CRESCENTA VALLEY WATER DISTRICT, CA

Adopted Budget

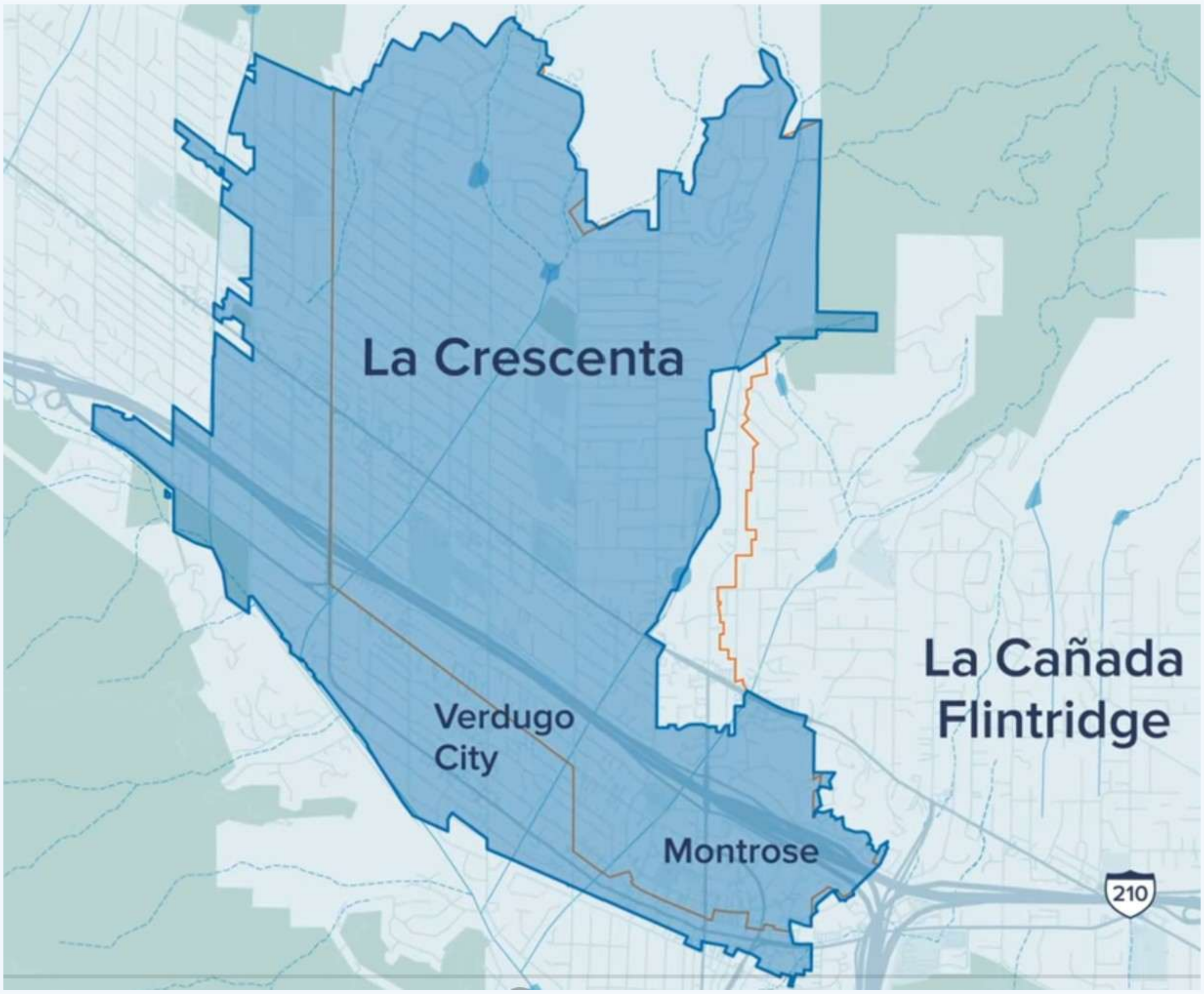
For Fiscal Year 2027

Prepared by:

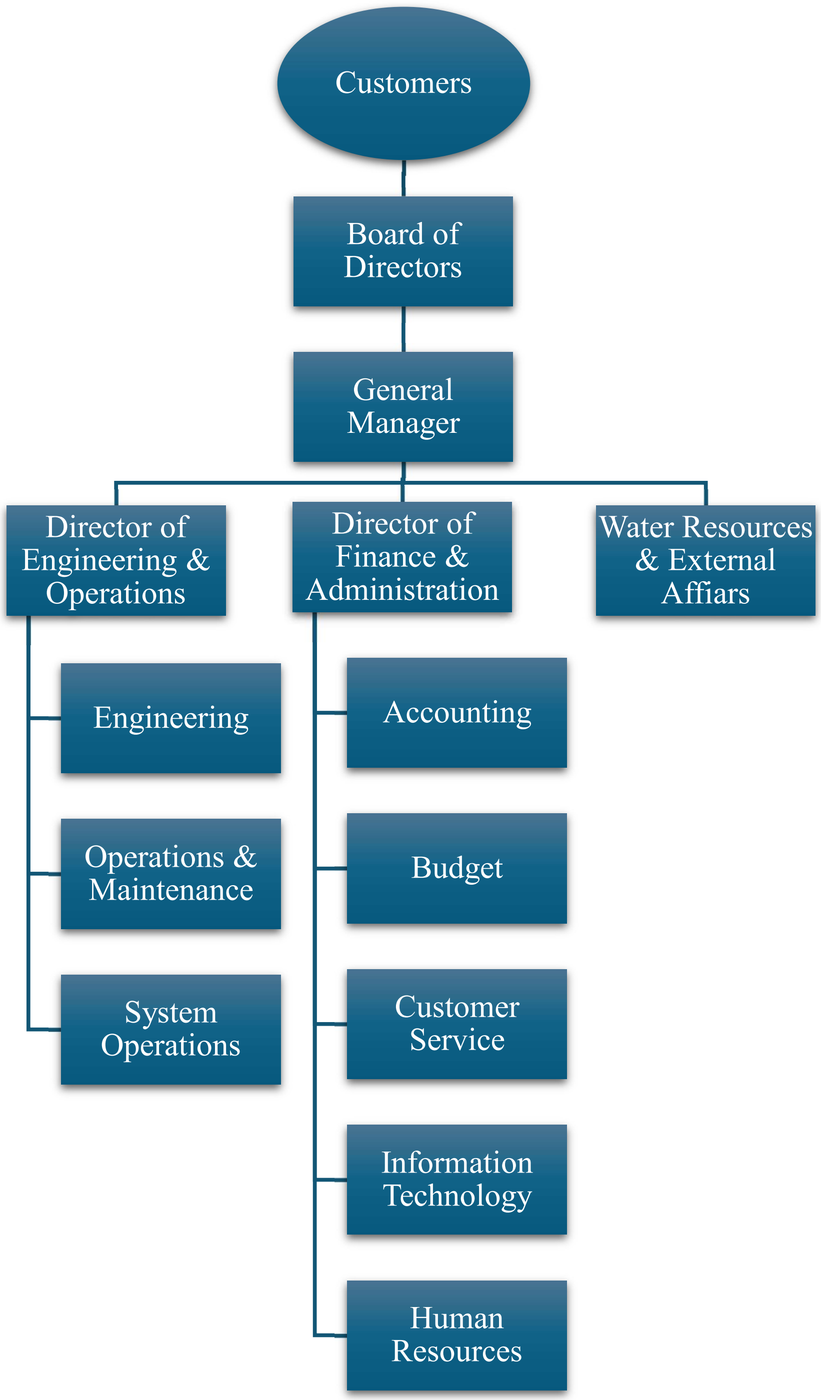
Finance and Administration Department

Contents

District Map



Organizational Chart Summary



Key Assumptions

Budget Approach

- Zero based budget.

Operating Revenues

- Flat volumetric water sales projected at 3,234 acre-feet (1,054 MG).
- Adopted rates effective July 2026.

Salaries & Benefits [1]

- COLA increase of 4%.
- Merit increase of 5%.
- Benefit cost increases of 11%.
- Total of 3 new positions and the elimination of 3 temporary positions.
- PERS contribution based on CalPERS normal cost plus unfunded actuarial liability (minimum required contribution).

Other Operating Expenses

- Source of Supply- 50% Groundwater, 50% imported.
- Overall 16% increase for imported water [2]
- Estimated 76% increase for wastewater rates from City of Los Angeles Sewer Services.
- Estimated 13% increase for power.

Capital Expenditures

- Completion of deferred Capital Improvement Program (CIP).
- Significant savings from the continuation of the In-house pipeline program.
- Increases in contractor costs and higher capital expenditures aligned with long-term capital plans.

(1) OPEB contribution to be determined by the District's Board of Directors during the fourth quarter of fiscal year 2027.

