	**$**	**52,753**

Detailed Revenue and Expenditure Accounts

Revenue Detail

The 2027 CFD budget anticipates approximately $197,900 in special tax revenue from properties within the Beaumont Pointe development, along with $2,000 in interest earnings.

Special taxes provide the primary funding for the CFD's authorized services and future infrastructure needs. Interest earnings represent additional revenue generated from available funds. Together, these sources provide approximately $199,900 in anticipated revenues for 2027.

		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
CFD 2025-1						
01-50-510-490061	Interest Income – CFDs	$ -	$ -	$ -	$ 2,000	$ 2,000
01-50-510-420101	Special Tax Revenue –	-	-	-	197,900	197,900
		$ -	$ -	$ -	$ 199,900	$ 199,900

Expenditure and Reserve Allocation Detail

The 2027 budget includes approximately $9,100 for the administration of CFD No. 2025-1, including District personnel costs, contracted administration services, and County collection fees.

An additional $185,900 is designated for future infrastructure replacement. This amount represents funds being set aside for future use rather than expenses expected to be incurred during 2027. No significant current-year maintenance expenditures are anticipated under the preliminary budget assumptions.

CFD 2025-1		2025 ACTUAL	2026 ADOPTED (AMENDED)	2026 PROJECTED	2027 PROPOSED	CHANGE *(Proposed less Adopted-Amended)*
01-50-520-500105	Labor	$ -	$ -	$ -	$ 2,100	$ 2,100
01-50-520-500157	Fringe Bnfts Alloc-CFD Admin	-	-	-	1,900	1,900
01-50-520-500198	CFD Related Labor	-	-	-	-	-
01-50-520-540101	CFD Admin–Contracted Svcs	-	-	4,500	5,000	5,000
01-50-520-540111	Maint & Repair-CFDs	-	-	-	185,900	185,900
01-50-520-540121	County Collection Fees-CFDs	-	-	-	100	100
01-50-520-550051	Advertising/Legal Notices	-	-	-	-	-
01-50-520-580013	Legal Services-CFDs	-	-	-	-	-
01-50-520-580036	Other Professional Services	-	-	-	-	-
		$ -	$ -	$ 4,500	$ 195,000	$ 195,000

PICTURE OR RESOLUTION COPY?

Capital Improvements

PICTURE

Capital Improvement Budget

What are Capital Improvements?

Capital improvement planning connects the District's long-term infrastructure needs with its annual budgeting and financing decisions. It allows the District to plan for the future based on specific goals and resources. Capital improvements include the purchase, construction, replacement, addition, or major repair and rehabilitation of District facilities, infrastructure, and equipment. The selection and evaluation of capital projects involves analysis of District requirements, projections of future growth and water demands, the ability to make estimates, and the consideration of historical perspectives. A "capital project" has a monetary value of at least $10,000, has a useful life of a minimum of two years, and results in the creation or improvement of a fixed asset. A capital project is usually relatively large compared to other "capital outlay" items included in an annual operating budget. The District also includes qualifying vehicles and heavy equipment in its capital improvement planning.

Ten-Year Capital Improvement Plan

In March 2017, the Board of Directors adopted the District's original 2017-2026 Ten-Year Capital Improvement Plan (CIP). The District reviews and updates its CIP annually to reflect current infrastructure needs, project priorities, schedules, and cost estimates.. The CIP is a ten-year fiscal planning tool used to identify the future capital needs of the Beaumont-Cherry Valley Water District (BCVWD/District) and the timing and method of financing those capital needs. Like other water agencies across California, the District handles population growth, aging infrastructure, climate change and environmental mandates, and an influx of new technologies. The tasks of upgrading infrastructure are complex and essential to meet customer needs. Capital planning must also account for evolving technology, including advanced metering infrastructure, two-way communications, modern control systems, cybersecurity, and equipment that improves pumping efficiency and operational reliability.

Many of these enhancements and upgrades are costly but necessary. The design of a CIP reflects the District's will to build, maintain, and manage assets needed to produce, treat, and distribute water while keeping costs to customers down. This planning tool provides the framework for District investments over a ten-year horizon while providing flexibility to adapt to changing infrastructure needs and opportunities.

Generally, projects included in the CIP are non-recurring projects or purchases that exceed $10,000 in cost and have a useful life of a minimum of two years, qualifying them as capital assets per the District's capitalization policy. Larger capital projects in the CIP have costs exceeding $1,000,000 and useful lives of ten to fifty years. The District's CIP includes projects in six distinct improvement groups: Potable Infrastructure Projects, Non-Potable Infrastructure Projects, Potable Pipeline Projects Funded with Capacity Charges, Potable Pipeline Replacement Projects Funded with Capital Replacement Reserves, and Capital Assets with acquisitions such as IT replacements and upgrades and vehicle replacements, and Potable Pipelines Built By and Dedicated By Developers. Projects in the CIP that have high costs and a long useful life may require using reserves, low-interest loans, or bond debt to finance their expenses.

Appendix C presents the proposed five-year Capital Improvement Budget for 2027 through 2031. The schedule is reviewed and updated annually to reflect changes in project priorities, implementation schedules, available funding, updated cost estimates, and District operational needs. The CIB is separated into the following distinct project types: Potable Infrastructure Projects, Pipeline Projects, IT Network Infrastructure Projects, IT SCADA/AMR Infrastructure Projects, IT/Field

Operations/Administration Projects, Vehicles and Equipment, and Non-Potable Infrastructure Projects. Project costs may change from one CIB to the next because of inflation, updated project scopes, refined cost estimates, market conditions, or changes in implementation schedules. Projects may also be deferred or accelerated as the District evaluates priorities and available funding. . The emphasis is on the 2027 budget year, as this is the spending plan for the upcoming year. Although the District's CIP considers capital needs over a ten-year planning horizon, Appendix C presents the first five years of anticipated expenditures. The 2027 budget year receives the greatest level of detail because it represents the proposed capital spending plan for the upcoming year. Later-year costs and schedules are planning estimates and may change during future annual updates.



Capital Improvement Project – 2027 Highlight – Well Project

Project: Replacement Well 2A **Project ID**: W-2750-0001



Project Managing Department	Engineering, with Operations Support	**Total Project Cost**	$7,820,500
Project Type	Potable Infrastructure	**2027 Cost Portion**	$300,000
Est. Completion	2031	**Useful Life**	10 to 40 years

Project Description

The project replaces the original Well 2 with a new Beaumont Basin production well at the District's 12th Street and Michigan Avenue facility. Drilling and development of replacement Well 2A have been completed. Remaining work includes continued water-quality evaluation; determination of whether the well will serve the potable or non-potable system; and design and construction of the permanent pumping, electrical, controls, piping, site, and, if necessary, treatment facilities. Well 2A was developed for an anticipated production capacity of approximately 1,500 gallons per minute at a total dynamic head of approximately 845. Final pumping capacity, equipment sizing, and facility requirements will be confirmed during final design based on operational and water-quality considerations.

Project Background

The original Well 2 was removed from service around 2008 due to casing liner and gravel-pack issues that rendered the well inoperative. The District subsequently drilled and developed replacement Well 2A at the existing District-owned facility. Drilling, development, and initial testing have been completed; however, the permanent configuration of the well remains dependent on continued water-quality evaluation.

The District plans to operate replacement Well 1A through the non-potable system for approximately one year while monitoring water quality and evaluating hexavalent chromium concentrations. Water-quality data collected from Well 1A, together with continued evaluation of Well 2A, will help determine whether Well 2A is best utilized as a potable or non-potable source and whether treatment would be required for potable use.

To avoid investing in permanent facilities before the appropriate long-term use of the well is established, construction of the permanent well building and associated above-ground facilities will be deferred until sufficient water-quality information is available. The proposed 2027 appropriation will support continued water-quality evaluation and preliminary engineering necessary to establish the permanent configuration of Well 2A and prepare for future equipping of the well.

Capital Improvement Project – 2027 Highlight – Tank Project

Project: Noble Tank II – 2 MG 3040 Zone Tank **Project ID:** T-3040-0001



Project Managing Department	Engineering	**Total Project Cost**	$8,405,700
Project Type	Potable Infrastructure	**2027 Cost Portion**	$4,800,400
Est. Completion	2028	**Useful Life**	50 to 75years

Project Description

Construct a new 2-million-gallon welded steel storage tank adjacent to the existing 1-million-gallon Noble Tank within the 3040 Pressure Zone on District-owned property. The project will increase available storage within the pressure zone and improve operational flexibility and system reliability. Work includes construction of the tank, site piping and system interconnections, appurtenances, electrical and control improvements, and associated site improvements required to place the new tank into service.

Project Background

The Noble Tank II Project will add 2 million gallons of storage within the 3040 Pressure Zone, improving operational reliability and providing additional emergency, fire-flow, and peak-demand storage. The new tank will be constructed adjacent to the existing 1-million-gallon Noble Tank on District-owned property.

