



Yucaipa Valley Water District

12770 Second Street, Yucaipa, California 92399 Phone: (909) 797-5117

Notice and Agenda of a Meeting of the Board of Directors

Tuesday, November 18, 2025 at 4:00 p.m.

12770 Second Street, Yucaipa, California 92399

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PLEDGE OF ALLEGIANCE**
- IV. PUBLIC COMMENTS** - Members of the public may address the Board of Directors regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on an item not on the agenda unless authorized by law. Comments shall be limited to matters not listed on the agenda up to a maximum of three (3) minutes.
- V. CONSENT CALENDAR** - All consent calendar matters are routine and will be acted upon in one motion. There will be no discussion of these matters unless a board member or administrative staff member requests an item to be removed prior to the vote by the Board of Directors.
 - A. Board Meeting Minutes - October 21, 2025
 - B. Board of Directors Meeting Attendance Summary - October 2025
- VI. GENERAL COUNSEL REPORT**
- VII. STAFF REPORT**
- VIII. DISCUSSION ITEMS FOR POSSIBLE ACTION**
 - A. Receipt of the Audited Financial Statements for the Fiscal Year Ending on June 30, 2025
[[Director Memorandum No. 25-209 - Page 22 of 179](#)]
RECOMMENDED ACTION: That the Board receive and file the audited financial statements.
 - B. Presentation of the Unaudited Financial Report for the Period Ending on October 31, 2025
[[Director Memorandum No. 25-210 - Page 103 of 179](#)]
RECOMMENDED ACTION: That the Board receive and file the unaudited financial report.

Any person who requires accommodation to participate in this meeting should contact the District office at (909) 797-5117, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

Materials that are provided to the Board of Directors after the meeting packet is compiled and distributed will be made available for public review during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting materials are also available on the District's website at www.yvwd.us

- C. Consideration of the Installation of Four Variable Frequency Drive Controllers and Associated Electrical Upgrades at Lift Station No. 1 [[Director Memorandum No. 25-211 - Page 131 of 179](#)]
RECOMMENDED ACTION: That the Board: (1) authorize the General Manager to purchase four replacement variable frequency drives and associated pump wiring for a total cost not to exceed \$88,368; and (2) adopt Resolution No. 2025-73 transferring reserve funds to cover the cost of this purchase.
- D. Consideration of Professional Support Services from Dudek for Assistance with the Basin Monitoring Task Force [[Director Memorandum No. 25-212 - Page 135 of 179](#)]
RECOMMENDED ACTION: That the Board authorize the General Manager to continue the professional services agreement with Dudek for a sum not to exceed \$17,920.
- E. Consideration of an Engineering Contract for the Preparation of Digester Cleaning Specifications at the Wochholz Regional Water Recycling Facility [[Director Memorandum No. 25-213 - Page 143 of 179](#)]
RECOMMENDED ACTION: That the Board authorize the General Manager to issue a contract with Woodard & Curan for an amount not to exceed \$34,810.
- F. Notice of Completion of the Chagall Road Pipeline Project [[Director Memorandum No. 25-214 - Page 148 of 179](#)]
RECOMMENDED ACTION: That the Board: (1) authorize the General Manager to execute and file the Notice of Completion for the pipeline project on Chagall Road, Martell Avenue, and Lan Franc Road; and (2) adopt Resolution No. 2025-72 returning \$37,364 to the Infrastructure Reserves fund as a result of project savings.
- G. Status Update for the Aquifer Storage and Recovery Phase 1 Project [[Director Memorandum No. 25-215 - Page 152 of 179](#)]
RECOMMENDED ACTION: Staff presentation, no action required.
- H. Status Update for the Salinity Concentration Reduction and Minimization (SCRAM) Project [[Director Memorandum No. 25-216 - Page 157 of 179](#)]
RECOMMENDED ACTION: Staff presentation, no action required.
- I. Status Update of the R-16.2 Reservoir and Booster Pumping Project [[Director Memorandum No. 25-217 - Page 161 of 179](#)]
RECOMMENDED ACTION: Staff presentation, no action required.
- J. Authorization to Assess and Complete the Rehabilitation of Drinking Water Well No. 48 Located on Singleton Road, Calimesa [[Director Memorandum No. 25-218 - Page 167 of 179](#)]
RECOMMENDED ACTION: That the Board authorize the General Manager to contract with Layne for the assessment and rehabilitation of Well No. 48 with the final cost and fund transfer to be presented for ratification at a future meeting.

IX. BOARD REPORTS & DIRECTOR COMMENTS

X. ANNOUNCEMENTS

- A. December 2, 2025 at 4:00 p.m. - Board Meeting
- B. December 16, 2025 at 4:00 p.m. - Board Meeting
- C. ~~January 6, 2026 at 4:00 p.m. - Board Meeting - Cancelled~~
- D. January 20, 2026 at 4:00 p.m. - Board Meeting
- E. February 3, 2026 at 4:00 p.m. - Board Meeting

XI. ADJOURNMENT

Consent Calendar



Yucaipa Valley Water District

MINUTES OF A BOARD MEETING

October 21, 2025 at 4:00 pm

Director's Present:

Jay Bogh, President
Nyles O'Harra, Vice President
Greg Bogh, Treasurer
Joyce McIntire, Secretary
Brett Granlund, Director

Staff Present:

Wade Allsup, Chief Information Officer
Jennifer Ares, Resource Manager
Allison Edmisten, Chief Financial Officer
Ashley Gibson, Regulatory Compliance Manager
Dustin Hochreiter, Public Works Supervisor
Mike Kostelecky, Operations Manager
Maya Lopez, Senior Engineering Technician
Matthew Porras, Director of Engineering
Mia Preciado, Senior Engineering Technician
Mike Rivera, Public Works Manager
Charles Thomas, Operations Manager
Ryan Walton, Accountant
John Wrobel, Public Works Manager
Joseph Zoba, General Manager

Directors Absent:

None

Consulting Staff Present:

Jeremy Jungreis, Rutan & Tucker

Registered Guests and Others Present:

David Duron, Customer
Mike Esquer, San Bernardino Valley Municipal Water District
Phil Goodrich, East Valley Water District
Paul Kielhold, San Bernardino Valley Municipal Water District
Mike Plinski, San Bernardino Valley Municipal Water District
Doug Williams, Customer
Judy Woolsey, City of Yucaipa

CALL TO ORDER

The meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Director Nyles O'Harra at 4:00 p.m.

PLEDGE OF ALLEGIANCE

The meeting attendees participated in the pledge of allegiance.

ROLL CALL

Director Jay Bogh, Director Nyles O'Harra, Director Greg Bogh, Director Brett Granlund, and Director Joyce McIntire were present.

PUBLIC COMMENTS

David Duron commended Director of Engineering Matthew Porras for his time, effort, and professionalism in responding to questions about District facilities.

CONSENT CALENDAR

Director Brett Granlund moved that the Board of Directors add Item C to the consent calendar, authorizing the General Manager to send a letter of endorsement for Ron Coats of East Valley Water District to the California Special Districts Association for Southern Network, Seat C.

Director Nyles O’Harra seconded the motion to add the item to the meeting agenda.

The motion was approved by the following vote:

Director Greg Bogh - Yes
Director Brett Granlund - Yes
Director Joyce McIntire - Yes
Director Nyles O’Harra - Yes
Director Jay Bogh - Yes

The Consent Calendar consisted of the following:

- A. Board Meeting Minutes - October 7, 2025
- B. Board of Directors Meeting Attendance Summary - September 2025
- C. Letter of Endorsement for Ron Coats to the CSDA Board of Directors for the Southern Network, Seat C.

The motion to approve the Consent Calendar was made by Director Brett Granlund seconded by Director Greg Bogh, and approved by the following vote:

Director Greg Bogh - Yes
Director Brett Granlund - Yes
Director Joyce McIntire - Yes
Director Nyles O’Harra - Yes
Director Jay Bogh - Yes

GENERAL COUNSEL REPORT

None

STAFF REPORT

General Manager Joseph Zoba explained that this time of year marks the winter Public Safety Power Shutoff (PSPS) season. Data shows that the summer PSPS season is typically in July and August with the winter PSPS season in December and January. These four months represent the highest occurrence of PSPS events

in the Inland Empire. The District staff looks for these data trends so we can prepare accordingly for potential PSPS events.

General Manager Joseph Zoba and Operations Manager Mike Kostelecky presented information about the San Bernardino Valley Municipal Water District's decision to pause State Water Project (SWP) deliveries during the Christmas and New Year's holidays - creating two 36-hour outages. To continue meeting water demands during the holidays, the District must switch from using imported SWP water to relying on groundwater wells during the outage, reversing standard system operations. This transition requires careful planning to protect filtration membranes at the treatment plant - membranes must stay wet to prevent expensive damage, and this filter pickling will cost tens of thousands of dollars or even more if replacement membranes are needed. The District continues to explore creative, cost-effective, and collaborative ways to maintain reliability with solution-based planning and no service interruptions for our customers.

DISCUSSION ITEMS FOR POSSIBLE ACTION:

DM 25-204

PRESENTATION OF THE
UNAUDITED FINANCIAL
REPORT FOR THE PERIOD
ENDING ON SEPTEMBER 30,
2025

Chief Financial Officer Allison Edmisten presented the unaudited financial report for the period ending September 30, 2025, highlighting operational revenues at approximately 27% and expenditures progressing as expected near the 25% mark through one-quarter of the budget cycle. The month's significant disbursements were largely tied to WIFIA project activities, including payments to Borden for SCRAM, Lane Christensen for ASR wells, and Krieger & Stewart for ongoing project management, as well as the acquisition of a CAT315 excavator and several paving projects.

Director Nyles O'Harra moved that the Board of Directors receive and file the unaudited financial report.

Director Joyce McIntire seconded the motion.

The motion was approved by the following vote:

Director Greg Bogh - Yes
Director Brett Granlund - Yes
Director Joyce McIntire - Yes
Director Nyles O'Harra - Yes
Director Jay Bogh - Yes

DM 25-205

CONSIDERATION OF THE
PROPOSED WORKERS'
COMPENSATION INSURANCE
POLICY RENEWAL FOR 2025-
26

Chief Financial Officer Allison Edmisten discussed the renewal of the workers' compensation insurance policy for 2025-26 with the State Compensation Insurance Fund. This renewal reflects a significant improvement, with the District's experience modification factor dropping from 151% to 109%, primarily due to previous high-claim years phasing out and sustained improvements in safety practices. District payroll increased by 19% compared to last year, which slightly offset the premium reduction, yet overall, there was still a notable decrease of over \$50,000 from the prior year. The improved experience mod and favorable premium reduction are the result of robust monthly safety meetings, proactive committee reviews of incidents, and strong carrier feedback asserting the District is implementing best practices. Five insurance carriers responded to the District's solicitation, with State Fund offering the most competitive rate - representing a \$56,629, or 15%, decrease compared to 2024 premiums.

Director Brett Granlund moved that the Board of Directors authorize the General Manager to execute contracts with State Compensation Insurance Fund for workers' compensation insurance for October 31, 2025 through October 31, 2026 for an estimated amount of \$319,139.65.

Director Nyles O'Harra seconded the motion.

The motion was approved by the following vote:

Director Greg Bogh - Yes
Director Brett Granlund - Yes
Director Joyce McIntire - Yes
Director Nyles O'Harra - Yes
Director Jay Bogh - Yes

DM 25-206

STATUS UPDATE FOR THE
SALINITY AND
GROUNDWATER
ENHANCEMENT PROJECT AT
THE WOCHHOLZ REGIONAL
WATER RECYCLING FACILITY

Director of Engineering Matthew Porras presented information about the Salinity and Groundwater Enhancement (SAGE) Project at the Henry N. Wochholz Regional Water Recycling Facility in Yucaipa as it continues to progress on schedule and on budget. The SAGE Project, funded by WIFIA and other sources, will add a full advanced treatment building for desalination and production of ultra-pure recycled water, supporting the District's groundwater recharge and compliance with state regulations. Recent work has centered on foundation improvements vital for settlement control beneath the new facility, notably through a deep soil

mixing (DSM) process that uses specialized equipment to inject grout and stabilize the building site. Field activities have included precise site grading, erection of an onsite batch plant, and testing of different soil-cement mix designs. Overall, the SAGE project represents a key component of the District's broader water infrastructure initiative to develop reliable, high-quality water resources through integrated treatment and storage solutions.

No action is required from the Board at this time, as this report is for informational purposes only. The District staff will continue to keep the Board apprised of progress with progress reports at future board meetings.

DM 25-207

STATUS UPDATE OF THE
INSTALLATION OF GAS LINE
EXTENSION AND SOUTHERN
CALIFORNIA EDISON CIVIL
UPGRADES AT YUCAIPA
VALLEY REGIONAL WATER
FILTRATION FACILITY

Director of Engineering Matthew Porras presented information about the gas line extension and electrical work at the Yucaipa Valley Regional Water Filtration Facility, which is approaching the final stages, with all major installations, including electrical conduits, vaults, and the 4-inch HDPE gas line, now in place and ready for final inspection and backfill. This integrated energy project, supported by WIFIA funding, is central to the District's ongoing efforts to enhance energy resiliency and reduce operational costs by incorporating alternative power supplies such as solar arrays, battery storage, and natural gas generators. The team is targeting operational readiness by year-end with all construction activities ready for immediate closure upon approval. This milestone will mark the final element of a multi-year, multi-phase upgrade to fully integrate microgrid capabilities at the drinking water filtration facility.

No action is required from the Board at this time, as this report is for informational purposes only. The District staff will continue to keep the Board apprised of progress with progress reports at future board meetings.

DM 25-208

CONSIDERATION OF
RESOLUTION NO. 2025-71
AUTHORIZING THE
PURCHASE OF PROPERTY AT
37995 LETA DRIVE, CALIMESA
(APN 407-280-012)

Chief Financial Officer Allison Edmisten presented Resolution No. 2025-71, which authorizes the purchase of 14.45 acres of property located at 37995 Leta Drive in Calimesa for \$495,000. This acquisition is important because the District already has two water tanks situated on the property, currently accessed through an easement, and purchasing the land will secure operational access while enabling future expansion of tank facilities.

Director Joyce McIntire moved the Board: (1) authorize the Chief Financial Officer to execute the necessary

agreements and escrow documents to complete the property transaction for a sum not to exceed \$495,000; and (2) adopt Resolution No. 2025-71.

Director Nyles O'Harra seconded the motion.

The motion was approved by the following vote:

Director Greg Bogh - Yes
Director Brett Granlund - Yes
Director Joyce McIntire - Yes
Director Nyles O'Harra - Yes
Director Jay Bogh - Yes

BOARD REPORTS AND DIRECTOR COMMENTS

Director Nyles O'Harra reported on the Beaumont Cherry Valley Water District meeting held on October 8, 2025.

Director Nyles O'Harra reported on the City of Calimesa Planning Commission meeting held on October 13, 2025.

Director Brett Granlund, Director Joyce McIntire, and Director Nyles O'Harra reported on the San Gorgonio Pass Water Agency Groundbreaking Ceremony held on October 14, 2025.

Director Nyles O'Harra reported on the City of Calimesa council meeting held on October 20, 2025.

Director Joyce McIntire reported on the San Gorgonio Pass Water Agency board meeting held on October 20, 2025.

Director Brett Granlund reported on an operational discussion with Paul Kielhold from the San Bernardino Valley Municipal Water District on October 20, 2025.

Director Brett Granlund reported on the South Mountain Water Company meeting held on October 21, 2025.

Director Brett Granlund reported on the San Bernardino Valley Municipal Water District board meeting held on October 21, 2025.

ANNOUNCEMENTS

Director Jay Bogh called attention to the announcements listed on the agenda.

CLOSED SESSION

None

ADJOURNMENT

The meeting was adjourned by Director Jay Bogh at 4:45 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)

Yucaipa Valley Water District

Meeting Attendance and Reimbursement Summary - Board of Directors

October 2025

| Meeting Date | Meeting or Event | Director Greg Bogh | Director Jay Bogh | Director Brett Granlund | Director Joyce McIntire | Director Nyles O'Harra |
|------------------|---|-----------------------|----------------------|----------------------------|----------------------------|---------------------------|
| October 1, 2025 | Beaumont Basin Watermaster | -- | -- | \$265.32 | \$265.32 | -- |
| October 3, 2025 | Riverside County Water Task Force | -- | -- | -- | \$132.66 | -- |
| October 6, 2025 | City of Yucaipa - City Council Special Meeting | -- | -- | \$0.00 | -- | -- |
| October 6, 2025 | City of Calimesa - City Council Meeting | -- | -- | -- | -- | \$132.66 |
| October 6, 2025 | SGPWA Board Meeting | -- | -- | -- | \$265.32 | -- |
| October 7, 2025 | YVWD Board Meeting | \$265.32 | -- | \$265.32 | \$265.32 | \$265.32 |
| October 8, 2025 | BCVWD Board Meeting | -- | -- | -- | -- | \$132.66 |
| October 13, 2025 | Calimesa Planning Commission | -- | -- | -- | -- | \$132.66 |
| October 14, 2025 | SGPWA County Line Recharge Project Groundbreaking | -- | -- | \$265.32 | \$265.32 | \$265.32 |
| October 20, 2025 | SGPWA Board Meeting | -- | -- | -- | \$132.66 | -- |
| October 20, 2025 | Calimesa City Council Meeting | -- | -- | -- | -- | \$132.66 |
| October 21, 2025 | YVWD Board Meeting | \$265.32 | \$265.32 | \$265.32 | \$265.32 | \$265.32 |
| October 21, 2025 | South Mesa Water Company Board Meeting | -- | -- | \$0.00 | -- | -- |
| October 22, 2025 | SGMA - City of Yucaipa | -- | -- | \$265.32 | \$265.32 | \$265.32 |
| October 27, 2025 | City of Yucaipa - City Council Meeting | -- | -- | -- | -- | \$132.66 |
| October 29, 2025 | BCVWD Engineering Workshop | -- | -- | -- | -- | \$132.66 |

| Date | Other Expenses Reimbursed | | | | | |
|------|---------------------------|----|----|----|----|----|
| -- | -- | -- | -- | -- | -- | -- |

| | | | | | |
|---------------|----------|----------|------------|------------|------------|
| Total Payment | \$530.64 | \$265.32 | \$1,326.60 | \$1,857.24 | \$1,857.24 |
|---------------|----------|----------|------------|------------|------------|

General Counsel Report



Yucaipa Valley Water District

Staff Report



Yucaipa Valley Water District

Senate Bill No. 827 (2025)

Lena Gonzalez

California Senate Bill No. 827 updates and expands ethics and fiscal training requirements for local agency officials. Under existing law, specified local agency officials must complete two hours of ethics training every two years, with initial training within one year of commencing service, and agencies are required to maintain records of this training. SB 827 broadens the scope to include department heads and other similar administrative officers, and it shortens the deadline for initial ethics training to within six months for those beginning service on or after January 1, 2026. The bill also mandates that agencies post clear instructions and contact information on their websites for requesting training records.

In addition, SB 827 requires all covered local agency officials to receive at least two hours of fiscal and financial training every two years. This training covers a range of topics such as fiscal administration, budgeting, financial reporting, and the ethical management of public resources. The legislation explicitly states that its provisions address a matter of statewide concern, making them applicable to all cities, including charter cities and special districts.

Senate Bill No. 827

CHAPTER 661

An act to amend Sections 53234, 53235.1, and 53235.2 of, and to add Article 2.4.6 (commencing with Section 53238) to Chapter 2 of Part 1 of Division 2 of Title 5 of, the Government Code, relating to local government.

[Approved by Governor October 11, 2025. Filed with Secretary of State October 11, 2025.]

LEGISLATIVE COUNSEL'S DIGEST

SB 827, Gonzalez. Local agency officials: training.

Existing law imposes ethics training on specified local agency officials. Existing law requires each training to be 2 hours and requires the officials to receive each training every 2 years, and as described otherwise, with the first training within one year of commencing service. Existing law requires the local agency to maintain records of the trainings, as prescribed.

This bill would expand which local agency officials are required to complete the above-described ethics training to include department heads, or other similar administrative officers, as specified, and would instead require officials who commence service on or after January 1, 2026, to receive their initial training within 6 months of commencing service. The bill would require the local agency to post clear instructions and contact information for requesting the training records on its internet website, as specified.

This bill would additionally require all local agency officials, as defined, to receive at least 2 hours of fiscal and financial training, as described. The bill would require the training to be received at least once every 2 years, as provided. The bill would exempt from these requirements specified local agency officials if they are in compliance with existing education requirements specific to their positions.

This bill would authorize a local agency or an association of local agencies to contract with or otherwise collaborate with a provider of a training course to offer one or more training courses, or sets of self-study materials with tests, to its local agency officials to meet the training requirement, as described. The bill would require the training courses and materials to be developed in consultation with experts in local government finance, as specified. The bill would require providers of training courses to provide participants with proof of participation for purposes of complying with specified recordkeeping requirements. The bill would require a local agency to provide information on training available at least once annually. By imposing additional duties on local officials, the bill would create a state-mandated local program.

The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

The people of the State of California do enact as follows:

SECTION 1. Section 53234 of the Government Code is amended to read:

53234. For purposes of this article, the following definitions apply:

(a) “Legislative body” has the same meaning as specified in Section 54952.

(b) “Local agency” means a city, county, city and county, charter city, charter county, charter city and county, school district, county office of education, charter school, or special district.

(c) “Local agency official” means any of the following:

(1) A member of a local agency legislative body or an elected officer of a local agency who receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.

(2) A department head or other similar administrative officer of a local agency.

(A) For a local educational agency, a “department head or other similar administrative officer” means the superintendent of a school district, the county superintendent of schools, or the chief administrator of a charter school.

(B) For purposes of subparagraph (A), a “local educational agency” means a school district, county office of education, or charter school.

(3) An employee designated by a local agency governing body to receive the training specified under this article.

(4) A member of the governing board of a school district, a county board of education, or the governing body of a charter school, whether or not that member receives any type of compensation, salary, or stipend or reimbursement for actual and necessary expenses incurred in the performance of official duties.

(d) “Ethics laws” include, but are not limited to, the following:

(1) Laws relating to personal financial gain by public servants, including, but not limited to, laws prohibiting bribery and conflict-of-interest laws.

(2) Laws relating to claiming perquisites of office, including, but not limited to, gift and travel restrictions, prohibitions against the use of public

resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies.

(3) Government transparency laws, including, but not limited to, financial interest disclosure requirements and open government laws.

(4) Laws relating to fair processes, including, but not limited to, common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

SEC. 2. Section 53235.1 of the Government Code is amended to read:

53235.1. (a) Each local agency official in local agency service as of January 1, 2006, except for officials whose term of office ends before January 9, 2007, shall receive the training required by subdivision (a) of Section 53235 before January 1, 2007. Thereafter, each local agency official shall receive the training required by subdivision (a) of Section 53235 at least once every two years.

(b) (1) Except as provided in paragraph (2), each local agency official who commences service with a local agency on or after January 1, 2006, shall receive the training required by subdivision (a) of Section 53235 no later than one year from the first day of service with the local agency and each local agency official who commences service with a local agency on or after January 1, 2026, shall receive the training required by subdivision (a) of Section 53235 no later than six months from the first day of service with the local agency. Thereafter, each local agency official shall receive the training required by subdivision (a) of Section 53235 at least once every two years.

(2) Each local agency official who, as of January 1, 2025, is a member of the governing board of a school district, a county board of education, or the governing body of a charter school, except for officials whose term of office ends before January 1, 2026, shall receive the training required by paragraph (2) of subdivision (a) of Section 53235 before January 1, 2026. Thereafter, each local agency official who is a member of the governing board of a school district, a county board of education, or the governing body of a charter school shall receive the training required by paragraph (2) of subdivision (a) of Section 53235 at least once every two years.

(c) A local agency official who serves more than one local agency shall satisfy the requirements of this article once every two years without regard to the number of local agencies with which the official serves.

SEC. 3. Section 53235.2 of the Government Code is amended to read:

53235.2. (a) A local agency that provides the ethical training prescribed by this article shall maintain records indicating both of the following:

(1) The dates that local officials satisfied the requirements of this article.

(2) The entity that provided the training.

(b) Notwithstanding any other provision of law, a local agency shall maintain these records for at least five years after local officials receive the training. These records are public records subject to disclosure under the

California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1).

(c) Commencing July 1, 2026, a local agency that maintains an internet website shall post on that website clear instructions and contact information for the purpose of requesting records required by this section.

SEC. 4. Article 2.4.6 (commencing with Section 53238) is added to Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 2.4.6. Fiscal and Financial Training

53238. For purposes of this article:

(a) “Fiscal and financial training” includes, but is not limited to, training in all of the following:

(1) Laws and principles relating to financial administration and short- and long-term fiscal management, including, but not limited to, the role and responsibilities of financial administration, financial policies, municipal budgets and budget processes, and financial reporting and auditing.

(2) Laws and principles relating to, but not limited to, capital financing and debt management, mechanisms for local agency revenues, pensions and other postemployment benefits, cash management and investments, the prudent investor standard, and the ethics of safeguarding public resources.

(3) General fiscal and financial planning principles and any pertinent laws relevant to the local agency official’s public service and role in overseeing the local agency’s operations and relevant to the local agency’s procurement and contracting practices and responsibilities.

(b) “Legislative body” has the same meaning as in Section 54952.

(c) “Local agency” means a city, county, city and county, charter city, charter county, charter city and county, or special district.

(d) “Local agency official” means any of the following:

(1) Any member of a local agency legislative body or any elected officer of a local agency.

(2) Any official who is appointed by the governing body who, as part of their official duties, makes decisions or recommendations regarding financial administration, budgeting, or the use of public resources.

(3) A local agency executive, as defined in subdivision (d) of Section 3511.1, or other similar administrative officer of a local agency.

(4) An employee designated by a local agency governing body to receive the training specified under this article.

53238.1. (a) All local agency officials shall receive at least two hours of fiscal and financial training pursuant to this article.

(b) A local agency or an association of local agencies may contract with or otherwise collaborate with a provider of a training course to offer one or more training courses, or sets of self-study materials with tests, to its local agency officials to meet the requirements of this article.

(c) Training courses, or the sets of self-study materials with tests, may be taken in person or online. These courses and materials shall be developed in consultation with widely recognized experts in local government finance, including local government associations.

(d) All providers of training courses under this article shall provide participants with proof of participation to meet the requirements of Section 53238.3.

(e) A local agency shall provide information on training available to meet the requirements of this article to its local agency officials at least once annually.

53238.2. (a) Every local agency official who is in a local agency's service as of January 1, 2026, and commenced that service prior to January 1, 2026, shall receive the fiscal and financial training required by this article before January 1, 2028, unless that official's term of office ends before January 9, 2028. Thereafter, the local agency official shall receive the training at least once every two years.

(b) Every local agency official who commences service with a local agency on or after January 1, 2026, shall receive the fiscal and financial training required by this article no later than six months from the first day of service with the local agency. Thereafter, the local agency official shall receive the training at least once every two years.

(c) A local agency official who serves more than one local agency is only required to comply with the training requirements of this article once every two years, regardless of the number of local agencies the local agency official serves. However, the local agency official shall provide a copy of proof of participation to all local agencies that they serve.

53238.3. (a) A local agency that provides the fiscal and financial training required by this article shall maintain records indicating both of the following:

(1) The dates that local agency officials satisfied the requirements of this article.

(2) The entity that provided the training.

(b) Notwithstanding any other provision of law, a local agency shall maintain these records for at least five years after local agency officials receive the training. These records are public records subject to disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1).

(c) Commencing July 1, 2026, a local agency that maintains an internet website shall post on that website clear instructions and contact information for the purpose of requesting records required by this section.

53238.4. A local agency official who is in compliance with Section 26945, 26945.1, 27000.7, 27000.8, or 27000.9 is exempt from the provisions of this article.