(2) Imported water rates: The full-service treated volumetric rate component is projected to decline in calendar year 2027, with increases anticipated to resume beginning in 2028. Other rate components, including readiness-to-serve charges, capacity charges, and administrative charges are expected to rise, and additional treatment-related rate components are also anticipated to be introduced.

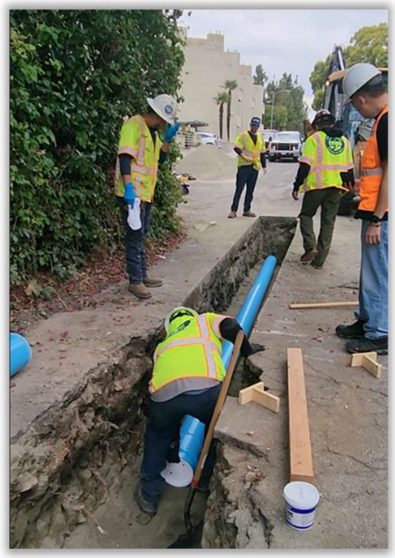
General Note: Immaterial rounding differences may occur.

Budget Narrative Introduction

Mission: *To provide quality water and wastewater services to the Crescenta Valley community in a dependable and economically responsible manner.*

Vision: *Secure sustainable water supplies and ensure infrastructure reliability, while furthering our commitment to accountability, transparency, cost-effectiveness, and public safety.*

The Crescenta Valley Water District Budget Narrative presents a comprehensive overview of the District's planned financial resources, operational priorities, and capital investments in support of its mission to provide reliable, high-quality water and wastewater services to the community. This narrative outlines how District departments align programs, staffing, and expenditures with long-term strategic objectives, regulatory requirements, and community expectations.



Guided by a commitment to fiscal responsibility, transparency, and public safety, the proposed budget reflects a balanced approach to sustaining essential infrastructure, ensuring operational reliability, and investing in the workforce and systems necessary to meet current and future service demands. Through coordinated efforts across Engineering, Operations, Water Resources and External Affairs, and Finance and Administration, the District continues to steward public resources prudently while delivering dependable services that protect public health & safety, support environmental stewardship, and enhance quality of life in the Crescenta Valley.

Engineering Department

The Engineering department provides engineering and technical services to support the organizational mission and vision. The Engineering department includes:

- Planning, designing, and delivering reliable water and sewer infrastructure projects.
- Reviewing and approving land development within the District for conformance with District and industry standards.
- Ensuring agency compliance with federal, state, and local regulations through reporting, auditing, and program development.
- Implementing and maintaining enterprise systems that support capital project delivery, system evaluation, system maintenance, and record-keeping.

ALIGNMENT WITH DISTRICT GOALS

The priorities and initiatives of the Engineering department are defined by the District's organizational goals and use our mission and vision as the foundation of our daily activities:

- **Reliable Water and Wastewater Service**

  The Engineering department supports District-wide operations through delivery of projects and systems that make maintenance and operations more efficient in the digital era.

- **Exceptional Customer and Community Service**

  Protecting public health & safety is the fundamental priority. Building on this foundation, the Engineering Department delivers exceptional customer service through proactive communication about upcoming projects, meaningful incorporation of stakeholder input where feasible, and prompt responsiveness to developers with very short turnaround times.

- **Efficiency Through Technology**

  The department is revamping the District-wide GIS to ensure efficiency in field access to information and design of projects. This information will be incorporated into other applications, such as the computerized maintenance management system, where further efficiencies can be gained.

- **Fiscal Responsibility**

  The Engineering team has a fiduciary commitment to implement projects and services in a cost-effective manner.

- **Protection of Public and Environmental Health**

  The department strives to protect the public and environmental health of our service area through sound design and construction, reliable systems, and compliance with regulations.

- **Regional Collaboration and Synergy**

  The Engineering department works collaboratively with neighboring agencies and regionally to develop best practices in the most efficient and effective manner.

- **Employer and Workforce Excellence**

  The Engineering department strives for excellence in delivery of projects and systems that support the District's initiatives. The department is dedicated to developing the team as well as its members individually. Educational opportunities are provided to meet District objectives and personal professional development.

Summary

The Engineering department is dedicated to protecting public health & safety through projects and programs that create reliable services for water and collections systems.

MAJOR FISCAL YEAR 2026 ACCOMPLISHMENTS

- Initiated new project delivery modes: progressive design build and time and materials to expedite and lower costs for delivery.
- Sewer System Management Plan (SSMP) updates and certification.
- Expanded compliance through the addition of a Regulatory Program Manager .
- Initiated updates with the Division of Drinking Water to reflect current operating conditions.
- Significantly increased the CIP to meet District goals including 30 active projects and in-house design of pipeline projects.
- Began developing a computerized maintenance management system to unify work management across the District.
- Led the restructuring of the GIS data and schema for quality control and integration into other applications.
- Integrated new backflow (water) and backwater (sewage) requirements into the development process.
- Evaluated water-related agreements: two Glendale Water and Power (GWP), one La Canada, one LA Glendale wastewater, for conformance and possible re-negotiation.
- Conducted 2,200 cross-connection surveys.
- Performed PFAS bench scale testing.
- Updated Urban Water Management Plan and published the Annual Water Quality Report.

REALIZED SAVINGS FOR FISCAL YEAR 2026

- Prepared final designs for in-house pipeline projects.
- Conducted in-house inspection for in-house pipeline projects.
- Directly coordinated paving with low-cost contractor.
- Directly managed permitting contracted projects.

- Self-performed evaluation of costs for the GWP well 16 and the SSMP update.
- Compiled data from older project to qualify for receipt of grant.
- Prepared a 30% design of generators to apply for grant funds.

MAJOR GOALS FOR FISCAL YEAR 2027

- Fully implement the computerized maintenance management system.
- Deploy continuous improvements to the GIS system.
- Carry out capital projects, as approved by the Board.
- Implement ongoing improvements to the CIP master plan.
- Provide quality service for developers and homeowners.

Operations Department

PROGRAM DESCRIPTION

Water system programs focus on the proactive operation and maintenance of water treatment facilities and the distribution network to ensure the reliable delivery of safe, high-quality drinking water. These programs encompass routine monitoring of water quality parameters, infrastructure inspections, preventive maintenance of pumps and valves, and system optimization to minimize water loss and meet all regulatory standards.

Wastewater collection conveys approximately 1.54 million gallons per day (MGD) of wastewater through approximately 60 miles of sewer mains. It provides critical functions that protect the collection system and mitigate public risk from Sanitary Sewer Overflows (SSOs). In collaboration with the Engineering department, the Operations team develops, establishes, and continuously improves preventative maintenance programs to enhance the water and wastewater system reliability and support long-term infrastructure sustainability.

ALIGNMENT WITH DISTRICT GOALS

The priorities and initiatives of the Operations department are defined by the District's organizational goals and use our mission and vision as the foundation of our daily tasks:

- **Reliable Water and Wastewater Service**

  Operations proactively mitigates risks through comprehensive maintenance programs for both water and wastewater systems.

  For water operations, staff manages and executes the in-house pipeline replacement program and perform water main flushing, leak detection, valve exercising, hydrant maintenance, and system monitoring to ensure the reliable delivery of safe drinking water.

  For wastewater operations, the department conducts CCTV and manhole inspections, performs hydro-jet cleaning, and oversees the maintenance and repair of sewer mains to prevent blockages and reduce the risk of SSOs. These combined efforts support the District's commitment to infrastructure reliability and public health & safety.

- **Exceptional Customer and Community Service**

  Protecting public health & safety is the foundation of the District's essential job functions. The Operations department proactively serves customers as both an educational resource and a technical support, stewarding the community through every interaction. Staff take extra time to deliver required notifications and respond to routine public inquiries.

- **Efficiency Through Technology**

  Advanced monitoring represents a significant development in risk mitigation for the District's water and wastewater systems. A dedicated portion of the department's budget is allocated to building a more resilient and reliable infrastructure network.

  Smart covers provide an additional layer of protection by enabling real-time monitoring of critical maintenance areas. These systems complement the existing SCADA monitoring at the District's lift stations, allowing for earlier detection of potential issues. Remote pressure monitoring further enhances system performance by identifying pressure spikes, helping to reduce leaks, minimize water loss, and optimize pumping operations.

  The Operations department remains committed to partnering closely with the Engineering department. By sharing essential system data and field observations, we continuously refine and improve the accuracy of our GIS database, supporting better decision-making, prioritized maintenance, and long-term infrastructure planning.

- **Fiscal Responsibility**

  The Operations department maintains a strong fiduciary responsibility for financial accountability, while carefully managing time and operational efficiency. Every action taken reflects the district's commitment to protecting the health and safety of our customers.