The District advertised the project for construction in September 2025 and received three bids in October 2025. Following bid opening, the apparent low bidder requested withdrawal because of a material bidding error. After consultation with District legal counsel, staff determined that the request met the applicable statutory requirements. The remaining bids substantially exceeded the approved project budget.

On October 29, 2025, the Board rejected all bids and directed staff to rebid the project. The project is currently being prepared for rebidding with an extended solicitation period and additional contractor outreach intended to increase competition. The proposed 2027 and 2028 appropriations provide funding to complete the rebidding process and construction of the new 2-million-gallon storage tank.

Capital Improvement Project – 2027 Highlight – Equipment Purchase

Project: 2017 CAT Backhoe 416F2 **Project ID:** VE-HEAV-0001



Project Managing Department	Operations	**Total Project Cost**	$195,100
Project Type	Equipment Replacement	**2027 Cost Portion**	$195,100
Est. Completion	2027	**Useful Life**	10 to 15 years

Project Description

Replacement of the District's existing 2017 CAT 416F2 backhoe/loader with a new backhoe/loader to support ongoing construction, repair, and maintenance activities. The equipment will be used for excavation, trenching, material handling, and other field operations associated with maintaining the District's water infrastructure. This replacement will help ensure Operations crews have dependable equipment available for both scheduled projects and unexpected system repairs.

Project Background

The District's existing CAT 416F2 backhoe/loader was placed into service in November 2017 and is routinely used by Operations crews for excavation, trenching, loading, material handling, and site work associated with pipeline repairs, facility maintenance, and other field activities. As an essential piece of equipment in the District's fleet, the backhoe/loader supports daily operations and provides crews with the flexibility to respond to a variety of maintenance and construction needs.

Replacement of the existing unit is proposed as part of the District's equipment replacement program to maintain reliability and reduce the risk of equipment downtime and increasing repair costs as the unit ages. Planning for equipment replacement before major mechanical failures occur helps the District manage costs, maintain operational readiness, and avoid disruptions to scheduled work.

A new backhoe/loader will support both planned infrastructure maintenance and emergency repairs, including excavation needed to access underground water pipelines and other facilities. Maintaining dependable equipment within the District's fleet helps crews respond efficiently, reduces reliance on rented equipment, and supports timely restoration of service when unexpected repairs are necessary.

The proposed 2027 investment of $195,100 reflects the District's continued commitment to maintaining the equipment needed to support reliable water service, employee productivity, and responsible long-term asset management.

Capital Improvement Project - Summaries By Project Type

Significant Potable Infrastructure Projects and Potable Pipeline Replacements of $250,000 or more scheduled to begin or continue (carryover) in 2027 are described in detail below.

Potable Infrastructure Projects

EOC-001 **BCVWD EOC Staffing and Space Requirements**

Short term cost of $13,617,800 is for the purchase of land within the next year or two and completion of facilities planning (soft costs) for a future District office facility based on preliminary projections of staffing needs over time. The proposed project would be completed in two phases over time. In Phase I, a large shop building would be constructed and occupied by District staff over a long-term temporary period. In Phase II, the main building would be constructed, with District staff permanently relocating to the new main building, and the shop building would be repurposed as a workshop for field operations staff. This project was conceived in 2019, re-designed and updated in 2024, and is ongoing.

DPX-001 **Disaster Preparedness Equipment**

In coordination with the ongoing improvements to the District's safety plan, District staff has identified areas of vulnerability in assessing responses to emergency situations and has identified the purchase of certain equipment such as backup generators and an emergency communications system, as necessary. This project was conceived in 2019, is not complete as of August 31, 2026, and has been updated to carry over into 2027.

WR-SITES-Reser **Investment in Sites Reservoir Project**

The revised total project is estimated to cost approximately $6.8 billion; the District's Board has authorized a participation level of 4,000 "shares" or AF of supply in conjunction with the SGPWA's 10,000. The District anticipates unwinding its Sites Reservoir Agreement with the SGPWA, once it has identified that the SGPWA intends to fund the 14,000 AF commitment on its own.

BP-2750-0001 **2750 Zone to 2850 Zone Booster Pump Station**

Remove existing 2750 to 3040 Zone "can" booster pumps 21A, 21B, and engine-driven pump 21C. Retain existing "cans." Install 3 new pumps: 1 @ 750 gpm, 130 ft TDH, 40 HP and 2 @ 2,250 gpm, 130 ft TDH, 100 HP. The existing booster pump station will be converted to new 2750 to 2850 Zone. This project is proposed to lag behind BP-2850-0001 to allow for an integrated system. This project commenced in 2017, is not complete as of August 31, 2026, and has been updated to carry over into 2027.

TM-2750-0001 **Cherry Reservoir 1 & 2 Exterior Recoat and Retrofit**

Removal of exterior paint coating and repainting of the exterior of Cherry I and Cherry II, 1 MG potable water storage tank. This project was initially approved to begin in 2022, is not complete as of August 31, 2026, and has been updated to carry over into 2027.

W-2750-0001 **Replacement for Well 2**

Outfit new Beaumont Basin deep well to replace Well 2 on the existing Well 2 site at 12th Street and Michigan Avenue, 2,000 gpm, 700 ft TDH, 500 HP. Planned work

for 2027 and beyond will be phased to allow initial well construction, pump testing, water quality sampling, and evaluation of sustained production capacity before full equipping and site buildout. Chromium-6 concentrations, treatment requirements, operational performance, and long-term reliability will be evaluated before proceeding with the remaining capital improvements.

W-2750-0005 **Replace 2750 Zone Well 1**
Outfit new Beaumont Basin deep well to replace Well 1 on the existing Well 1 site at 12th Street and Palm Avenue, 2,000 gpm, 700 ft TDH, 500 HP. Planned work for 2027 will be phased to allow initial well construction, pump testing, water quality sampling, and evaluation of sustained production capacity before full equipping and site buildout. Chromium-6 concentrations, treatment requirements, operational performance, and long-term reliability will be evaluated before proceeding with the remaining capital improvements.

BP-2850-0001 **2850 Zone to 3040 Zone Booster Pump Station_0001**
Construct new 2850 to 3040 Booster Pumping Station at the Vineland Tanks. Design for 4 pumps ultimate, install 3 initially @ 2,100 gpm, 220 ft TDH, 200 HP each. This project was initially approved to begin in 2022, is not complete as of August 31, 2026, and has been updated to carry over into 2027.

TM-2850-0001 **Vineland I Exterior Recoat and Retrofit**
Removal of exterior paint coating and repainting of the exterior of Vineland I, a 1 MG potable water storage tank. This project was initially approved to begin in 2022, is not complete as of August 31, 2026, and has been updated to carry over into 2027.

W-2850-0008 **2750 Zone Well in Noble Creek Recharge Facility Phase I (NCRF)**
Drill and outfit new Beaumont Basin deep well in the northwest corner of the NCRF Phase I facility, 2,000 gpm, 700 ft TDH, 500 HP. This project was initially approved to begin in 2017, is not complete as of August 31, 2026, and has been updated to carry over into 2027.

BP-3040-0001 **3040 to 3330 Booster Pump Station at Noble Tank**
Install 2 pumps in parallel with existing booster, 500 gpm @ 320 ft TDH, 60HP, construct permanent pumping station building. Provide space for 4 pumps ultimate. Construct on District-owned land.

T-3040-0001 **2 MG 3040 Zone Tank** Construct an additional 2 MG steel tank adjacent to the existing 1 MG Noble (3040) Zone Tank on District Property and construct a new transmission main to connect into the 3040 Zone. In 2022, the District was selected as a sub-recipient of the American Rescue Plan Act (ARPA) funding as disbursed by the County of Riverside, awarded approximately $1.8 million for the pipeline construction component. This project was initiated in 2018, and the pipeline component was recently completed in 2025. The tank component is not complete as of August 31, 2026, and has been updated to carry over into 2027.

TM-3040-0001 **Highland Springs Reservoir Recoat and Retrofit**
Removal of interior and exterior paint coating and repainting of the interior and exterior of Highland Springs Reservoir, a 1 MG potable water storage tank. This

project was initially approved to begin in 2022, is not complete as of August 31, 2026, and has been updated to carry over into 2027.

TM-3330-0001 **Lower Edgar Reservoir Recoat and Retrofit**
Removal of interior and exterior paint coating and repainting of the interior and exterior of Lower Edgar Reservoir, a 1 MG potable water storage tank. This project was initially approved to begin in 2022, is not complete as of August 31, 2026, and has been updated to carry over into 2027.

Pipeline Projects

P-2750-0025 **Maple Avenue, 1st Street to 3rd Street**
Abandon and replace 1,100 linear feet (LF) of 4" diameter of Maple Avenue steel pipeline from 1st Street to 3rd Street.