SEC. 5. The Legislature finds and declares that the fiscal management of local governments is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, Sections 1 to 4, inclusive, of this act amending

Sections 53234, 53235.1, and 53235.2 of, and adding Article 2.4.6 (commencing with Section 53238) to Chapter 2 of Part 1 of Division 2 of Title 5 of, the Government Code apply to all cities, including charter cities.

SEC. 6. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

Discussion Items



Yucaipa Valley Water District



Date: November 18, 2025

Task: N/A

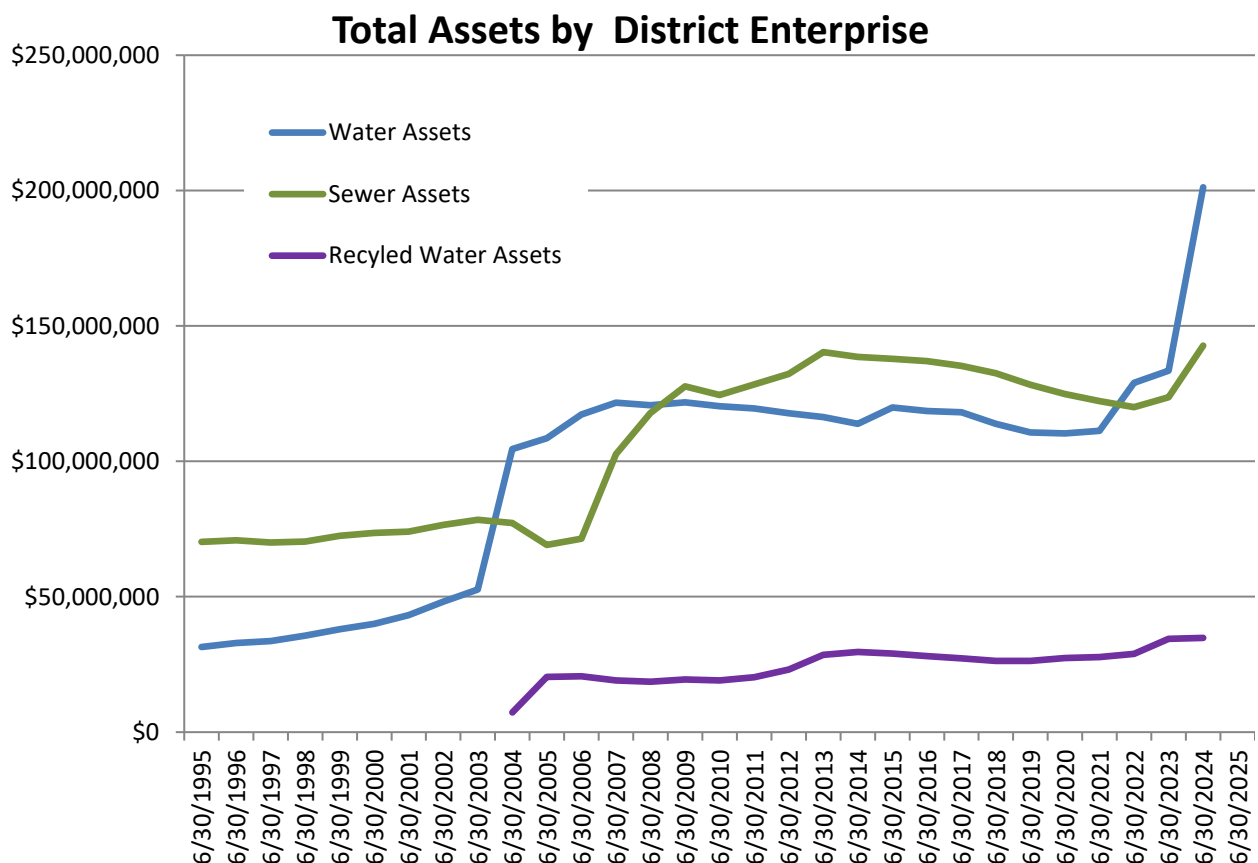
Prepared By: Allison M. Edmisten, Chief Financial Officer

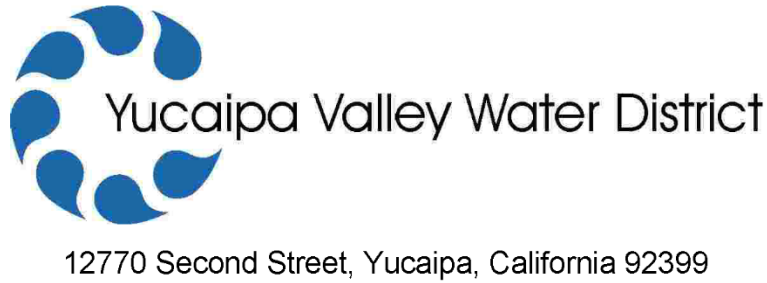
Subject: Receipt of the Audited Financial Statements for the Fiscal Year Ending on June 30, 2025

Recommendation: That the Board receive and file the audited financial statements.

The certified public accounting firm of Davis Farr, LLP has completed the financial audit for the fiscal year ending on June 30, 2025.

A representative from Davis Farr, LLP will attend the board meeting to provide an overview of the audited financial documents and answer questions about the report.





Annual Financial Statements

for the

Fiscal Year Ending June 30, 2025

Board of Directors

Greg Bogh

Division 1

Nyles O'Harra

Division 2

Jay Bogh

Division 3

Brett Granlund

Division 4

Joyce McIntire

Division 5

Financial Audit Preparation Team:

Allison M. Edmisten, Chief Financial Officer
Matthew Porras, Director of Engineering
Erin Anton, Administrative Manager
Ryan Walton, Accountant
Denise Howard, Purchasing Agent

Audited By:

Davis Farr LLP
Certified Public Accountants
18201 Von Karman, Suite 1100
Irvine, CA 92612

Date of Issuance:

October 28, 2025

**Yucaipa Valley Water District
Basic Financial Statements
Year Ended June 30, 2025**

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Yucaipa Valley Water District

12770 Second Street • Post Office Box 730 • Yucaipa, California 92399-0730
(909) 797-5117 • Fax: (909) 797-6381 • www.yvwd.us

INTRODUCTION

It is my pleasure to provide the following financial report for Yucaipa Valley Water District ("District") for the fiscal year ended on June 30, 2025. The financial report was prepared by District staff following guidelines set forth by the Governmental Accounting Standards Board.

The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the District's financial position and activities.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

This report is organized into the following sections: (1) Transmittal Letter and District Overview; (2) Management Discussion & Analysis; (3) Audited Financial Statements and (4) Required Supplementary Information. The first section provides the reader with a general overview of the District. The Management Discussion & Analysis section offers a summary of significant financial results. The Audited Financial Statements section includes the Independent Auditors' Report. The Required Supplementary section provides information and schedules to supplement the basic financial statements.

OVERVIEW OF THE DISTRICT

The Yucaipa Valley Water District is made up of a proactive group of elected officials and employees dedicated to providing reliable drinking water, recycled water and sewer service in an efficient, cost effective manner that provides a high level of customer satisfaction. On May 1, 2002, the Board of Directors adopted the following mission statement to clearly reflect the vision and principles that guide elected officials and employees of the District.

Yucaipa Valley Water District is committed to professionally managing the precious potable drinking water, sewer and recycled water resources of the Yucaipa Valley in a reliable, efficient and cost-effective manner in order to provide the finest service to our customers, both present and future.

We are entrusted to serve the public for the benefit of the community.



We believe in responsive, innovative and aggressive service, and take pride in getting the job done right the first time.

We encourage a work environment that fosters professionalism, creativity, teamwork and personal accountability.

We treat our customers and one another with fairness, dignity, respect and compassion and exhibit the utmost integrity in all we do.

We believe in enhancing the environment by following a general philosophy of eliminating waste and maximizing recycling and reuse of our natural resources.

We are committed to using the following operating principles as a guide to accomplishing our mission:

- We are proactive in our approach to issues.
- We are committed to integrity and consistently high ethical standards in all our business dealings.
- We use the strategic planning process to focus our efforts and minimize our crisis management mode.
- We make informed, rational and objective decisions.
- We aggressively pursue technological solutions to improve operations.
- We are inclusive in our decision making and delegate responsibility whenever possible.
- We design our services around customer wants and needs to the degree possible within our financial and regulatory constraints.
- We cultivate widespread commitment to common goals.

We believe our success depends on every employee knowing and sharing these values and principles.

This financial report is a reflection of the District's commitment to professionally manage the precious potable drinking water, sewer and recycled water resources and infrastructure of the Yucaipa Valley in a reliable, efficient, and cost-effective manner in order to provide the finest service to our customers, both present and future.

To meet the mission of the District, the Board of Directors and staff members continue to proactively focus on water quality issues, water supply issues, infrastructure deficiencies, maintenance of existing systems and compliance with increasingly stringent regulatory requirements.

Historical Background

The District was formed as part of reorganization, pursuant to the Reorganization Act of 1965, being Division I of Title 6 of the Government Code of the State of California. This reorganization consisted of the formation of the District, dissolution of the Calimesa Water District and formation of Improvement District No. 1 of the District as successor-in-interest, and dissolution of Improvement District "A" of the San Bernardino Valley Municipal Water District and the formation of Improvement District "A" of the District as successor-in-interest. On September 14, 1971, the Secretary



of State of the State of California certified and declared the formation of the Yucaipa Valley County Water District. The District operates under the County Water District Law, being Division 12, section 30000 of the State of California Water Code. Although the immediate function of the District was to provide water service, the District has assumed responsibility for providing recycled water and sewer service in Yucaipa Valley.

The District is located about 70 miles east of Los Angeles and 20 miles southeast of San Bernardino in the foothills of the San Bernardino Mountains and provides water, sewer, and recycled water services.

As of June 30, 2025, the District provided service to 15,645 water connections (19,742 units), 15,275 sewer connections (22,712 units) and 908 recycled water connections (1,061 units).

| Customer Type | Drinking Water Enterprise | | Sewer Enterprise | | Recycled Water Enterprise | |
|------------------|-------------------------------|----------------------------|-------------------------------|----------------------------|-------------------------------|-------------------------------|
| | Number of Service Connections | Water Service Units (WSUs) | Number of Service Connections | Sewer Service Units (SSUs) | Number of Service Connections | Recycled Service Units (RSUs) |
| Single Family | 12,795 | 12,613 | 11,193 | 11,193 | 761 | 489 |
| Multiple Units | 573 | 5,681 | 536 | 5,621 | 4 | 5 |
| Commercial | 243 | 673 | 245 | 245 | 2 | 12 |
| Institutional | 83 | 434 | 61 | 76 | 4 | 25 |
| Industrial | 11 | 29 | 2 | 2 | 1 | 33 |
| Irrigation | 108 | 303 | 5 | 5 | 122 | 483 |
| Fire Detectors | 1,823 | -- | -- | -- | -- | -- |
| Construction Wtr | 9 | 9 | -- | -- | 14 | 14 |
| Sewer Only | -- | -- | 3,233 | 5,570 | -- | -- |
| Total | 15,645 | 19,742 | 15,275 | 22,712 | 908 | 1,061 |

Land and Land Use

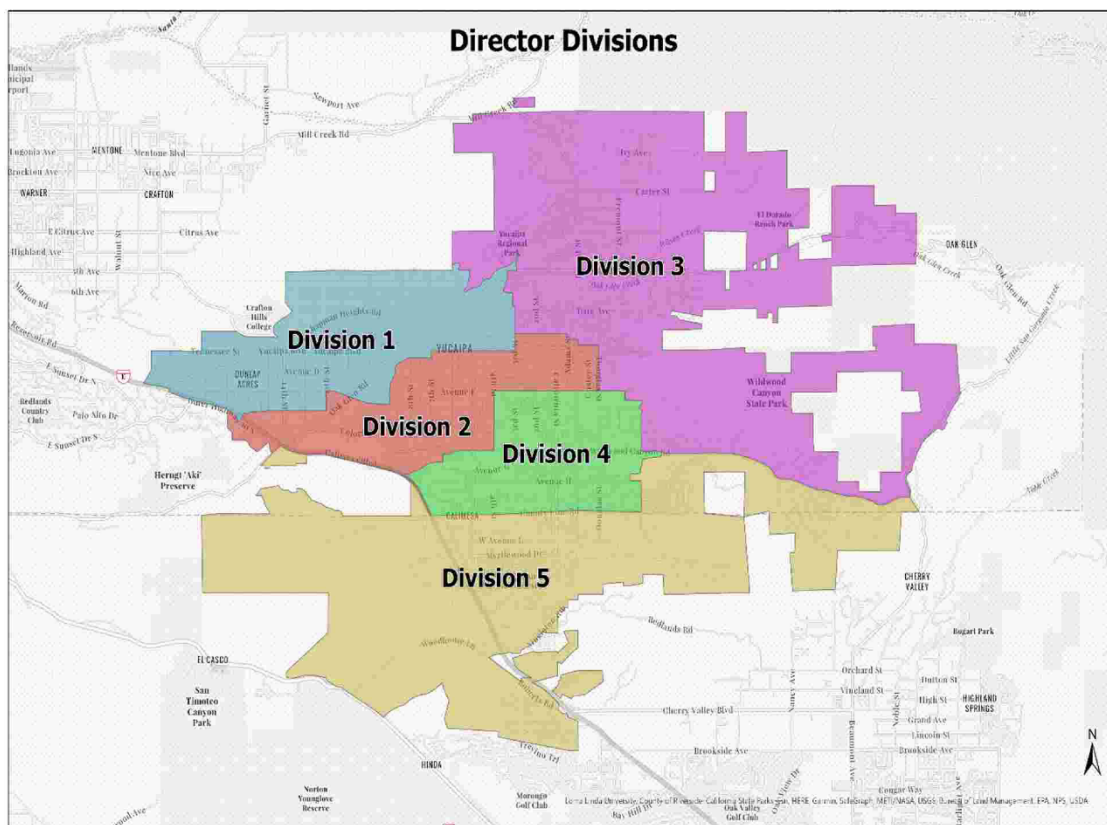
The altitude of the District rises from about 2,000 feet above sea level at the western end of the valley to about 5,000 feet at the eastern end, with average elevation of roughly 2,650 feet. The topography of the area is characterized by rolling hills separated by deeply entrenched stream beds, namely, the Yucaipa and Wilson Creeks. The District includes the incorporated cities of Yucaipa and Calimesa which are in San Bernardino and Riverside Counties respectively.

The District projects that the undeveloped land within its boundaries will continue to be developed consistent with the general plans as provided by the City of Yucaipa and the City of Calimesa. The projected population of the District in the year 2060 will be approximately 94,800, which reflects build-out of the City of Yucaipa, City of Calimesa, and the Oak Valley development. Although approximately 49.8% of the land within the boundaries of the District is currently undeveloped, less than 1% of District water sales are to agricultural water users.

Governance and Management

The District is governed by a 5-member board of directors (the "Board"), the members of which are elected from five separate divisions of the District to staggered 4-year terms. The current Board members, the expiration dates of their terms and their occupations are set forth below.

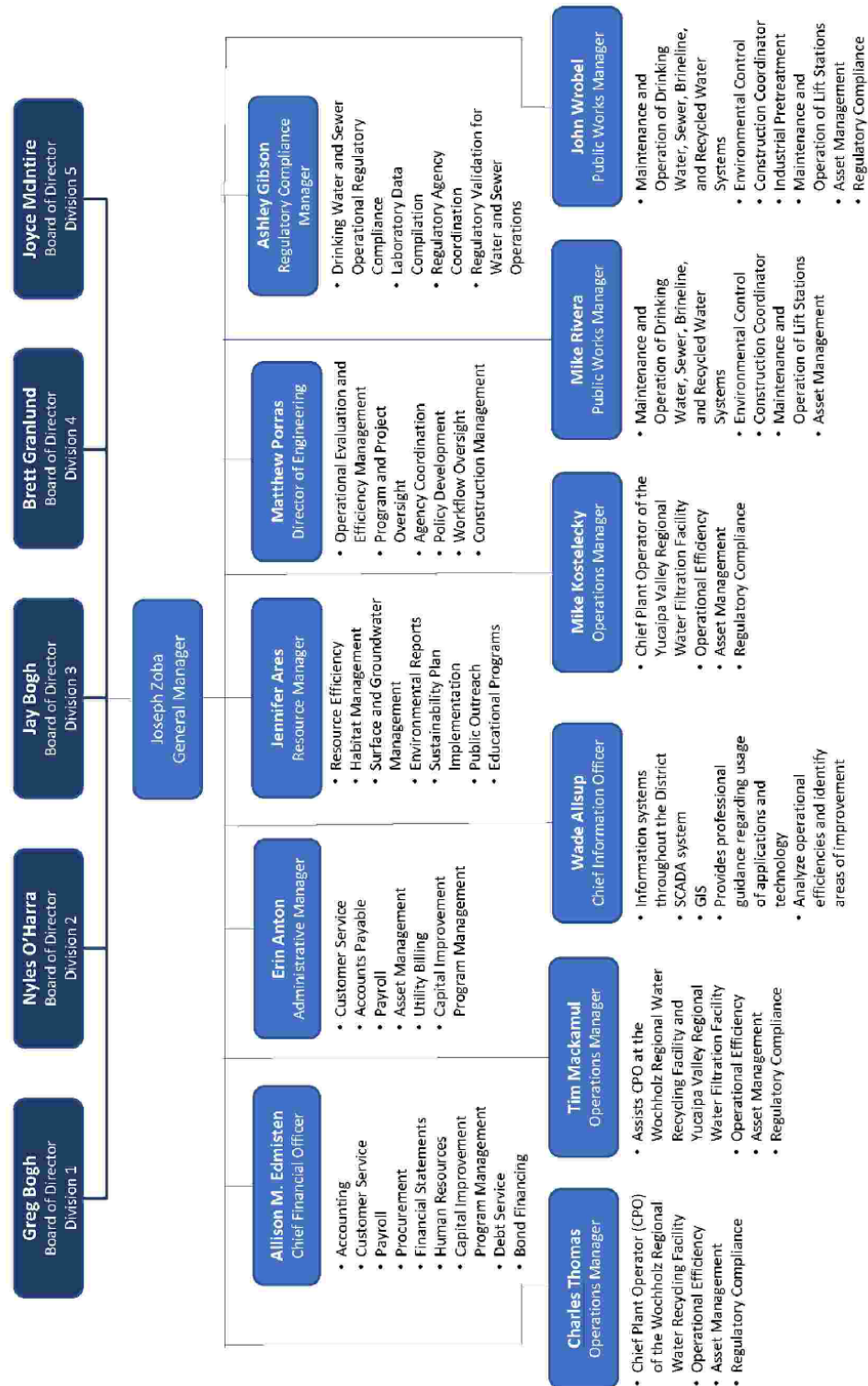
| Member of the Board of Directors | Division | Initial Date of Service | Expiration of Term | Occupation |
|----------------------------------|----------|-------------------------|--------------------|----------------------------------|
| Greg Bogh, Treasurer | One | 03/07/2023 | 2028 | Project Manager |
| Nyles O'Harra, Secretary | Two | 07/13/2021 | 2026 | Qualified Stormwater Inspector |
| Jay Bogh, Vice President | Three | 09/07/2005 | 2026 | Building Firm Manager |
| Brett Granlund, Director | Four | 05/02/2023 | 2028 | Retired Assemblymember |
| Joyce McIntire, President | Five | 12/06/2018 | 2026 | Retired School District Employee |



The following individuals have served as President of the Board since the District was created in 1971.

| Yucaipa Valley Water District Presidents of the Board | |
|--|-----------------|
| October 1971 to November 1973 | Harold Lockwood |
| December 1973 to November 1975 | Hank Wochholz |
| December 1975 to October 1977 | Geno Gasponi |
| November 1977 to November 1979 | Eve Kraft |
| December 1979 to December 1983 | Pete Squires |
| January 1984 to December 1987 | Fred Childs |
| January 1988 to November 1989 | George Sardeson |
| November 1989 to December 1991 | Hank Wochholz |
| January 1992 to November 1993 | David Lesser |
| December 1993 to December 1995 | Conrad Nelson |
| December 1995 to December 1998 | Steve Copelan |
| January 1999 to November 2002 | Conrad Nelson |
| December 2002 to December 2006 | Bruce Granlund |
| December 2006 to December 2008 | Tom Shalhoub |
| December 2008 to December 2012 | Jay Bogh |
| January 2013 to December 2014 | Bruce Granlund |
| December 2014 to December 2016 | Lonni Granlund |
| December 2016 to January 2019 | Jay Bogh |
| January 2019 to March 2023 | Chris Mann |
| March 2023 to December 2024 | Joyce McIntire |
| January 2025 to present | Jay Bogh |

Day-to-day management of the District is delegated to the General Manager who works closely with an executive team who ultimately oversee all of the District's services and functions. See below for an organizational chart of the District's management team.

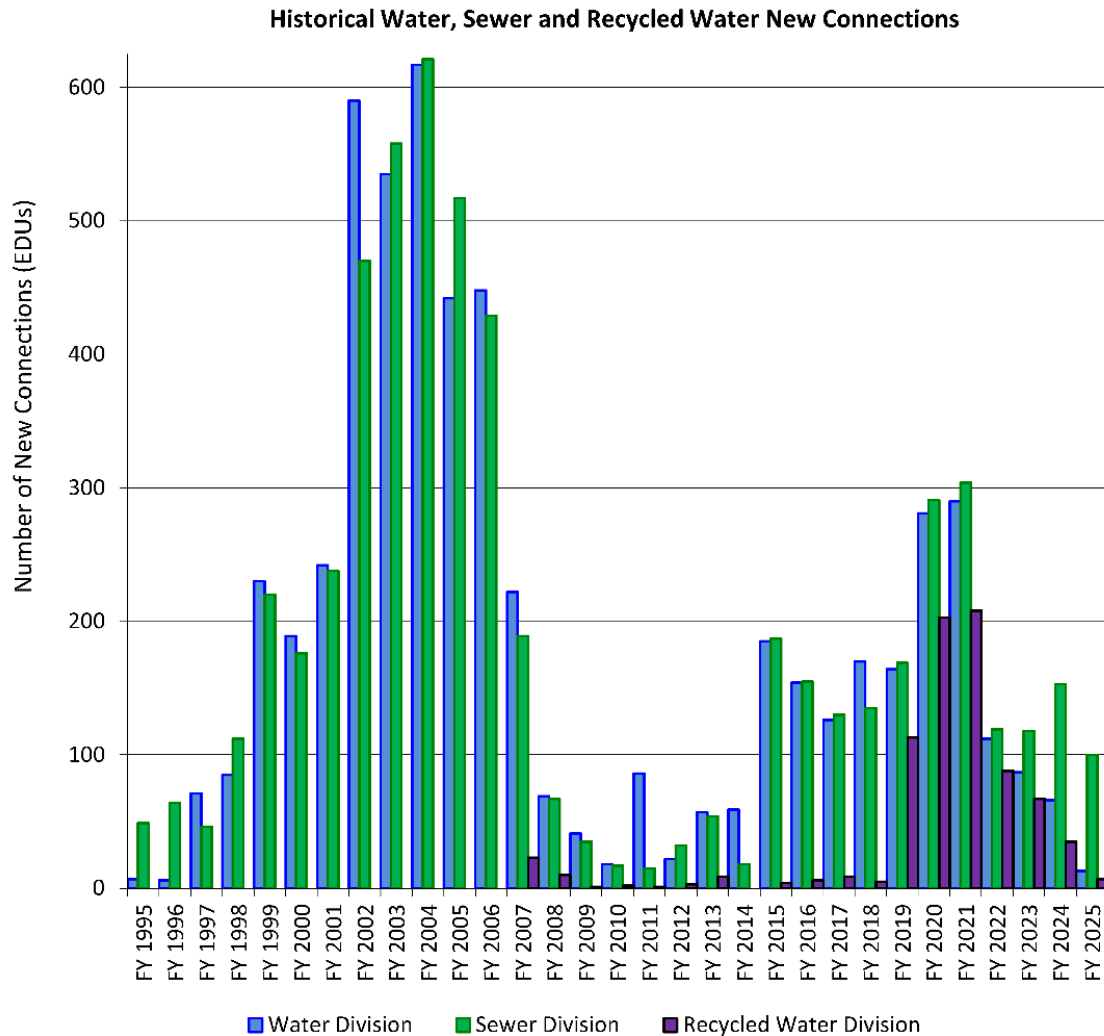


DEVELOPMENT ACTIVITY WITHIN THE DISTRICT

Facility Capacity Charges - Fiscal Year 2025

During this fiscal year, the District added 13 water connections, 100 sewer connections, and 7 recycled water connections. When compared to the development activity in the prior year, the District had 80.3% less water connections, 34.6% less sewer connections, and 80.0% less recycled water connections.

| Fiscal Year | New Water Connections | New Sewer Connections | New Recycled Water Connections |
|--------------------|------------------------------|------------------------------|---------------------------------------|
| 2009 | 41 | 35 | 1 |
| 2010 | 18 | 17 | 2 |
| 2011 | 86 | 15 | 1 |
| 2012 | 22 | 32 | 3 |
| 2013 | 57 | 54 | 9 |
| 2014 | 59 | 18 | 0 |
| 2015 | 185 | 187 | 4 |
| 2016 | 154 | 155 | 6 |
| 2017 | 126 | 130 | 9 |
| 2018 | 170 | 135 | 5 |
| 2019 | 164 | 169 | 113 |
| 2020 | 281 | 291 | 203 |
| 2021 | 290 | 304 | 208 |
| 2022 | 112 | 119 | 88 |
| 2023 | 87 | 118 | 67 |
| 2024 | 66 | 153 | 35 |
| 2025 | 13 | 100 | 7 |



MAJOR INITIATIVES AND CONTROLS

Sustainability Initiative

California's water supply continues to be a concern due to projected population increases and limited capabilities to convey water throughout the state. On August 20, 2008 the Board of Directors adopted a *Strategic Plan for a Sustainable Future - The Integration and Preservation of Resources*. The purpose of this document was to document the proactive steps taken by the Yucaipa Valley Water District to improve the social, economic and environmental sustainability of our community. These actions have included the purchase of valuable watershed properties, protection of local water supplies and management of environmental corridors. While the decisions to embark on these actions have been generally unrelated, a look back in time indicates

that the District has been progressing towards a more independent, flexible and sustainable future.

"The nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased, and not impaired in value."

- Theodore Roosevelt

The proactive steps taken by the District to protect and conserve our resources have been based on the concepts that: (1) resources are not limitless and therefore need to be conserved, nurtured and renewed; and (2) resources that are used to generate short-term gains result in an inefficient and inequitable consumption of resources that are not beneficial for a long-term strategy.

Both of these concepts help to guide the District to make decisions that are conservative, careful and conscious of the role we currently play in a long-term strategy to protect the community.

The purpose of pursuing a sustainability plan is twofold. First and foremost, the sustainability plan has been designed to establish the policies and guidelines necessary to protect and preserve the natural resources entrusted to the District for our customers. It is our business to maximize the use of our limited natural resources for the long-term economic growth and expansion of the local economy. In the arid southwest, the basic fuel to create and maintain a local economy is water. Secondly, the sustainability policy has been designed to provide a means to measure performance of the organization. While performance monitoring or benchmarking is not normally associated with sustainability, this document has been created with the intention that the goals and reporting requirements are designed around performance management across a wide range of disciplines.

"Sustainable development is . . . development that meets the needs of the present without compromising the ability of further generations to meet their own needs."

World Commission on Environment and Development, *Our Common Future*, 1987

With the use of this document the District is better equipped to:

- Identify the key challenges over the next five decades and assess the goals to overcome these challenges;
- Deal with the challenges of the future in a transparent manner involving stakeholders;
- Identify and manage risk in a reasonable and prudent manner with information, data and resources necessary to minimize the potential costs associated with certain scenarios; and
- Embark on a program to ensure that the generations that follow are provided with the necessary tools and resources to grow the community as the prior generation has done for us.

The implementation of this initiative will come about largely with the return of new development. However, the District has enacted additional measures for existing customers which largely involves the purchase of imported water to offset groundwater production by 15% beginning in January 2010.