- **Protection of Public and Environmental Health**

  Regular sampling and testing is conducted at treatment plants and throughout the distribution system for contaminants, disinfection byproducts, and residual chlorine levels. The maintenance and operation of the sewer collection and conveyance system are focused on reducing or eliminating SSOs. This objective forms the foundation of the SSMP and guides all wastewater collection activities.

- **Regional Collaboration and Synergy**

  The wastewater department operates its system in compliance with State Water Resources Control Board (SWRCB) and adheres to Environmental Protection Agency (EPA) regulations. La Canada Flintridge ties into the District's wastewater system and the interceptor conveys through Glendale to Hyperion. The operational goal is to improve our reliability and emergency response through regional collaboration, including training and Emergency Response Plan (ERP) overlap.

- **Employer and Workforce Excellence**

  The Operations department is built on the District's initiative to provide a workplace culture with strong values. The department is committed to developing the team as a whole while supporting the growth of each individual member. Educational opportunities and operational resources build professional confidence and strengthen operational competence. Ongoing staff development in water treatment/distribution and wastewater collection operations maintain compliance and system efficiency.

Summary

The Operations department is dedicated to public health & safety through operational competency and maintenance of an efficient collections system.

MAJOR FISCAL YEAR 2026 ACCOMPLISHMENTS

- Completed 0.89 miles of In-House water main replacements.
- Rehabilitated Well 5 and replaced three critical pumps.
- Completed comprehensive valve and hydrant maintenance, including exercising approximately 1,200 valves with 14 replacements.
- Replaced three pumps.
- Installed 11 Variable Frequency Drive (VFDs) and soft starts.
- Completed the Glenwood surge tank replacement.
- Upgraded SCADA to a dual-server configuration.
- Completed the replacement of the Mills Aeration Tower.
- Upgraded the Lift Station control panel.
- Conducted SSMP audit to ensure compliance, reduce risk, and improve system reliability.
- Enhanced Maintenance Area (EMA) Inspection and cleaning.
- Reorganized CCTV data while implementing enhanced cybersecurity measures to improve data protection, access control, and system integrity.
- Focused on training and resources to increase certification levels.
- Launched manhole inspection program.
- Rebuilt asset maintenance program and developed ramp up plan for Fiscal Year (FY) 2027.
- Mitigated Private Sewer Lateral Discharge (PSLD) from Tier 1 escalation.
- Established drone operations team.
- Evaluated and deployed iPVC pipe for increase in durability.

REALIZED SAVINGS FOR FISCAL YEAR 2026

- Mitigated Private Sewer PSLD from Tier 1 escalation.
- Water sampling laboratory change.
- Restructured asset maintenance program for efficiency and productivity.
- Coordinated with engineering to prioritize CIP projects for fiscal efficiency and cost reduction.
- Utilized advanced monitoring for SSO reduction and increased response time.

MAJOR GOALS FOR FISCAL YEAR 2027

- Ensure reliable system operation through routine gate valve and hydrant maintenance.
- Test Pump Efficiency.
- Increase mileage of In-House Pipe by over 50% to 1.36 miles.
- Replace of system analyzers.
- Deploy smart wastewater covers and leak detection equipment.
- Evaluate in-line hydro technology based on proven effectiveness.

- Implement PFAS mitigation strategies.
- Improve Lead and Copper Rule compliance and sampling.
- Expand on the District’s leak detection program.
- Implement a large meter testing program.
- Replace inoperable customer meters within 30 days of notification.
- Replace broken valves.
- Paint and replace hydrants as needed.
- Increase advanced monitoring of EMAs.
- Inspect one third of the system and increase hydro-jet program to reduce Fat, Oils and Grease (FOG), identify structural defects and address root issues.
- Conduct a system wide inspection of manholes.
- Ramp up the preventative maintenance schedule.
- Inspect and clean high traffic areas.
- Address Lift Station issues identified in Wastewater Management Plan.
- Build emergency response, including interceptor bypass plan and regional overlap, planning, and training.
- Conduct recurring emergency tabletop exercises.
- Conduct an inflow and infiltration analysis of watersheds 1, 2 and 3.
- Identify La Cañada Flintridge tie-in for audit of costs.
- Increase staff training, both for professional development and workplace safety.
- Audit records for GIS database improvements through CCTV Inspection.

Water Resources and External Affairs

PROGRAM DESCRIPTION

The Water Resources & External Affairs (WREA) department is responsible for assisting in planning, organizing, and directing the work related to identifying, pursuing, and implementing water resources initiatives, public information, community relations, governmental affairs, legislative advocacy, regional and other partnerships, water conservation program development and implementation, and grant management.

ALIGNMENT WITH DISTRICT GOALS

The priorities and initiatives of the WREA department directly support the District's organizational goals. More specifically, the WREA department promotes regional collaboration, provides exceptional customer service support, and strengthens community trust with customers and the broader community through outreach initiatives. The department also promotes reliable water resources through conservation communication and planning future stormwater capture initiatives.

MAJOR FISCAL YEAR 2026 ACCOMPLISHMENTS

- Hosted and/or met with the District's entire State and Congressional delegation.
- Completed the Hazard Mitigation Plan and La Cañada Emergency Response Plan.
- Sponsored AB 1893 in conjunction with Assemblymember Nick Shultz (AD-44).
- Increased community presence through tabling at farmers markets, community events, career fairs.
- Increased the frequency of District's outreach to customers via social media, CV Weekly, e-blasts.
- Partnered with Glendale Community College and Glendale Water and Power on a student-led internship project and began conversations to create a water curriculum at the college.
- Organized the District's first Legislative Advocacy visit – met with key water advocates and legislators.

REALIZED SAVINGS FOR FISCAL YEAR 2026

- Received $80,000 from FEMA for Eaton Fire recovery.
- Pending $65,000 from LA County/DWR for Prop 84 retention for a project completed in 2018.

- Received $75,000 from Bureau of Reclamation for completion of a draft Recycled Water Feasibility Study.

MAJOR GOALS FOR FISCAL YEAR 2027

- Complete stormwater capture projects in collaboration with regional partners.
- Strengthen community outreach by expanding to GUSD schools.
- Pursue additional grants and earmark funding.
- Continued advocacy efforts development of legislative coalitions to advance advocacy efforts such as the successful passage of AB 1893.
- Ongoing workforce development through expanded partnership with GCC and addition of summer interns.
- Improve customer notification process.

Finance and Administration

PROGRAM DESCRIPTION

The Finance and Administration (F&A) department plays a significant role in advancing Crescenta Valley Water District's vision and mission, as outlined in the Strategic Plan and grounded in the District's Values Statement. The department plans, directs, manages, and oversees the core functions of Finance, Accounting, Customer Service, Human Resources, and Information Technology. Through these functions, F&A provides the infrastructure, resources, and expertise necessary to support District operations and ensure the delivery of high-quality services to the community.

The F&A team is responsible for producing timely financial reporting, developing the annual budget, maintaining strong internal controls, and ensuring compliance with all applicable regulatory and accounting standards. In addition, the department manages customer billing and service operations, supports technology systems that enhance efficiency and reliability, and delivers comprehensive human resources services including recruitment, training, labor relations, benefits administration, and workforce development.

F&A also provides complex analytical and administrative support to the General Manager and collaborates closely with all internal departments to ensure strategic alignment and operational effectiveness. The department coordinates regularly with customers, the Board of Directors, external agencies, and consultants to support transparent decision making, promote fiscal stewardship, and improve service delivery.

ALIGNMENT WITH DISTRICT GOALS

The priorities and initiatives of the Finance & Administration Department directly support the District's organizational goals:

- **Reliable Water and Wastewater Service**

  By managing long-term financial planning, capital funding strategies, and robust internal controls, F&A ensures resources are available to maintain and improve critical water and wastewater infrastructure.

- **Exceptional Customer and Community Service**

  Customer Service operations focus on timely response, accurate billing, and transparent communication, strengthening trust with customers and the broader community.

- **Efficiency Through Technology**

The F&A team supports system modernization, cybersecurity, and digital tools that enhance operational efficiency, data-driven decision-making, and customer access to services.

- **Fiscal Responsibility**

  F&A upholds strong fiscal management practices, supports prudent budgeting, and ensures the District's financial stability to meet both current and future service needs.

- **Protection of Public and Environmental Health**

  Through effective administrative oversight and regulatory compliance, the department helps ensure that District operations meet environmental standards and support community health.

- **Regional Collaboration and Synergy**

  F&A actively coordinates with regional partners, consultants, and government agencies to support shared initiatives, cost-effective solutions, and consistent regional planning.

- **Employer and Workforce Excellence**

  The F&A team fosters a high-performing workforce through employee development, recruitment, retention strategies, and a positive organizational culture aligned with the District's values.