P-2750-0043 **Edgar Avenue, 6th Street to 8th Street. Tie in existing services in alleys (between California/Edgar and Edgar/Euclid)**
Abandon and replace 1,160 linear feet (LF) of 8" diameter of Edgar Avenue pipeline from 6th Street to 8th Street. Tie over existing services in alleys (between California/Edgar and Edgar/Euclid) to new pipeline.

P-2750-0050 **Orange Avenue, 8th Street to 10th Street. Includes tie-ins of existing services in alley on west side of Orange.**
Abandon and replace 1,150 linear feet (LF) of 8" diameter of Orange Avenue pipeline from 8th Street to 10th Street. Tie in existing services in alley on west side of Orange to new pipeline.

P-2750-0054 **Edgar Avenue, 8th Street to 10th Street. Includes relocation of existing services to new waterline.**
Abandon and replace 1,150 linear feet (LF) of 8" diameter of Edgar Avenue pipeline from 8th Street to 10th Street. Relocate existing services in alleys to new pipeline.

P-2750-0055 **Edgar Avenue, 10th Street to 11th Street. Includes relocation of services from alley to new waterline.**
Abandon and replace 550 linear feet (LF) of 8" diameter of Edgar Avenue pipeline from 10th Street to 11th Street. Relocate existing services in alleys to new pipeline.

P-2750-0059 **Wellwood Ave., 10th to 12th. Includes relocation of existing services in alleys to new waterline.**
Abandon and replace 1,700 linear feet (LF) of 8" diameter of Wellwood Avenue pipeline from 10th Street to 12th Street. Relocate existing services in alleys to new pipeline.

P-2750-0060 **Edgar Avenue, 11th Street to 12th Street, and Merry Lane from Edgar Avenue to end of cul-de-sac (**
Abandon and replace 1,550 linear feet (LF) of 8" diameter of Edgar Avenue pipeline from 11th Street to 12th Street, and Merry Lane, from Edgar Avenue to the end of the cul-de-sac.

P-2750-0061 **Orange Avenue, 11th Street to Oak Valley Parkway**
Construction of 8-in diameter pipeline within Orange Street to Oak Valley Parkway to replace existing 6-in diameter steel pipeline, services, and fire suppression.

P-2750-0066 **Egan Avenue-Wellwood Avenue alley, 5th Street to 8th Street. Includes Service Tie Overs from the Alleys on each side.**
Abandon and replace 1,050 linear feet (LF) of 8" diameter within Egan Avenue-Wellwood Avenue Alley to Egan Avenue from 5th Street to 8th Street. Tie over services from the alleys on each side to new pipeline.

P-2750-0067 **Elm Avenue-Wellwood Avenue alley, 5th Street to 7th Street. Includes Service Tie Overs from the Alleys on each side.**
Abandon and replace 615 linear feet (LF) of 8" diameter of within Elm Avenue-Wellwood Avenue Alley to Elm Avenue from 5th Street to 7th Street. Tie over services from the alleys on each side to new pipeline.

P-2750-0099 **Orange Avenue, 6th Street to 8th Street**
Install 1,100 LF of 8" DIP, along Orange Avenue, from 6th Street to 8th Street.

P-2750-0101 **Pearl Street from Wellwood Avenue to Edgar Avenue)**
Install 850 LF of 8" DIP, along Pearl Street, from Wellwood Avenue to Edgar Avenue.

P-2750-0102 **San Miguel Dr from 13th Street to Oak Valley Parkway**
Install 1,300 LF of 8" DIP, along San Miguel Drive, from 13th Street to Oak Valley Parkway.

P-2750-0104 **Construction of pipelines from Wells 1A, 2A, and 3 to Chromium VI treatment**
Proposed construct of pipeline connecting Wells 1A, 2A, and 3 to improve water conveyance and facilitate blending and treatment for Chromium-6 compliance.

S-2750-0001 **Service Replacements-Elm Alley & Wellwood Alley-8th Street to 10th Street**
Relocate existing Alley Services to existing 8" Asbestos Cement (AC) Main on Michigan Avenue. This project is not complete as of August 31, 2026, and has been updated to carry over into 2027.

S-2750-0002 **Service Replacements - California Street & Edgar Alley - 8th to 9th and 10th to 11th**
Relocate existing Alley Services to existing 6" AC Main on California Avenue. This project is not complete as of August 31, 2026, and has been updated to carry over into 2027.

P-2850-0014 **Cherry Valley Boulevard, Mountain View Avenue to Live Oak Avenue**
Install 1,400 LF of 18" DIP, along Cherry Valley Boulevard, from Mountain View Avenue to Live Oak Avenue.

P-2850-0015 **Cherry Valley Boulevard, Live Oak Avenue to Noble Street**
Install 1,300 LF of 18" DIP, along Cherry Valley Boulevard, from Live Oak Avenue to Noble Street.

P-2850-0037 **Sunnyslope Avenue from Brookside Avenue to southern limits of APN 404-120-046**
Install 1,165 LF of 8" DIP, along Sunnyslope Avenue from Brookside Avenue to southern limits of APN 404-120-046.

P-3040-0011 **Winesap Avenue, Brookside Avenue to High Street**
Install 3,350 LF of 16" DIP, along Winesap Avenue, from Brookside Avenue to High Street.

P-3040-0012 **Winesap Avenue, High Street to Dutton Street Replace existing 6" steel waterline ($577,400)**
Install 1,350 LF of 12" DIP, along Winesap Avenue, from High Street to Dutton Street.

P-3040-0021 **Orange Avenue, Lincoln Street, Noble Street to the west end**
Install 1,320 LF of 8" DIP, along Lincoln Street, from Noble Street west to the end.

P-3040-0023, 0024, 0025, 0026, **2020-2021 Replacement Pipelines**
P-3040-0023, 0024:
Replacement of approximately 270 LF of 6" steel pipeline with 8" DIP, along Lambert Road and Bing Place (each, total of 540 LF), west of Cherry Avenue.
P-3040-0025:
Replacement of approximately 1,250 LF of 6" steel pipeline with 8" DIP, along Star Lane, Sky Lane, and View Drive, south of Orchard Street.
P-3040-0026:
Replacement of approximately 900 LF of 4" steel with an 8" DIP pipeline, along the unpaved alignment of Utica Way from Vineland Street north to View Drive.

P-3330-0003 **Avenida Sonrisa**
Replacement of approximately 1,380 LF of 6" steel pipeline with 8" DIP in Avenida Sonrisa, from Avenida San Timoteo westerly to the end of the existing 6" steel pipeline.

P-3040-0034 **Avenida Miravilla from Vineland Street to Orchard Street**
Install 1,650 LF of 8" DIP, along Avenida Miravilla, from Vineland Street to Orchard Street.

P-3040-0035 **Private Driveway west of Friendship Lane from Vineland Street to Orchard Street to be completed with P-3040-0022**
Install 1,450 LF of 8" DIP, along Private Driveway west of Friendship Lane, from Vineland Street to Orchard Street to be completed with P-3040-0022.

P-3040-0036 **Utica Way south of Vineland Street to Cherry Valley Boulevard**

Install 1,650 LF of 8” DIP, along Utica Way south of Vineland Street to Cherry Valley Boulevard.

P-3330-0001 **From 3620/3330 Regulator site (end of A Line - see Detail B in Master Plan Map) east to "Wagon Wheel" at Avenida San Timoteo and Avenida Miravilla**
Replacement of approximately 1,400 LF of 8” steel with an 8” DIP pipeline, beginning at the 3620/3330 Regulator site (end of A Line - see Detail B in Master Plan Map), east to "Wagon Wheel" at Avenida San Timoteo and Avenida Miravilla.

P-3330-0007 **From Avenida Sonrisa, north to Avenida Miravilla through Alley**
Replacement of approximately 1,000 LF of 8” steel with an 8” DIP pipeline, in Avenida Sonrisa, north to Avenida Miravilla through the alley.

P-3330-0009 **From Noble Booster (at Noble Tank Site) to "Wagon Wheel" at Avenida San Timoteo and Avenida Miravilla**
Replacement of approximately 2,800 LF of 12” steel with an 12” DIP pipeline from Noble Booster (at Noble Tank Site) to "Wagon Wheel" at Avenida San Timoteo and Avenida Miravilla.

P-3620-0009 **Avenida Miravilla from Quail Road southerly**
Replacement of approximately 300 LF of 6” steel pipeline with 8” DIP, along Avenida Miravilla from Quail Road south to the end of the existing 6” steel pipeline.

P-3620-0014 **Lilac Lane, from Avenida Miravilla north to end of cul-de-sac (connect to existing 8" line)**
Install 1,100 LF of 8” DIP, along Lilac Lane, from Avenida Miravilla north to end of cul-de-sac. Connect to existing 8” line.