Internal Control Structure

District management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the District are protected from loss, theft or misuse. The internal control structure also ensures adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The District's Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects. Budget adjustments are presented to the Board semi-annually for items that were not initially anticipated. The budget and reporting steps taken by the District are consistent with generally accepted accounting principles with monthly reporting of public documents for complete transparency and disclosure.

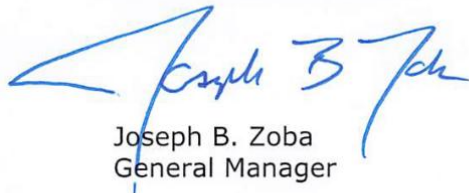
Investment Policy

The Board of Directors adopts an investment policy annually that conforms to state law, District ordinance and resolutions, and prudent money management. The District is extremely conservative in our approach to investing to maximize safety and protection of public funds.

Audit and Financial Reporting

State law and bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Davis Farr, LLP has conducted the audit of the District's financial statements. Their unmodified Independent Auditors' Report is attached.

Respectfully submitted,



Joseph B. Zoba
General Manager



Allison M. Edmisten
Chief Financial Officer



Independent Auditors' Report





Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

Independent Auditor's Report

Board of Directors
Yucaipa Valley Water District
Yucaipa, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of Yucaipa Valley Water District (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described further in Notes 4 and 11 to the financial statements, during the year ended June 30, 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. As a result, the beginning net position has been restated. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, pension and other post employment benefit schedules* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of

management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited the District's 2024 financial statements, and we expressed unmodified audit opinions on those audited financial statements in our report dated November 4, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Management is responsible for the other information included in the Annual Financial Report. The other information comprises of the *transmittal letter* but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Irvine, California
October 28, 2025

Management's Discussion & Analysis



This section of the Yucaipa Valley Water District's comprehensive annual financial report presents a discussion and analysis of the District's financial performance during the fiscal years ending June 30, 2024 and June 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the District's basic financial statements following this section.

Yucaipa Valley Water District's financial statements consist of three enterprise funds: Water fund, Sewer fund, and Recycled Water fund.

FINANCIAL HIGHLIGHTS

Based on the financial information for the fiscal year ending on June 30, 2025, the following financial highlights are noted for the Yucaipa Valley Water District.

- The District's net position increased 0.99% to \$215,243,971.
- The District's total revenues increased 18.60% to \$41,150,698.
- The District's total expenses increased 10.85% to \$43,791,901.
- The capital contributions to the District totaled \$5,015,165 for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Yucaipa Valley Water District's basic financial statements. The District's basic financial statements are comprised of three components: Financial Statements, Notes to the Financial Statements, and Required Supplementary Information.

The District's Basic Financial Statements are comprised of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows.

The *Statement of Net Position* presents information on all District assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as *Net Position*. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how Net Position changed during the fiscal year.

The *Statement of Cash Flows* presents information about the cash receipts and cash payments of the District during the fiscal year. When used with related disclosures and information in the other financial statements, the information provided in these statements should help financial report users assess the District's ability to generate future net cash flows, its ability to meet its obligations as they come due and its need for external financing. It also provides insight into the reasons for differences between operating income and associated cash receipts and payments; and the effects on the District's financial position of its cash and non-cash investing, capital and related financing transactions during the year.



Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the District's financial statements. The notes are included immediately following the financial statements within this report.

FINANCIAL ANALYSIS - STATEMENT OF NET POSITION

The following table summarizes the changes in the Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position as of June 30, 2025.

| Statement of Net Position | | | | |
|--|-----------------------|-----------------------|-----------------------|---------------|
| | 2025 | 2024 | Change | % Change |
| Assets | | | | |
| Current assets | \$ 77,052,403 | \$ 117,701,017 | \$ (40,648,614) | -34.54% |
| Noncurrent assets | 299,767,391 | 261,059,732 | 38,707,659 | 14.83% |
| Total Assets | 376,819,794 | 378,760,749 | (1,940,955) | -0.51% |
| Deferred Outflow of Resources | | | | |
| Deferred amounts related to pensions | 2,346,336 | 3,426,211 | (1,079,875) | -31.52% |
| Deferred amounts related to OPEB | 28,155 | 39,915 | (11,760) | -29.46% |
| Total Deferred Outflows | 2,374,491 | 3,466,126 | (1,091,635) | -31.49% |
| Total Assets and Deferred Outflow of Resources | 379,194,285 | 382,226,875 | (3,032,590) | -0.79% |
| Liabilities | | | | |
| Current liabilities | 92,276,180 | 8,783,894 | 83,492,286 | 950.52% |
| Long-term liabilities | 70,372,000 | 158,761,856 | (88,389,856) | -55.67% |
| Total Liabilities | 162,648,180 | 167,545,750 | (4,897,570) | -2.92% |
| Deferred Inflow of Resources | | | | |
| Deferred amounts related to pensions | 1,230,718 | 1,393,063 | (162,345) | -11.65% |
| Deferred amounts related to OPEB | 71,416 | 145,977 | (74,561) | -51.08% |
| Total Deferred Inflow of Resources | 1,302,134 | 1,539,040 | (236,906) | -15.39% |
| Net Position | | | | |
| Net Investment in capital assets | 201,067,816 | 189,967,137 | 11,100,679 | 5.84% |
| Restricted for: | | | | |
| Capital projects | 404,650 | 404,650 | - | 0.00% |
| Unrestricted | 13,771,505 | 22,770,298 | (8,998,793) | -39.52% |
| Total Net Position | 215,243,971 | 213,142,085 | 2,101,886 | 0.99% |
| Total Liabilities, Deferred Inflow and Net Position | \$ 379,194,285 | \$ 382,226,875 | \$ (3,032,590) | -0.79% |

Statement of Net Position – The District's net position increased between fiscal years 2023-24 and 2024-25, increasing from \$213,142,085 to \$215,243,971. The change can be seen in the condensed Statement of Net Position above as a \$2,101,886 increase in net position.

The decrease in current assets in both water and sewer funds is directly related to ongoing spending for various WIFIA (Water Infrastructure Finance and Innovation Act) projects, with approximately \$80 million financed via short-term notes. These notes are being used as interim funding and will be replaced by long-term WIFIA loans, which are drawn down near the end phase of construction. This approach allows the District to move projects forward while accessing favorable loan terms from WIFIA – including low interest rates that apply only to the funds drawn – thus reducing cumulative financing costs for these large infrastructure projects. Additionally, both the water and sewer funds report an increase in construction in progress, reflecting the substantial investment and activity associated with these WIFIA projects.

The increase in non-current assets is mainly due to higher construction in progress within the water, sewer and recycled water funds, along with additional water rights recorded in the sewer fund.

The increase in current liabilities due to short-term notes nearing maturity for WIFIA projects is connected to how these loans are structured. Under WIFIA regulations, the District used short-term interim financing during construction, before drawing on the long-term WIFIA funding. As the short-term notes approach their maturity, they move from long-term liabilities to current liability, increasing the latter while decreasing the former.

FINANCIAL ANALYSIS - STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following table summarizes changes in Net Position for the year ended June 30, 2025.

Statement of Revenues, Expenses and Changes in Net Position

| | 2025 | 2024 | Change | % Change |
|--|-----------------------|-----------------------|---------------------|---------------|
| Operating Revenues | | | | |
| Current services | \$ 31,681,379 | \$ 28,208,362 | \$ 3,473,017 | 12.31% |
| Other revenues | 4,579 | 19,125 | (14,546) | -76.06% |
| Total Operating Revenues | 31,685,958 | 28,227,487 | 3,458,471 | 12.25% |
| Non-Operating Revenues | | | | |
| Interest income | 4,117,580 | 1,394,555 | 2,723,025 | 195.26% |
| Property taxes | 5,268,400 | 4,959,760 | 308,640 | 6.22% |
| Other income | 78,760 | 116,277 | (37,517) | -32.27% |
| Total Non-Operating Revenues | 9,464,740 | 6,470,592 | 2,994,148 | 46.27% |
| Total Revenues | 41,150,698 | 34,698,079 | 6,452,619 | 18.60% |
| Operating Expenses | | | | |
| Salaries and employee benefits | 13,577,016 | 12,510,911 | 1,066,105 | 8.52% |
| Electrical power | 4,296,959 | 4,116,519 | 180,440 | 4.38% |
| Water purchases | 1,884,321 | 1,166,521 | 717,800 | 61.53% |
| Maintenance and repairs | 2,473,998 | 2,086,035 | 387,963 | 18.60% |
| Operating expenses | 5,871,570 | 6,693,004 | (821,434) | -12.27% |
| Operating Expenses before Depreciation | 28,103,864 | 26,572,990 | 1,530,874 | 5.76% |
| Depreciation | 10,947,563 | 10,848,582 | 98,981 | 0.91% |
| Total Operating Expenses | 39,051,427 | 37,421,572 | 1,629,855 | 4.36% |
| Non-Operating Expenses | | | | |
| Interest expense | 4,692,563 | 1,697,957 | 2,994,606 | 176.37% |
| Bond issuance costs | - | 386,174 | (386,174) | N/A |
| Loss on asset disposal | 47,911 | - | 47,911 | N/A |
| Total Non-Operating Expenses | 4,740,474 | 2,084,131 | 2,656,343 | 127.46% |
| Total Expenses | 43,791,901 | 39,505,703 | 4,286,198 | 10.85% |
| Income (Loss) Before Contributions | (2,641,203) | (4,807,624) | 2,166,421 | -45.06% |
| Contributions: | | | | |
| Capital contributions | 5,015,165 | 5,710,481 | (695,316) | -12.18% |
| Changes in Net Position | 2,373,962 | 902,857 | 1,471,105 | 162.94% |
| Net Position at Beginning of Year, as restated | 212,870,009 | 212,239,228 | 630,781 | 0.30% |
| Ending Net Position | \$ 215,243,971 | \$ 213,142,085 | \$ 2,101,886 | 0.99% |



The Statement of Revenues, Expenses and Changes in Net Position provides the nature and source of these changes. As can be seen in the preceding table, the loss before capital contributions of \$2,641,203 and capital contributions of \$5,015,165 offset the increase in Net Position of \$2,373,962 in Fiscal Year 2025.

All funds (water, sewer and recycled water) experienced an increase in revenue as a result of the approved rate study. The water and sewer funds had an increase in operating expenses due to an escalation in salaries and benefits, water purchases, maintenance and repairs and professional fees. The water fund had an increase in electrical power and a decrease in expenses related to the Crystal Creek Water Treatment plant. The sewer fund had a decrease in Brineline charges. The recycled water fund had a significant decrease in professional fees.

The water and sewer funds had an increase in investment income as a result of higher interest rates in the market. Property taxes increased in both the sewer and recycled water funds. Bond issuance costs decreased from the prior year, however the interest expense significantly increased from the prior year.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

At the end of Fiscal Year 2025, the District invested \$299,362,741 in a broad range of capital assets as shown below.

Schedule of Capital Assets

| | 2025 | 2024 | Change | % Change |
|---|-----------------------|-----------------------|----------------------|---------------|
| Capital assets not being depreciated | | | | |
| Land and easements | \$ 10,048,426 | \$ 9,735,213 | \$ 313,213 | 3.22% |
| Water rights | 14,237,915 | 9,752,018 | 4,485,897 | 46.00% |
| Construction in progress | 45,971,734 | 15,044,243 | 30,927,491 | 205.58% |
| Total capital assets not being depreciated | 70,258,075 | 34,531,474 | 35,726,601 | 103.46% |
| Capital assets being depreciated | | | | |
| Structures and improvements | 408,963,194 | 397,209,440 | 11,753,754 | 2.96% |
| Equipment | 10,425,623 | 8,820,831 | 1,604,792 | 18.19% |
| Total capital assets being depreciated | 419,388,817 | 406,030,271 | 13,358,546 | 3.29% |
| Total accumulated depreciation | (190,284,151) | (179,906,663) | (10,377,488) | 5.77% |
| Total capital assets being depreciated, net | 229,104,666 | 226,123,608 | 2,981,058 | 1.32% |
| Total Capital Assets, Net | \$ 299,362,741 | \$ 260,655,082 | \$ 38,707,659 | 14.85% |

As of June 30, 2025, land increased by \$313,213 in the Water fund due to two property purchases for potential future reservoirs. Water Rights increased in the Sewer Fund as a result of additional capacity within the Brineline. Construction in progress had an increase for all funds of \$30,927,491 as a result of multiple ongoing projects, primarily all related to WIFIA. In the water fund, the projects include the reservoir 16.2 reservoir and pipeline, the solar project at the water plant, , the SCRAM project as well as SCADA upgrades at the plant, ASR wells, which are all offset by the completion of the Crestview Drive pipeline, the



drinking water line at the Wastewater Plant, the Avenue D pipeline, the Elm Lane pipeline, Chagall Road pipeline, and the Leta Drive/Marondi Drive pipelines. In the sewer fund, the net increase in projects includes the Oak Valley Sewer Lift Stations, Force Mainlines and Gravity System, Wastewater Treatment Plant solar project and access road, SCADA upgrades, the SAGE project, Lift Station #8 design, and the Lift Station #4 construction which are offset by the completion of the sewer mainline in Colorado Street and the 24" gravity sewer main in Countyline Road. In the recycled water fund, the increase in projects includes the 12.5 reservoir, as well as the ASR wells which are offset by the completion of the Crafton Hills Recycled Water System Expansion.

Structures and Improvements increased \$11,753,754 amongst the water, sewer and recycled water funds combined. In the water fund, the addition to capital assets includes water mainlines as well as fire hydrants and meters as a result of newly completed pipelines. In the sewer fund, these additions include the sewage collection lines on Oak Glen Road and Countyline Road. In the recycled water fund, this includes the recycled water line and meter sets at Crafton Hills College.

Equipment had a net increase of \$1,604,792 primarily as a result of the purchase of new back hoes and pick-up trucks.

Additional information on the District's capital assets can be found in Note 3 of this report. Long-term obligations, including the current portion, total \$144,306,124 as of June 30, 2025, a decrease of \$5,706,676 from \$150,012,800 as of June 30, 2024. Payments were made on the 2022A Refunding Revenue Bonds, 2022B Refunding Revenue Bonds, and the 2024B Revenue Bonds.

| Schedule of Liabilities | | | | |
|--------------------------------------|-----------------------|-----------------------|-----------------------|---------------|
| | 2025 | 2024 | Change | % Change |
| 2022A Refunding Revenue Bonds | \$ 32,775,000 | \$ 33,385,000 | \$ (610,000) | -1.83% |
| 2022B Refunding Revenue Bonds | 15,385,000 | 18,775,000 | (3,390,000) | -18.06% |
| Unamortized premium 2022A | 7,337,378 | 7,612,530 | (275,152) | -3.61% |
| 2024A Interim Notes | 81,410,000 | 81,410,000 | - | N/A |
| 2024B Revenue Bonds | 5,515,000 | 5,795,000 | (280,000) | N/A |
| Unamortized premium 2024A | 1,883,746 | 3,035,270 | (1,151,524) | N/A |
| Total Revenue Bonds | 144,306,124 | 150,012,800 | (5,706,676) | -3.80% |
| State Revolving Fund Loan - Calimesa | 2,746,428 | 2,832,418 | (85,990) | -3.04% |
| Total Loans | 2,746,428 | 2,832,418 | (85,990) | -3.04% |
| Compensated absences | 2,269,714 | 2,101,948 | 167,766 | 7.98% |
| Total Long-term Liabilities | \$ 149,322,266 | \$ 154,947,166 | \$ (5,624,900) | -3.63% |

Additional information on the District's long-term obligations can be found in Note 4 of this report.



Requests for Information

This financial report is designed to provide a general overview of the financial position of the Yucaipa Valley Water District for all those with an interest in the government's finances.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Allison M. Edmisten, Chief Financial Officer at 12770 Second Street, Yucaipa, California 92399.

Financial Statements



YUCAIPA VALLEY WATER DISTRICT

Statement of Net Position

June 30, 2025

(with comparative information for prior year)

| | Water | Sewer | Recycled Water | Eliminations | 2025 | 2024 |
|--|----------------------|--------------------|-------------------|-----------------|--------------------|--------------------|
| Assets: | | | | | | |
| Current Assets: | | | | | | |
| Cash and investments (Note 2) | \$ 47,170,478 | 15,051,668 | 4,976,299 | - | 67,198,445 | 107,510,591 |
| Accounts receivable, net | 1,708,188 | 1,614,208 | 207,032 | (94,590) | 3,434,838 | 3,155,107 |
| Taxes and assessments receivable | 119,507 | - | - | - | 119,507 | 112,459 |
| Interest receivable | 163,539 | 54,513 | - | - | 218,052 | 398 |
| Grant receivable | - | - | - | - | - | 1,106,259 |
| Materials and supplies inventory | 1,765,755 | - | - | - | 1,765,755 | 1,663,428 |
| Water inventory | 2,779,073 | - | - | - | 2,779,073 | 1,656,323 |
| Prepayments and deposits | 1,163,980 | 341,622 | 31,131 | - | 1,536,733 | 2,296,452 |
| Total Current Assets | 54,870,520 | 17,062,011 | 5,214,462 | (94,590) | 77,052,403 | 117,701,017 |
| Noncurrent Assets: | | | | | | |
| Restricted investments (Note 2) | 293,146 | 111,504 | - | - | 404,650 | 404,650 |
| Capital assets not being depreciated (Note 3) | 25,974,007 | 33,377,123 | 10,906,945 | - | 70,258,075 | 34,531,474 |
| Capital assets being depreciated, net (Note 3) | 98,964,055 | 101,228,087 | 28,912,524 | - | 229,104,666 | 226,123,608 |
| Total Noncurrent Assets | 125,231,208 | 134,716,714 | 39,819,469 | - | 299,767,391 | 261,059,732 |
| Total Assets | 180,101,728 | 151,778,725 | 45,033,931 | (94,590) | 376,819,794 | 378,760,749 |
| Deferred Outflow of Resources: | | | | | | |
| Deferred amounts related to pensions (Note 6) | 1,173,168 | 915,071 | 258,097 | - | 2,346,336 | 3,426,211 |
| Deferred amounts related to OPEB (Note 7) | 20,272 | 6,194 | 1,689 | - | 28,155 | 39,915 |
| Total Deferred Outflow of Resources | 1,193,440 | 921,265 | 259,786 | - | 2,374,491 | 3,466,126 |
| Liabilities: | | | | | | |
| Current Liabilities: | | | | | | |
| Accounts payable and accrued liabilities | 1,920,660 | 1,096,644 | 123,724 | (94,590) | 3,046,438 | 2,289,333 |
| Customer deposits | 62,110 | - | - | - | 62,110 | 67,190 |
| Developer/construction deposits | 199,744 | - | - | - | 199,744 | 160,009 |
| Accrued payroll | 106,379 | 35,936 | 29,308 | - | 171,623 | 153,853 |
| Accrued interest payable | 326,609 | 350,787 | - | - | 677,396 | 705,217 |
| Current portion of long-term liabilities: | | | | | | |
| Compensated absences (Note 4) | 379,415 | 310,088 | 70,564 | - | 760,067 | 607,475 |
| OPEB liability (Note 7) | 55,362 | - | - | - | 55,362 | 55,362 |
| Revenue bonds (Note 4) | 65,694,678 | 21,521,998 | - | - | 87,216,676 | 4,659,465 |
| Loan payable (Note 4) | - | 86,764 | - | - | 86,764 | 85,990 |
| Total Current Liabilities | 68,744,957 | 23,402,217 | 223,596 | (94,590) | 92,276,180 | 8,783,894 |
| Long-Term Liabilities: | | | | | | |
| Compensated absences (Note 4) | 797,816 | 579,974 | 131,857 | - | 1,509,647 | 1,222,397 |
| Revenue bonds (Note 4) | 32,553,691 | 24,535,757 | - | - | 57,089,448 | 145,353,335 |
| Loans payable (Note 4) | - | 2,659,664 | - | - | 2,659,664 | 2,746,428 |
| Net pension liability (Note 6) | 4,366,641 | 3,405,980 | 960,661 | - | 8,733,282 | 9,045,769 |
| OPEB liability (Note 7) | 258,069 | 95,771 | 26,119 | - | 379,959 | 393,927 |
| Total Long-Term Liabilities | 37,976,217 | 31,277,146 | 1,118,637 | - | 70,372,000 | 158,761,856 |
| Total Liabilities | 106,721,174 | 54,679,363 | 1,342,233 | (94,590) | 162,648,180 | 167,545,750 |
| Deferred Inflow of Resources: | | | | | | |
| Deferred amounts related to pensions (Note 6) | 615,359 | 479,980 | 135,379 | - | 1,230,718 | 1,393,063 |
| Deferred amounts related to OPEB (Note 7) | 51,420 | 15,712 | 4,284 | - | 71,416 | 145,977 |
| Total Deferred Inflow of Resources | 666,779 | 495,692 | 139,663 | - | 1,302,134 | 1,539,040 |
| Net Position: | | | | | | |
| Net investment in capital assets | 70,253,554 | 91,269,652 | 39,544,610 | - | 201,067,816 | 189,967,137 |
| Restricted for: | | | | | | |
| Capital projects | 293,146 | 111,504 | - | - | 404,650 | 404,650 |
| Unrestricted | 3,360,515 | 6,143,779 | 4,267,211 | - | 13,771,505 | 22,770,298 |
| Total Net Position | \$ 73,907,215 | 97,524,935 | 43,811,821 | - | 215,243,971 | 213,142,085 |

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT

Statement of Revenues, Expenses and Changes in Net Position

Year ended June 30, 2025
(with comparative information for prior year)

| | Water | Sewer | Recycled Water | Eliminations | 2025 | 2024 |
|--|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Operating Revenues: | | | | | | |
| Charges for current services | \$ 16,651,591 | 14,048,910 | 1,852,709 | (871,831) | 31,681,379 | 28,208,362 |
| Interfund services provided | 154,438 | - | - | (154,438) | - | - |
| Other revenues | 617 | 3,962 | - | - | 4,579 | 19,125 |
| Total Operating Revenues | 16,806,646 | 14,052,872 | 1,852,709 | (1,026,269) | 31,685,958 | 28,227,487 |
| Operating Expenses: | | | | | | |
| Salaries and employee benefits | 6,580,441 | 5,510,611 | 1,485,964 | - | 13,577,016 | 12,510,911 |
| Electrical power | 2,357,472 | 1,740,912 | 198,575 | - | 4,296,959 | 4,116,519 |
| Water purchases | 2,078,294 | 645,760 | 32,098 | (871,831) | 1,884,321 | 1,166,521 |
| Administrative services | 643,676 | 592,451 | 49,801 | (154,438) | 1,131,490 | 1,033,196 |
| Operating supplies | 303,986 | 706,520 | 2,962 | - | 1,013,468 | 1,378,437 |
| Maintenance and repairs | 1,222,392 | 1,137,226 | 114,380 | - | 2,473,998 | 2,086,035 |
| Crystal Creek Water Treatment | 827,422 | - | - | - | 827,422 | 936,494 |
| Brineline charges | - | 180,884 | - | - | 180,884 | 453,599 |
| Depreciation | 4,552,039 | 4,955,795 | 1,439,729 | - | 10,947,563 | 10,848,582 |
| Insurance | 220,404 | 282,754 | 48,887 | - | 552,045 | 474,717 |
| Professional fees | 562,036 | 748,261 | 87,350 | - | 1,397,647 | 1,768,796 |
| Other | 260,475 | 504,220 | 3,919 | - | 768,614 | 647,765 |
| Total Operating Expenses | 19,608,637 | 17,005,394 | 3,463,665 | (1,026,269) | 39,051,427 | 37,421,572 |
| Operating Income (Loss) | (2,801,991) | (2,952,522) | (1,610,956) | - | (7,365,469) | (9,194,085) |
| Non-Operating Revenues (Expenses): | | | | | | |
| Investment income (loss) | 2,899,335 | 1,198,099 | 20,146 | - | 4,117,580 | 1,394,555 |
| Property taxes | 4,504,474 | 310,867 | 453,059 | - | 5,268,400 | 4,959,760 |
| Other income (expenses) | 75,999 | 2,761 | - | - | 76,760 | 116,277 |
| Interest expense | (3,132,030) | (1,560,533) | - | - | (4,692,563) | (1,697,957) |
| Bond issuance costs | - | - | - | - | - | (386,174) |
| Gain (Loss) on asset disposal | (48,543) | 632 | - | - | (47,911) | - |
| Total Non-Operating Revenues (Expenses) | 4,299,235 | (48,174) | 473,205 | - | 4,724,266 | 4,386,461 |
| Income (loss) before transfers | 1,497,244 | (3,000,696) | (1,137,751) | - | (2,641,203) | (4,807,624) |
| Transfers in | - | 10,428,674 | 10,302,105 | - | 20,730,779 | - |
| Transfers out | (20,730,779) | - | - | - | (20,730,779) | - |
| Total transfers | (20,730,779) | 10,428,674 | 10,302,105 | - | - | - |
| Income (Loss) Before Capital Contributions | (19,233,535) | 7,427,978 | 9,164,354 | - | (2,641,203) | (4,807,624) |
| Capital Contributions: | | | | | | |
| Capacity and other fees | 1,192,518 | 2,602,088 | 1,220,559 | - | 5,015,165 | 5,710,481 |
| Changes in Net Position | (18,041,017) | 10,030,066 | 10,384,913 | - | 2,373,962 | 902,857 |
| Net Position at Beginning of Year, as Previously Reported | 92,080,941 | 87,605,019 | 33,456,125 | - | 213,142,085 | 212,239,228 |
| Implementation of accounting principle - (Note 11) | (132,709) | (110,150) | (29,217) | - | (272,076) | - |
| Net Position at Beginning of Year, as Restated | 91,948,232 | 87,494,869 | 33,426,908 | - | 212,870,009 | 212,239,228 |
| Net Position at End of Year | \$ 73,907,215 | 97,524,935 | 43,811,821 | - | 215,243,971 | 213,142,085 |

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT**Statement of Cash Flows**

Year ended June 30, 2025
(with comparative information for prior year)

| | Water | Sewer | Recycled Water | 2025 | 2024 |
|---|----------------------|---------------------|--------------------|---------------------|--------------------|
| Cash Flows from Operating Activities: | | | | | |
| Receipts from customers | \$ 16,262,372 | 14,126,425 | 1,863,867 | 32,252,664 | 28,779,178 |
| Receipts from interfund services provided | 154,438 | - | - | 154,438 | 207,561 |
| Payments to suppliers | (7,554,884) | (6,738,771) | (747,401) | (15,041,056) | (16,732,469) |
| Employment related payments | (6,281,866) | (5,153,196) | (1,428,144) | (12,863,206) | (11,548,151) |
| Net Cash Provided by (used for) Operating Activities | 2,580,060 | 2,234,458 | (311,678) | 4,502,840 | 706,119 |
| Cash Flows from Capital and Related Financing Activities: | | | | | |
| Capital contributions | 1,375,511 | 2,604,849 | 2,259,559 | 6,239,919 | 4,688,978 |
| Cash paid for capital assets | (19,758,528) | (21,508,692) | (8,435,913) | (49,703,133) | (17,810,374) |
| Proceeds from long-term debt issuance | - | - | - | - | 87,205,000 |
| Proceeds from premium on long-term debt | - | - | - | - | 3,139,582 |
| Issuance costs on long-term debt | - | - | - | - | (386,174) |
| Proceeds from loans | - | - | - | - | 290,428 |
| Principal paid on capital debt | (3,670,000) | (695,990) | - | (4,365,990) | (4,798,846) |
| Interest paid on capital debt | (4,121,476) | (2,025,584) | - | (6,147,060) | (2,068,613) |
| Net Cash Provided by (used for) Capital and Related Financing Activities | (26,174,493) | (21,625,417) | (6,176,354) | (53,976,264) | 70,259,981 |
| Cash Flows from Non-Capital Financing Activities: | | | | | |
| Property taxes received | 4,497,426 | 310,867 | 453,059 | 5,261,352 | 4,963,417 |
| Intercompany transfers | (20,730,779) | 10,428,674 | 10,302,105 | - | - |
| Net Cash Provided by (used for) Non-Capital Financing Activities | (16,233,353) | 10,739,541 | 10,755,164 | 5,261,352 | 4,963,417 |
| Cash Flows from Investing Activities: | | | | | |
| Investment income | 2,735,995 | 1,143,785 | 20,146 | 3,899,926 | 1,510,631 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (37,091,791) | (7,507,633) | 4,287,278 | (40,312,146) | 77,440,148 |
| Cash and cash equivalents at beginning of year | 84,555,415 | 22,670,805 | 689,021 | 107,915,241 | 30,475,093 |
| Cash and cash equivalents at end of year | <u>\$ 47,463,624</u> | <u>15,163,172</u> | <u>4,976,299</u> | <u>67,603,095</u> | <u>107,915,241</u> |
| Reconciliation of Statement of Net Position: | | | | | |
| Cash and investments | \$ 47,170,478 | 15,051,668 | 4,976,299 | 67,198,445 | 107,510,591 |
| Restricted cash and investments - Noncurrent | 293,146 | 111,504 | - | 404,650 | 404,650 |
| Total Cash and Cash Equivalents | \$ 47,463,624 | 15,163,172 | 4,976,299 | 67,603,095 | 107,915,241 |

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT
Statement of Cash Flows (Continued)
Year ended June 30, 2025
(with comparative information for prior year)

| | Water | Sewer | Recycled Water | 2025 | 2024 |
|--|----------------|-------------|-------------------|-------------|-------------|
| Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities: | | | | | |
| Operating Income (loss) | \$ (2,801,991) | (2,952,522) | (1,610,956) | (7,365,469) | (9,194,085) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | | |
| Depreciation | 4,552,039 | 4,955,795 | 1,439,729 | 10,947,563 | 10,848,582 |
| Changes in assets and liabilities: | | | | | |
| Receivables, net | (384,756) | 73,553 | 11,158 | (300,045) | (333,761) |
| Material and supplies inventory | (102,327) | - | - | (102,327) | (427,859) |
| Water inventory | (922,750) | - | - | (922,750) | (743,258) |
| Prepayments and deposits | 763,513 | (1,026) | (2,768) | 759,719 | (372,515) |
| Accounts payable and accrued liabilities | 1,182,837 | (198,757) | (206,661) | 777,419 | (24,745) |
| Customer deposits | (5,080) | - | - | (5,080) | (9,000) |
| Accrued payroll | 16,227 | (7,812) | 9,355 | 17,770 | 42,026 |
| Compensated absences | 105,226 | 76,023 | (13,483) | 167,766 | 198,063 |
| Net pension liability | (246,701) | (31,412) | (34,374) | (312,487) | 717,904 |
| OPEB liability | (10,057) | (3,073) | (838) | (13,968) | (139,034) |
| Change in deferred outflows of resources related to pensions | 574,200 | 386,889 | 118,786 | 1,079,875 | 110,922 |
| Change in deferred outflows of resources related to OPEB | 8,467 | 2,587 | 706 | 11,760 | 18,190 |
| Change in deferred inflows of resources related to pensions | (95,103) | (49,384) | (17,858) | (162,345) | (41,768) |
| Change in deferred inflows of resources related to OPEB | (53,684) | (16,403) | (4,474) | (74,561) | 56,457 |
| Net Cash Provided by (used for) Operating Activities | \$ 2,580,060 | 2,234,458 | (311,678) | 4,502,840 | 706,119 |

There were no significant noncash investing and financing activities for the years ended June 30, 2025 and 2024.