Summary

Overall, the Finance & Administration department provides the financial stability, professional services, and administrative support necessary for the District to operate effectively and achieve its strategic goals. By aligning daily operations with long-term planning and organizational values, F&A ensures the District can continue delivering reliable, sustainable, and high-quality service to the community.

MAJOR FISCAL YEAR 2026 ACCOMPLISHMENTS

- Cultivated the work culture program.
- Developed and implemented an employee handbook.
- Implemented a budget-based rate structure.
- Converted from bi-monthly to monthly billing.
- Launched several workflow optimization applications.
- Conducted CISA cybersecurity assessments/firewall.
- Upgraded phone system and capabilities.
- Improved new hire onboarding process.
- Continued with the stabilization of Advanced Metering Infrastructure (AMI).
- Improved the timesheet process and implemented a new payroll system.
- Initiated a meter testing and replacement program.

REALIZED SAVINGS FOR FISCAL YEAR 2026

- Reduced system water loss through meter testing and meter replacement.
- Implemented meter return program to maximize warranty reimbursement.

- Leveraged technology to enhance staff efficiency.
- Maximized use of in-house staff to reduce consulting costs.
- Improved the loss claims process.
- Updated fees to ensure cost recovery from developers.
- Streamlined cash deposits process.

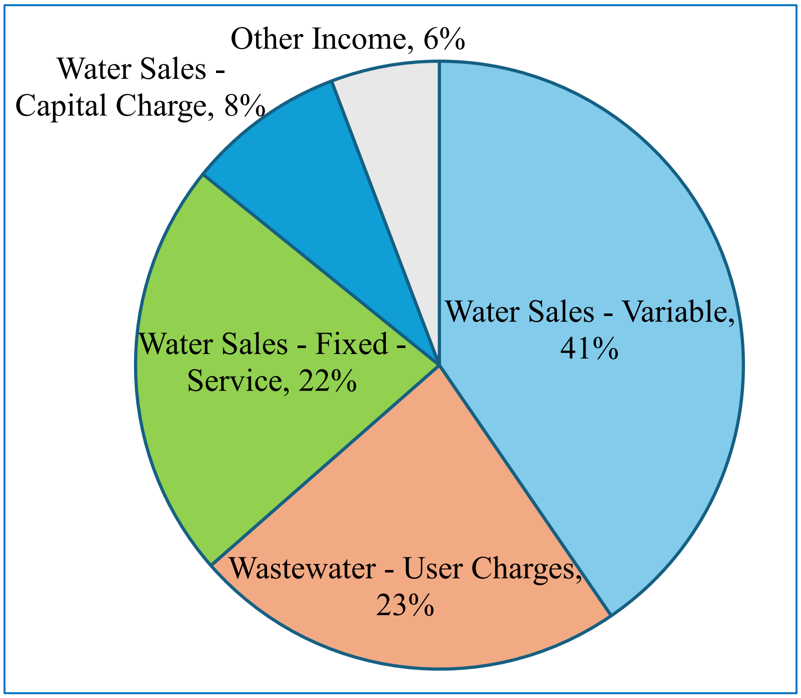
MAJOR GOALS FOR FISCAL YEAR 2027

- Update ten-year financial plan to support improved financial planning and decision-making.
- Optimize metering for accuracy, reliability, and revenue integrity.
- Implement a large meter testing program to ensure accuracy, reliability, and revenue integrity.
- Utilize AMI data to develop dashboards that support monitoring and planning.
- Conduct recurring emergency tabletop exercises.
- Assess groundwater production costs to improve cost transparency.
- Secure and manage bond funding to support capital investments.
- Improve annual performance review process.
- Continuously improve the new-hire onboarding process to support efficiency and employee success.

Operating Budget Drivers

Revenue

The pie chart below illustrates the distribution of the Fiscal Year 2027 operating revenue budget by major category, excluding debt service, with total operating revenue proposed at $26.3 million, excluding PFAS settlement proceeds. As shown, variable water sales represents the largest share of the budget at 41%. These revenues are directly tied to customer water consumption and recover variable costs such as water production, treatment, and distribution. The next largest revenue category is wastewater user charges and account for 23% of the total budget and are based on household size or estimated wastewater flows. These revenues support the collection, treatment, and disposal of wastewater, including regulatory compliance, treatment plant operations, and system maintenance. Fixed water service charges account for 22% of the budget and recover fixed operating costs through monthly customer fees, providing revenue stability regardless of usage. Capital Charges, at 8% of the budget, support long-term infrastructure needs, while Other Income (interest income, construction revenue, and miscellaneous non-routine revenue), at 6% of the budget, help offset operating costs.

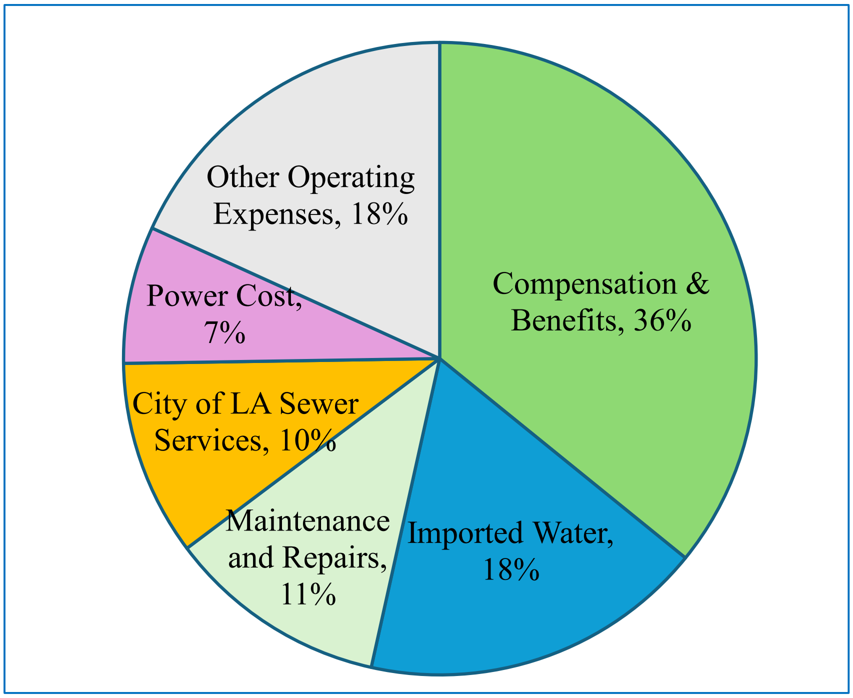


The table below provides a summary of operating budget revenue categories. Further detailed budget amounts are presented in the tables that follow.

Budget Category	Proposed FY 2027 Budget in Millions	% of Budget
Water Sales - Variable	$10.6	41%
Wastewater - User Charges	$6.1	23%
Water Sales - Fixed - Service	$5.9	22%
Water Sales - Capital Charge	$2.2	8%
Other Income	$1.5	6%
Total	**$26.3**	**100%**

Expenses

The pie chart below illustrates the distribution of the Fiscal Year 2027 operating expense budget by major cost category, excluding debt service, with total operating costs proposed at $22.7 million before debt service. As shown, total compensation (salaries and benefits) represents the largest share of the budget at 36%, reflecting the District's continued investment in a skilled and reliable workforce. The next largest expenditure category is imported water, which accounts for 18% of the budget and highlights the significant cost of securing a dependable external water supply. Maintenance and repairs expenses represent 11% of the budget, reflecting the District's ongoing focus on maintaining aging infrastructure, addressing system vulnerabilities, and ensuring the delivery of safe and reliable service to the community. Other operating expenses, at 18% of the budget, include expenses such as professional services, technology, and water quality expenses.



The table below provides a summary of the budget expense categories, summarizing the primary cost drivers within the FY 2027 budget. Detailed budget amounts are presented in the tables that follow.

Budget Category	**Proposed FY 2027 Budget in Millions**	**% of Budget** (before Debt Service)
Compensation & Benefits	$8.1	36%
Imported Water	$4.0	18%
Maintenance and Repairs	$2.6	11%
City of LA Sewer Services	$2.3	10%
Power Cost	$1.6	7%
Other Operating Expenses	$4.1	18%
Total	**$22.7**	**100%**

Proposed Consolidated Budget Summary

Below is the proposed FY 2027 consolidated budget summary and the FY 2026 budget encompassing both water and wastewater operations. Note: FY 2025 actuals and FY 2026 projections are included in tables labeled, "Consolidated Year-Over-Year Summary," on pages 35 and 36.