P-3900-0001 **Edgar Canyon Bridge at 3620 Tank to Oak Glen Road**
Install 1,550 LF of 12” DIP, along the Edgar Canyon Bridge at the 3620 Tank to Oak Glen Road.

P-3900-0002 **Oak Glen Road County Line to Proposed Development**
Install 950 LF of 12” DIP, along Oak Glen Road, from County Line Road to proposed development.

P-UEC-0002 **Upper Edgar Canyon A-Line Pipeline**
Replace approximately 4,820 LF of existing 10-in pipeline within the District’s upper canyon area. Provides increased conveyance reliability from the District’s upper canyon.

PICTURE

Significant IT Network Infrastructure Projects, IT SCADA/AMR Infrastructure Projects, and IT/Field Operations/Administration Projects with a cost purchase price over $50,000 and scheduled to commence or continue (carryover) in 2027 are described below.

IT Network Infrastructure

IT-NETW-0011 Server Room Uninterrupted Power Source

This will provide necessary uninterrupted power in the server room to critical systems at the District's main office in the event of a power failure for the period between when the power failure occurs, and the building backup generator comes online.

IT-NETW-0013 Servers and Related Equipment

This is an ongoing CIP project designed to replace older server and appliance equipment that power critical systems in the District.

IT-NETW-0014 Network Infrastructure and Equipment

This is an ongoing CIP project designed to replace older network infrastructure and critical appliances that provide storage and backup systems in the District.

IT SCADA Infrastructure

IT-SCAD-0001 SCADA Improvement Project

Replace the existing SCADA system with a more modern platform that would enable District staff to utilize mobile devices, would replace outdated system components, and would replace the backhaul connectivity and devices throughout the District to improve communication and monitor system devices. This project was initially approved to commence in 2021 and has since been reconciled with IT-SCAD-0002 and IT-SCAD-0003 to form one project.

IT-SCAD-0007 Back- End SCADA Software and Equipment

This is an ongoing CIP project designed to replace older back-end SCADA system software and equipment.

IT-SCAD-0008 Current / Retro Telemetry CIP

This is an ongoing CIP project designed to replace some current and retrofit older telemetry equipment.

IT-AMR-0001 AMR/AMI Deployment Project

This partially grant-funded project set out to retrofit the District's older water meters and build new meters with current automatic read technology. The new meters have improved the productivity of staff time, reduced errors and significantly reduced wear and tear on District vehicles while offering a new and informational data set for detecting leaks within the transmission and distribution system. The project received partial grant funding, which was exhausted in 2024. The final phase of the project, Phase III, will be completed in 2027.

IT/Field Operations/Administration Projects

IT-ADMN-0002 560 Magnolia AC/Heating System Replacements

This project will replace various aging components of the air conditioning and heating system at the District's 560 Magnolia facility, providing efficient, reliable climate control to support staff and operations.

PICTURE

Significant Vehicles and Equipment with a purchase price over $50,000 and scheduled to commence or continue (carryover) in 2027 are described below.

Vehicles & Equipment

VE-LEAS-0001 Enterprise Fleet Leasing and Maintenance Agreement

This project will transition the District's aging vehicle fleet to a managed lease program with Enterprise Fleet Management. The agreement replaces outdated vehicles, expands the fleet to meet operational needs, and supports compliance with California Zero-Emission Vehicle (ZEV) mandates. The leasing model will reduce repair costs, minimize downtime, improve safety, and provide cost predictability while ensuring the District maintains a modern and efficient fleet.

VE-HEAV-0001 2017 CAT Backhoe 416F2 (Nov, 2017)

The Backhoe/Loader will replace the District's 2017 CAT 416F2 and provide reliable equipment for excavation, trenching, loading, and material handling associated with pipeline repairs, facility maintenance, and other field operations. Replacing the aging unit will help maintain equipment reliability, reduce downtime and repair costs, and support efficient completion of District construction and maintenance activities.

VE-HEAV-0007 D-5 Dozer Dual Slope

This machinery purchase will provide the District with reliable equipment for grading, excavation, site preparation, and earthmoving activities associated with reservoir and well facilities, pipeline construction, access roads, and other field operations. The dual-slope grading system will improve precision and efficiency, reduce manual labor and rework, and support the timely and cost-effective completion of District construction and maintenance projects.

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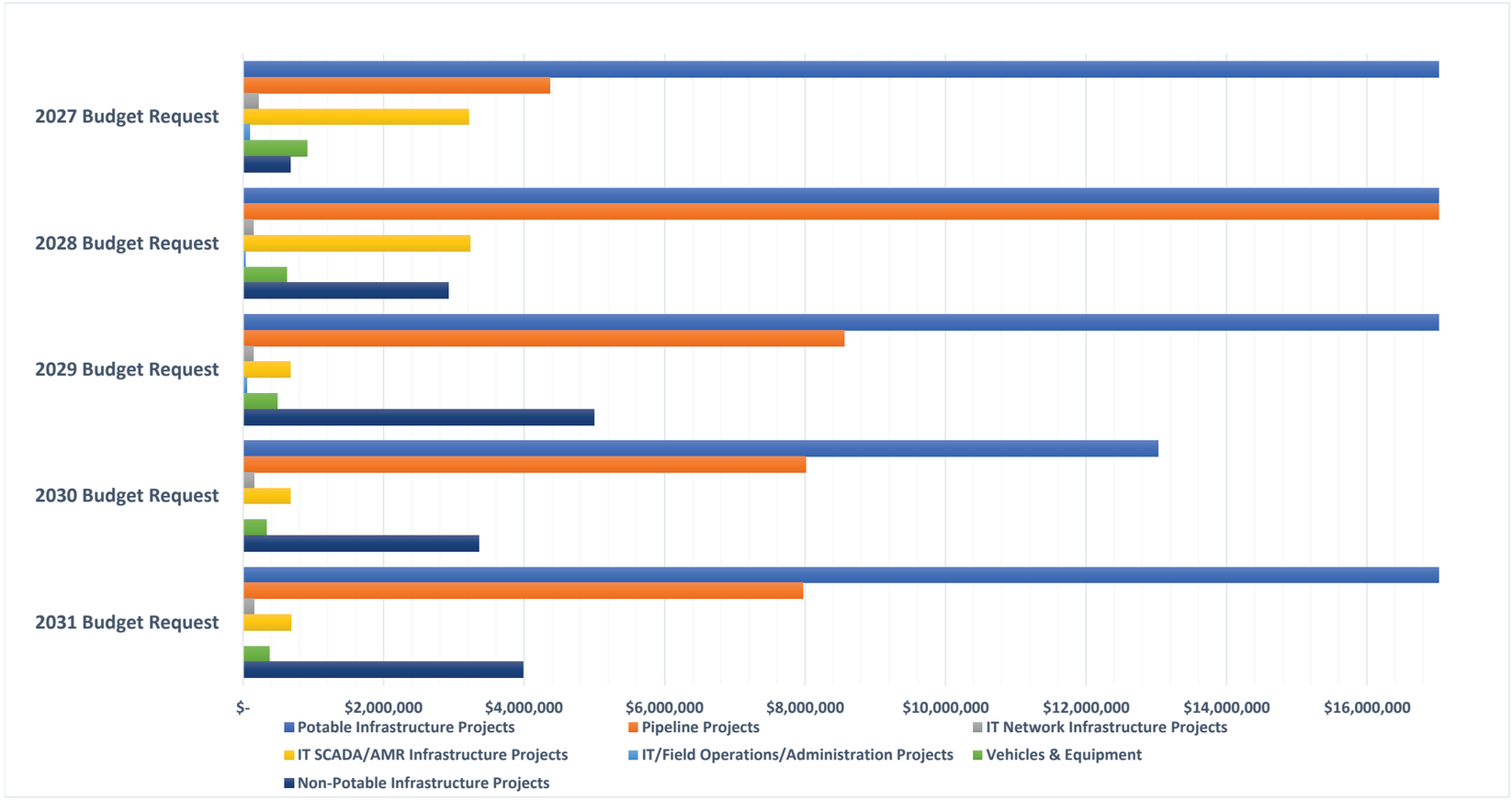
Beaumont-Cherry Valley Water District