See accompanying notes to the basic financial statements.

YUCAIPA VALLEY WATER DISTRICT**Statement of Fiduciary Net Position****Fiduciary Fund****June 30, 2025****(with comparative information for prior year)**

| | SCIP R-12.4 Reservoir Custodial Fund | |
|-------------------------------|---|------------------|
| | <u>2025</u> | <u>2024</u> |
| Assets: | | |
| Cash and investments (Note 2) | <u>\$ 1,512,089</u> | <u>1,439,591</u> |
| Net Position: | | |
| Restricted for Bondholders | <u>\$ 1,512,089</u> | <u>1,439,591</u> |

See accompanying notes to the basic financial statements.

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YUCAIPA VALLEY WATER DISTRICT**Statement of Changes in Fiduciary Net Position****Fiduciary Fund**

Year ended June 30, 2025
(with comparative information for prior year)

| | SCIP R-12.4 Reservoir Custodial Fund | |
|-----------------------------------|---|------------------|
| | 2025 | 2024 |
| Additions: | | |
| Tax assessments | \$ 898,694 | 2,912,403 |
| Investment income | 35,307 | 50,097 |
| Total additions | <u>934,001</u> | <u>2,962,500</u> |
| Deductions: | | |
| Administrative costs | 48,501 | 50,642 |
| Principal paid | 530,100 | 2,276,719 |
| Interest paid | <u>282,902</u> | <u>587,100</u> |
| Total deductions | <u>861,503</u> | <u>2,914,461</u> |
| Change in Net Position | 72,498 | 48,039 |
| Net Position at Beginning of Year | <u>1,439,591</u> | <u>1,391,552</u> |
| Net Position at End of Year | <u>\$ 1,512,089</u> | <u>1,439,591</u> |

See accompanying notes to the basic financial statements.

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Notes to the Financial Statements



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(1) Summary of Significant Accounting Policies

(a) Reporting Entity

Yucaipa Valley Water District (the District) is a special-purpose government district providing water distribution and sewer collection and treatment for consumers within its service area. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(b) Basis of Presentation

The District has the following major proprietary funds:

- Water – This fund accounts for the activities of the District's drinking water supply system.
- Sewer – This fund accounts for the activities of the District's sewage treatment plant, pumping stations, and collection systems.
- Recycled Water – This fund accounts for the activities of the District's recycled water supply system.

The SCIP R-12.4 Reservoir custodial fund utilizes the accrual basis of accounting for reporting its assets and liabilities. This fund is used to account for receipts and disbursements associated with Assessment District AD-14-01, which is administered by, but is not the liability of, the District.

(c) Basis of Accounting

Proprietary fund financial statements are reported using the *economic resources measurement focus* and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes apply. Property taxes are collected for the District by the Counties of San Bernardino and Riverside. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the District's enterprise funds are charges to customers for sales and services. Operating expenses include the costs of sales and services, the costs of employee benefits, maintenance of capital assets, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.



YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

The fiduciary funds are custodial in nature and use the accrual basis of accounting. The District reports custodial funds used to account for an assessment district that was formed to finance the construction and installation of a reservoir that will service properties located within the assessment district.

(d) Capital Assets

Capital assets purchased or constructed are carried at cost. Construction costs include labor and materials. Repairs, maintenance, and minor replacements of property are charged to expense. Capitalization threshold is \$5,000.

Contributed assets are stated at acquisition value at the time received by the District. Depreciation is calculated on the straight-line method over the following estimated useful lives of the assets:

| | |
|-----------------------------|---------------|
| Structures and improvements | 10 – 50 years |
| Equipment | 4 – 10 years |

(e) Inventories

Material and supplies inventory consists primarily of materials used in the construction and maintenance of the water system and is valued at the lower of cost, using the average cost method, or market. Inventory uses the consumption method whereby they are reported as an asset and expensed as they are consumed.

Water inventory consists of native groundwater and purchased water holdings in the USGS Well. Water inventory is valued at cost using the first-in/first-out (FIFO) method.

(f) Cash and Cash Equivalents

All cash and investments are held in the District's cash management pool. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Therefore, for purposes of the statement of cash flows, the District considers the entire pooled cash and investment balance to be cash and cash equivalents.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

(g) Investments

Investments are reported at fair value, which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value.

(h) Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. In determining fair value, the District's custodians use various methods including market and income approaches. Based on these approaches, the District's custodians utilize certain assumptions that market participants would use in pricing the asset or liability. The District's custodians utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Various inputs are used in determining the value of the District's investments and other financial instruments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. These inputs are summarized in the three broad levels: Level 1 – quoted prices in active markets for identical investments, Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) and Level 3 – significant unobservable inputs (including the District's own assumptions in determining the fair value of instruments).

(i) Property tax

Under California law, property taxes are assessed and collected by the counties up to one percent of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to entities based on complex formulas. The property tax calendar for San Bernardino and Riverside County is as follows:

| | |
|------------------|---------------------------|
| Lien date | January 1 |
| Levy date | July 1 |
| Due dates | November 1 and February 1 |
| Collection dates | December 10 and April 10 |

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

(j) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(k) Uncollectible Accounts

The District provides an allowance for doubtful accounts for all accounts deemed uncollectible. As of June 30, 2025, this allowance was estimated at \$7,118 in the Water Fund and \$28,500 in the Sewer Fund.

(l) Credit/Market Risk

The District provides water, sewer, and recycled water services to local residential and commercial customers. As part of normal operating practices, credit is granted to local customers, on an unsecured basis.

(m) Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

(n) Net Position

Net investment in capital assets consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets.

Restricted net position consists of those restricted assets reduced by liabilities related to those assets.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment of capital assets or the restricted component of net position.

(o) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. The following timeframes are used for pension reporting:

| | |
|--------------------|--------------------------------|
| Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2024 |
| Measurement Period | June 30, 2023 to June 30, 2024 |

(p) Other Post-Employment Benefits

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, and information about the plan (OPEB Plan), have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to the liability information within certain defined timeframes. For this report, the following timeframes are used:

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 2023 |
| Measurement Date | June 30, 2024 |
| Measurement Period | July 1, 2023 to June 30, 2024 |

(q) Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net positions that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The District has two items that qualify for reporting in this category, deferred outflows related to pensions and OPEB.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow (revenue) until that time. The District has two items that qualify for reporting in this category, deferred inflow related to pensions and OPEB.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(1) Summary of Significant Accounting Policies (Continued)

(r) Comparative Financial Statements

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles.

Accordingly, such information should be read in conjunction with the government's prior year financial statements, from which selected financial data was derived. The District has reclassified certain prior year information to conform with current year presentations.

(2) Cash and Investments

Cash and investments are classified as the accompanying financial statements as follows:

| | |
|--------------------------------------|----------------------|
| Statement of Net Position | |
| Cash and investments | \$ 67,198,445 |
| Restricted investments - non-current | 404,650 |
| Statement of Fiduciary Net Position | |
| Cash and investments | 1,512,089 |
| Total Cash and Investments | <u>\$ 69,115,184</u> |

Cash and investments as of June 30, 2025, consist of the following:

| | |
|----------------------------|----------------------|
| Cash | \$ 1,954,555 |
| Investments | <u>67,160,629</u> |
| Total Cash and Investments | <u>\$ 69,115,184</u> |

Investments Authorized by the District's Investment Policy

The table below identifies the investment types that are authorized for the Yucaipa Valley Water District by the California Government Code and the District's policy, whichever is more restricted. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the District's investment policy.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(2) Cash and Investments (Continued)

| Authorized Investments | Maximum Maturity | Percentage of Portfolio | Investment in One Issuer |
|-------------------------------------|---------------------|----------------------------|-----------------------------|
| U.S. Government Securities | 5 years | None | None |
| U.S. Treasury Obligations | 5 years | None | None |
| Bank Demands | N/A | None | None |
| Local Agency Investment Fund (LAIF) | N/A | None | \$30 million |

Investments Authorized by Debt Agreements

Investment of debt proceeds held by the bond trustee is governed by provisions of debt agreement, rather than the general provisions of the California Government Code or the District's investment policy. The table below identifies the investment types that are authorized for investment held by bond trustee. The table also identifies certain provisions of debt agreement that address interest rate risk, credit risk, and concentration of credit risk.

| Authorized Investments | Maximum Maturity | Percentage of Portfolio | Investment in One Issuer |
|-------------------------------------|---------------------|----------------------------|-----------------------------|
| U.S. Treasury Securities | None | None | None |
| U.S. Agency Securities | None | None | None |
| Municipal Bonds | None | None | None |
| Banker's Acceptances | 180 days | 40% | 30% |
| Commercial Paper | 270 days | 25% | 10% |
| Repurchase Agreements | 1 year | None | None |
| Medium Term Notes | 5 years | None | None |
| Negotiable Certificates of Deposit | None | 30% | None |
| Money Market Mutual Funds | None | 20% | 10% |
| Local Agency Investment Fund (LAIF) | None | None | None |

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2025.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(2) Cash and Investments (Continued)

| Investment Type | Total | Remaining Maturity (in Months) | |
|---------------------------|----------------------|-----------------------------------|--------------------|
| | | 12 Months or Less | 13 to 36 Months |
| U.S. Treasury Obligations | \$ 13,790,429 | 13,790,429 | - |
| Commercial Paper | 3,639,021 | 3,639,021 | - |
| Medium Term Notes | 3,377,580 | 3,377,580 | - |
| Certificate of Deposit | 1,910,124 | 1,910,124 | - |
| Asset Backed Securities | 11,851,685 | 11,851,685 | - |
| LAIF | 36,921 | 36,921 | - |
| CAMP | 31,391,666 | 31,391,666 | - |
| Money Market Funds | 1,163,203 | 1,163,203 | - |
| Total | <u>\$ 67,160,629</u> | <u>67,160,629</u> | <u>-</u> |

Credit Risk

Generally, credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by (where applicable) the California Government Code or the District's Investment Policy, or debt agreements, and the S&P ratings as of June 30, 2025 for each investment type.

The District's rating as of the year ended June 30, 2025 for each investment type are as follows:

| Investment Type | Total | Minimum Legal Rating | Exempt From Disclosure | Not Rated | AAA | AA | A |
|---------------------------|----------------------|----------------------------|------------------------------|---------------|-------------------|-------------------|------------------|
| U.S. Treasury Obligations | \$ 13,790,429 | N/A | 13,790,429 | - | - | - | - |
| Commercial Paper | 3,639,021 | A | - | - | - | 3,639,021 | - |
| Medium Term Notes | 3,377,580 | A | - | - | - | - | 3,377,580 |
| Certificate of Deposit | 1,910,124 | AA | - | - | - | 1,910,124 | - |
| Asset Backed Securities | 11,851,685 | AA | - | - | - | 11,851,685 | - |
| LAIF | 36,921 | N/A | - | 36,921 | - | - | - |
| CAMP | 31,391,666 | N/A | - | - | 31,391,666 | - | - |
| Money Market Funds | 1,163,203 | AAA | - | - | 1,163,203 | - | - |
| Total | <u>\$ 67,160,629</u> | | <u>13,790,429</u> | <u>36,921</u> | <u>32,554,869</u> | <u>17,400,830</u> | <u>3,377,580</u> |

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in possession of another party.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(2) Cash and Investments (Continued)

The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured deposits.

Fair Value Measurement

The District categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The District has the following recurring fair value measurements as of June 30, 2025:

| Investment Type | Investments not Subject to Fair Value Hierarchy | Fair Value Hierarchy | | | Total |
|---------------------------|--|----------------------|-----------|------------|------------|
| | | Level 1 | Level 2 | Level 3 | |
| U.S. Treasury Obligations | \$ - | 13,790,429 | - | - | 13,790,429 |
| Commercial Paper | - | - | 3,639,021 | - | 3,639,021 |
| Medium Term Notes | - | - | 3,377,580 | - | 3,377,580 |
| Certificate of Deposit | - | - | 1,910,124 | - | 1,910,124 |
| Asset Backed Securities | - | - | - | 11,851,685 | 11,851,685 |
| LAIF | 36,921 | - | - | - | 36,921 |
| CAMP | 31,391,666 | - | - | - | 31,391,666 |
| Money Market Funds | 1,163,203 | - | - | - | 1,163,203 |
| Total | \$ 32,591,790 | 13,790,429 | 8,926,725 | 11,851,685 | 67,160,629 |

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals to and from LAIF are transferred on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy, LAIF is based on inputs not categorized as Level 1, Level 2, or Level 3. This external pool has no limitations or restrictions on participant withdrawals.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(2) Cash and Investments (Continued)

Investment in California Asset Management Program (CAMP)

The District is a voluntary participant in CAMP, a California Joint Powers Authority that falls under California Government Code Section 53601(p). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500, et seq., or the Act) for the purpose of exercising the common power of its Participants to invest certain proceeds of debt issues and surplus funds. In accordance with Section 53601(p) of the California Government Code, CAMP's investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601. The District reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share. The Pool is required to maintain an average maturity of less than 60 days and is rated AAA by Standard & Poor's national rating agency. There are no restrictions on participant withdrawals.

(3) Capital Assets

Capital assets are as follows for the year ended June 30, 2025:

| Water Fund | Balance June 30, 2024 | Additions | Deletions | Balance June 30, 2025 |
|---|--------------------------|-------------|-------------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Land and easements | \$ 6,682,666 | 313,213 | - | 6,995,879 |
| Water rights | 497,340 | - | - | 497,340 |
| Construction in progress | 4,998,770 | 16,963,380 | (3,481,362) | 18,480,788 |
| Total capital assets not being depreciated | 12,178,776 | 17,276,593 | (3,481,362) | 25,974,007 |
| Capital assets being depreciated: | | | | |
| Structures and improvements | 162,067,129 | 4,384,498 | (450,447) | 166,001,180 |
| Equipment | 7,265,365 | 1,605,396 | (64,736) | 8,806,025 |
| Total capital assets being depreciated | 169,332,494 | 5,989,894 | (515,183) | 174,807,205 |
| Less accumulated depreciation: | | | | |
| Structures and improvements | (66,596,236) | (4,127,380) | 385,545 | (70,338,071) |
| Equipment | (5,134,918) | (424,659) | 54,498 | (5,505,079) |
| Total accumulated depreciation | (71,731,154) | (4,552,039) | 440,043 | (75,843,150) |
| Total capital assets being depreciated, net | 97,601,340 | 1,437,855 | (75,140) | 98,964,055 |
| Water Fund capital assets, net | \$ 109,780,116 | 18,714,448 | (3,556,502) | 124,938,062 |

Depreciation expense was \$4,552,039 for the year ended June 30, 2025.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(3) Capital Assets (Continued)

| Sewer Fund | Balance June 30, 2024 | Additions | Deletions | Balance June 30, 2025 |
|---|--------------------------|-------------|-------------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Land and easements | \$ 2,842,337 | - | - | 2,842,337 |
| Water rights | 9,254,678 | 4,485,897 | - | 13,740,575 |
| Construction in progress | 7,493,785 | 16,911,038 | (7,610,612) | 16,794,211 |
| Total capital assets not being depreciated | 19,590,800 | 21,396,935 | (7,610,612) | 33,377,123 |
| Capital assets being depreciated: | | | | |
| Structures and improvements | 191,106,066 | 7,723,326 | (194,489) | 198,634,903 |
| Equipment | 1,408,466 | 64,132 | - | 1,472,598 |
| Total capital assets being depreciated | 192,514,532 | 7,787,458 | (194,489) | 200,107,501 |
| Less accumulated depreciation: | | | | |
| Structures and improvements | (92,915,036) | (4,932,662) | 130,032 | (97,717,666) |
| Equipment | (1,138,615) | (23,133) | - | (1,161,748) |
| Total accumulated depreciation | (94,053,651) | (4,955,795) | 130,032 | (98,879,414) |
| Total capital assets being depreciated, net | 98,460,881 | 2,831,663 | (64,457) | 101,228,087 |
| Sewer Fund capital assets, net | \$ 118,051,681 | 24,228,598 | (7,675,069) | 134,605,210 |

Depreciation expense was \$4,955,795 for the year ended June 30, 2025.

| Recycled Water Fund | Balance June 30, 2024 | Additions | Deletions | Balance June 30, 2025 |
|---|--------------------------|-------------|-----------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Land and easements | \$ 210,210 | - | - | 210,210 |
| Construction in progress | 2,551,688 | 8,426,002 | (280,955) | 10,696,735 |
| Total capital assets not being depreciated | 2,761,898 | 8,426,002 | (280,955) | 10,906,945 |
| Capital assets being depreciated: | | | | |
| Structures and improvements | 44,036,245 | 290,866 | - | 44,327,111 |
| Equipment | 147,000 | - | - | 147,000 |
| Total capital assets being depreciated | 44,183,245 | 290,866 | - | 44,474,111 |
| Less accumulated depreciation: | | | | |
| Structures and improvements | (13,974,858) | (1,439,729) | - | (15,414,587) |
| Equipment | (147,000) | - | - | (147,000) |
| Total accumulated depreciation | (14,121,858) | (1,439,729) | - | (15,561,587) |
| Total capital assets being depreciated, net | 30,061,387 | (1,148,863) | - | 28,912,524 |
| Recycled Water Fund capital assets, net | \$ 32,823,285 | 7,277,139 | (280,955) | 39,819,469 |

Depreciation expense was \$1,439,729 for the year ended June 30, 2025.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(4) Changes in Long-Term Liabilities

A summary of changes in long-term liabilities balances for the fiscal year ended June 30, 2025 are as follows:

| | Balance June 30, 2024 | Additions | Deletions | Balance June 30, 2025 | Due Within One Year |
|-------------------------------|--------------------------|----------------|--------------------|--------------------------|------------------------|
| 2022A Refunding Revenue Bonds | \$ 33,385,000 | - | (610,000) | 32,775,000 | 645,000 |
| 2022B Refunding Revenue Bonds | 18,775,000 | - | (3,390,000) | 15,385,000 | 3,455,000 |
| Unamortized premium 2022A | 7,612,530 | - | (275,152) | 7,337,378 | 275,152 |
| 2024A Interim Notes | 81,410,000 | - | - | 81,410,000 | 81,410,000 |
| 2024B Revenue Bonds | 5,795,000 | - | (280,000) | 5,515,000 | 280,000 |
| Unamortized premium 2024A | 3,035,270 | - | (1,151,524) | 1,883,746 | 1,151,524 |
| Total Revenue Bonds | <u>150,012,800</u> | <u>-</u> | <u>(5,706,676)</u> | <u>144,306,124</u> | <u>87,216,676</u> |
| Calimesa Recycled Water Line | <u>2,832,418</u> | <u>-</u> | <u>(85,990)</u> | <u>2,746,428</u> | <u>86,764</u> |
| Total Loans | <u>2,832,418</u> | <u>-</u> | <u>(85,990)</u> | <u>2,746,428</u> | <u>86,764</u> |
| Compensated absences* | <u>2,101,948</u> | <u>167,766</u> | <u>-</u> | <u>2,269,714</u> | <u>760,067</u> |
| Total Long-term Liabilities | <u>\$ 154,947,166</u> | <u>167,766</u> | <u>(5,792,666)</u> | <u>149,322,266</u> | <u>88,063,507</u> |

* Compensated absences as of June 30, 2024 was restated as a result of the implementation of Governmental Accounting Standards Board (GASB) Statement No. 101 Compensated Absences.

The change in compensated absences liability is presented as a net change under GASB 101

Refunding Revenue Bonds Series 2022A and 2022B

In 2022, the District sold refunding revenue bonds in the amount of \$34,685,000 and \$25,400,000 to refund the 2015A Certificates of Participation, to pay delivery costs of the certificates, and pay certain outstanding contracts with the California State Water Resources Control Board. The Refunding Bonds began maturing on February 1, 2022 with semi-annual interest payments due March 1 and September 1. The 2022A bonds have various interest rates from 4.00 to 5.00 percent. Principal payments are due annually September 1 at various amounts from \$510,000 to \$3,505,000. The final principal payment of the certificates is scheduled for September 1, 2051. The 2022B bonds have various interest rates from 1.23 to 2.55 percent. Principal payments are due annually September 1 at various amounts from \$1,105,000 to \$3,695,000. The final principal payment of the 2022B certificates is scheduled for September 1, 2029. The bonds are subject to optional redemption as a whole or in part on any date in order of maturity as directed by the District.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(4) Changes in Long-Term Liabilities (Continued)

Maturities of the revenue refunding bonds are as follows:

| Fiscal Year Ending | 2022 Refunding Revenue Bonds Series A | | |
|--------------------|---------------------------------------|------------|------------|
| | Principal | Interest | Total |
| 2026 | \$ 645,000 | 1,557,575 | 2,202,575 |
| 2027 | 680,000 | 1,524,450 | 2,204,450 |
| 2028 | 715,000 | 1,489,575 | 2,204,575 |
| 2029 | 750,000 | 1,452,950 | 2,202,950 |
| 2030 | 3,505,000 | 1,346,575 | 4,851,575 |
| 2031-2035 | 14,010,000 | 4,613,250 | 18,623,250 |
| 2036-2040 | 2,770,000 | 2,524,250 | 5,294,250 |
| 2041-2045 | 3,435,000 | 1,855,325 | 5,290,325 |
| 2046-2050 | 4,255,000 | 1,038,350 | 5,293,350 |
| 2051-2052 | 2,010,000 | 101,750 | 2,111,750 |
| Total | \$ 32,775,000 | 17,504,050 | 50,279,050 |

| Fiscal Year Ending | 2022 Refunding Revenue Bonds Series B | | |
|--------------------|---------------------------------------|----------|------------|
| | Principal | Interest | Total |
| 2026 | \$ 3,455,000 | 313,698 | 3,768,698 |
| 2027 | 3,525,000 | 239,858 | 3,764,858 |
| 2028 | 3,605,000 | 159,982 | 3,764,982 |
| 2029 | 3,695,000 | 73,441 | 3,768,441 |
| 2030 | 1,105,000 | 14,089 | 1,119,089 |
| Total | \$ 15,385,000 | 801,069 | 16,186,069 |

Interim Notes and Revenue Bonds Series 2024A and 2024B

In 2024, the District sold interim notes and revenue bonds in the amount of \$81,410,000 and \$5,795,000 to finance the acquisition of capital improvements and to pay delivery costs of the certificates. The Interim Notes began maturing on May 1, 2024 with semi-annual interest payments due December 1 and June 1. The 2024A notes have an interest rate of 5.00 percent. The only principal payment of the certificates is scheduled on June 1, 2026. The Revenue Bonds began maturing on May 1, 2024 with semi-annual interest payments due December 1 and June 1. The 2024B bonds have an interest rate of 5.00 percent. Principal payments are due annually June 1 at various amounts from \$280,000 to \$530,000. The final principal payment of the 2024B certificates is scheduled for June 1, 2039. The bonds are subject to optional redemption as a whole or in part on any date in order of maturity as directed by the District.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(4) Changes in Long-Term Liabilities (Continued)

Maturities of the interim notes and revenue bonds are as follows:

| Fiscal Year Ending | 2024 Interim Notes Series A | | |
|--------------------|-----------------------------|------------------|-------------------|
| | Principal | Interest | Total |
| 2026 | \$ 81,410,000 | 4,070,500 | 85,480,500 |
| | <u>\$ 81,410,000</u> | <u>4,070,500</u> | <u>85,480,500</u> |

| Fiscal Year Ending | 2024 Revenue Bonds Series B | | |
|--------------------|-----------------------------|------------------|------------------|
| | Principal | Interest | Total |
| 2026 | \$ 280,000 | 275,750 | 555,750 |
| 2027 | 295,000 | 261,750 | 556,750 |
| 2028 | 310,000 | 247,000 | 557,000 |
| 2029 | 325,000 | 231,500 | 556,500 |
| 2030 | 345,000 | 215,250 | 560,250 |
| 2031- 2035 | 1,985,000 | 800,750 | 2,785,750 |
| 2036- 2039 | <u>1,975,000</u> | <u>252,750</u> | <u>2,227,750</u> |
| | <u>\$ 5,515,000</u> | <u>2,284,750</u> | <u>7,799,750</u> |

State Revolving Fund Loan – Calimesa Recycled Water Line

In February 2022, the District entered into a loan agreement (Calimesa Recycled Water Line) with the State of California Water Resources Control Board (SWRCB) to provide the funding for Recycled Water Fund projects. The District received the amount of \$2,635,386. The loan accrues interest at a rate of 0.9 percent annually on amounts drawn. Repayment will be made in 30 annual installments. The first payment occurred in December 2023.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(4) Changes in Long-Term Liabilities (Continued)

Maturities of the State Revolving Fund Loan are as follows:

| Fiscal Year Ending | State Revolving Fund Loan - Calimesa Recycled Water Line | | |
|--------------------|--|----------|-----------|
| | Principal | Interest | Total |
| 2026 | \$ 86,764 | 24,740 | 111,504 |
| 2027 | 87,544 | 23,959 | 111,503 |
| 2028 | 88,333 | 23,172 | 111,505 |
| 2029 | 89,128 | 22,376 | 111,504 |
| 2030 | 89,930 | 21,575 | 111,505 |
| 2031-2035 | 461,937 | 95,586 | 557,523 |
| 2036-2040 | 483,100 | 74,420 | 557,520 |
| 2041-2045 | 505,235 | 52,286 | 557,521 |
| 2046-2050 | 528,383 | 29,138 | 557,521 |
| 2051-2053 | 326,074 | 5,932 | 332,006 |
| Total | \$ 2,746,428 | 373,184 | 3,119,612 |

(5) Revenue Pledged

Refunding Revenue Bonds Series 2022A and 2022B

The District has pledged future water and sewer fund revenues, net of specified operating expenses, to repay \$60,085,000 in refunding revenue bonds (2022 bonds) as disclosed in Note 4. Net revenues are defined as operating income, less specified operating expenses, plus specified non-operating income. Net revenues are anticipated to equal at least 120 percent of annual principal and interest payments.