Consolidated	**FY 2026 Budget**	**Proposed FY 2027 Budget**	**Variance ($) from FY 2026 Budget**	**Variance (%) from FY 2026 Budget**
Revenue				
Water Sales - Fixed - Service	$5,481,000	$5,850,000	$369,000	7%
Water Sales - Capital Charge	2,045,000	2,209,000	164,000	8%
Water Sales - Variable	9,741,400	10,621,000	879,600	9%
Wastewater - User Charges	4,485,000	6,066,000	1,581,000	35%
Interest Income	310,000	630,000	320,000	103%
Construction Revenue	203,000	404,000	201,000	99%
Other Income	408,200	485,000	76,800	19%
Total Revenue	**$22,673,600**	**$26,265,000**	**$3,591,400**	**16%**
Expenses				
Labor	$4,231,900	$5,314,000	$1,082,100	26%
Benefits	1,525,300	1,692,000	166,700	11%
Pension	989,600	1,122,000	132,400	13%
Total Compensation & Benefits	**$6,746,800**	**$8,128,000**	**$1,381,200**	**20%**
Imported Water	3,570,000	4,000,000	430,000	12%
Maintenance and Repairs	1,536,600	2,557,000	1,020,400	66%
City of LA Sewer Services	1,290,500	2,269,700	979,200	76%
Power Cost	1,406,000	1,589,000	183,000	13%
Professional Services	1,091,900	1,244,000	152,100	14%
Technology	499,800	647,000	147,200	29%
Water Quality Expense	479,800	436,000	(43,800)	-9%
Vehicle Expense	180,200	231,000	50,800	28%
Other Operating Expenses	1,325,800	1,574,000	248,200	19%
Subtotal Other Operating Expenses	**11,380,600**	**14,547,700**	**3,167,100**	**28%**
Operating Expenses (before Debt Service)	**$18,127,400**	**$22,675,700**	**$4,548,300**	**25%**
Total Debt Service	**$1,157,800**	**$1,265,000**	**$107,200**	**9%**
Net Income Before Capital Expenses	**$3,388,400**	**$2,324,300**	**($1,064,100)**	**-31%**

Consolidated	FY 2026 Budget	Proposed FY 2027 Budget	Variance ($) from FY 2026 Budget	Variance (%) from FY 2026 Budget
CIP & OPEB [1]				
Pipeline	$10,750,000	$12,632,000	$1,882,000	18%
Bond Proceeds	(10,750,000)	(7,826,000)	2,924,000	-27%
All Other CIP	3,409,000	8,340,000	4,931,000	145%
Capital Outlays & Equip	810,000	3,969,000	3,159,000	390%
OPEB	0	0	0	0%
Total CIP & OPEB	**$4,219,000**	**$17,115,000**	**$12,896,000**	**306%**
Change in Reserve	**($830,600)**	**($14,790,700)**	**($13,960,100)**	**1681%**

PFAS Environmental Response Fund	**$0**	**$1,026,080**	**$1,026,080**	**0%**

Summary of Impacts on Reserve Funds-Consolidated

Reserve Fund		
	Beginning Balance*	$26,895,258
	Changes to Reserves	(14,790,700)
	Ending Balance	**12,104,558**
	Target**	$10,840,675
	Above (Below) Target	**$1,263,883**

PFAS Environmental Response Fund		
	Beginning Balance	$2,100,619
	Changes to Reserves	$1,026,080
	Ending Balance	**$3,126,699**

Bond Funds		
	Beginning Balance	$7,826,000
	Bond Proceeds used for pipeline	7,826,000
	Ending Balance	**$0**

[1] CIP is pending final board approval and contingent on a planned bond issuance.
* Fund beginning balances are based on unaudited FY 2026 projections.
** Target reserve levels are calculated using the reserve policy adopted on 7/28/2020.

Proposed Water Budget Summary

Below are the proposed FY 2027 budget summary and the FY 2026 budget for water operations.

Water	FY 2026 Budget	Proposed FY 2027 Budget	Variance ($) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Revenue				
Water Sales - Fixed - Service	$5,481,000	$5,850,000	$369,000	7%
Water Sales - Capital Charge	2,045,000	2,209,000	164,000	8%
Water Sales - Variable	9,741,400	10,621,000	879,600	9%
Interest Income	310,000	525,000	215,000	69%
Construction Revenue	199,000	400,000	201,000	101%
Other Income	345,000	387,500	42,500	12%
Total Revenue	**$18,121,400**	**$19,992,500**	**$1,871,100**	**10%**
Expenses				
Labor	$3,194,600	$4,237,998	$1,043,398	33%
Benefits	1,206,200	1,338,749	132,549	11%
Pension	769,600	869,250	99,650	13%
Total Compensation & Benefits	**$5,170,400**	**$6,445,997**	**$1,275,597**	**25%**
Imported Water	3,570,000	4,000,000	430,000	12%
Maintenance and Repairs	1,342,100	2,205,750	863,650	64%
Power Cost	1,400,000	1,580,000	180,000	13%
Professional Services	839,900	965,500	125,600	15%
Technology	392,300	511,700	119,400	30%
Water Quality Expense	479,800	436,000	(43,800)	-9%
Vehicle Expense	135,100	170,000	34,900	26%
Other Operating Expenses	1,004,800	1,216,225	211,425	21%
Subtotal Other Operating Expenses	**9,164,000**	**11,085,175**	**1,921,175**	**21%**
Operating Expenses (before Debt Service)	**$14,334,400**	**$17,531,172**	**$3,196,772**	**22%**

Water	FY 2026 Budget	Proposed FY 2027 Budget	Variance ($) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Total Debt Service	**$1,157,800**	**$1,265,000**	**$107,200**	**9%**
Net Income Before Capital Expenses	**$2,629,200**	**$1,196,328**	**($1,432,872)**	**-54%**
CIP & OPEB [(1)]				
Pipeline	$10,750,000	12,632,000	$1,882,000	18%
Bond Proceeds	(10,750,000)	(7,826,000)	2,924,000	-27%
All Other CIP	3,200,000	7,734,000	4,534,000	142%
Capital Outlays & Equip	723,750	$3,935,000	3,211,250	444%
OPEB	0	0	0	0%
Total CIP & OPEB	**$3,923,750**	**$16,475,000**	**$12,551,250**	**320%**
Change in Reserve	**($1,294,550)**	**($15,278,672)**	**($13,984,122)**	**1080%**

PFAS Environmental Response Fund	**$0**	**$1,026,080**	**$1,026,080**	**0%**

Summary of Impacts on Reserve Funds-Water

Reserve Fund	
Beginning Balance*	$23,022,129
Changes to Reserves	(15,278,672)
Ending Balance	**7,743,457**
Target**	$7,038,043
Above (Below) Target	**$705,414**

PFAS Environmental Response Fund	
Beginning Balance	$2,100,619
Changes to Reserves	$1,026,080
Ending Balance	**$3,126,699**

Bond Funds	
Beginning Balance	$7,826,000
Bond Proceeds used for pipeline	7,826,000
Ending Balance	**$0**

(1) CIP is pending final board approval and contingent on a planned bond issuance.
* Fund beginning balances are based on unaudited FY 2026 projections.
** Target reserve levels are calculated using the reserve policy adopted on 7/28/2020.

Proposed Wastewater Budget Summary

Below are the proposed FY 2027 budget summary and the FY 2026 budget for wastewater operations.

Wastewater	FY 2026 Budget	Proposed FY 2027 Budget	Variance ($) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Revenue				
Wastewater - User Charges	4,485,000	6,066,000	1,581,000	35%
Interest Income	0	105,000	105,000	0%
Construction Revenue	4,000	4,000	0	0%
Other Income	63,200	97,500	34,300	54%
Total Revenue	**$4,552,200**	**$6,272,500**	**$1,720,300**	**38%**
Expenses				
Labor	$1,037,300	$1,076,002	$38,702	4%
Benefits	319,100	353,251	34,151	11%
Pension	220,000	252,750	32,750	15%
Total Compensation & Benefits	**$1,576,400**	**$1,682,003**	**$105,603**	**7%**
Maintenance and Repairs	194,500	351,250	156,750	81%
City of LA Sewer Services	1,290,500	2,269,700	979,200	76%
Power Cost	6,000	9,000	3,000	50%
Professional Services	252,000	278,500	26,500	11%
Technology	107,500	135,300	27,800	26%
Vehicle Expense	45,100	61,000	15,900	35%
Other Operating Expenses	321,000	357,775	36,775	11%
Subtotal Other Operating Expenses	**2,216,600**	**3,462,525**	**1,245,925**	**56%**
Total Expenses	**$3,793,000**	**$5,144,528**	**$1,351,528**	**36%**
Net Income Before Capital Expenses	**$759,200**	**$1,127,972**	**$368,772**	**49%**

Wastewater	FY 2026 Budget	Proposed FY 2027 Budget	Variance ($) from FY 2026 Budget	Variance (%) from FY 2026 Budget
CIP & OPEB				
Pipeline	$0	$0	$0	0%
Bond Proceeds	0	0	0	0%
All Other CIP	209,000	606,000	397,000	190%
Capital Outlays & Equip	86,250	34,000	(52,250)	-61%
OPEB	0	0	0	0%
Total CIP & OPEB	**$295,250**	**$640,000**	**$344,750**	**117%**
Change in Reserve	**$463,950**	**$487,972**	**$24,022**	**5%**

Summary of Impacts on Reserve Funds-Wastewater

Reserve Fund		
	Beginning Balance*	$3,873,129
	Changes to Reserves	487,972
	Ending Balance	**4,361,101**
	Target**	$3,802,632
	Above (Below) Target	**$558,469**

* Fund beginning balances are based on unaudited FY 2026 projections.
** Target reserve levels are calculated using the reserve policy adopted on 7/28/2020.