2027-2031 Capital Improvement Budget

Appendix A

2027-2031 Capital Improvement Budget Summary by Type

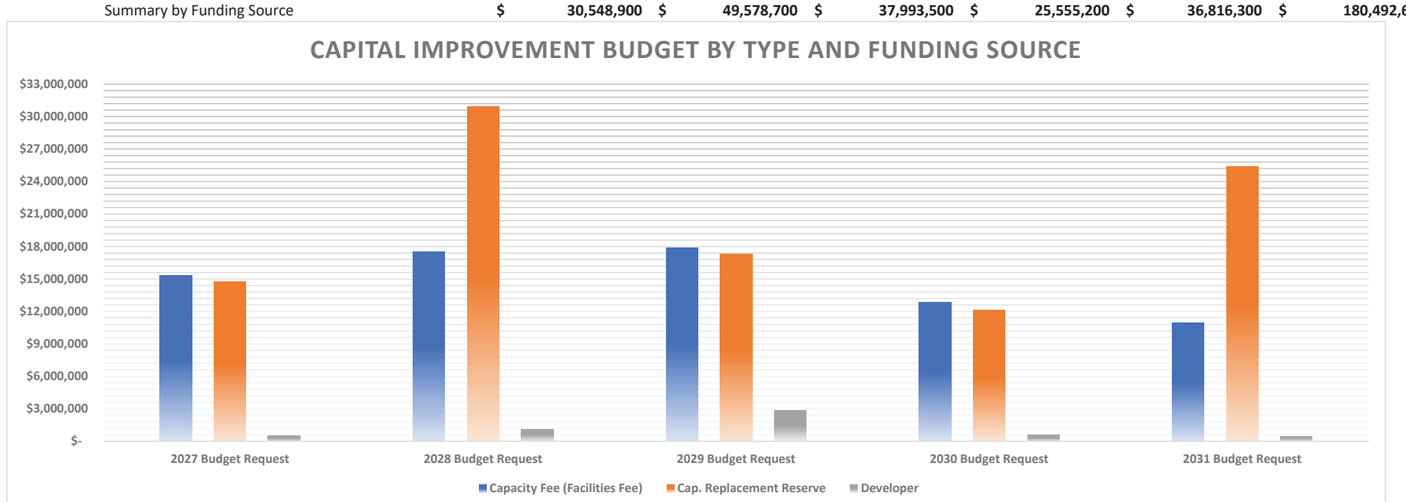
Capital Improvement Program	Footnotes	2027 Budget Request	2028 Budget Request	2029 Budget Request	2030 Budget Request	2031 Budget Request	5-Year Budget Total
Potable Infrastructure Projects		$ 21,090,700	$ 20,887,400	$ 23,083,000	$ 13,031,900	$ 23,654,500	$ 101,747,500
Pipeline Projects		4,363,500	21,736,000	8,558,700	8,011,500	7,966,800	50,636,500
IT Network Infrastructure Projects		218,100	142,200	145,700	149,400	153,100	808,500
IT SCADA/AMR Infrastructure Projects		3,210,200	3,234,700	669,300	674,200	679,200	8,467,600
IT/Field Operations/Administration Projects		90,300	32,200	52,400	-	-	174,900
Vehicles & Equipment		909,700	623,000	484,400	332,300	374,000	2,723,400
Non-Potable Infrastructure Projects		666,400	2,923,200	5,000,000	3,355,900	3,988,700	15,934,200
Total		**$ 30,548,900**	**$ 49,578,700**	**$ 37,993,500**	**$ 25,555,200**	**$ 36,816,300**	**$ 180,492,600**



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Beaumont-Cherry Valley Water District
2027-2031 Capital Improvement Budget
Appendix B
2027-2031 Capital Improvement Budget by Funding Source

Funding Source	Footnotes	2027 Budget Request	2028 Budget Request	2029 Budget Request	2030 Budget Request	2031 Budget Request	5-Year Budget Total
Potable Infrastructure Projects							
Capacity Fee (Facilities Fee)		$ 14,311,300	$ 12,548,500	$ 12,892,600	$ 9,521,500	$ 6,964,900	$ 56,238,800
Cap. Replacement Reserve		6,779,400	7,868,900	7,861,600	3,510,400	16,689,600	42,709,900
Developer		-	470,000	2,328,800	-	-	2,798,800
Pipeline Projects							
Capacity Fee (Facilities Fee)		352,100	2,045,800	-	-	-	2,397,900
Cap. Replacement Reserve		3,982,200	19,520,400	8,543,900	7,925,300	7,966,800	47,938,600
Developer		29,200	169,800	14,800	86,200	-	300,000
IT Network Infrastructure Projects							
Capacity Fee (Facilities Fee)		-	-	-	-	-	-
Cap. Replacement Reserve		218,100	142,200	145,700	149,400	153,100	808,500
Developer		-	-	-	-	-	-
IT SCADA/AMR Infrastructure Projects							
Capacity Fee (Facilities Fee)		-	-	-	-	-	-
Cap. Replacement Reserve		2,734,700	2,759,200	193,800	198,700	203,700	6,090,100
Developer		475,500	475,500	475,500	475,500	475,500	2,377,500
IT/Field Operations/Administration Projects							
Capacity Fee (Facilities Fee)		-	-	-	-	-	-
Cap. Replacement Reserve		90,300	32,200	52,400	-	-	174,900
Developer		-	-	-	-	-	-
Vehicles & Equipment							
Capacity Fee (Facilities Fee)		-	-	-	-	-	-
Cap. Replacement Reserve		909,700	623,000	484,400	332,300	374,000	2,723,400
Developer		-	-	-	-	-	-
Non-Potable Infrastructure Projects							
Capacity Fee (Facilities Fee)		666,400	2,923,200	5,000,000	3,355,900	3,988,700	15,934,200
Cap. Replacement Reserve		-	-	-	-	-	-
Developer		-	-	-	-	-	-
Total by Type and Funding Source		**$ 30,548,900**	**$ 49,578,700**	**$ 37,993,500**	**$ 25,555,200**	**$ 36,816,300**	**$ 180,492,600**
Capacity Fee (Facilities Fee)		$ 15,329,800	$ 17,517,500	$ 17,892,600	$ 12,877,400	$ 10,953,600	$ 74,570,900
Cap. Replacement Reserve		$ 14,714,400	$ 30,945,900	$ 17,281,800	$ 12,116,100	$ 25,387,200	$ 100,445,400
Developer		$ 504,700	$ 1,115,300	$ 2,819,100	$ 561,700	$ 475,500	$ 5,476,300
Summary by Funding Source		**$ 30,548,900**	**$ 49,578,700**	**$ 37,993,500**	**$ 25,555,200**	**$ 36,816,300**	**$ 180,492,600**



BC 11.02.2026
5-Year Capital Improvement Budget Setup 2027
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Beaumont-Cherry Valley Water District
Appendix C
2027-2031 Capital Improvement Budget Detail