The total principal and interest remaining to be paid on the 2022 bonds is \$66,465,119. Principal and interest paid for the current year were \$5,967,213, and total net revenues were \$11,774,976. For the state revolving fund loans recorded in the Sewer Fund, the District has pledged all revenues and amounts legally available to repay the loans.

Interim Notes and Revenue Bonds Series 2024A and 2024B

The District has pledged future water and sewer fund revenues, net of specified operating expenses, to repay \$87,205,000 in interim notes and revenue bonds (2024 bonds) as disclosed in Note 4. Net revenues are defined as operating income, less specified operating expenses, plus specified non-operating income. Net revenues are anticipated to equal at least 120 percent of annual principal and interest payments.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(5) Revenue Pledged (Continued)

The total principal and interest remaining to be paid on the 2024A and B debt is \$93,280,250. Principal and interest paid for the current year was \$4,434,349. For the state revolving fund loans recorded in the Sewer Fund, the District has pledged all revenues and amounts legally available to repay the loans.

(6) Defined Benefit Pension Plan

General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan ("Plan"), a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System ("CalPERS").

Benefit provisions under the Plan are established by State statute and may be amended by the District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information. These reports can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law ("PERL"), the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plans' authority to establish and amend the benefit terms are set by the PERL and PEPRA and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(6) Defined Benefit Pension Plan (Continued)

The Plan's provisions and benefits in effect at June 30, 2025 are summarized as follows:

| | Miscellaneous Plans | |
|---|-----------------------------|--------------------------------|
| | Classic Tier 1 | PEPRA Tier 2 |
| | Prior to January 1, 2013 | On or after January 1, 2013 |
| Hire date | | |
| Benefit formula | 2% @ 60 | 2% @ 62 |
| Benefit vesting schedule | 5 years of service | 5 years of service |
| Benefits payments | monthly for life | monthly for life |
| Retirement age | 60 | 62 |
| Monthly benefits, as a % of eligible compensation | 2.000% | 2.000% |
| Required employee contribution rates | 6.930% | 7.750% |
| Required employer contribution rates | 10.710% | 7.870% |

Members covered by Benefit Terms

At June 30, 2023 (Valuation Date), the following members were covered by the benefit terms:

| Plan Members | Miscellaneous Plans | | Total |
|------------------------------------|---------------------|-----------------|-------|
| | Classic Tier 1 | PEPRA Tier 2 | |
| Active members | 24 | 42 | 66 |
| Transferred and terminated members | 37 | 14 | 51 |
| Retired members and beneficiaries | 63 | - | 63 |
| Total plan members | 124 | 56 | 180 |

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements are classified as plan member contributions.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(6) Defined Benefit Pension Plan (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2024 (the measurement date) the total pension liability was determined by the June 30, 2023 valuation. The June 30, 2024 pension liability was based on the following actuarial methods and assumptions.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

| | |
|----------------------------------|--|
| Actuarial Cost Method | Entry Age Normal in accordance with the requirement of GASB Statement No. 68 |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table | Derived using CalPERS' Membership Data for all Funds. |
| Post Retirement Benefit Increase | Contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies |

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(6) Defined Benefit Pension Plan (Continued)

The expected real rates of return by asset class are as follows:

| Asset Class ¹ | Assumed Asset Allocation | Real Return ^{1,2} |
|----------------------------------|-----------------------------|-------------------------------|
| Global Equity - Cap-weighted | 30.00% | 4.54% |
| Global Equity - Non-Cap weighted | 12.00% | 3.84% |
| Private Equity | 13.00% | 7.28% |
| Treasury | 5.00% | 0.27% |
| Mortgage-backed Securities | 5.00% | 0.50% |
| Investment Grade Corporates | 10.00% | 1.56% |
| High Yield | 5.00% | 2.27% |
| Emerging Market Debt | 5.00% | 2.48% |
| Private Debt | 5.00% | 3.57% |
| Real Assets | 15.00% | 3.21% |
| Leverage | -5.00% | -0.59% |
| | 100.00% | |

¹An expected inflation of 2.30% used for this period.

²Figures are based on the 2021-22 Asset Liability Management study.

Allocation of Net Pension Liability and Pension Expense to Individual Employers

The following table shows the District's proportionate share of the net pension liability over the measurement period.

The proportion of the net pension liability was based on a projection of the District's long term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for the plan as of June 30, 2024 and 2025 was as follows:

| | Total Pension Liability (a) | Increase (Decrease) Plan Fiduciary Net Position (b) | Net Pension Liability (c) = (a) - (b) |
|----------------------------|-----------------------------------|--|---|
| Balance at June 30, 2024 | \$ 42,304,873 | 33,259,104 | 9,045,769 |
| Balance at June 30, 2025 | 45,076,207 | 36,342,925 | 8,733,282 |
| Net changes during 2024-25 | \$ 2,771,334 | 3,083,821 | (312,487) |

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(6) Defined Benefit Pension Plan (Continued)

| | Percentage Share of Risk Pool | | Change Increase/ (Decrease) |
|-------------------------|--|--|-----------------------------------|
| | Fiscal Year Ending June 30, 2025 | Fiscal Year Ending June 30, 2024 | |
| | June 30, 2024 | June 30, 2023 | |
| Measurement Date | | | |
| Percentage of Risk Pool | | | |
| Net Pension Liability | 0.18057% | 0.18090% | -0.00033% |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount that is one percentage-point lower (5.90 percent) or one percentage point higher (7.90 percent) than the current rate:

| Plan Type | Plan's Net Pension Liability | | |
|--------------------|--------------------------------|-----------------------------------|--------------------------------|
| | Discount Rate - 1% 5.90% | Current Discount Rate 6.90% | Discount Rate + 1% 7.90% |
| | | | |
| Miscellaneous Plan | \$ 14,815,882 | 8,733,282 | 3,726,405 |

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net pension are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(6) Defined Benefit Pension Plan (Continued)

The amortization period differs depending on the source of the gain or loss:

| | |
|--|--|
| Net difference between projected and actual earnings | 5-year straight-line amortization |
| All other amounts | Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period. |

Deferred outflows of resources and deferred inflows of resources relating to Differences Between Expected and Actual Experience, Changes of Assumptions and employer-specific amounts should be amortized over the EARSLS of members provided with pensions through the Plan. The EARSLS for the Plan for the measurement date ending June 30, 2024 is 3.8 years, which was obtained by dividing the total service years of 630,177 (the sum of remaining service lifetimes of the active employees) by 166,163 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to zero. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2025, the District recognized pension expense of \$1,304,468 for the Plan. As of June 30, 2025, the District reports deferred outflows of resources and deferred inflows of resources related to pensions as follows:

| Account Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Pension contributions made after the measurement date | \$ 699,425 | - |
| Changes of assumptions | 224,465 | - |
| Differences between expected and actual experience | 755,072 | 29,462 |
| Differences between projected and actual earnings on pension plan investments | 502,764 | - |
| Proportionate share of contributions | - | 1,201,256 |
| Change in employer's proportion | 164,610 | - |
| Total Deferred Outflows/(Inflows) of Resources | <u>\$ 2,346,336</u> | <u>1,230,718</u> |

\$699,425 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements

Year ended June 30, 2025

(6) Defined Benefit Pension Plan (Continued)

Other amounts reported as deferred outflows and deferred inflows of resources in the previous chart will be recognized in future pension expense as follows:

| Amortization Period Fiscal Year Ended June 30 | Deferred Outflows/(Inflows) of Resources |
|---|--|
| 2026 | \$ (10,901) |
| 2027 | 746,404 |
| 2028 | (147,019) |
| 2029 | <u>(172,291)</u> |
| Total | <u>\$ 416,193</u> |

(7) Other Post-Employment Benefits (OPEB)

General Information about the OPEB Plan

Plan Description

The District sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

Benefits Provided

The District pays the retired employee's medical premium until the age of 65, with the requirement that the employee is vested with ten (10) years of regular, uninterrupted service and is at least 55 years of age at retirement. Employees hired after July 1, 1999 are not eligible for any retiree medical benefits. The District CalPERS PEMHCA administrative fee, or 0.27% of premium.

Plan Membership

At June 30, 2024, membership consisted of the following:

| | |
|--|----------|
| Active members | 4 |
| Inactive plan members or beneficiaries currently receiving benefit payments | <u>3</u> |
| Total plan members | <u>7</u> |

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(7) Other Post-Employment Benefits (OPEB) (Continued)

Contributions

The contribution requirements of Plan members and the District are established and amended by the District. The required contribution is based on projected pay-as-you-go financing requirements.

Total OPEB Liability

The District's Total OPEB liability was measured as of June 30, 2024 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions

The Total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|---|
| Actuarial Cost Method | Entry Age, Level Percent of Pay |
| Actuarial Assumptions: | |
| Recognition of deferred inflows and outflows of resources | Closed period equal to the average of the expected remaining service lives of all employees provided with OPEB |
| Salary increases | 2.80 percent |
| Inflation rate | 2.30 percent |
| Healthcare cost trend rate | 5.50 percent for 2024 through 2034; 4.50 percent for 2035 through 2074; and 4.00 percent for 2075 and later years |

Mortality rates were based on the most recent experience study for CalPERS members. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of the most recent applicable experience study and a review of plan experience during the period of July 1, 2021 to June 30, 2023.

Discount Rate

GASB 75 requires the use of a discount rate that considers the availability of the OPEB plan's fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources.

OPEB plans with irrevocable trust accounts can utilize a discount rate equal to the long-term expected rate of return to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the OPEB plan assets are expected to be invested using a strategy to achieve that return.

To determine if the OPEB plan assets are sufficient, a calculation of the projected fiduciary net position and the amount of projected benefit payments is compared in each period. When OPEB plan assets are determined to not be sufficient, a blended rate is calculated.

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(7) Other Post-Employment Benefits (OPEB) (Continued)

For OPEB plans that do not have irrevocable trust accounts, GASB 75 requires a discount rate equal to the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The District does not have an irrevocable trust account for prefunding OPEB liabilities. The discount rate used to measure the total OPEB liability was based on the Fidelity GO AA 20-year municipal index.

The discount rate used to measure the Total OPEB liability was 3.97 percent. The District's Total OPEB liability is based on these requirements and the following information:

| <u>Reporting Date</u> | <u>Measurement Date</u> | <u>Fidelity GO AA 20 Years Municipal</u> | |
|-----------------------|-------------------------|--|----------------------|
| | | <u>Index</u> | <u>Discount Rate</u> |
| June 30, 2025 | June 30, 2024 | 3.97% | 3.97% |

Schedule of Changes in Total OPEB Liability (June 30, 2023 to June 30, 2024)

| | |
|--|--------------------------|
| Total OPEB Liability | |
| Service Cost | \$ 6,131 |
| Interest | 16,940 |
| Benefit payments | (33,416) |
| Changes of assumptions | <u>(3,623)</u> |
| Net Change in total OPEB Liability | (13,968) |
| Total OPEB Liability - June 30, 2023 (a) | <u>449,289</u> |
| Total OPEB Liability - June 30, 2024 (b) | <u><u>\$ 435,321</u></u> |

¹ Amount includes any implicit subsidy associated with benefits paid.

Sensitivity of the Total OPEB liability to changes in the discount rate

The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage-point higher than the current discount rate:

| | <u>1% Decrease</u> | <u>Discount Rate</u> | <u>1% Increase</u> |
|-------------------------|--------------------|----------------------|--------------------|
| | <u>2.97%</u> | <u>3.97%</u> | <u>4.97%</u> |
| Total OPEB liability \$ | 470,603 | 435,321 | 404,874 |

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(7) Other Post-Employment Benefits (OPEB) (Continued)

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates

The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a discount rate that one percentage point lower or one percentage point higher than the current discount rate:

| | 1% Decrease (4.50% decreasing to 3.00%) | Trend Rate (5.50% decreasing to 4.00%) | 1% Increase (6.50% decreasing to 5.00%) |
|-------------------------|---|--|---|
| Total OPEB liability \$ | 398,259 | 435,321 | 478,967 |

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The District's OPEB credit was \$48,176 for the fiscal year ended June 30, 2025. As of fiscal year ended June 30, 2025, the District's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources are:

| Account Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Difference between expected and actual experience | \$ - | 57,024 |
| Changes in assumptions or other inputs | - | 14,392 |
| Contributions subsequent to measurement date | 28,155 | - |
| Total | \$ 28,155 | 71,416 |

The \$28,155 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2024 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2026. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

| Fiscal Year Ended June 30 | Deferred Outflows/(Inflows) of Resources |
|------------------------------|--|
| 2026 | \$ (40,856) |
| 2027 | (30,231) |
| 2028 | (329) |
| Total | \$ (71,416) |

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(8) Commitments and Contingencies

Construction Contracts

The District has entered into contracts for various services and projects that will require payments in future fiscal years. At June 30, 2025, the District had capital projects under construction with an estimated cost to complete of approximately \$57,800,110.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

(9) Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2025, the District purchased insurance through various commercial carriers to cover these risks with various limits as follows:

| | |
|---|--|
| Auto: | A combined single limit of \$1,000,000. |
| Crime: | Coverage limit of \$250,000. |
| Cyber Liability: | Coverage limit of \$3,000,000. |
| Environmental Legal Liability: | Coverage limit of \$3,000,000. |
| Excess: | Coverage limit of \$10,000,000. |
| General Liability: | Coverage limit of \$1,000,000 with an aggregate limit of \$10,000,000. |
| Public Officials and Management Liability: | Coverage limit of \$1,000,000 with an aggregate limit of \$10,000,000. |
| Real Property & Business Personal Property: | Coverage limit of \$148,424,892. |

The District has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2025. Liabilities are recorded when it is probable that a loss has been incurred, and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR).

YUCAIPA VALLEY WATER DISTRICT
Notes to the Basic Financial Statements
Year ended June 30, 2025

(10) Assessment District

The District acts in a fiduciary capacity for an Assessment District that was formed to finance the construction and installation of a reservoir that will service properties located within the assessment district. The bonds issued by the assessment district are payable solely from the revenues of annual special taxes levied against land within the district and do not constitute an indebtedness of the Yucaipa Valley Water District. Yucaipa Valley Water District is not liable for the bonds but acts as an agent for the bondholders. Since the District is acting in an agency capacity, the assets and liabilities of the assessment district have been excluded from the District's statement of net position. The amount outstanding on the bonds on June 30, 2025 was \$9,430,000.

(11) Restatement

During the year ended June 30, 2025, the District adopted new accounting guidance by implementing the provisions of GASB 101. As a result of this implementation, additional compensated absences resulted from the addition of payroll-related taxes and benefits associated with the accrued leave. The following summarizes the net effects on beginning net position:

| | Water | Sewer | Recycled Water | Total |
|--|----------------------|-------------------|-------------------|--------------------|
| Net Position, Beginning of Year, as Previously Reported | \$ 92,080,941 | 87,605,019 | 33,456,125 | 213,142,085 |
| Adoption of GASB 101 | <u>(132,709)</u> | <u>(110,150)</u> | <u>(29,217)</u> | <u>(272,076)</u> |
| Net Position, Beginning of Year, as Restated | <u>\$ 91,948,232</u> | <u>87,494,869</u> | <u>33,426,908</u> | <u>212,870,009</u> |

Required Supplementary Information



YUCAIPA VALLEY WATER DISTRICT**Required Supplementary Information****Schedule of the District's Proportionate Share of the Net Pension Liability - Last Ten Years****Year ended June 30, 2025**

| Measurement Date | <u>6/30/2024</u> | <u>6/30/2023</u> | <u>6/30/2022</u> | <u>6/30/2021</u> | <u>6/30/2020</u> |
|--|------------------|------------------|------------------|------------------|------------------|
| Proportion of the collective net pension liability | 0.18057% | 0.18090% | 0.17798% | 0.05449% | 0.06589% |
| Proportionate share of the collective net pension liability | \$ 8,733,282 | 9,045,769 | 8,327,865 | 2,947,038 | 7,168,751 |
| Covered payroll | \$ 6,394,582 | 6,383,315 | 5,784,967 | 5,799,061 | 5,180,114 |
| Proportionate share of the collective net pension liability as a percentage of covered payroll | 136.57% | 141.71% | 143.96% | 50.82% | 138.39% |
| Plan fiduciary net position as a percentage of the total pension liability | 80.63% | 78.62% | 79.01% | 91.88% | 79.13% |

Notes to schedule:

Summary of Changes of Benefits or Assumptions:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a Golden Handshakes).

Changes in Assumptions: There were no assumption changes in 2024.

YUCAIPA VALLEY WATER DISTRICT**Required Supplementary Information****Schedule of the District's Proportionate Share of the Net Pension Liability - Last Ten Years****Year ended June 30, 2025**

| Measurement Date | <u>6/30/2019</u> | <u>6/30/2018</u> | <u>6/30/2017</u> | <u>6/30/2016</u> | <u>6/30/2015</u> |
|--|------------------|------------------|------------------|------------------|------------------|
| Proportion of the collective net pension liability | 0.06508% | 0.64090% | 0.06580% | 0.06547% | 0.06295% |
| Proportionate share of the collective net pension liability | 6,668,450 | 6,176,087 | 6,525,230 | 5,665,084 | 4,320,667 |
| Covered payroll | 5,478,278 | 4,973,515 | 5,752,996 | 5,611,132 | 5,411,972 |
| Proportionate share of the collective net pension liability as a percentage of covered payroll | 121.73% | 124.18% | 113.42% | 100.96% | 79.84% |
| Plan fiduciary net position as a percentage of the total pension liability | 79.36% | 79.67% | 73.31% | 73.31% | 73.31% |

Notes to schedule:

Summary of Changes of Benefits or Assumptions:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a Golden Handshakes).

Changes in Assumptions: There were no assumption changes in 2024.

YUCAIPA VALLEY WATER DISTRICT**Required Supplementary Information****Schedule of the District's Proportionate Contributions to the Pension Plan - Last Ten Years****Year ended June 30, 2025**

| | <u>6/30/2025</u> | <u>6/30/2024</u> | <u>6/30/2023</u> | <u>6/30/2022</u> | <u>6/30/2021</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contribution | \$ 699,425 | 610,824 | 508,732 | 488,766 | 493,241 |
| Contribution in relation to the actuarially determined contribution | <u>699,425</u> | <u>610,824</u> | <u>508,732</u> | <u>488,766</u> | <u>493,241</u> |
| Contribution deficiency (excess) | \$ - | - | - | - | - |
| District's covered payroll | \$ 7,480,946 | 6,394,582 | 6,383,315 | 5,784,967 | 5,799,061 |
| Contributions as a percentage of covered payroll | 9.35% | 9.55% | 7.97% | 8.45% | 8.51% |

Notes to schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year ended June 30, 2025 were from the June 30, 2022 public agency valuations.

| | |
|-----------------------------------|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method/Period | Level of Percent of Payroll |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table ¹ | Derived using CalPERS' Membership Data for all Funds |
| Post Retirement Benefit Increases | Contract COLA up to 2.30% until Purchasing Power Protection Floor |
| | Purchasing Power applies |

¹The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

YUCAIPA VALLEY WATER DISTRICT**Required Supplementary Information****Schedule of the District's Proportionate Contributions to the Pension Plan - Last Ten Years****Year ended June 30, 2025**

| | <u>6/30/2020</u> | <u>6/30/2019</u> | <u>6/30/2018</u> | <u>6/30/2017</u> | <u>6/30/2016</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contribution | 659,622 | 919,668 | 752,731 | 697,729 | 882,127 |
| Contribution in relation to the actuarially determined contribution | <u>659,622</u> | <u>919,668</u> | <u>752,731</u> | <u>697,729</u> | <u>882,127</u> |
| Contribution deficiency (excess) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| District's covered payroll | 5,180,114 | 5,478,278 | 4,973,515 | 5,752,996 | 5,611,132 |
| Contributions as a percentage of covered payroll | 12.73% | 16.79% | 15.13% | 12.13% | 15.72% |

Notes to schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year ended June 30, 2025 were from the June 30, 2022 public agency valuations.

| | |
|-----------------------------------|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method/Period | Level of Percent of Payroll |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by Entry Age and Service |
| Mortality Rate Table ¹ | Derived using CalPERS' Membership Data for all Funds |
| Post Retirement Benefit Increases | Contract COLA up to 2.30% until Purchasing Power Protection Floor |
| | Purchasing Power applies |

¹The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

YUCAIPA VALLEY WATER DISTRICT

Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios - Last 10 Years

Year ended June 30, 2025

| Measurement Date | 6/30/2024 | 6/30/2023 | 6/30/2022 | 6/30/2021 | 6/30/2020 | 6/30/2019 |
|---|------------|-----------|-----------|-----------|-----------|-----------|
| Total OPEB Liability | | | | | | |
| Service cost | \$ 6,131 | 6,136 | 11,542 | 5,950 | 8,862 | 5,891 |
| Interest on the Total OPEB liability | 16,847 | 21,426 | 17,497 | 17,610 | 21,428 | 26,592 |
| Difference between expected and actual experience | - | (126,388) | - | (43,762) | - | (70,814) |
| Changes in assumptions | (3,723) | (15,017) | (177,438) | 41,629 | 47,810 | 46,365 |
| Benefit payments | (23,415) | (28,481) | (48,292) | (38,055) | (45,758) | (58,079) |
| Net change in Total OPEB liability | (13,568) | (135,074) | (126,799) | (16,628) | 29,392 | (50,275) |
| Total OPEB liability - beginning | 449,289 | 588,323 | 715,122 | 731,750 | 702,358 | 752,633 |
| Total OPEB liability - ending | \$ 435,721 | 449,289 | 588,323 | 715,122 | 731,750 | 702,358 |
| Particular net position as a percentage of the total OPEB liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Covered-employee payroll | \$ 822,713 | 767,485 | 800,699 | 740,537 | 736,531 | 1,041,157 |
| Total OPEB liability as a percentage of covered-employee payroll | 52.91% | 58.46% | 72.75% | 96.57% | 99.35% | 67.47% |

*Future years' information will be displayed up to 10 years as information becomes available.

YUCAIPA VALLEY WATER DISTRICT
Audit Communications
Year ended June 30, 2025

YUCAIPA VALLEY WATER DISTRICT**Audit Communications****Year ended June 30, 2025****TABLE OF CONTENTS**

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Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

REQUIRED AUDIT COMMUNICATIONS

Board of Directors
Yucaipa Valley Water District
Yucaipa, California

We have audited the financial statements of Yucaipa Valley Water District (District) as of and for the year ended June 30, 2025 and have issued our report thereon dated October 28, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated May 13, 2025 our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and material noncompliance, and other matters noted during our audit in a separate letter to you dated October 28, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you in a letter dated May 30, 2025.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, and our firm have complied with all relevant ethical requirements regarding independence.

We identified self-review threats to independence as a result of non-attest services provided. Those non-attest services included the preparation of the financial statements and recording journal entries detected during the audit process. To mitigate the risk, management has compared the draft financial statements and footnotes to the underlying accounting records to verify accuracy and has reviewed a disclosure checklist to ensure footnotes are complete and accurate.

Additionally, we utilize a quality control reviewer to perform a second review of journal entries and the financial statements. We believe these safeguards are sufficient to reduce the independence threats to an acceptable level.

Significant Risks Identified

We have identified the following significant risks:

Risk of material misstatement in inventory. We observed the District's physical inventory count at year-end and performed test counts of certain items.

Risk of federal grant noncompliance. We have evaluated District's federal grants to determine which grants are required to be audited under the Federal Uniform Guidance and tested those grants for compliance.

Implementation of the new Compensated Absences accounting standard, Governmental Accounting Standards Board (GASB) Statement No. 101. As a result, we received the District's records of compensated absences, tested the calculations of the records, and ensured the District's footnote disclosures are accurate and complete in accordance with the new standard.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies. The District changed the accounting policies related to compensated absences by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 101, Compensated Absences, and risk disclosures related to government vulnerabilities due to concentrations and constraints by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 102, Certain Risk Disclosures, in the fiscal year ended June 30, 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the net pension liability, total OPEB liability, and related amounts are based on an actuarial evaluation. We evaluated the key factors and assumptions used to develop the net pension liability, total OPEB liability, and related amounts and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting District's financial statements was:

The disclosure of the Pension Liability in Note 6 to the financial statements describes the District's pension obligations, and the disclosure of the Total OPEB Liability in Note 7 to the financial statements describes the District's Total OPEB obligations.

The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. We identified no uncorrected misstatements as a result of our audit procedures.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management dated October 28, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the Board of Directors, and management of District and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in blue ink that reads "Davis Fan" followed by a stylized flourish.

Irvine, California
October 28, 2025



Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

**Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Board of Directors
Yucaipa Valley Water District
Yucaipa, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Yucaipa Valley Water District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 28, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Irvine, California
October 28, 2025

YUCAIPA VALLEY WATER DISTRICT
New Accounting Standards Not Yet Effective
Year ended June 30, 2025

GASB Statement No. 103, Financial Reporting Model Improvements

This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

The standard will generally be effective for the fiscal year ending June 30, 2026.

GASB Statement No.104, Disclosure of certain Capital Assets

This Statement requires the following capital assets be separately disclosed in the capital assets footnote: (1) lease assets, (2) intangible right-to-use assets, (3) subscription assets (SBITAs), and (4) other intangible assets.

New disclosure requirements are applicable for capital assets held for sale, requiring

- The ending balance of capital assets held for sale
- Historical cost and accumulated depreciation for the assets by major asset class
- The carrying amount of debt for which the asset serves as collateral

The standard will generally be effective for the fiscal year ending June 30, 2026.



Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

Ms. Allison Edmisten, Chief Financial Officer
Yucaipa Valley Water District
Yucaipa, CA 92399

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below on the debt service coverage calculation for the 2022 Series A Revenue Bonds and 2022 Series B Refunding Revenue Bonds as of June 30, 2025. Management of Yucaipa Valley Water District (District) is responsible for compliance with Rate Covenant requirements.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to assist the District in reviewing the Debt Service Coverage Calculation for the year ending June 30, 2025 prepared in accordance with the Rate Covenant requirements of the 2022 Series A Revenue Bonds and 2022 Series B Refunding Revenue Bonds. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the results of those procedures are as follows:

1. The bond covenants of the 2022 Series A Revenue Bonds and 2022 Series B Refunding Revenue Bonds describe the Debt Service Coverage requirement as follows: "...the District, to the fullest extent permitted by law, to fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Water Service provided by the Water System, which are reasonably expected, to be at least sufficient to yield during such Fiscal year, Net Water System Revenues equal to 120% of the Debt Service payable" "...for any period of calculation, all Water System Revenues for such Fiscal Year less the Operation and Maintenance costs for such Fiscal Year."