Primary Budget Variance Factors

The table below provides explanations for the **primary** year-over-year budget variances. Dollars are presented in millions.

Category	FY 2026 Budget	FY 2026 Projections	Proposed FY 2027 Budget	Variance ($) from FY 2026 Budget	Variance Justification
Wastewater - User Charges	$4.5	$5.4	$6.1	$1.6	The variance is driven by a 15% rate increase, while the prior-year budget assumed a reduction in household sizes.
Water Sales - Variable	$9.7	$10.4	$10.6	$0.9	The increase is driven by the adopted year-over-year variable rate increase of 8%.
Water Sales - Fixed - Service	$5.5	$5.7	$5.9	$0.4	The increase is driven by the adopted year-over-year fixed service rate increase of 8%.
Interest Income	$0.3	$0.8	$0.6	$0.3	Interest income is projected to rise due to increased cash balances.
Primary Revenue Drivers	**$20.0**	**$22.2**	**$23.2**	**$3.1**	**Accounts for 88% of budgeted revenue.**
Total Compensation & Benefits	$6.7	$6.7	$8.1	$1.4	The increase is attributable to projected compensation, rising costs, and the proposed staffing additions.
Maintenance and Repairs	$1.5	$1.3	$2.6	$1.0	The increase is based on increases in materials and costs associated with the master plan update such as meter repairs, replacements, system upgrades, and pipeline maintenance, including the repair of a backlog of inoperable valves.
City of LA Sewer Services	$1.3	$1.3	$2.3	$1.0	The budget reflects a projected 76% year-over-year increase based on LA Sanitation billing estimates. The increase is attributed to ongoing operations and upgrades to aging sewer infrastructure, with smaller increases planned through 2030.
Imported Water	$3.6	$3.5	$4.0	$0.4	Overall rate increase for purchased water of 16%.
Power Cost	$1.4	$1.3	$1.6	$0.2	Rate increases of 13% and increased pumping levels are contributing factors.
Primary Expense Drivers	**$14.5**	**$14.1**	**$18.5**	**$4.0**	**Accounts for 88% of budgeted expenses.**

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Proposed FY 2027 Consolidated Budget Revenue – Detail

Below are the proposed FY 2027 budget detailed revenue totaling $26,265,000 for both water and wastewater operations. The amount excludes PFAS funds.

Budget Category	Account Description	Proposed FY 2027 Budget
	Water Sales - Fire Service	96,000
	Water Sales- Service Charge	5,754,000
Water Sales - Fixed - Service Total		**$5,850,000**
	Capital Charge	2,209,000
Water Sales - Capital Charge Total		**$2,209,000**
	Irrigation	513,000
	Water Sales - Consumers	10,108,000
Water Sales - Variable Total		**$10,621,000**
	Sewage Disposal Sales	6,066,000
Wastewater - User Charges Total		**$6,066,000**
	Gain/Loss on Sale of Assets	5,000
	Gain/Loss Sale of Investments	75,000
	Interest Earned - Water	250,000
	Unrealized Gain/Loss on Invest	300,000
Interest Income Total		**$630,000**
	Meter Installation/Hydrant	250,000
	Sewer Permits	4,000
	Water Systems Connect Fee	150,000
Construction Revenue Total		**$404,000**
	Gain/Loss on Sale of Assets	10,000
	Gain/Loss Sale of Investments	25,000
	Grant Revenue - State	100,000
	MTBE Settlement	500
	Other Income - Applications	10,000
	Other Income - Flood Meters	5,000
	Other Income - Misc	100,000

Budget Category	Account Description	Proposed FY 2027 Budget
	Other Income - Wastewater	5,000
	Property Owner Assessments	40,000
	Rental Income - Mills House	60,000
	Rental Income - PA House	18,500
	Rental Income - Sycamore House	30,000
	Water Sales - Others	81,000
Other Income Total		**$485,000**
Grand Total		**$26,265,000**

Proposed FY 2027 Consolidated Budget Expenses – Detail

Below are the proposed FY 2027 budget detailed expenses totaling $22,675,700 (excluding debt service and capital expenditures) for both water and wastewater operations.

Budget Category	Account Description	Proposed FY 2027 Budget
	Director Fees	$57,000
	Labor - OT	$205,000
	Labor - Regular	$4,307,000
	Standby Pay	$115,000
	Taxes - Payroll	$630,000
Labor Total		**$5,314,000**
	Automobile Allowance	$18,000
	Health Dental Vision	$923,000
	Life and Disability Insurance	$23,500
	Phone Allowance	$6,500
	Retiree Health Care Expense	$241,000
	Self Insurance	$42,000
	Sick Leave/Vacation	$323,000
	Wellness Program	$12,000
	Workers' Compensation Ins	$103,000
Benefits Total		$1,692,000
	Employer Portion of PERS	$1,122,000
Pension Total		**$1,122,000**
	Wastewater System Expense	$2,269,700
City of LA Sewer Services Total		**$2,269,700**
	Purchased Water FMWD	$3,900,000
	Purchased Water Glend Well16	$100,000
Imported Water Total		**$4,000,000**
	Backflow Expense	$5,000
	Booster Pumps - Maintenance	$90,000
	Building Maintenance	$86,000
	Emergency Operations/Repairs	$100,000
	Emergency Power Generators	$30,000
	Fire Hydrant Repair/Replace	$80,000
	Land Lease Cost Expense Well 16	$21,000
	Landscaping Expenses	$89,000

Budget Category	Account Description	Proposed FY 2027 Budget
	Meter Maintenance	$50,000
	Meter Repair/Replace/Upgrade	$301,000
	Paving	$300,000
	Pipelines - Leak Detect/Repair	$34,000
	Pipelines - Maintenance	$440,000
	Pipelines - Valves	$330,000
	Rental Expenses - Mills House	$8,000
	Rental Expenses - PA House	$8,000
	Rental Expenses - Sycamore	$20,000
	Reservoir Landscape	$40,000
	Reservoir Maintenance	$204,000
	Safety & Security	$40,000
	Sewer Camera Van Inspection	$25,000
	Sewer Flow Monitoring Expense	$74,000
	Sewer Interceptor Maintenance	$20,000
	Sewer Lift Station Maintenance	$32,000
	Well Site - Landscape	$30,000
	Well Site - Maintenance	$100,000
Maintenance and Repairs Total		**$2,557,000**
	Accounting	$19,000
	Bank Charges	$90,000
	Certifications	$14,000
	Community Outreach	$50,000
	Conferences & Seminars	$73,200
	D-Job Meters/Hydrants	$215,000
	Election Expense	$69,800
	GL, Property, Fidelity Ins	$296,000
	Memberships/Subscriptions	$81,700
	Misc - Administration	$198,000
	Office Supplies & Misc Expense	$22,000
	Permit & Assessment Fees	$10,000
	Printing Postage Stationery	$141,000
	Taxes-Property	$23,000
	Tools and Eq Maintenance	$90,000
	Training	$57,000
	Tuition Reimbursement	$10,000

Budget Category	Account Description	Proposed FY 2027 Budget
	Uniforms	$32,000
	Utilities	$65,000
	Water Conservation Expense	$5,000
	Water Conservation Rebates	$10,000
	Water Resources Misc	$2,000
	Well Site - Lease Payment	$300
Other Operating Expenses Total		**$1,574,000**
	Emergency Power Generators	$1,000
	Power Purchased	$1,588,000
Power Cost Total		**$1,589,000**
	Administrative Consultants	$831,000
	Legal	$400,000
	Legislative Advocacy	$13,000
Professional Services Total		**$1,244,000**
	Computer Software	$258,000
	Computers and Network	$158,000
	Data Communications	$59,000
	Enterprise Voice Communication	$47,000
	Telemetering & Signal System	$125,000
Technology Total		**$647,000**
	Auto/Truck Maintenance	$115,000
	Auto/Truck Maintenance-Diesel	$43,000
	Auto/Truck Maintenance-Gas	$73,000
Vehicle Expense Total		**$231,000**
	Water Qual Lab/Sampling	$230,000
	Water Qual Lab/Supplies	$6,000
	Water Treatment Expense	$200,000
Water Quality Expense Total		**$436,000**
Grand Total		**$22,675,700**

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Consolidated Year-Over-Year Summary

Below is the consolidated year-over-year summary.