Engineering Project #	Footnotes	Program Year	Capital Improvement Program	2027 Budget Request	2028 Budget Request	2029 Budget Request	2030 Budget Request	2031 Budget Request	5-Year Budget Total	Funding Source
			Potable Infrastructure Projects							
EOC-001	(1)	2027	BCVWD EOC Staffing and Space Requirements	5,000,000	2,000,000	5,000,000	-	-	12,000,000	Cap Charge, Cap Repl
DPX-001	(2)	2027	Disaster Preparedness	102,500	105,100	107,700	110,400	113,100	538,800	Cap Repl
WR-SITES-Reser	(2)(3)	2027	Investment in Sites Reservoir Project	519,600	1,640,000	2,930,900	2,930,900	2,930,900	10,952,300	Cap Repl
AFX-001	(2)	2027	Arc Flash Study & Improvement Project	65,600	-	-	-	-	65,600	Cap Repl
M-0000-0002		2028	Chlorination Retrofit At Misc. Wells	-	65,700	-	-	-	65,700	Cap Repl
W-2650-0001		2030	New 2650 Zone Well_0001	-	-	-	2,668,400	644,900	3,313,300	Cap Charge
W-2650-0002		2031	New 2650 Zone Well_0002	-	-	-	-	2,735,100	2,735,100	Cap Charge
BP-2750-0001	(2)	2027	2750 Zone to 2850 Zone Booster Pump Station	832,200	3,433,000	-	-	-	4,265,200	Cap Repl
M-2750-0001	(2)	2027	2850/2750 Pressure Reducing Station & Piping (Cherry Reservoir)	-	-	-	-	-	-	Cap Repl
M-2750-0003	(2)	2027	Cherry Yard Landscape Improvements and Block Wall	205,000	-	-	-	-	205,000	Cap Repl
TM-2750-0001	(2)	2027	Cherry Reservoir 1 & 2 Exterior Recoat and Retrofit	1,101,300	-	-	-	-	1,101,300	Cap Repl
W-2750-0001	(2)(4)	2027	Replacement for Well 2	300,000	500,000	-	-	7,020,500	7,820,500	Cap Repl
W-2750-0005	(2)(4)	2027	Replace 2750 Zone Well 1	300,000	500,000	-	-	3,937,900	4,737,900	Cap Repl
W-2750-0006		2031	Replace 2750 Zone Well 3	-	-	-	-	2,667,200	2,667,200	Cap Repl
BP-2850-0001	(2)	2027	2850 Zone to 3040 Zone Booster Pump Station	3,932,800	809,700	-	-	-	4,742,500	Cap Charge
TM-2850-0001	(2)	2027	Vineland 1 Exterior Recoat and Retrofit	79,500	246,400	-	-	-	325,900	Cap Repl
W-2850-0001	(2)	2028	New Beaumont Basin Well s/o Beaumont HS	-	2,112,300	3,274,000	3,490,500	-	8,876,800	Cap Charge
W-2850-0002		2029	New Beaumont Basin Well Near Brookside Elementary School	-	-	2,169,400	3,362,600	3,584,900	9,116,900	Cap Charge
W-2850-0008	(2)	2027	2750 Zone Well in Noble Creek Recharge Facility Phase I (NCRF)	2,503,400	605,000	5,658,800	-	-	8,767,200	Cap Charge
WT-2850-0001		2028	Well Head Treatment Plant Well 25 Cr VI	-	1,536,500	1,613,400	-	-	3,149,900	Cap Repl
BP-3040-0001	(2)	2027	3040 to 3330 Booster Pump Station at Noble Tank	518,700	2,139,600	-	-	-	2,658,300	Cap Charge, Cap Repl
T-3040-0001	(2)	2027	2 MG 3040 Zone Tank_0001	4,800,400	3,605,300	-	-	-	8,405,700	Cap Charge
TM-3040-0001		2027	Highland Springs Reservoir Recoat & Retrofit	89,700	-	-	386,300	-	476,000	Cap Repl
PR-3330-0001		2028	3330 to 3150 Lower Mesa, Noble Regulator	-	93,000	-	-	-	93,000	Cap Charge
TM-3330-0001	(2)	2027	Lower Edgar Reservoir Recoat & Retrofit	297,300	921,500	-	-	-	1,218,800	Cap Repl
BP-3620-0001		2028	3620 Zone to 3900 Zone Booster Pump Station	-	251,800	2,328,800	-	-	2,580,600	Dev
PR-3620-0001		2027	3620 to 3330 Fisher Pressure Regulator_0001	192,700	-	-	-	-	192,700	Cap Charge
PR-3900-0001		2028	3900 to 3620 Upper Edgar Pressure Regulator	-	31,500	-	-	-	31,500	Cap Charge
BP-HS-0001		2028	Add 3rd Booster Pump and Fire Pump at HS Hydropneumatic	-	291,000	-	-	-	291,000	Cap Charge, Dev
WR-Edgar Canyon Stormwater		2030	Edgar Canyon Stormwater Capture Enhancements	-	-	-	82,800	20,000	102,800	Cap Repl
WR-Grand Ave SD		2027	Grand Avenue Storm Drain	250,000	-	-	-	-	250,000	Cap Repl
			Total Potable Infrastructure Projects	**21,090,700**	**20,887,400**	**23,083,000**	**13,031,900**	**23,654,500**	**101,747,500**	
			Pipeline Projects							
P-2750-0025		2027	Maple Ave., 1st St to 3rd St	61,300	356,200	-	-	-	417,500	Cap Repl
P-2750-0032		2030	Egan, B St to 5th Pl, Bore I-10, Bore RR. Replacing and existing 4" steel waterline.	-	-	-	171,300	994,200	1,165,500	Cap Repl
P-2750-0041		2030	Euclid Ave., 6th to 8th. Tie over existing services in alleys (between Edgar/Euclid and Euclid/Beaumont Ave)	-	-	-	87,100	505,800	592,900	Cap Repl
P-2750-0042		2030	Edgar Ave., 5th to 6th. Tie over existing services in alleys (between Edgar Ave/California and Edgar Ave/Euclid)	-	-	-	33,200	192,600	225,800	Cap Repl
P-2750-0043	(2)	2027	Edgar Ave., 6th to 8th. Tie in existing services in alleys (between California/Edgar and Edgar/Euclid)	82,700	480,700	-	-	-	563,400	Cap Repl
P-2750-0044		2030	Alley North of 6th St., from California Ave. to Exist. 10" at Alley w/o Beaumont Ave.	-	-	-	81,300	472,200	553,500	Cap Repl
P-2750-0045		2030	7th St., California Ave. to Beaumont Ave.	-	-	-	64,600	374,700	439,300	Cap Repl
P-2750-0046		2031	9th St, Elm Ave. to Euclid Ave.	-	-	-	-	66,500	66,500	Cap Repl
P-2750-0047		2031	9th St., Beaumont Ave. to Palm Ave.	-	-	-	-	66,500	66,500	Cap Repl
P-2750-0048		2031	9th St., Palm Ave. to Pennsylvania Ave.	-	-	-	-	66,500	66,500	Cap Repl
P-2750-0050		2027	Orange Ave., 8th St to 10th st. Includes tie-ins of existing services in alley on west side of Orange.	63,100	366,500	-	-	-	429,600	Cap Repl
P-2750-0051		2027	Orange Ave., 10th St. to 11th St. Includes relocation of existing services to new waterline.	25,400	147,800	-	-	-	173,200	Cap Repl
P-2750-0053		2030	Euclid Ave., 10th St. to 11th St. Includes relocation of existing services to new waterline.	-	-	-	46,600	270,600	317,200	Cap Repl
P-2750-0054	(2)	2027	Edgar Ave., 8th St. to 10th St. Includes relocation of existing services to new waterline.	82,400	478,700	-	-	-	561,100	Cap Repl
P-2750-0055	(2)	2027	Edgar Ave, 10th St. to 11th St. Includes relocation of services from ally to new waterline.	41,800	242,800	-	-	-	284,600	Cap Repl