We obtained the District's Debt Service Coverage Calculation for the fiscal year ended June 30, 2025. The Calculation is included as Exhibit 1. We compared the format of the calculation to the requirements as defined in the bond covenants.

Results: We noted no exceptions as a result of our procedures.

2. We obtained the audited financial statements of the District for the year ended June 30, 2025. We compared the financial information presented on the Calculation to the District's audited financial statements.

Results: We noted no exceptions as a result of our procedures.

Yucaipa Valley Water District
Page 2

3. We reviewed the mathematical accuracy of the Calculation.

Results: We noted no exceptions as a result of our procedures.

4. We compared the Debt Service Coverage percentage as determined by the Calculation for compliance with the Debt Service Coverage percentage requirement as identified in the bond covenants.

Results: We noted no exceptions as a result of our procedures.

* * * * *

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Debt Service Coverage Calculation for the 2022 Series A Revenue Bonds and 2022 Series B Refunding Revenue Bonds. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management of the Yucaipa Valley Water District and is not intended to be and should not be used by anyone other than those specified parties.



Irvine, California
October 28, 2025

Exhibit 1

Yucaipa Valley Water District
 Computation of Net Revenue and Revenue Coverage Requirement
 Revenue Bonds Series 2022A and Refunding Revenue Bonds 2022B

| | FY 2024-25 Actual |
|---|----------------------|
| REVENUES: | |
| Operating revenue | \$ 16,806,646 |
| Other revenues | <u>8,614,539</u> |
| Total System Revenues | 25,421,185 |
| Operations & Maintenance Expenses | <u>(15,065,842)</u> |
| NET REVENUE | <u>\$ 10,355,343</u> |
| ANNUAL DEBT SERVICE REQUIREMENTS: | |
| Principal | \$ 5,967,209 |
| Interest | <u>1,967,213</u> |
| ANNUAL DEBT SERVICE REQUIREMENT | 7,934,422 |
| COVERAGE RATIO REQUIRED | <u>120.00%</u> |
| TOTAL ANNUAL COVERAGE REQUIREMENT | 9,521,306 |
| LESS NET REVENUE | <u>10,355,343</u> |
| EXCESS OF NET REVENUE OVER ANNUAL COVERAGE REQUIREMENT | <u>\$ 834,037</u> |
| ACTUAL COVERAGE RATIO | 130.51% |

Notes:

- (1) For purposes of the above computation, the cost of retiree health insurance has been included in operations and maintenance costs when premiums are paid by the District. Noncash accruals associated with future payments have not been included in the amount of operations and maintenance costs shown above.



Davis Farr LLP
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612
Main: 949.474.2020 | Fax: 949.263.5520

Ms. Allison Edmisten, Chief Financial Officer
Yucaipa Valley Water District
Yucaipa, CA 92399

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below on the debt service coverage calculation for the 2024 Series A Interim Notes and 2024 Series B Revenue Bonds as of June 30, 2025. Management of Yucaipa Valley Water District (District) is responsible for compliance with Rate Covenant requirements.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to assist the District in reviewing the Debt Service Coverage Calculation for the year ending June 30, 2025 prepared in accordance with the Rate Covenant requirements of the 2024 Series A Interim Notes and 2024 Series B Revenue Bonds. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the results of those procedures are as follows:

1. The bond covenants of the 2024 Series A Interim Notes and 2024 Series B Revenue Bonds describe the Debt Service Coverage requirement as follows: "...the District, to the fullest extent permitted by law, to fix and prescribe, at the commencement of each Fiscal Year, rates and charges for the Water Service provided by the Water System, which are reasonably expected, to be at least sufficient to yield during such Fiscal year, Net Water System Revenues equal to 120% of the Debt Service payable" "...for any period of calculation, all Water System Revenues for such Fiscal Year less the Operation and Maintenance costs for such Fiscal Year."

We obtained the District's Debt Service Coverage Calculation for the fiscal year ended June 30, 2025. The Calculation is included as Exhibit 1. We compared the format of the calculation to the requirements as defined in the bond covenants.

Results: We noted no exceptions as a result of our procedures.

2. We obtained the audited financial statements of the District for the year ended June 30, 2025. We compared the financial information presented on the Calculation to the District's audited financial statements.

Results: We noted no exceptions as a result of our procedures.

Yucaipa Valley Water District
Page 2

3. We reviewed the mathematical accuracy of the Calculation.

Results: We noted no exceptions as a result of our procedures.

4. We compared the Debt Service Coverage percentage as determined by the Calculation for compliance with the Debt Service Coverage percentage requirement as identified in the bond covenants.

Results: We noted no exceptions as a result of our procedures.

* * * * *

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Debt Service Coverage Calculation for the 2024 Series A Interim Notes and 2024 Series B Revenue Bonds. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management of the Yucaipa Valley Water District and is not intended to be and should not be used by anyone other than those specified parties.



Irvine, California
October 28, 2025

Exhibit 1

Yucaipa Valley Water District
 Computation of Net Revenue and Revenue Coverage Requirement
 Interim Notes Series 2024A and Revenue Bonds 2024B

| | FY 2024-25 Actual |
|---|----------------------|
| REVENUES: | |
| Operating revenue | \$ 16,806,646 |
| Other revenues | <u>8,614,539</u> |
| Total System Revenues | 25,421,185 |
| Operations & Maintenance Expenses | <u>(15,065,842)</u> |
| NET REVENUE | <u>\$ 10,355,343</u> |
| ANNUAL DEBT SERVICE REQUIREMENTS: | |
| Principal | \$ 4,434,138 |
| Interest | <u>4,154,349</u> |
| ANNUAL DEBT SERVICE REQUIREMENT | 8,588,487 |
| COVERAGE RATIO REQUIRED | <u>120.00%</u> |
| TOTAL ANNUAL COVERAGE REQUIREMENT | 10,306,184 |
| LESS NET REVENUE | <u>10,355,343</u> |
| EXCESS OF NET REVENUE OVER ANNUAL COVERAGE REQUIREMENT | <u>\$ 49,159</u> |
| ACTUAL COVERAGE RATIO | 120.57% |

Notes:

- (1) For purposes of the above computation, the cost of retiree health insurance has been included in operations and maintenance costs when premiums are paid by the District. Noncash accruals associated with future payments have not been included in the amount of operations and maintenance costs shown above.



Date: November 18, 2025

Task: N/A

Prepared By: Allison Edmisten, Chief Financial Officer

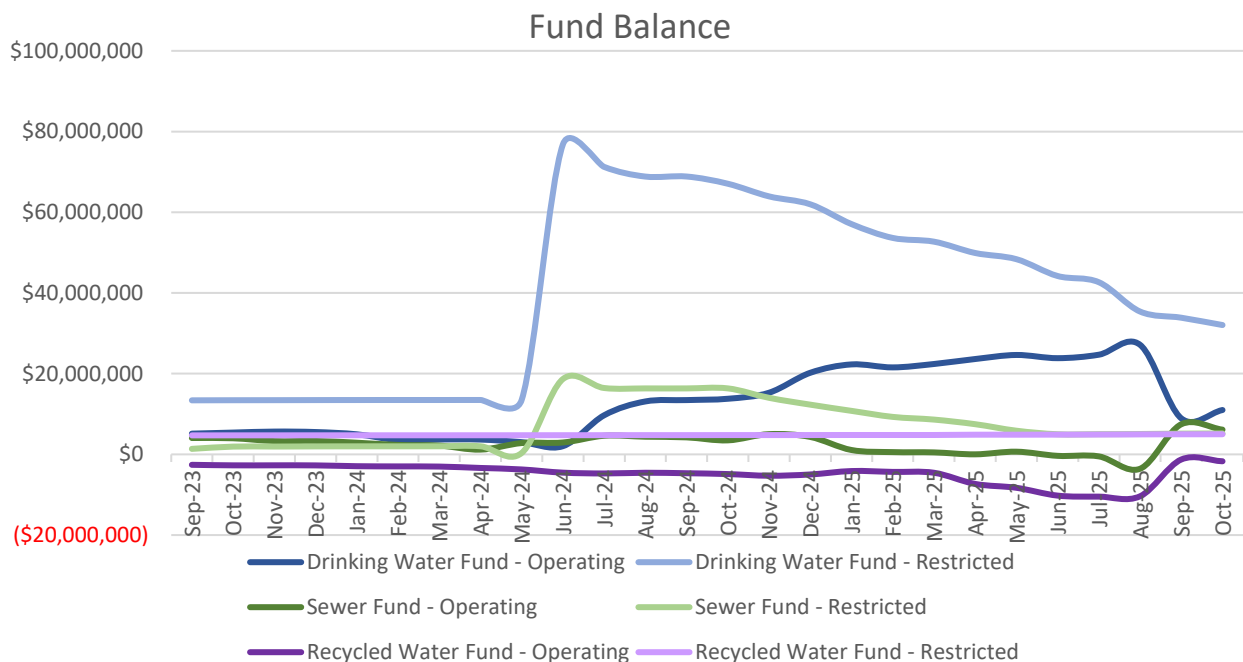
Subject: Presentation of the Unaudited Financial Report for the Period Ending on October 31, 2025

Recommendation: That the Board receive and file the unaudited financial report.

The following unaudited financial report has been prepared by the Administrative Department for your review. Please remember that the following financial information has not been audited.

Cash Fund Balance and Cash Flow Reports

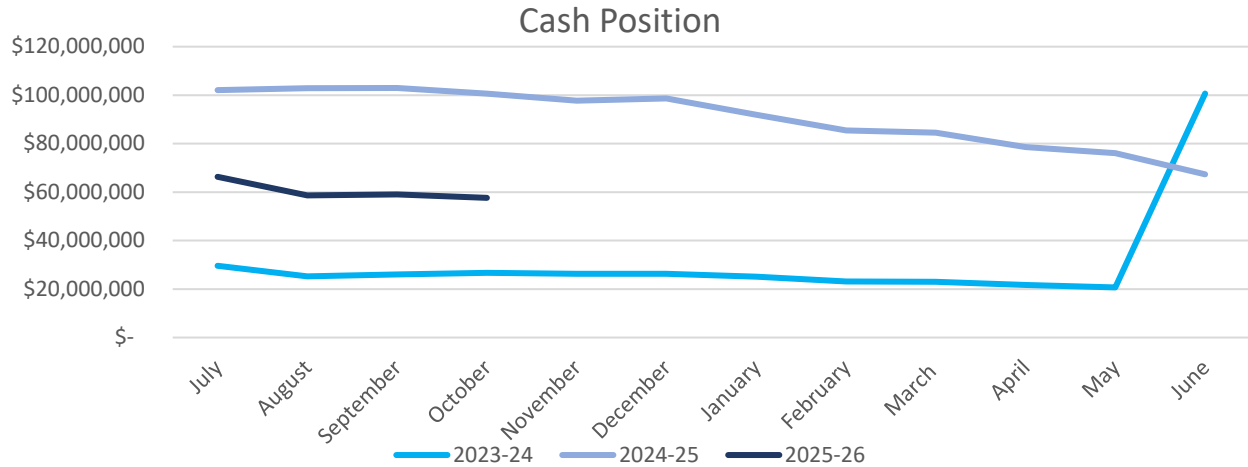
The Cash Fund Balance Report provides a summary of how the total amount of funds maintained by financial institutions is distributed throughout the enterprise and non-enterprise funds of the District. A summary of the report is as follows:



Most of the funds reflected in the Cash Fund Balance Report are designated for specific purposes and are therefore restricted, either by law or by District policy.

Cash Fund Balance Report - October 2025

| Water Division | | GL# | Balance |
|--------------------------------------|---|--------------|------------------------|
| Restricted | Project Fund (2022 Bonds) | 02-000-10215 | \$1,390,921.07 |
| | ID 1 Construction Funds | 02-000-10216 | \$293,145.85 |
| | ID 2 Construction Funds | 02-000-10217 | \$0.00 |
| | WIFIA Funds (2024A Bond) | 02-000-10223 | \$35,887,918.82 |
| | R-16.2 Reservoir (2024B Bond) | 02-000-10224 | \$1,503,845.93 |
| | 2022A Bond Principal | 02-000-10120 | \$0.00 |
| | FCC - Debt Service YVRWFF Phase I | 02-000-10401 | (\$14,643,455.54) |
| | FCC - Future YVRWFF Phase II & III | 02-000-10403 | (\$541,768.68) |
| | FCC - Recycled System | 02-000-10410 | (\$151,016.14) |
| | FCC - Booster Pumping Plants | 02-000-10411 | \$1,367,777.30 |
| | FCC - Pipeline Facilities | 02-000-10412 | \$2,748,508.29 |
| | FCC - Water Storage Reservoirs | 02-000-10413 | \$2,741,345.88 |
| | FCC - Excess Drinking Water | 02-000-10414 | \$1,452,209.53 |
| Subtotal Restricted Funds | | | \$32,049,432.31 |
| Operating | WIFIA Holding Account | 02-000-10309 | \$0.00 |
| | Infrastructure Reserves | 02-000-10311 | \$8,299,717.58 |
| | Sustainability Fund | 02-000-10313 | \$132,978.16 |
| | Rate Stabilization Fund | 02-000-10314 | \$500,209.14 |
| | Supplemental Water Fund - San Bernardino | 02-000-10315 | \$2,028,765.63 |
| | Supplemental Water Fund - Riverside | 02-000-10316 | \$701,354.92 |
| | Operating Funds: | | (\$667,185.81) |
| Subtotal Operating Funds | | | \$10,995,839.62 |
| Total Water Division | | | \$43,045,271.93 |
| Sewer Division | | GL# | Balance |
| Restricted | SRF Reserve Fund - Calimesa Recycled | 03-000-10222 | \$111,504.19 |
| | WIFIA Funds (2024A Bonds) | 03-000-10223 | \$5,948,703.75 |
| | FCC - Debt Service WWTP Expansion & Upgrade | 03-000-10405 | \$3,818,211.92 |
| | FCC - Future WWTP Expansion | 03-000-10407 | \$2,740,884.66 |
| | FCC - Sewer Interceptors | 03-000-10415 | (\$1,287,358.84) |
| | FCC - Lift Stations | 03-000-10416 | \$684,069.08 |
| | FCC - Effluent Disposal Facilities | 03-000-10417 | (\$824,858.20) |
| | FCC - Salt Mitigation Facilities | 03-000-10418 | (\$6,012,244.59) |
| Subtotal Restricted Funds | | | \$ 5,178,911.97 |
| Operating | Project Fund - Encumbered | 03-000-10215 | (\$1,004,549.00) |
| | WIFIA Holding Account | 03-000-10309 | \$0.00 |
| | Infrastructure Reserves | 03-000-10311 | \$1,077,358.50 |
| | Rate Stabilization Fund | 03-000-10314 | \$499,394.90 |
| | Operating Funds: | | \$5,548,554.32 |
| Subtotal Operating Funds | | | \$6,120,758.72 |
| Total Wastewater Division | | | \$11,299,670.69 |
| Recycled Water Division | | GL# | Balance |
| Restricted | *FCC - Recycled System | 04-000-10400 | \$0.00 |
| | FCC - Recycled System | 04-000-10410 | \$540,283.47 |
| | FCC - Booster Pumping Plants | 04-000-10411 | \$413,912.55 |
| | FCC - Pipeline Facilities | 04-000-10412 | \$1,643,663.36 |
| | FCC - Water Storage Reservoirs | 04-000-10413 | \$2,053,534.41 |
| | FCC - Excess Recycled Water | 04-000-10414 | \$333,453.02 |
| | Subtotal Restricted Funds | | \$4,984,846.81 |
| Oper | Infrastructure Reserves | 04-000-10311 | \$518,274.10 |
| | Operating Funds: | | (\$2,232,731.44) |
| Subtotal Operating Funds | | | (\$1,714,457.34) |
| Total Recycled Water Division | | | \$3,270,389.47 |
| DISTRICT TOTAL | | | \$57,615,332.10 |

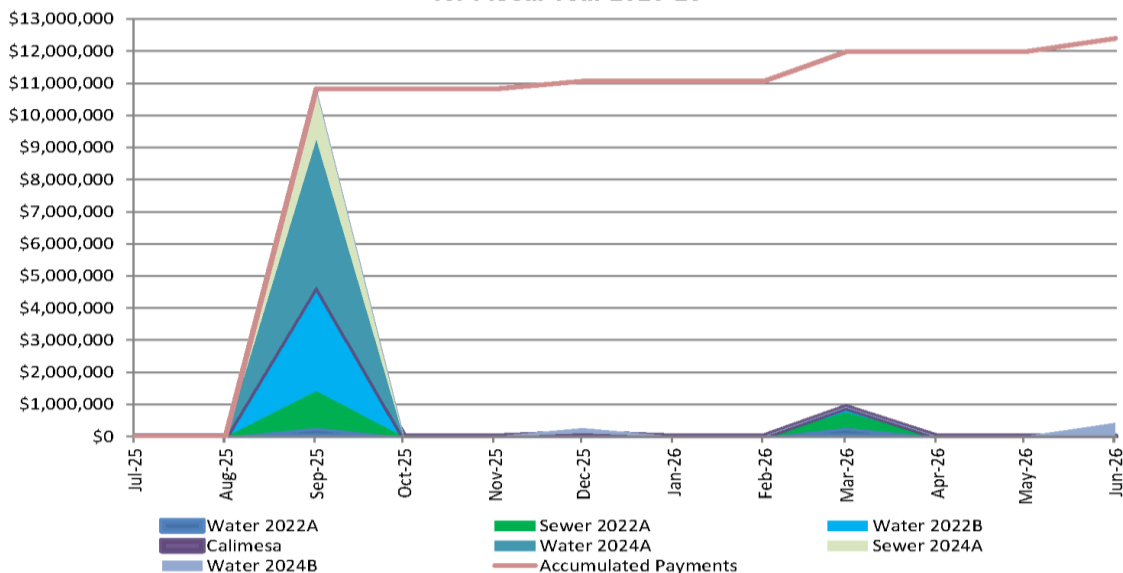


The Cash Flow Report provides a list of the debt service payment due dates and amounts as well as the cash flow requirements for debt service for each month of the fiscal year.

Cash Flow Report for Fiscal Year 2025-26

| Financial Obligations for Fiscal Year 2025-26 | | | | |
|---|-------|--|--------------------|-------------------------|
| Due Date | Fund | Description | Term of Obligation | Amount |
| 9/1/2025 | Water | 2022A Bond Payment - YVRWFF | 2022-2052 | \$ 279,225.00 |
| 9/1/2025 | Sewer | 2022A Bond Payment - WRWRF | 2022-2053 | \$ 1,152,625.00 |
| 9/1/2025 | Water | 2022B Bond Payment - YVRWFF | 2022-2052 | \$ 3,280,530.50 |
| 9/1/2025 | Water | 2024A Short Term Notes - YVRWFF | 2024-2027 | \$ 4,579,312.00 |
| 9/1/2025 | Sewer | 2024A Short Term Notes - WRWRF | 2024-2027 | \$ 1,526,437.00 |
| 12/1/2025 | Water | 2024B Bond Payment - YVRWFF | 2024-2039 | \$ 137,875.00 |
| 12/31/2025 | Sewer | SRF - Calimesa Recycled Water Conveyance | 2022-2052 | \$ 111,504.19 |
| 3/1/2026 | Water | 2022A Bond Payment - YVRWFF | 2022-2052 | \$ 279,225.00 |
| 3/1/2026 | Sewer | 2022A Bond Payment - WRWRF | 2022-2053 | \$ 491,500.00 |
| 3/1/2026 | Water | 2022B Bond Payment - YVRWFF | 2022-2052 | \$ 139,228.50 |
| 6/1/2026 | Water | 2024B Bond Payment - YVRWFF | 2024-2039 | \$ 417,875.00 |
| Total | | | | \$ 12,395,337.19 |

Payment Schedule and Cash Flow Requirements for Fiscal Year 2025-26



Cash Disbursement Report

The cash disbursement report lists each check and electronic payment processed during the month. All payments are reviewed by District staff for accuracy and completeness; checks are usually signed by the General Manager and one Director but may be signed by two Directors. The Chief Financial Officer will make any check, payment, invoice or supporting documentation available for review to any board member upon request.

Check Register - October 2025

| Date | Check # | Payee or Description | Amount |
|-------------|----------------|--|---------------|
| 10/3/2025 | 48253 | California State Disbursement Unit | 397.38 |
| 10/3/2025 | 48254 | FRANCHISE TAX BOARD | 535.00 |
| 10/3/2025 | 48255 | IBEW Local #1436 | 544.00 |
| 10/3/2025 | 48256 | Nippon Life Insurance Co | 2,944.25 |
| 10/3/2025 | 48257 | WageWorks Inc | 2,680.69 |
| 10/3/2025 | 48258 | State Compensation Insurance Fund | 17,583.65 |
| 10/6/2025 | 48259 | Amazon Capital Services, Inc | 10,879.30 |
| 10/6/2025 | 48260 | California Water Environment Association | 251.00 |
| 10/6/2025 | 48261 | Caselle, Inc. | 3,323.00 |
| 10/6/2025 | 48262 | Center Electric Services, Inc. | 18,781.94 |
| 10/6/2025 | 48263 | Chase Truck Mobile Inc. | 8,966.98 |
| 10/6/2025 | 48264 | Core & Main LP | 6,057.02 |
| 10/6/2025 | 48265 | First American Data Tree, LLC | 50.00 |
| 10/6/2025 | 48266 | Home Depot U.S.A. Inc | 705.33 |
| 10/6/2025 | 48267 | Lowe's Companies, Inc. | 551.51 |
| 10/6/2025 | 48268 | Merit Oil Company | 1,579.77 |
| 10/6/2025 | 48269 | Monarch | 3,864.26 |
| 10/6/2025 | 48270 | NetComp Technologies, Inc. | 1,125.00 |
| 10/6/2025 | 48271 | North Valley Labor Compliance Srvc | 4,950.00 |
| 10/6/2025 | 48272 | Q Versa, LLC | 6,099.18 |
| 10/6/2025 | 48273 | San Bdn. Valley Muni. Water Dist. | 42,066.16 |
| 10/6/2025 | 48274 | South Coast A.Q.M.D. | 19,690.06 |
| 10/6/2025 | 48275 | Steep Flat Roofing | 24,888.00 |
| 10/6/2025 | 48276 | Superior Automotive Warehouse, Inc | 671.33 |
| 10/6/2025 | 48277 | Tait Environmental Services, Inc | 3,682.00 |
| 10/6/2025 | 48278 | Teledyne Instruments, Inc. | 6,819.71 |
| 10/6/2025 | 48279 | The Gas Company | 36.86 |
| 10/6/2025 | 48280 | Tri County Pump Company | 1,440.00 |
| 10/6/2025 | 48281 | Underground Service Alert Of So. CA | 500.00 |
| 10/6/2025 | 48282 | United Rentals Inc. | 6,490.68 |
| 10/6/2025 | 48283 | Univar Solutions USA | 2,049.74 |
| 10/6/2025 | 48284 | Yucaipa Disposal, Inc. | - |
| 10/6/2025 | 48285 | Yucaipa Valley Water District | 84,998.50 |
| 10/6/2025 | 48286 | Yucaipa Disposal, Inc. | 387.27 |
| 10/6/2025 | 48287 | Yucaipa Disposal, Inc. | 4,618.06 |
| 10/6/2025 | 48288 | ARIZONA PIPELINE | 25.61 |
| 10/6/2025 | 48289 | BLACK, JENNIE | 252.00 |
| 10/6/2025 | 48290 | CAZARES, MARTIN | 28.40 |
| 10/6/2025 | 48291 | LIBRARY, CALIMESA | 47.72 |
| 10/6/2025 | 48292 | YUCAIPA PRIMARY LLC | 30.00 |
| 10/6/2025 | 48293 | ATSI | 343,858.85 |
| 10/6/2025 | 48294 | Borden Excavating, Inc. | 185,978.37 |

Check Register - October 2025

| Date | Check # | Payee or Description | Amount |
|-------------|----------------|--|---------------|
| 10/6/2025 | 48295 | Delta Ventures Inc. | 7,500.00 |
| 10/6/2025 | 48296 | Duane Morris LLP | 3,710.00 |
| 10/6/2025 | 48297 | Dudek & Associates, Inc | 5,443.75 |
| 10/6/2025 | 48298 | GHD Inc | 45,209.44 |
| 10/6/2025 | 48299 | Layne Christensen Company | 335,263.37 |
| 10/6/2025 | 48300 | One Stop Landscape Supply Inc | 29,700.30 |
| 10/6/2025 | 48301 | Rutan & Tucker, LLP | 11,590.50 |
| 10/6/2025 | 48302 | Woodard & Curran Inc. | 4,040.00 |
| 10/17/2025 | 48303 | Aflac | 2,381.83 |
| 10/17/2025 | 48304 | Blue Shield of California | 6,732.20 |
| 10/17/2025 | 48305 | California State Disbursement Unit | 397.38 |
| 10/17/2025 | 48306 | FRANCHISE TAX BOARD | 535.00 |
| 10/17/2025 | 48307 | Standard Dental Insurance Co | 1,307.00 |
| 10/17/2025 | 48308 | Standard Insurance Vision Plan | 374.72 |
| 10/17/2025 | 48309 | WageWorks Inc | 2,680.69 |
| 10/17/2025 | 48310 | Western Dental Services Inc | 108.11 |
| 10/17/2025 | 48311 | Doug Earnest | 795.30 |
| 10/17/2025 | 48312 | James Cansler | 795.30 |
| 10/17/2025 | 48313 | Jesse McCartney | 795.30 |
| 10/17/2025 | 48314 | WageWorks, Inc. | 1,124.00 |
| 10/20/2025 | 48315 | BLOOM, STEPHEN | - |
| 10/20/2025 | 48316 | LARSON, JAN | 31.93 |
| 10/20/2025 | 48317 | WEX PAYMENTS INC | 77.01 |
| 10/20/2025 | 48318 | Banner Bank | 1,200.00 |
| 10/20/2025 | 48319 | Caliagua, Inc. | 907,962.50 |
| 10/20/2025 | 48320 | Canyon Springs Enterprises | 22,800.03 |
| 10/20/2025 | 48321 | Geoscience Support Services, Inc. | 23,635.25 |
| 10/20/2025 | 48322 | Pacific Premier Bank | 47,787.50 |
| 10/20/2025 | 48323 | Rutan & Tucker, LLP | 5,940.00 |
| 10/20/2025 | 48324 | Southern California Edison | 14,602.12 |
| 10/20/2025 | 48325 | Alpine Springs | 87.45 |
| 10/20/2025 | 48326 | AP Electrical Services Inc. | 10,500.00 |
| 10/20/2025 | 48327 | AT&T Mobility | 1,085.95 |
| 10/20/2025 | 48328 | Atlas Copco Compressors, LLC | 2,704.82 |
| 10/20/2025 | 48329 | Backflow Apparatus & Valve Co. | 864.91 |
| 10/20/2025 | 48330 | Beaumont Basin Watermaster | 5,480.00 |
| 10/20/2025 | 48331 | BofA Credit Card | 1,976.05 |
| 10/20/2025 | 48332 | Borden Excavating, Inc. | 21,526.91 |
| 10/20/2025 | 48333 | Brenntag Pacific, Inc | 14,560.93 |
| 10/20/2025 | 48334 | California Special Districts Association | 10,225.00 |
| 10/20/2025 | 48335 | Cal-Mesa Steel Supply, Inc. | 799.31 |
| 10/20/2025 | 48336 | Charter Communications | 6,589.86 |
| 10/20/2025 | 48337 | Chase Truck Mobile Inc. | 1,872.00 |
| 10/20/2025 | 48338 | CINTAS Corporation | 2,265.57 |
| 10/20/2025 | 48339 | Clark Pest Control | 140.00 |
| 10/20/2025 | 48340 | Clinical Laboratory of San Bernardino | 3,749.25 |
| 10/20/2025 | 48341 | Core & Main LP | 46,095.24 |
| 10/20/2025 | 48342 | CoreLogic Solutions, LLC | 679.70 |