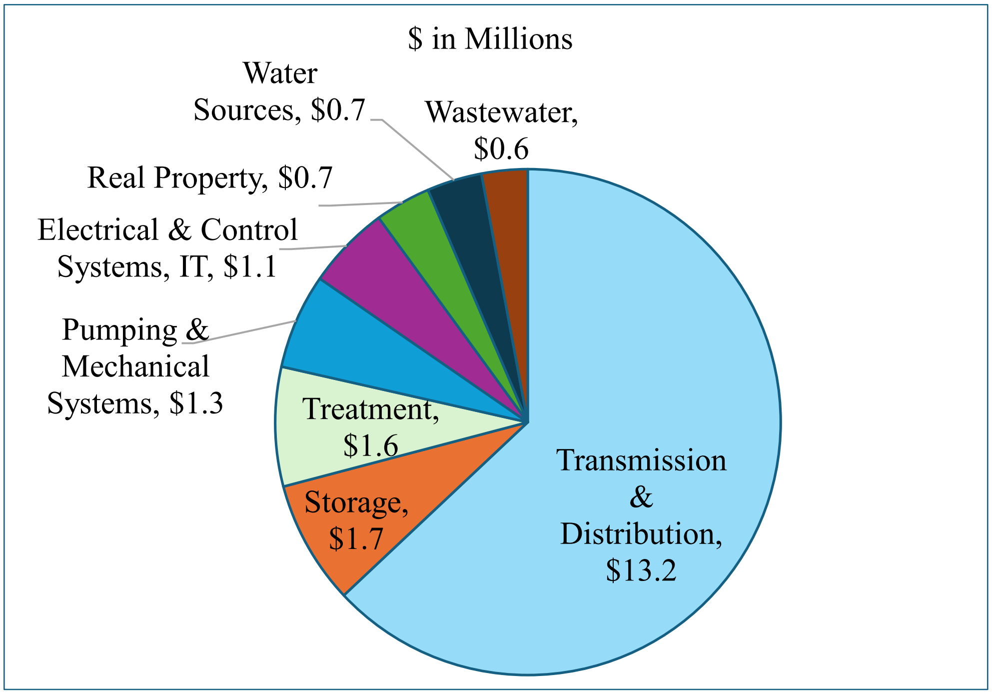
Consolidated	FY 2025 Actuals	FY 2026 Budget	FY 2026 Projections	Proposed FY 2027 Budget	Variance ($) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Revenue						
Water Sales - Fixed - Service	$4,025,719	$5,481,000	$5,663,969	$5,850,000	$369,000	7%
Water Sales - Capital Charge	1,844,931	2,045,000	2,179,365	2,209,000	164,000	8%
Water Sales - Variable	10,486,690	9,741,400	10,379,467	10,621,000	879,600	9%
Wastewater - User Charges	3,911,309	4,485,000	5,375,174	6,066,000	1,581,000	35%
Interest Income	1,204,538	310,000	783,252	630,000	320,000	103%
Construction Revenue	201,033	203,000	136,780	404,000	201,000	99%
Other Income	154,142	408,200	310,993	485,000	76,800	19%
Total Revenue	**$21,828,362**	**$22,673,600**	**$24,829,001**	**$26,265,000**	**$3,591,400**	**16%**
Expenses						
Labor	$3,443,724	$4,231,900	$5,387,525	$5,314,000	$1,082,100	26%
Benefits	1,134,575	1,525,300	429,386	1,692,000	166,700	11%
Pension	977,492	989,600	872,499	1,122,000	132,400	13%
Total Compensation & Benefits	**$5,555,790**	**$6,746,800**	**$6,689,410**	**$8,128,000**	**$1,381,200**	**20%**
Imported Water	5,465,873	3,570,000	3,528,843	4,000,000	430,000	12%
Maintenance and Repairs	1,472,792	1,536,600	1,263,042	2,557,000	1,020,400	66%
City of LA Sewer Services	1,576,764	1,290,500	1,290,500	2,269,700	979,200	76%
Power Cost	913,056	1,406,000	1,297,027	1,589,000	183,000	13%
Professional Services	985,509	1,091,900	553,836	1,244,000	152,100	14%
Technology	434,117	499,800	505,022	647,000	147,200	29%

Consolidated	FY 2025 Actuals	FY 2026 Budget	FY 2026 Projections	Proposed FY 2027 Budget	Variance ($) from FY 2026 Budget	Variance (%) from FY 2026 Budget
Water Quality Expense	457,700	479,800	280,992	436,000	(43,800)	-9%
Vehicle Expense	219,634	180,200	202,767	231,000	50,800	28%
Other Operating Expenses	1,845,891	1,325,800	1,181,105	1,574,000	248,200	19%
Subtotal Other Operating Expenses	**13,371,336**	**11,380,600**	**10,103,134**	**14,547,700**	**3,167,100**	**28%**
Operating Expenses (before Debt Service)	**$18,927,126**	**$18,127,400**	**$16,792,544**	**$22,675,700**	**$4,548,300**	**25%**
Total Debt Service	**$1,095,528**	**$1,157,800**	**$1,254,883**	**$1,265,000**	**$107,200**	**9%**
Net Income Before Capital Expenses	**$1,805,708**	**$3,388,400**	**$6,781,574**	**$2,324,300**	**($1,064,100)**	**-31%**

Capital Improvement Program Summary by Type

The proposed FY 2027 CIP totals $20,971,763 and reflects a strong emphasis on maintaining and improving critical water infrastructure. The proposed Capital outlay is presented in a section below.

The largest share of the budget is allocated to Transmission & Distribution, totaling $13,208,825, which represents the majority of planned investment. This highlights a continued priority on maintaining and upgrading pipelines, valves, and distribution systems to ensure reliability and service delivery. The pie chart below shows the CIP by category.



Other significant investments include:

- Storage: $1,660,000, supporting reservoir and storage capacity improvements.
- Treatment: $1,600,000, focused on maintaining water quality and regulatory compliance.
- Pumping & Mechanical Systems: $1,273,040, for upgrades and maintenance of pumping infrastructure.
- Electrical & Control Systems: $1,125,353, emphasizing modernization, automation, and cybersecurity improvements.

Smaller but essential allocations include:

- Real Property: $746,500 for facility-related needs.
- Water Sources: $740,000 to maintain and enhance water supply sources.
- Wastewater: $618,045 to support wastewater system reliability and performance.

Overall, the FY 2027 CIP prioritizes system reliability, regulatory compliance, and modernization, with a strong focus on sustaining core water infrastructure while incorporating targeted investments in technology and support systems.

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Category	Title	Description	Proposed FY 2027 Budget
Electrical & Control Systems, IT	Paschall MCC	Construct design changes	$557,000
Electrical & Control Systems, IT	SCADA Master Plan	Have a master plan prepared to guide upgrades, compatibility, and connectivity and band width for cameras	$200,000
Electrical & Control Systems, IT	Communication Infrastructure Upgrades – Antenna Tower.		$150,000
Electrical & Control Systems, IT	Radio Network		$142,250
Electrical & Control Systems, IT	End-User Computing Platform	Staff computing devices managed as a fleet and refreshed through planned lifecycle programs to support productivity, security, and operational needs.	$32,956
Electrical & Control Systems, IT	Networking Infrastructure	District-wide networking systems supporting connectivity, security, and performance across facilities, maintained through planned lifecycle refreshes over time.	$19,297
Electrical & Control Systems, IT	Control Hardware Level 0 Maintenance		$19,080
Electrical & Control Systems, IT	Control Hardware Level 1 Maintenance		$4,770

Category	Title	Description	Proposed FY 2027 Budget
Pumping & Mechanical Systems	Oak Creek "C"		$636,540
Pumping & Mechanical Systems	Encinal A-D	High priority A-D	$636,500
Real Property	Retrofit access road and stabilize slope at Shields Reservoir		$375,000
Real Property	HVAC	Glenwood and Engineering side of Admin office	$250,000
Real Property	Foothill Office flooring replacement (2600sf)	Flooring demo and replacement cost ~14/sf	$36,500
Real Property	Conduct seismic evaluation study of existing CVWD buildings (4 buildings)	Seismic assessment of structural elements at Foothill Office Parking structure.	$35,000
Real Property	Foothill Office Assessment (structural, ADA, asbestos)	Seismic assessment of structural elements at Foothill Office Parking structure	$25,000
Real Property	Board Room Expansion		$25,000
Storage	Eagle Canyon	Rehabilitation; start by Nov or push	$1,600,000
Storage	Well 1	Rehabilitation	$225,000
Storage	Well 12	Rehabilitation	$225,000
Storage	Dunsmore	Inspection	$20,000
Storage	Edmund #2	Inspection	$20,000
Storage	Rosemont	Inspection	$20,000