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Engineering Project #	Footnotes	Program Year	Capital Improvement Program	2027 Budget Request	2028 Budget Request	2029 Budget Request	2030 Budget Request	2031 Budget Request	5-Year Budget Total	Funding Source
P-2750-0059		2027	Wellwood Ave., 10th to 12th. Includes relocation of existing services in alleys to new waterline.	135,000	784,400	-	-	-	919,400	Cap Repl
P-2750-0060	(2)	2027	Edgar Ave, 11th to 12th, and Merry Ln from Edgar to end of cul-de-sac	95,100	552,400	-	-	-	647,500	Cap Repl
P-2750-0061		2027	Orange Ave., 11th to Oak Valley Pkwy	303,500	1,763,200	-	-	-	2,066,700	Cap Repl
P-2750-0063		2030	13th St., Palm Ave. to Pennsylvania Ave. Replacing existing 4" waterline	-	-	-	82,200	477,300	559,500	Cap Repl
P-2750-0066	(2)	2027	Egan Ave.-Wellwood Ave. Alley, 5th to 8th St	86,300	501,200	-	-	-	587,500	Cap Repl
P-2750-0067	(2)	2027	Elm Ave.-Wellwood Ave. Alley, 7th St. to 5th St.	35,200	204,400	-	-	-	239,600	Cap Repl
P-2750-0068	(2)	2031	Elm Ave., 6th to 7th	-	-	-	-	22,500	22,500	Cap Repl
P-2750-0069		2030	Egan Ave-California Ave. Alley, 5th to 7th	-	-	-	56,500	328,200	384,700	Cap Repl
P-2750-0098		2028	2023-2024 Service Lateral Replacement Project	-	76,800	446,200	-	-	523,000	Cap Repl
P-2750-0099	(2)	2027	Orange Avenue, 6th Street to 8th Street	117,800	684,400	-	-	-	802,200	Cap Repl
P-2750-0101		2027	Pearl Street from Wellwood Avenue to Edgar Avenue	53,900	313,300	-	-	-	367,200	Cap Repl
P-2750-0102		2027	San Miguel Dr from 13th Street to Oak Valley Parkway	89,200	518,200	-	-	-	607,400	Cap Repl
P-2750-0104		2027	Construction of pipelines from Wells 1A, 2A, and 3 to Chromium VI treatment	842,200	-	-	-	-	842,200	Cap Repl
S-2750-0001	(2)	2027	Service Replacements - Elm Alley & Wellwood Alley - 8th Street to 10th Street	46,100	267,700	-	-	-	313,800	Cap Repl
S-2750-0002		2027	Service Replacements - California & Edgar Alley - 8th to 9th and 10th to 11th	47,600	276,400	-	-	-	324,000	Cap Repl
S-2750-0003		2028	Service Replacements - Euclid Avenue - 8th Street to 10th Street	-	35,100	203,600	-	-	238,700	Cap Repl
S-2750-0004		2029	Michigan St., 6th to 8th, Not Replacing Existing 8" AC. Relocate existing Alley Services to Existing 8" AC Main in Michigan.	-	-	50,000	290,200	-	340,200	Cap Repl
P-2850-0014		2027	Cherry Valley Blvd., Mountain View Ave. to Live Oak Ave.	98,700	573,300	-	-	-	672,000	Cap Repl
P-2850-0015		2027	Cherry Valley Blvd., Live Oak Ave. to Noble St.	91,600	532,300	-	-	-	623,900	Cap Repl
P-2850-0037		2027	Sunnyslope Ave from Brookside Ave to southern limits of APN 404-120-046	100,100	581,700	-	-	-	681,800	Cap Repl
P-3040-0005		2029	From CVB, Ralph Rd to end of Cul-de-sac., east to APN 405-060-013, north to Orchard St.	-	-	19,800	114,900	-	134,700	Cap Repl
P-3040-0006		2030	Lincoln St. Noble St. to Cherry Ave	-	-	-	75,600	438,700	514,300	Cap Repl
P-3040-0007		2030	Lincoln St. Cherry Ave to Jonathan Ave	-	-	-	77,600	450,400	528,000	Cap Repl
P-3040-0008		2030	Lincoln St. Jonathan Ave to Winesap Ave	-	-	-	67,600	392,200	459,800	Cap Repl
P-3040-0010		2028	Jonathan Ave., Brookside Ave. to Dutton St.	-	286,200	1,662,200	-	-	1,948,400	Cap Repl
P-3040-0011		2027	Winesap Ave, Brookside Ave. to High St	265,200	1,540,800	-	-	-	1,806,000	Cap Repl
P-3040-0012		2027	Winesap Ave., High St. to Dutton St. Replace existing 6" steel waterline	82,400	479,000	-	-	-	561,400	Cap Repl
P-3040-0020		2030	Martin Ln, Lincoln St. to Grand Ave.	-	-	-	54,200	314,600	368,800	Cap Repl
P-3040-0021	(2)	2027	Lincoln St., Noble St to West end	69,100	401,500	-	-	-	470,600	Cap Repl
P-3040-0022		2027	Friendship Dr., Vineland St. to End of unpaved road	28,100	163,500	-	-	-	191,600	Cap Repl
P-3040-0023	(2)	2027	Bing Pl	24,400	142,000	-	-	-	166,400	Cap Repl
P-3040-0024	(2)	2027	Lambert Pl	24,400	142,000	-	-	-	166,400	Cap Repl
P-3040-0025	(2)	2027	Star Ln, Sky Ln, and View Dr to end of cul-de-sac	109,600	636,700	-	-	-	746,300	Cap Repl
P-3040-0026	(2)	2027	Utica Way, Vineland St to View Dr.	77,800	451,800	-	-	-	529,600	Cap Repl
P-3040-0028		2030	Lincoln Ave, from Winesap to Bellflower Ave	-	-	-	62,800	364,400	427,200	Cap Repl
P-3040-0029		2030	Delicious Lane - replace in kind from Lincoln to end of Cul-de-sac.	-	-	-	36,700	212,900	249,600	Cap Repl
P-3040-0030		2030	Pippin Way from Delicious Ln to end of Cul-de-sac	-	-	-	26,500	153,900	180,400	Cap Repl
P-3040-0031		2030	Rome Beauty way from Delicious Ln to end of Cul-de-sac	-	-	-	26,500	153,900	180,400	Cap Repl
P-3040-0034		2027	Avenida Miravilla from Vineland Street to Orchard Street	73,400	426,300	-	-	-	499,700	Cap Repl
P-3040-0035		2027	Private Driveway west of Friendship Lane from Vineland Street to Orchard Street to be completed with P-3040-0022	64,800	376,500	-	-	-	441,300	Cap Repl
P-3040-0036		2027	Utica Way south of Vineland Street to Cherry Valley Boulevard	63,000	365,900	-	-	-	428,900	Cap Repl
P-3150-0001		2029	Dutton St., Cherry Ave. to Bellflower Ave. Replace existing 6" and 4" steel waterlines.	-	-	81,500	473,500	-	555,000	Cap Repl
P-3150-0002		2029	Easement Line, between Winesap Ave. and Jonathan Ave, Dutton to Bridges. Replace existing 6" and 4" steel waterline.	-	-	70,800	411,300	-	482,100	Cap Repl
P-3150-0003		2029	Winesap Ave., Dutton to International Rd. (Orchard Pl). Replace existing 4" steel waterline.	-	-	32,000	186,100	-	218,100	Cap Repl
P-3150-0004		2029	Orchard Pl (Easement Line), W/o Winesap Ave. to west end of Orchard Pl. Replace existing 4" steel waterline.	-	-	37,000	215,000	-	252,000	Cap Repl
P-3150-0005		2029	Dutton St., Cherry Ave. to Bellflower Ave. Replace existing 6" and 4" steel waterlines.	-	-	228,600	1,328,100	-	1,556,700	Cap Repl
P-3150-0006		2029	South of line from Bridges to Dutton, along Intl Park Rd	-	-	29,200	169,700	-	198,900	Cap Repl
P-3330-0001		2027	From 3620/3330 Regulator site (end of A Line - see Detail B in Master Plan Map) east to "Wagon Wheel" at Ave. San Timoteo and Ave. Miravilla	202,300	1,175,500	-	-	-	1,377,800	Cap Repl
P-3330-0002		2029	In Ave San Timoteo, from end of 12-in (approx 9490 Ave San Timoteo) south to Ave. Sonrisa	-	-	261,000	1,516,100	-	1,777,100	Cap Repl

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Engineering Project #	Footnotes	Program Year	Capital Improvement Program	2027 Budget Request	2028 Budget Request	2029 Budget Request	2030 Budget Request	2031 Budget Request	5-Year Budget Total	Funding Source
P-3330-0003	(2)	2027	In Ave. Sonrisa, Ave San Timoteo to Ave. Miravilla. Replacing 6" and 4" waterlines	192,500	1,118,500	-	-	-	1,311,000	Cap Repl
P-3330-0005		2030	Ave. Miravilla, from Lilac Ln 8-in (connect to P-3330-0001) south to existing 6" line (approximately at south end of 9320 Avenida Miravilla)	-	-	-	147,300	855,100	1,002,400	Cap Repl
P-3330-0007	(2)	2027	From Avenida Sonrisa, north to Avenida Miravilla through Alley	79,800	463,900	-	-	-	543,700	Cap Repl
P-3330-0008		2030	From south end of P-3330-0005, south to 9584 Avenida Miravilla	-	-	-	136,600	793,100	929,700	Cap Repl
P-3330-0009		2027	From Noble Booster (at Noble Tank Site) to Wagon Wheel	279,700	1,624,900	-	-	-	1,904,600	Cap Repl
P-3620-0002		2028	"A" Line split north of Apple Tree Lane Tract (At or near Apn 401-030-003) to Meter "A" Lower Edgar Tank	-	426,500	2,476,400	-	-	2,902,900	Cap Repl
P-3620-0003		2028	"A" Line - Lower Edgar to split north of Apple Tree Lane Tract	-	272,500	1,582,200	-	-	1,854,700	Cap Repl
P-3620-0004		2028	Oak Glen Rd., from Appletree Lane south to 4" at creek crossing (approx at APN 401-080-011)	-	178,900	1,038,600	-	-	1,217,500	Cap Repl
P-3620-0005		2029	Crossing of Little San Gorgonio Cr at south end of P-3620-0004 to Lower Edgar House, north along Edgar Cyn Road to Upper Mesa Emergency Booster/7000 Gal Tank. Replacing existing 8" and 4"	-	-	191,000	1,109,200	-	1,300,200	Cap Repl
P-3620-0006		2029	Lower Edgar Tank (from existing 10" Steel line south of tank) east to Ave. Miravilla. Replace existing 4" steel waterline	-	-	55,300	321,000	-	376,300	Cap Repl
P-3620-0008		2029	Ave. Miravilla near Lower Edgar Tank (approx. at 8800 Avenida Miravilla) south to ex. 6-in (approx. at 8925 Avenida Miravilla)	-	-	93,300	542,200	-	635,500	Cap Repl
P-3620-0009	(2)	2027	Ave. Miravilla,End of proposed 12-in (P-3620-0008) south to end of existing blowoff (near S property line of 8940 Avenida Miravilla)	38,400	223,300	-	-	-	261,700	Cap Repl
P-3620-0014		2027	Lilac Lane, from Ave. Miravilla north to end of cul-de-sac (connect to existing 8" line)	104,900	609,800	-	-	-	714,700	Cap Repl
P-3620-0016	(2)	2027	Replace existing 4" line within parcel (Hoffman Property)	26,300	152,900	-	-	-	179,200	Cap Repl
P-3900-0001		2027	Edgar Canyon Bridge at 3620 Tank to Oak Glen Rd	36,200	210,600	-	-	-	246,800	Cap Repl
P-3900-0002		2027	Oak Glen Rd County Line to Proposed Development	22,200	129,000	-	-	-	151,200	Cap Repl
			Total Potable Pipeline Replacements	**4,363,500**	**21,736,000**	**8,558,700**	**8,011,500**	**7,966,800**	**50,636,500**	
			IT Network Infrastructure Projects							
IT-NETW-0006	(5)	Ongoing	Workstation Replacement project	30,700	31,500	32,300	33,100	33,900	161,500	Cap Repl
IT-NETW-0011	(5)	2027	Server Room Uninterrupted Power Source ($51K spread over three years)	17,400	17,900	18,300	18,800	19,200	91,600	Cap Repl
IT-NETW-0013	(5)	Ongoing	Servers and Related Equipment (4 per year, 3 year life, $15K per server)	141,000	63,000	64,600	66,200	67,900	402,700	Cap Repl
IT-NETW-0014	(5)	2027	Network Infrastructure and Equipment (Network Switches, Firewall Appliances, SAN Storage, Tape/Backup Storage, Power Capacity) ($85K spread over three years)	29,000	29,800	30,500	31,300	32,100	152,700	Cap Repl
			Total IT Network Infrastructure Projects	**218,100**	**142,200**	**145,700**	**149,400**	**153,100**	**808,500**	
			IT SCADA/AMR Infrastructure Projects							
IT-SCAD-0001	(6)	2027	SCADA Improvement Project	849,200	2,570,100	-	-	-	3,419,300	Cap Repl
IT-SCAD-0002	(6)	N/A	SCADA Phase 2 Project	-	-	-	-	-	-	
IT-SCAD-0003	(6)	N/A	SCADA Phase 3 Project	-	-	-	-	-	-	
IT-SCAD-0007	(5)	2027	Back- End SCADA Software and Equipment	307,500	63,000	64,600	66,200	67,900	569,200	Cap Repl
IT-SCAD-0008		2027	Current / Retro Telemetry CIP	123,000	126,100	129,200	132,500	135,800	646,600	Cap Repl
IT-AMR-0001	(7)	2027	AMR / AMI Deployment Project	1,455,000	-	-	-	-	1,455,000	Cap Repl
IT-AMR-0002		Ongoing	New Development Meters	475,500	475,500	475,500	475,500	475,500	2,377,500	Dev
			Total IT SCADA/AMR Infrastructure Projects	**3,210,200**	**3,234,700**	**669,300**	**674,200**	**679,200**	**8,467,600**	
			IT/Field Operations/Administration Projects							
IT-ADMN-0001		2017	Digitized Fileroom Project	90,300	-	-	-	-	90,300	Cap Repl
IT-ADMN-0002		2025	560 Magnolia AC/Heating System Replacements	-	32,200	52,400	-	-	84,600	Cap Repl
			Total IT Field Operations/Administration Projects	**90,300**	**32,200**	**52,400**	**-**	**-**	**174,900**	
			Vehicles & Equipment							
VE-LEAS-0001	(8)	2027	Enterprise Fleet Leasing and Maintenance Agreement	223,400	246,900	213,900	323,800	374,000	1,382,000	Cap Repl
VE-HEAV-0001		2027	2017 CAT Backhoe 416F2 (Nov, 2017)	195,100	-	-	-	-	195,100	Cap Repl
VE-HEAV-0003		2028	Loader 938G	-	356,100	-	-	-	356,100	Cap Repl
VE-HEAV-0006		2028	Skidsteer tractor with attachments	-	-	250,000	-	-	250,000	Cap Repl
VE-HEAV-0007	(2)	2026	D-5 Dozer Dual Slope	471,200	-	-	-	-	471,200	Cap Repl
VE-EQIP-0002		2028	Ingersoll Rand Air Compressor (Dec, 2008)	-	-	20,500	-	-	20,500	Cap Repl
VE-EQIP-0003		2029	Water Buffalo (Feb, 2018)	-	-	-	8,500	-	8,500	Cap Repl