Check Register - October 2025

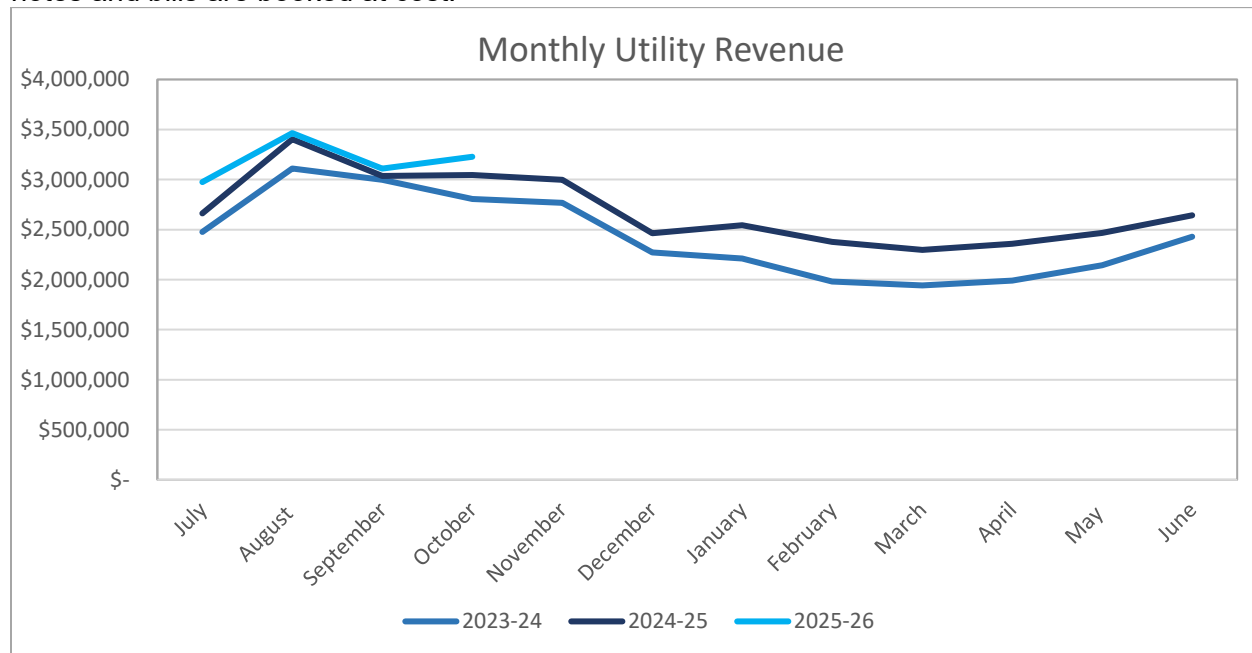
| Date | Check # | Payee or Description | Amount |
|-------------|----------------|-------------------------------------|----------------------------|
| 10/20/2025 | 48343 | Davis Farr LLP | 17,500.00 |
| 10/20/2025 | 48344 | Department of Motor Vehicles | 138.00 |
| 10/20/2025 | 48345 | Diamond Environmental Svcs,LP | 341.78 |
| 10/20/2025 | 48346 | Emerson LLLP | 2,683.00 |
| 10/20/2025 | 48347 | ESRI, INC | 7,700.00 |
| 10/20/2025 | 48348 | Evoqua Water Technologies LLC | 3,164.00 |
| 10/20/2025 | 48349 | Fast 5 Holding Company, LLC | 510.00 |
| 10/20/2025 | 48350 | Flo-Systems Inc | 348,582.18 |
| 10/20/2025 | 48351 | Forstra Filters, Inc. | 1,556.09 |
| 10/20/2025 | 48352 | Freedom Mailing Services | 7,872.69 |
| 10/20/2025 | 48353 | Frontier Communications | 1,642.67 |
| 10/20/2025 | 48354 | G&G Environmental Compliance,Inc | 5,186.50 |
| 10/20/2025 | 48355 | Grainger | 1,080.57 |
| 10/20/2025 | 48356 | Hasa, Inc. | 19,677.04 |
| 10/20/2025 | 48357 | James Miller | 264.21 |
| 10/20/2025 | 48358 | Kaiser Premier LLC | 850.35 |
| 10/20/2025 | 48359 | Kaseya US LLC | 27.00 |
| 10/20/2025 | 48360 | Konica Minolta Business Solutions | 1,978.95 |
| 10/20/2025 | 48361 | Merit Oil Company | 6,965.67 |
| 10/20/2025 | 48362 | Moleaer Inc | 4,893.75 |
| 10/20/2025 | 48363 | Monarch | 3,707.35 |
| 10/20/2025 | 48364 | NCL Of Wisconsin Inc | 3,746.37 |
| 10/20/2025 | 48365 | Pachecos | 1,044.00 |
| 10/20/2025 | 48366 | Pro-Pipe & Supply, Inc. | 4,675.87 |
| 10/20/2025 | 48367 | RC Hobbs Company | 16,038.40 |
| 10/20/2025 | 48368 | Riverside County Treasurer | 208.82 |
| 10/20/2025 | 48369 | Ronald Harris | 1,045.59 |
| 10/20/2025 | 48370 | Royal Industrial Solutions | 3,335.06 |
| 10/20/2025 | 48371 | San Bdn. Valley Muni. Water Dist. | 16,992.66 |
| 10/20/2025 | 48372 | SBC Tax Collector | 58.85 |
| 10/20/2025 | 48373 | SCE Rosemead | 488,707.57 |
| 10/20/2025 | 48374 | Scott Equipment, Inc | 3,026.45 |
| 10/20/2025 | 48375 | State Water Resources Control Board | 711.00 |
| 10/20/2025 | 48376 | Sunshine Janitorial Service | 4,643.00 |
| 10/20/2025 | 48377 | Terracon Consultants, Inc. | 3,630.00 |
| 10/20/2025 | 48378 | Univar Solutions USA | 9,893.43 |
| 10/20/2025 | 48379 | UPDOG MEDIA LLC | 1,389.28 |
| 10/20/2025 | 48380 | UPS Store#1504 | 39.88 |
| 10/20/2025 | 48381 | US Bank | 7,740.83 |
| 10/20/2025 | 48382 | Veolia WTS Services USA, Inc | 334.95 |
| 10/20/2025 | 48383 | Walker Signs | 180.00 |
| 10/20/2025 | 48384 | Watereuse Association | 3,198.44 |
| 10/31/2025 | 48386 | California State Disbursement Unit | 397.38 |
| 10/31/2025 | 48387 | FRANCHISE TAX BOARD | 535.00 |
| 10/31/2025 | 48388 | WageWorks Inc | 2,680.69 |
| | | | <u>3,446,727.38</u> |

Check Register - October 2025

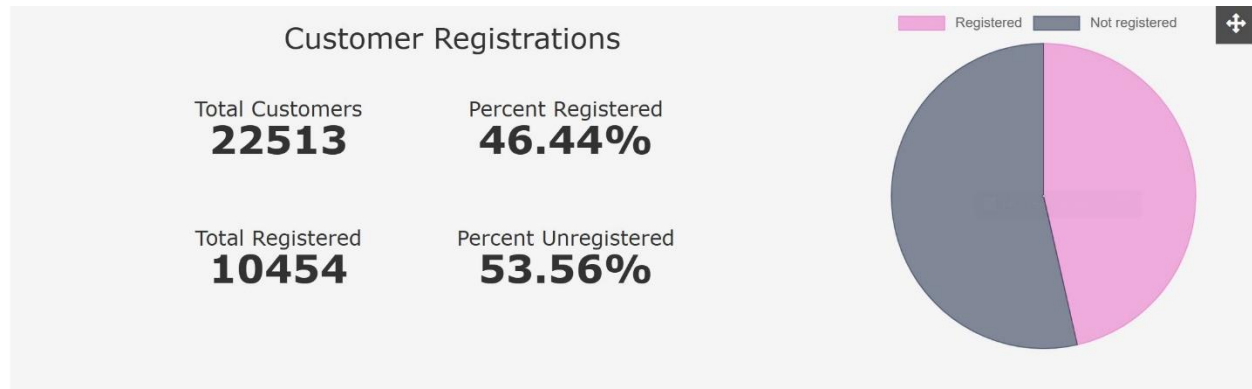
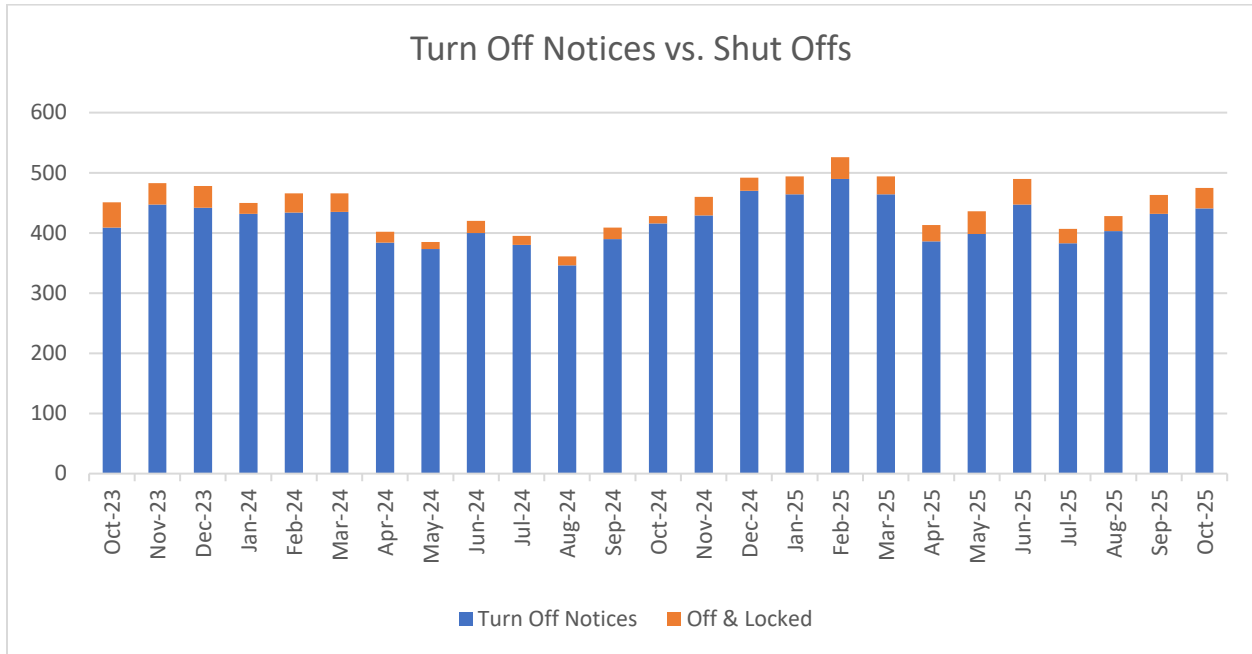
| Date | Check # | Payee or Description | Amount |
|-------------|----------------|-----------------------------|----------------------------|
| 10/3/2025 | electronic pmt | DIRECT DEPOSIT TOTAL | 215,555.51 |
| 10/3/2025 | electronic pmt | CalPERS 457 & Loan | 39,542.32 |
| 10/3/2025 | electronic pmt | CalPERS Retirement | 53,184.32 |
| 10/3/2025 | electronic pmt | EDD - State of California | 18,387.43 |
| 10/3/2025 | electronic pmt | IRS | 92,288.86 |
| 10/3/2025 | electronic pmt | VOYA 457 Retirement Plan | 3,476.29 |
| 10/17/2025 | electronic pmt | DIRECT DEPOSIT TOTAL | 212,413.64 |
| 10/17/2025 | electronic pmt | CalPERS 457 & Loan | 44,385.68 |
| 10/17/2025 | electronic pmt | CalPERS Retirement | 53,173.10 |
| 10/17/2025 | electronic pmt | EDD - State of California | 18,254.35 |
| 10/17/2025 | electronic pmt | IRS | 92,311.24 |
| 10/17/2025 | electronic pmt | VOYA 457 Retirement Plan | 3,476.29 |
| 10/17/2025 | electronic pmt | CalPERS Health Insurance | 132,821.96 |
| 10/31/2025 | electronic pmt | DIRECT DEPOSIT TOTAL | 217,122.48 |
| 10/31/2025 | electronic pmt | CalPERS 457 & Loan | 55,878.69 |
| 10/31/2025 | electronic pmt | CalPERS Retirement | 53,218.76 |
| 10/31/2025 | electronic pmt | EDD - State of California | 19,634.14 |
| 10/31/2025 | electronic pmt | IRS | 96,748.53 |
| 10/31/2025 | electronic pmt | VOYA 457 Retirement Plan | 5,084.21 |
| | | | <u>1,426,957.80</u> |

Financial Account Information

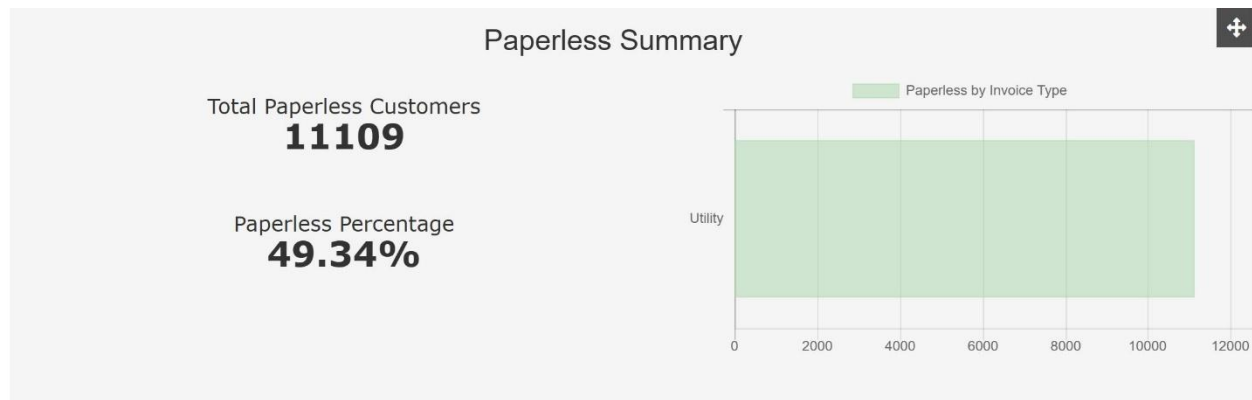
The District currently deposits all revenue received via mail or in person into the Deposit Checking account. All revenue received through Invoice Cloud is also deposited into the Deposit Checking account. The General Checking account is used as a sole processing account for all District checks and electronic payroll. The Investment Checking account is used for the purchase and redemption of US treasury notes and bills and for the transfer of LAIF funds. The US treasury notes and bills are booked at cost.



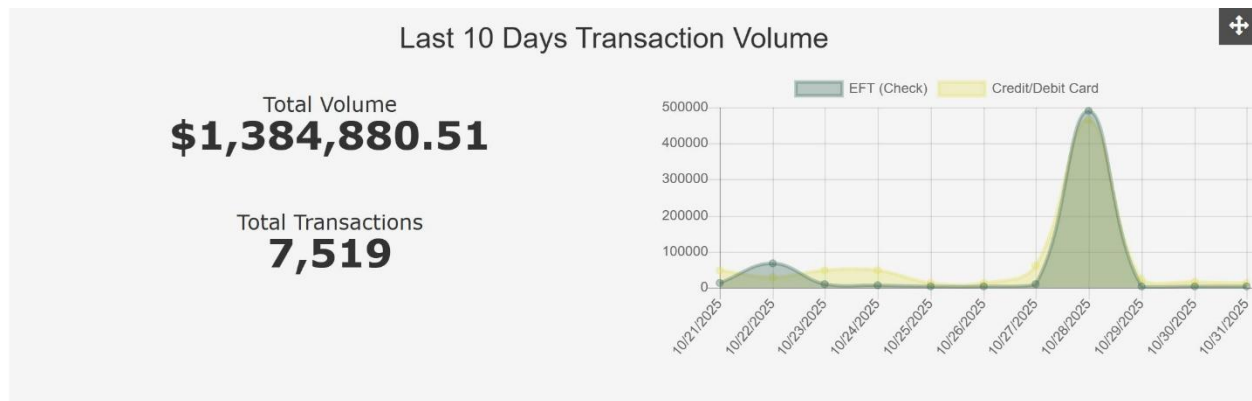
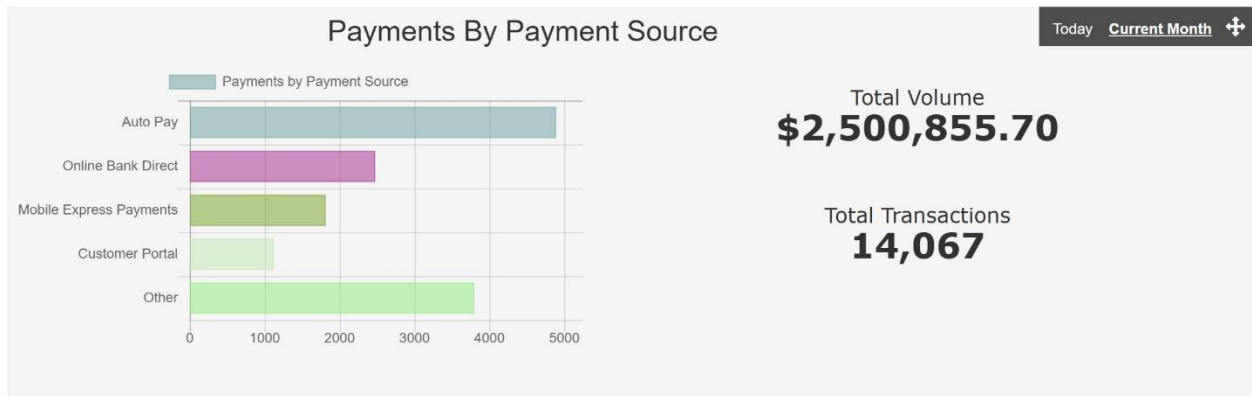
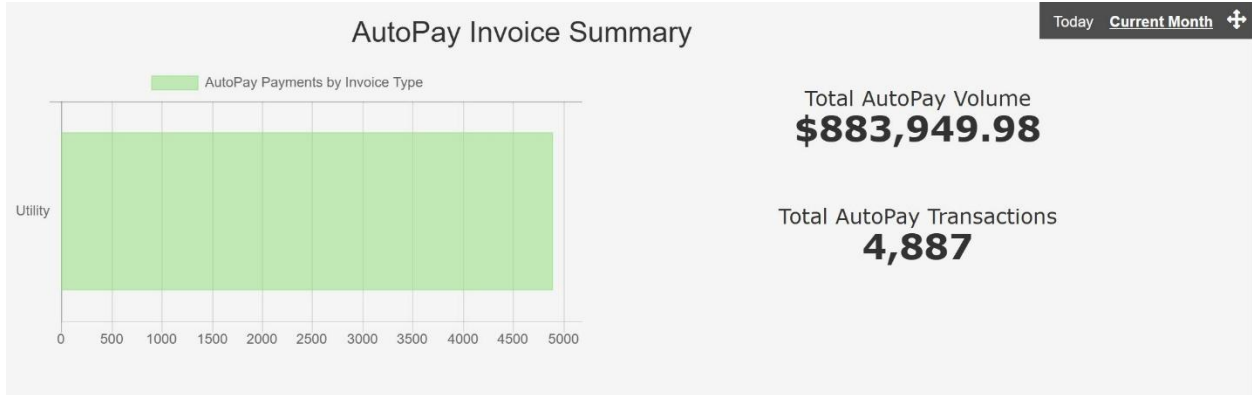
Monthly Water Shut offs: Monthly utility bills are mailed near the first of each month. Once utility bills are more than 60 days past due, turn off notices are mailed out, and the District shuts off water for non-payment once a month.

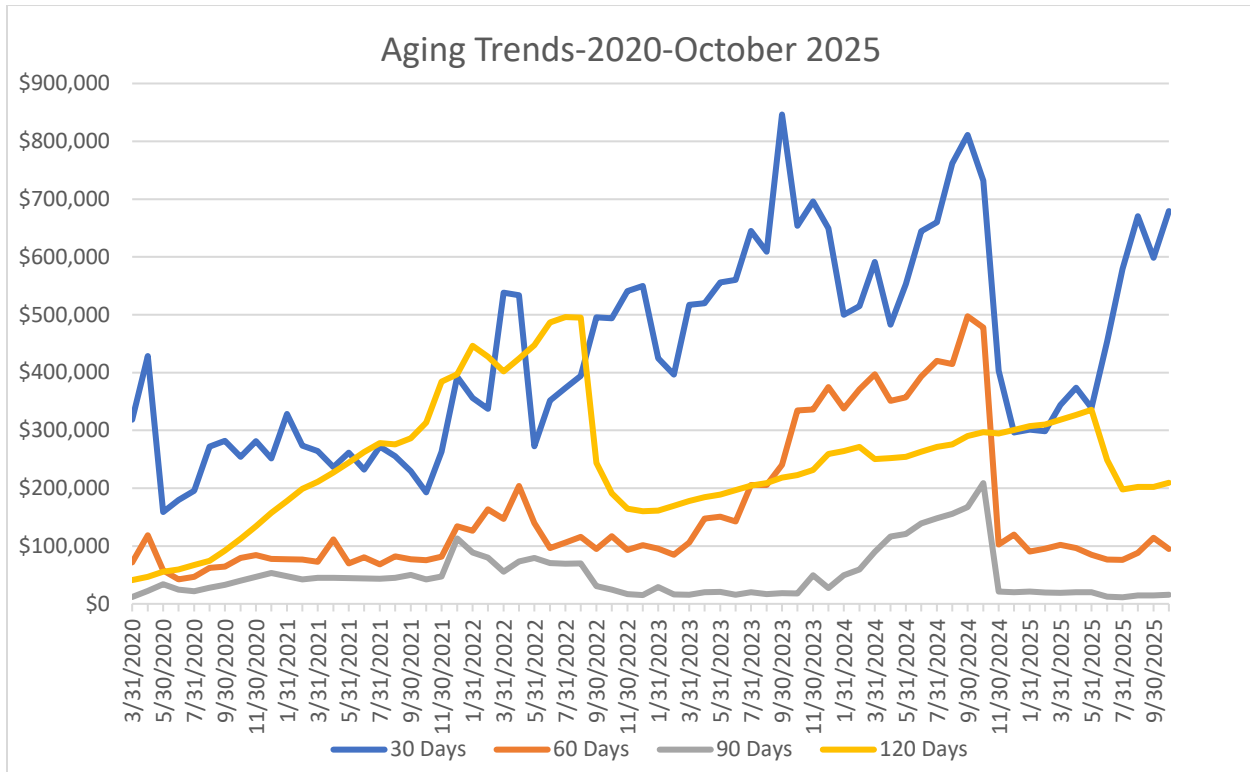


Compared to 10,384 in September (0.7% increase) and 7,278 customers on Xpress Bill Pay.

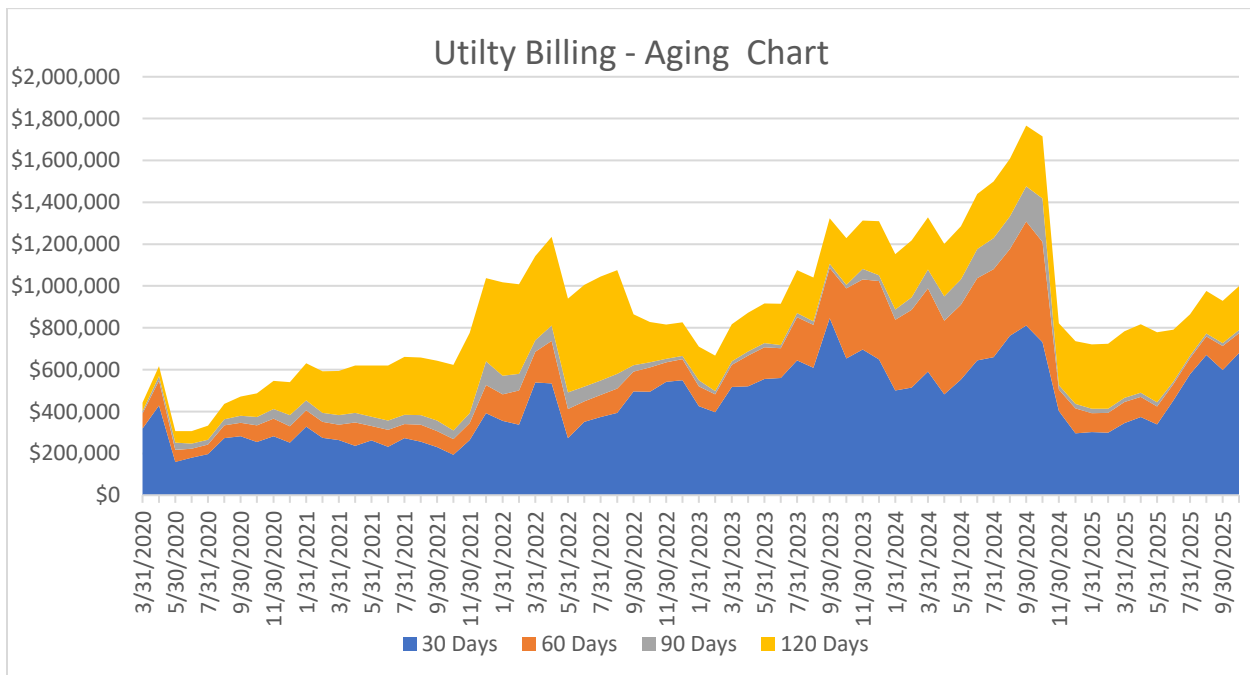


Compared to 11,051 in September (0.5% increase) and 2,455 customers on Xpress Bill Pay.





| | 30 days | 60 days | 90 days | 120 days |
|---------------------------|-----------|-----------|----------|-----------|
| Average Pre-Covid | \$271,756 | \$38,313 | \$20,889 | \$25,525 |
| Average Post Covid | \$437,085 | \$158,862 | \$49,053 | \$247,805 |
| % increase | 60.84% | 314.65% | 134.82% | 870.85% |



Management Discussion

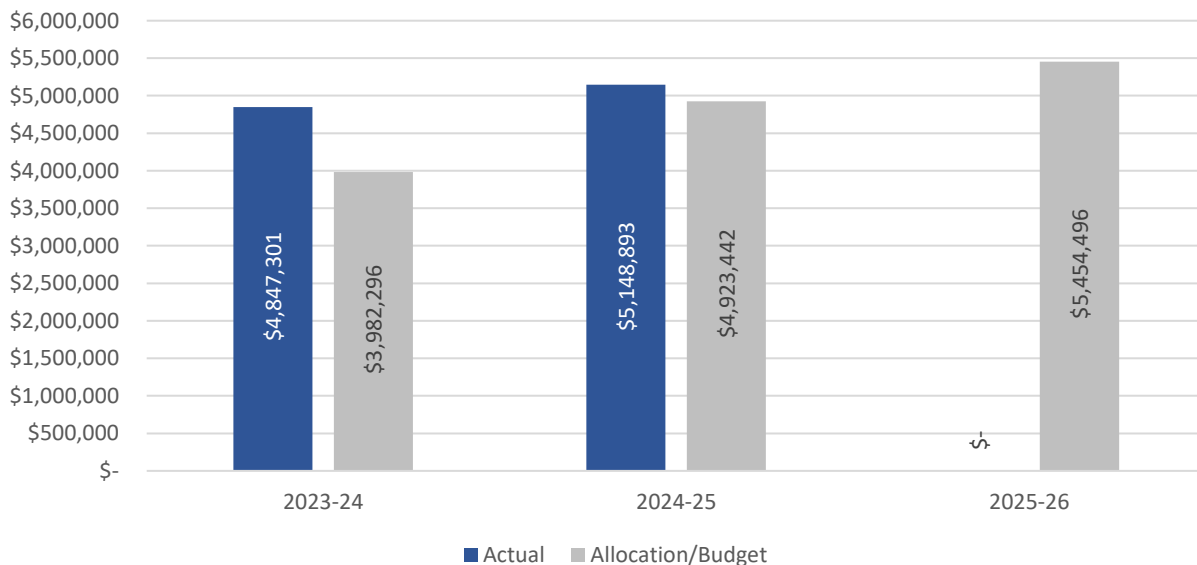
This section is included in the monthly unaudited report to discuss items of importance that may have a financial impact on the District.