Category	Title	Description	Proposed FY 2027 Budget
Transmission & Distribution	Henrietta/Cloud (0.82 mi).		$4,021,472
Transmission & Distribution	In-house pipeline for FY 2027 for approximately 2 miles		$3,070,224
Transmission & Distribution	Foothill (1.07 mi)	One mile contracted Pipe FY 2026-28: 5,649 feet of pipeline replacement (Foothill deferred)	$2,804,729
Transmission & Distribution	Montrose (1.02 mi)	Did not include contingency	$2,735,400
Transmission & Distribution	Evaluate water systems hydraulic (model) for pressure, fire flow, impact of roof sprinklers, and storage. Analyze and audit the water distribution system, including fire hydrants, to improve resiliency and ensure fire code compliance		$200,000
Transmission & Distribution	Consultant AI assessment of pipeline lifespan remaining		$200,000
Transmission & Distribution	Conduct feasibility study for pipeline crossing of LA County Flood Control Channels		$80,000
Transmission & Distribution	Conduct feasibility study of protection of water & sewer pipeline within Caltrans Bridge Freeway crossing		$50,000

Category	Title	Description	Proposed FY 2027 Budget
Transmission & Distribution	System analysis (water & wastewater) to identify upgrades that support mitigation outreach (valves: backwater, pressure regulators, PRV, interconnect zone 3 to 2, and in-line turbine, etc		$35,000
Transmission & Distribution	Conduct feasibility study for new water storage facility and pipeline crossings of Pickens Canyon		$12,000
Treatment	PFAS /nitrate - Well 5	Design and construct treatment	$1,500,000
Treatment	Mills Forebay	Design replacement	$100,000
Wastewater	Rosemont, Briggs Crossings Condition Assessment		$252,420
Wastewater	Granada Pump Station		$228,380
Wastewater	Line Manholes		$75,000
Wastewater	Hillside Dr Lateral Backflow Preventer		$38,245
Wastewater	Sewershed Monitoring	External flow monitoring over 5 winters	$12,000
Wastewater	Conduct feasibility study for sewer bypass system for large diameter pipeline with Glendale.	Initial is temporary bypass plan for emergency deployment followed by design in 29-30	$12,000

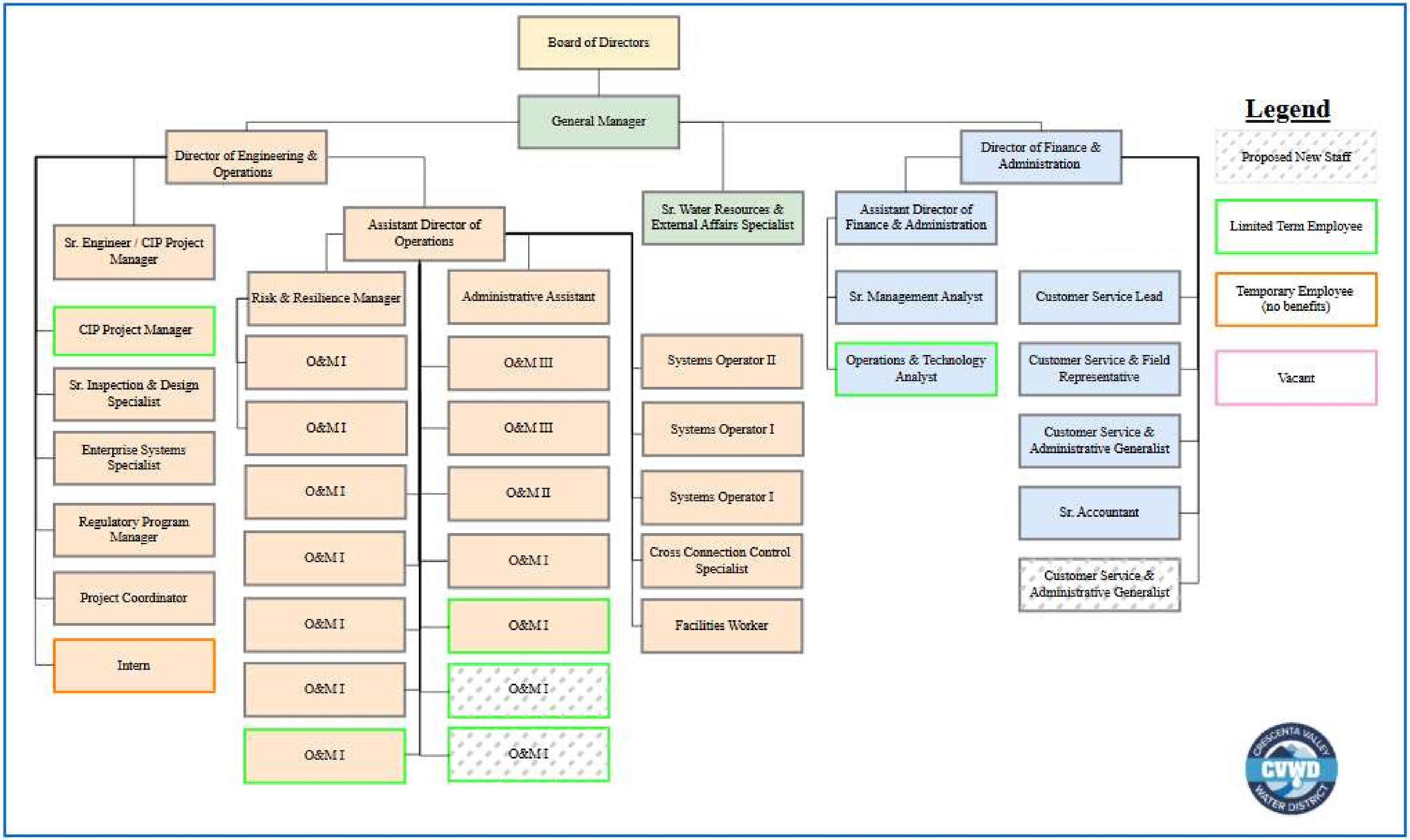
Category	Title	Description	Proposed FY 2027 Budget
Water Resources	Well Profiling	Consider utilizing Besst, or similar technology, for profiling a well to improve quality	$250,000
Water Resources	Groundwater Recharge	Small projects to improve recharge	$40,000
		Total CIP (excludes capital outlay)	**$20,971,763**

Capital Outlay

Below is the proposed FY 2027 Capital Outlay by category.

Water / Wastewater	Category	Project Name	Cost	Replacement or Addition
Water	Equipment	Smart Covers	$34,000	Addition
		Bobcat	$200,000	Addition
		Two (2) Forklifts	$90,000	Replacement
		Replace Welding Machine	$50,000	Replacement
		Replace Flow Meters	$125,000	Replacement
		Goss Tanks - Mixers for improved water quality	$60,000	Replacement
		Replace Nitrate Analyzers	$120,000	Replacement
		Various Site Improvements (Lighting)	$100,000	Addition
		Asphalt, Base and Soil Bay (Concrete Replacement)	$200,000	Replacement
		Paving at Glenwood	$20,000	Replacement
		Replace Pumps at Paschall	$350,000	Replacement
		Mills Pump A	$200,000	Replacement
		Replace Oak Creek Pumps and Outlet Piping	$650,000	Replacement
		Ordunio Overflow Pipe	$50,000	Replacement
		Leak Detection Equipment	$350,000	Addition
	Vehicle	Leak Truck	$200,000	Addition
		Valve Truck	$180,000	Replacement
		Utility Truck	$120,000	Replacement
		Utility Truck	$70,000	Replacement
	Other	Vault Lid Replacements	$250,000	Replacement
		Chlorine Generation	$400,000	Addition
		Mills Check Valve and Gate Valve Replacements	$150,000	Replacement
Wastewater		Smart Covers	$34,000	Addition
		Total	**$3,969,000**	

Organizational Chart



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Staff Count by Department

	Proposed FY 2027	FY 2026
Engineering	**7.5**	**7.5**
FTE	6	6
LTE	1	1
Intern/Temp	0.5	0.5
Operations and Maintenance	**15**	**13**
FTE	11	9
LTE	4	4
Intern/Temp	0	0
System Operations	**7**	**7**
FTE	7	7
LTE	0	0
Intern/Temp	0	0
Water Resources and Public Affairs	**1**	**1**
FTE	1	1
LTE	0	0
Intern/Temp	0	0
Finance and Administration	**10**	**9**
FTE	9	8
LTE	1	1
Intern/Temp	0	0
Total	**40.5**	**37.5**
FTE	34	31
LTE	6	6
Intern/Temp	0.5	0.5