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Engineering Project #	Footnotes	Program Year	Capital Improvement Program	2027 Budget Request	2028 Budget Request	2029 Budget Request	2030 Budget Request	2031 Budget Request	5-Year Budget Total	Funding Source
VE-EQIP-0004		2028	400W Light Tower w/Generator (Dec, 2017)	20,000	-	-	-	-	20,000	Cap Repl
VE-EQIP-0005		2027	NEW 400W Light Tower w/Generator	-	20,000	-	-	-	20,000	Cap Repl
			Total Vehicles & Equipment	**909,700**	**623,000**	**484,400**	**332,300**	**374,000**	**2,723,400**	
			Non-Potable Infrastructure Projects							
NEO-0000-0001		2027	Recycled Water Conversion and Implementation	250,000	250,000	576,900	-	-	1,076,900	Cap Charge
NW-2400-0001		2027	San Timoteo Creek Non-Potable Water Extraction Well	-	250,000	994,600	1,050,600	-	2,295,200	Cap Charge
NT-2400-0001		2027	100,000 Gallon 2400 PZ Non-Potable Tank	-	62,300	194,700	-	-	257,000	Cap Charge
NR-2600-0001		2029	2600 Zone Non-Potable Regulation and Metering Station_0001	-	-	-	121,100	292,600	413,700	Cap Charge
NR-2600-0002		2027	2600 Zone Non-Potable Regulation and Metering Station_0002	-	-	-	-	-	-	Cap Charge
NBP-2600-0001		2029	Non-Potable Booster Pump Station at CoB Wastewater Treatment Plant	-	-	-	1,027,200	2,482,500	3,509,700	Cap Charge
NBP-2600-0002		2028	Non-Potable Booster Pump Station at CoB Wastewater Treatment Plant Expansion	-	-	185,200	447,600	-	632,800	Cap Charge
NR-2800-0001		2027	2800 Zone Non-Potable Regulation and Metering Station_0001	416,400	437,200	-	-	-	853,600	Cap Charge
NR-2800-0002		2028	2800 Zone Non-Potable Regulation and Metering Station_0002	-	-	437,500	459,400	-	896,900	Cap Charge
NT-2800-0001		2027	2 MG 2800 PZ Non-Potable Tank	-	1,923,700	2,026,200	-	-	3,949,900	Cap Charge
NBP-2800-0001		2028	2800 Zone Non-potable Booster Pump Station at the Noble Creek Recharge Facilities	-	-	584,900	250,000	1,213,600	2,048,500	Cap Charge
			Total Non-Potable Infrastructure Projects	**666,400**	**2,923,200**	**5,000,000**	**3,355,900**	**3,988,700**	**15,934,200**	
			Total Capital Improvement Program	**$ 30,548,900**	**$ 49,578,700**	**$ 37,993,500**	**$ 25,555,200**	**$ 36,816,300**	**$ 180,492,600**	
			Capacity Charges	15,329,800	17,517,500	17,892,600	12,877,400	10,953,600	74,570,900	
			Cap. Repl. Res.	14,714,400	30,945,800	17,281,700	12,116,100	25,387,200	100,445,200	
			Developer	504,700	1,115,400	2,819,200	561,700	475,500	5,476,500	
			Other	-	-	-	-	-	-	
			Total Capital Improvement Program by Funding Source	**$ 30,548,900**	**$ 49,578,700**	**$ 37,993,500**	**$ 25,555,200**	**$ 36,816,300**	**$ 180,492,600**	

Footnotes

(1)	Project was originally identified in 2020 CIB. Total Budgeted cost was updated for 2024 Water Rate Study and represents a two-phased approach. Phase I could be structured in a manner where the "warehouse" (shell) would be constructed first, allowing for many of the staff to occupy it, for an estimated cost of $13,617,825, including the purchase of land. Phase II could be structured so that the estimated remaining cost of $19,318,925 could be deferred longer than this schedule provides for
(2)	Project was begun in prior year(s) or approved by Board to begin, ongoing, with inflationary factors as appropriate. Contract for either design, engineering, or construction has been or is anticipated to be signed by end of 2026, or project may be completed (or purchase made) by end of 2026. If not, project may be completed by end of 2027. Project not complete as of August 31, 2026.
(3)	The District has participated in the Sites Reservoir Project; however, it is currently in the process of negotiating and finalizing a wind-down agreement with the San Gorgonio Pass Water Agency (SGPWA). Upon completion of this agreement, SGPWA would assume the District's participation rights, obligations, and associated cost shares in the project.
(4)	Well Nos. 1 and 2 replacement projects will be phased to allow initial well construction, pump testing, water quality sampling, and evaluation of sustained production capacity before full equipping and site buildout. Chromium-6 concentrations, treatment requirements, operational performance, and long-term reliability will be evaluated before proceeding with the remaining capital improvements.
(5)	IT projects involve periodic equipment purchases (e.g., servers and appliances) typically required every 3–5 years. Because the exact timing is uncertain, related costs have been distributed across each year, and unspent funds will be carried forward to ensure availability when replacement is needed.
(6)	Project is ongoing, all have been reconciled as one project
(7)	Grant funding for this project has been exhausted, remaining cost for AMI phase
(8)	The District has executed a 5-year Master Lease Agreement for fleet purchase and maintenance with Enterprise. The annual outlay for the Lease is expected to be similar to the traditional fleet purchase employed by the District on an average annual basis over time.