- On February 15, 2023, the District was awarded a WIFIA loan of more than \$81.4 million to fund eleven water and energy projects throughout the District.
 - District staff finalized the interim financing on June 18th for the short term WIFIA notes as well as the financing for the R-16.2 Reservoir.
 - The District has drawn down an estimated 44% for WIFIA projects.
- District staff is reviewing the future rate revenue for the District.
- The fiscal year 2025-26 budget was approved by the Board on May 15, 2025.
- The interim portion of the annual District Financial Audit was completed the week of May 19th. The onsite portion of the final audit occurred in the week of September 2nd. District staff is presenting the audited financial statements at the November 18th Board meeting.
- District staff has begun working on the annual State Controller Report due in January.

Summary of Property Tax Revenue:

| Current Month | Year-to-Date | Budgeted Amount | Percentage |
|----------------|--------------|-----------------|------------|
| Property Taxes | \$ - | \$ 5,454,496 | 0% |

Property Taxes - Actual vs. Budget



Investment Summary

The investment summary report illustrates the District's investments in US treasury notes and bills in addition to the investments held by the Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP). The yields for the treasury notes and bills are provided for each individual transaction. The historical annual yield for funds invested with LAIF and CAMP are also provided.

Separate pooled money investment reports for LAIF, prepared by the State of California, are maintained by the District and available for review. The LAIF investment account is a pooled money account administered by the State of California. Additional information on the LAIF account is provided below in the investment summary report.

Separate pooled money investment reports for CAMP, prepared by U.S. Bank, are maintained by the District and available for review. The CAMP is a California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with professional investment services. Investments offered through the Cash Reserve Portfolio (or "Pool") and CAMP Term are permitted for all local agencies under California Government Code Section 53601(p). The individually managed portfolio is administered by PFM Asset Management LLC. Additional information on the CAMP account is provided below in the investment summary report.

Investment Policy Disclosure - The District is currently compliant with the portfolio of its Investment Policy and State law. The District expects to meet its expenditure requirements for the next six months.

Investment Summary - October 2025

CALIFORNIA ASSET MANAGEMENT PROGRAM

| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (MONTHLY) | ENDING BALANCE |
|--------------------|-------------------------------|-------------------------|----------------------------------|-----------------|
| July 31, 2025 | \$ (2,000,000.00) | \$ 1,327,766.34 | \$ 12,354.76 | \$ 3,216,808.58 |
| August 31, 2025 | \$ (5,700,000.00) | \$ 4,222,200.61 | \$ 10,996.17 | \$ 1,750,005.36 |
| September 30, 2025 | \$ (1,600,000.00) | \$ 1,457,106.88 | \$ 7,986.51 | \$ 1,615,098.75 |
| October 31, 2025 | \$ - | \$ 653,473.60 | \$ 7,445.05 | \$ 2,276,017.40 |
| November 30, 2025 | \$ - | \$ - | \$ - | \$ 2,276,017.40 |
| December 31, 2025 | \$ - | \$ - | \$ - | \$ 2,276,017.40 |
| January 31, 2026 | \$ - | \$ - | \$ - | \$ 2,276,017.40 |
| February 28, 2026 | \$ - | \$ - | \$ - | \$ 2,276,017.40 |
| March 31, 2026 | \$ - | \$ - | \$ - | \$ 2,276,017.40 |
| April 30, 2026 | \$ - | \$ - | \$ - | \$ 2,276,017.40 |
| May 31, 2026 | \$ - | \$ - | \$ - | \$ 2,276,017.40 |
| June 30, 2026 | \$ - | \$ - | \$ - | \$ 2,276,017.40 |

C.A.M.P. INCOME SUMMARY

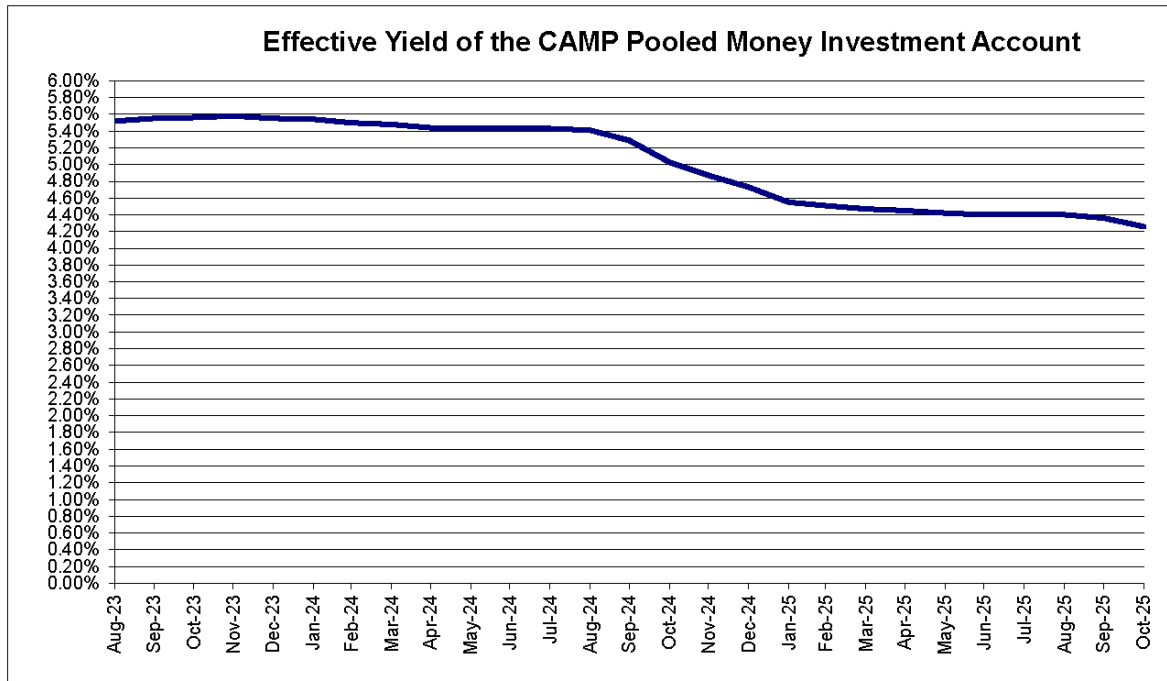
INCOME RECEIVED

CURRENT MONTH

FY YEAR-TO-DATE

\$ 7,445.05

\$ 38,782.49



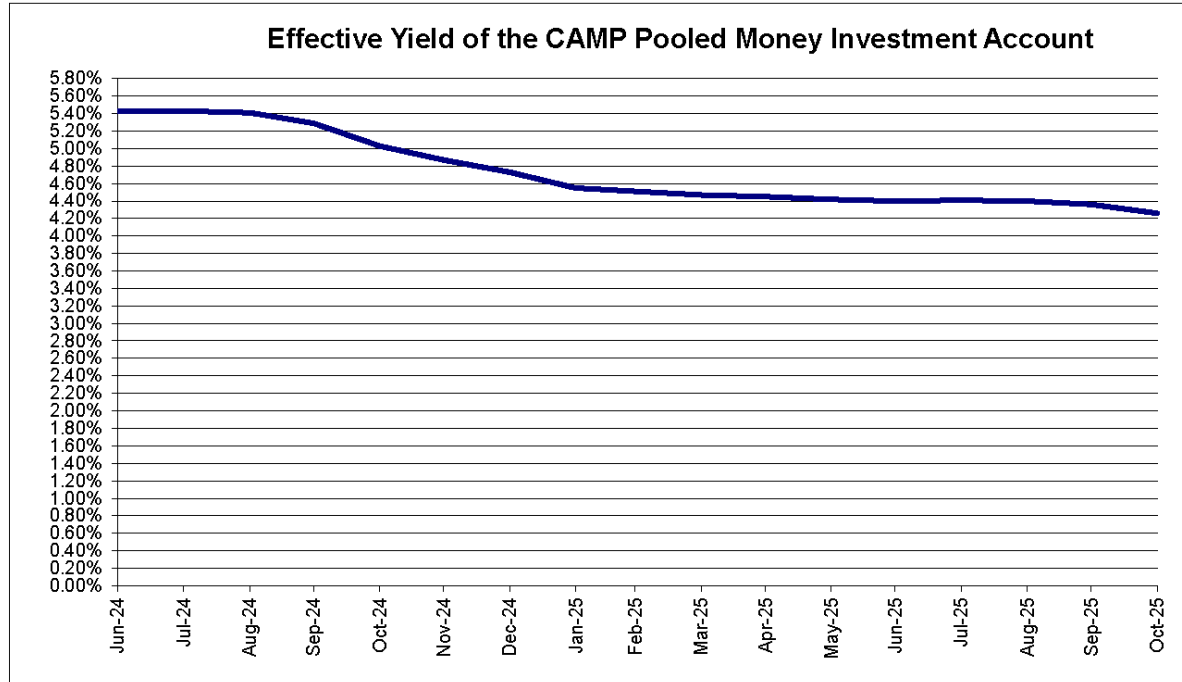
Investment Summary - October 2025

| |
|--|
| CALIFORNIA ASSET MANAGEMENT PROGRAM |
| 2024A WIFIA SHORT TERM NOTES |

| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (MONTHLY) | ENDING BALANCE |
|--------------------|-------------------------------|-------------------------|----------------------------------|------------------|
| July 31, 2025 | \$ (783,626.18) | \$ - | \$ 330,514.06 | \$ 49,585,937.03 |
| August 31, 2025 | \$ (5,542,883.62) | \$ - | \$ - | \$ 44,043,053.41 |
| September 30, 2025 | \$ (1,193,020.37) | \$ - | \$ 2,136,585.10 | \$ 44,986,618.14 |
| October 31, 2025 | \$ (454,863.11) | \$ - | \$ 24,286.44 | \$ 44,556,041.47 |
| November 30, 2025 | \$ - | \$ - | \$ - | \$ 44,556,041.47 |
| December 31, 2025 | \$ - | \$ - | \$ - | \$ 44,556,041.47 |
| January 31, 2026 | \$ - | \$ - | \$ - | \$ 44,556,041.47 |
| 2/29/2026 | \$ - | \$ - | \$ - | \$ 44,556,041.47 |
| March 31, 2026 | \$ - | \$ - | \$ - | \$ 44,556,041.47 |
| April 30, 2026 | \$ - | \$ - | \$ - | \$ 44,556,041.47 |
| May 31, 2026 | \$ - | \$ - | \$ - | \$ 44,556,041.47 |
| June 30, 2026 | \$ - | \$ - | \$ - | \$ 44,556,041.47 |

C.A.M.P. INCOME SUMMARY

| | <u>CURRENT MONTH</u> | <u>FY YEAR-TO-DATE</u> |
|------------------------|----------------------|------------------------|
| <u>INCOME RECEIVED</u> | <u>\$ 24,286.44</u> | <u>\$ 2,491,385.60</u> |



Investment Summary - October 2025

CALIFORNIA ASSET MANAGEMENT PROGRAM

2024B R-16.2 RESERVOIR

| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (MONTHLY) | ENDING BALANCE |
|--------------------|-------------------------------|-------------------------|----------------------------------|-----------------|
| July 31, 2024 | \$ (544,140.16) | \$ - | \$ 10,529.25 | \$ 2,446,836.00 |
| August 31, 2024 | \$ (191,217.61) | \$ - | \$ 8,690.15 | \$ 2,264,308.54 |
| September 30, 2024 | \$ (264,086.51) | \$ - | \$ 7,232.95 | \$ 2,007,454.98 |
| October 31, 2024 | \$ (198,610.49) | \$ - | \$ 6,753.42 | \$ 1,815,597.91 |
| November 30, 2024 | \$ - | \$ - | \$ - | \$ 1,815,597.91 |
| December 31, 2024 | \$ - | \$ - | \$ - | \$ 1,815,597.91 |
| January 31, 2025 | \$ - | \$ - | \$ - | \$ 1,815,597.91 |
| February 28, 2025 | \$ - | \$ - | \$ - | \$ 1,815,597.91 |
| March 31, 2025 | \$ - | \$ - | \$ - | \$ 1,815,597.91 |
| April 30, 2025 | \$ - | \$ - | \$ - | \$ 1,815,597.91 |
| May 31, 2025 | \$ - | \$ - | \$ - | \$ 1,815,597.91 |
| June 30, 2025 | \$ - | \$ - | \$ - | \$ 1,815,597.91 |

C.A.M.P. INCOME SUMMARY

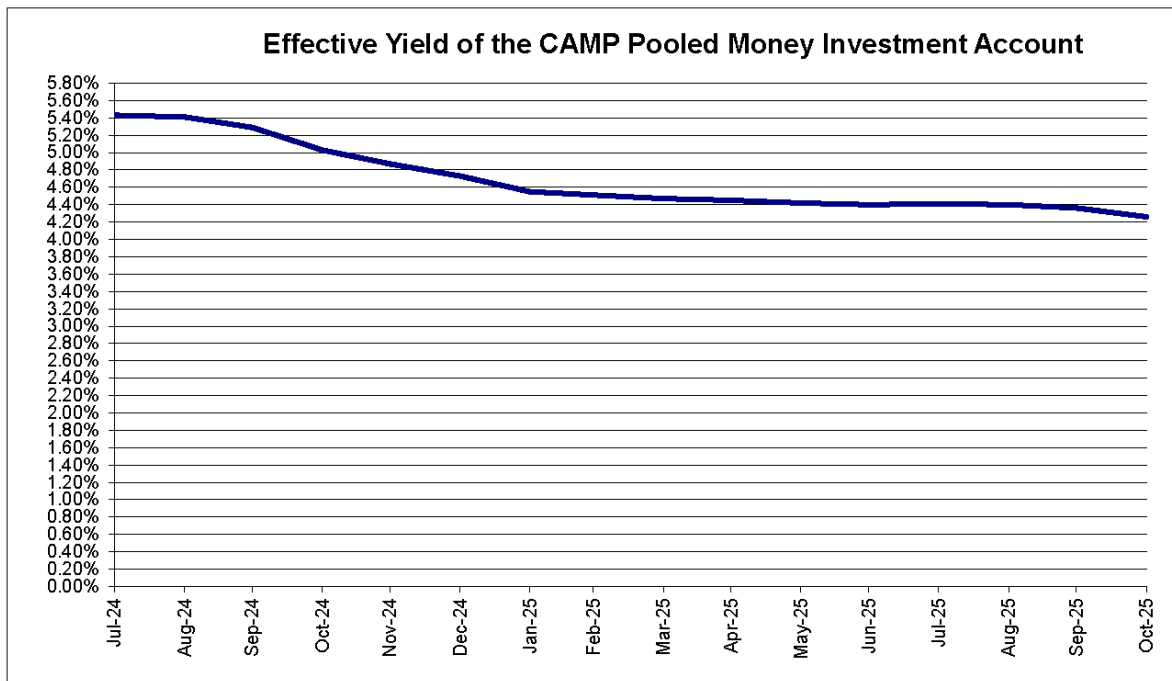
CURRENT MONTH

FY YEAR-TO-DATE

INCOME RECEIVED

\$ 6,753.42

\$ 33,205.77



Investment Summary - October 2025

LOCAL AGENCY INVESTMENT FUND

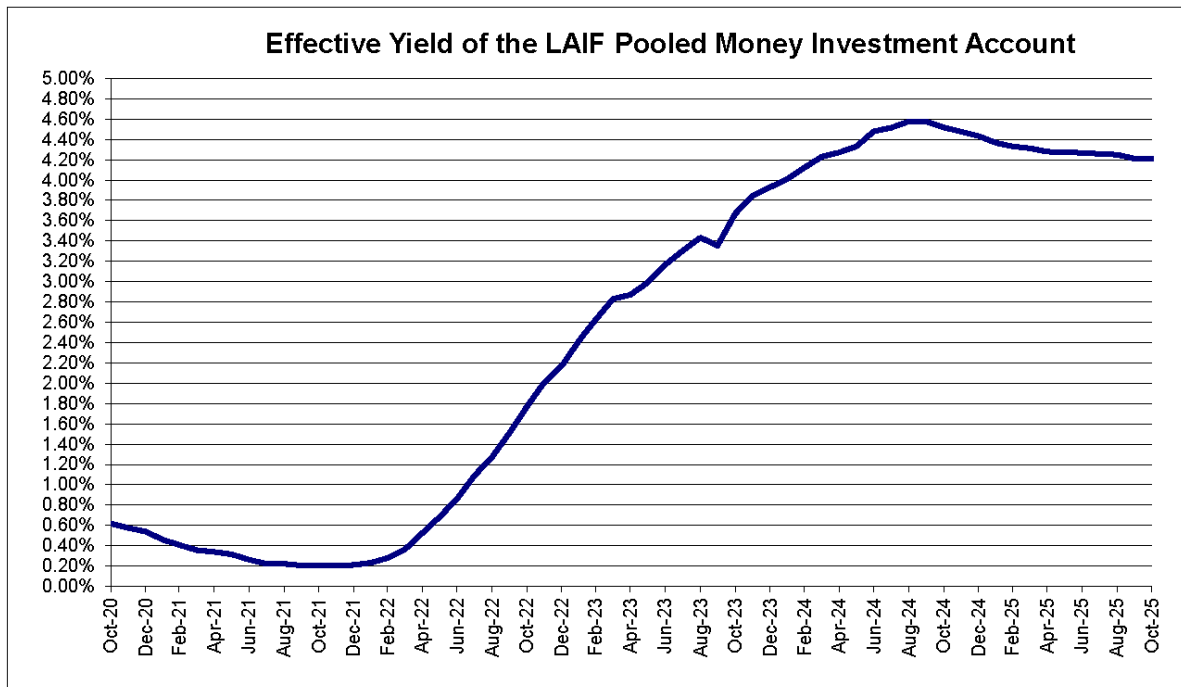
| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (QUARTERLY) | ENDING BALANCE |
|--------------------|-------------------------------|-------------------------|------------------------------------|----------------|
| July 31, 2025 | \$ - | \$ - | \$ 404.03 | \$ 37,281.02 |
| August 31, 2025 | \$ - | \$ - | \$ - | \$ 37,281.02 |
| September 30, 2025 | \$ - | \$ - | \$ - | \$ 37,281.02 |
| October 31, 2025 | \$ - | \$ - | \$ 407.25 | \$ 37,688.27 |
| November 30, 2025 | \$ - | \$ - | \$ - | \$ 37,688.27 |
| December 31, 2025 | \$ - | \$ - | \$ - | \$ 37,688.27 |
| January 31, 2026 | \$ - | \$ - | \$ - | \$ 37,688.27 |
| February 28, 2026 | \$ - | \$ - | \$ - | \$ 37,688.27 |
| March 31, 2026 | \$ - | \$ - | \$ - | \$ 37,688.27 |
| April 30, 2026 | \$ - | \$ - | \$ - | \$ 37,688.27 |
| May 31, 2026 | \$ - | \$ - | \$ - | \$ 37,688.27 |
| June 30, 2026 | \$ - | \$ - | \$ - | \$ 37,688.27 |

L.A.I.F. INCOME SUMMARY

CURRENT QUARTER FY YEAR-TO-DATE

INCOME RECEIVED

\$ 407.25 \$ 811.28



Investment Summary - October 2025

| U. S. Bank 2022A Bond Investment | | | | | |
|----------------------------------|-------------------------------|-------------------------|----------------------------------|-----------------|--|
| PERIOD | TOTAL WITHDRAWAL AMOUNT | TOTAL DEPOSIT AMOUNT | ACCRUED INTEREST (MONTHLY) | ENDING BALANCE | |
| July 31, 2025 | \$ (368,438.47) | \$ - | \$ 14,395.26 | \$ 4,630,510.26 | |
| August 31, 2025 | \$ (612,496.90) | \$ - | \$ 13,798.00 | \$ 4,031,811.36 | |
| September 30, 2025 | \$ (612,414.26) | \$ - | \$ 11,122.20 | \$ 3,430,519.30 | |
| October 31, 2025 | \$ (1,194,260.51) | \$ - | \$ 9,618.22 | \$ 2,245,877.01 | |
| November 30, 2025 | \$ - | \$ - | \$ - | \$ 2,245,877.01 | |
| December 31, 2025 | \$ - | \$ - | \$ - | \$ 2,245,877.01 | |
| January 31, 2026 | \$ - | \$ - | \$ - | \$ 2,245,877.01 | |
| February 28, 2026 | \$ - | \$ - | \$ - | \$ 2,245,877.01 | |
| March 31, 2026 | \$ - | \$ - | \$ - | \$ 2,245,877.01 | |
| April 30, 2026 | \$ - | \$ - | \$ - | \$ 2,245,877.01 | |
| May 31, 2026 | \$ - | \$ - | \$ - | \$ 2,245,877.01 | |
| June 30, 2026 | \$ - | \$ - | \$ - | \$ 2,245,877.01 | |

U.S. BANK INCOME SUMMARY

| | <u>CURRENT MONTH</u> | <u>FY YEAR-TO-DATE</u> |
|------------------------|----------------------|------------------------|
| <u>INCOME RECEIVED</u> | <u>\$ 9,618.22</u> | <u>\$ 48,933.68</u> |

Fiscal Year 2025-26 Detail Budget Status

The revenue and expense budget status for the 2025-26 Fiscal Year is provided for your review.

Questions or Comments

If you have any questions about a particular budget account, please do not hesitate to contact the Chief Financial Officer directly. If you need additional information, the members of the Administrative Department would be happy to provide you with any detailed information you may desire.

| Summary of Revenue Budget As of October 31, 2025 (33% of Budget Cycle) | | | | |
|---|---------------------|----------------------|----------------------|---------------|
| Division | Current Month | Year-to-Date | Budget Amount | Percentage |
| Water | \$ 1,442,335 | \$ 9,207,479 | \$ 27,377,636 | 33.63% |
| Sewer | \$ 1,178,844 | \$ 5,423,926 | \$ 15,894,051 | 34.13% |
| Recycled Water | \$ 145,561 | \$ 778,132 | \$ 2,445,980 | 31.81% |
| District Revenue | \$ 2,766,741 | \$ 15,409,537 | \$ 45,717,667 | 33.71% |

| Summary of Water Budget vs. Expenses As of October 31, 2025 (33% of Budget Cycle) | | | | |
|--|---------------------|---------------------|----------------------|---------------|
| Department | Current Month | Year-to-Date | Budget Amount | Percentage |
| Water Resources | \$ 485,488 | \$ 2,594,231 | \$ 7,125,011 | 36.41% |
| Public Works | \$ 307,624 | \$ 1,597,616 | \$ 4,720,402 | 33.84% |
| Administration | \$ 216,115 | \$ 1,213,102 | \$ 3,772,971 | 32.15% |
| Long Term Debt | \$ - | \$ 3,908,695 | \$ 9,044,335 | 43.22% |
| Asset Acquisition | \$ - | \$ - | \$ 2,234,917 | 0.00% |
| TOTAL | \$ 1,009,227 | \$ 9,313,644 | \$ 26,897,636 | 34.63% |

| Summary of Sewer Budget vs. Expenses As of October 31, 2025 (33% of Budget Cycle) | | | | |
|--|-------------------|---------------------|----------------------|---------------|
| Department | Current Month | Year-to-Date | Budget Amount | Percentage |
| Treatment | \$ 363,910 | \$ 1,787,809 | \$ 5,882,560 | 30.39% |
| Administration | \$ 187,099 | \$ 1,186,037 | \$ 3,934,250 | 30.15% |
| Environmental Control | \$ 129,972 | \$ 1,106,910 | \$ 2,242,404 | 49.36% |
| Long Term Debt | \$ - | \$ 1,152,625 | \$ 3,282,066 | 35.12% |
| Asset Acquisition | \$ - | \$ - | \$ 552,771 | 0.00% |
| TOTAL | \$ 680,981 | \$ 5,233,381 | \$ 15,894,051 | 32.93% |

| Summary of Recycled Water Budget vs. Expenses As of October 31, 2025 (33% of Budget Cycle) | | | | |
|---|---------------------|----------------------|----------------------|---------------|
| Department | Current Month | Year-to-Date | Budget Amount | Percentage |
| Administration | \$ 156,136 | \$ 735,055 | \$ 2,297,480 | 31.99% |
| TOTAL | \$ 156,136 | \$ 735,055 | \$ 2,297,480 | 31.99% |
| District Expenses | \$ 1,846,344 | \$ 15,282,081 | \$ 45,089,167 | 33.89% |

| FY 2025-26 Water Revenue | | | | | |
|--------------------------|--------------------------------|----------------------|---------------------|---------------------|---------------|
| G/L ACCOUNT# | DESCRIPTION | BUDGET | Oct '25 | Year to Date | % |
| 02-400-40010 | Sales-Water & Non Potable | \$ 7,393,287 | \$ 583,478 | \$ 3,325,645 | 44.98% |
| 02-400-40011 | Sales-Construction Water | \$ 9,338 | \$ 2,245 | \$ 8,088 | 86.62% |
| 02-400-40012 | Sales-Imported Water-SGPWA | \$ 385,193 | \$ 31,444 | \$ 165,163 | 42.88% |
| 02-400-40013 | Sales-Imported Water-MUNI | \$ 807,063 | \$ 68,507 | \$ 375,346 | 46.51% |
| 02-400-40014 | Sales-Disc (Multi Unit) Commdy | \$ (102,758) | \$ (7,536) | \$ (35,617) | 34.66% |
| 02-400-40015 | Sales-Wholesale Water | \$ 165,344 | \$ 27,309 | \$ 72,599 | 43.91% |
| 02-400-40016 | Sales-Establish Service Fee | \$ 638 | \$ 75 | \$ 150 | 23.51% |
| 02-400-40017 | Sales-Excess Drinking Water | \$ 280,838 | \$ 19,856 | \$ 165,280 | 58.85% |
| 02-400-40018 | Sales-Infrastructure | \$ 2,716,199 | \$ 251,080 | \$ 1,369,228 | 50.41% |
| 02-400-41000 | Sales-Service Demand Charges | \$ 4,759,104 | \$ 391,465 | \$ 1,565,272 | 32.89% |
| 02-400-41001 | Sales-Fire Srv Standby Fees | \$ 86,888 | \$ 6,964 | \$ 27,961 | 32.18% |
| 02-400-41003 | Sales-Const Water Minimum Chg | \$ 1,220 | \$ 227 | \$ 833 | 68.26% |
| 02-400-41005 | Sales-Disc (Multi Units)-SC | \$ (137,000) | \$ (11,280) | \$ (45,122) | 32.94% |
| 02-400-41010 | Unauthorized Use of Water Chrg | \$ - | \$ - | \$ - | N/A |
| 02-400-41110 | Meter/Lateral Installation | \$ 22,509 | \$ - | \$ - | 0.00% |
| 02-400-41112 | Fire Flow Test Fees | \$ 8,775 | \$ - | \$ 2,600 | 29.63% |
| 02-400-41113 | Disconnect & Reconnect Fees | \$ 25,000 | \$ 1,500 | \$ 6,375 | 25.50% |
| 02-400-41121 | Delinquent Payment Charges | \$ 208,646 | \$ 20,925 | \$ 80,467 | 38.57% |
| 02-400-41124 | Bad Debt Write-Off & Recovery | \$ (22,082) | \$ - | \$ - | 0.00% |
| 02-421-42122 | Revenue - Other, Operating | \$ - | \$ 77 | \$ 463 | N/A |
| 02-421-42123 | Admin, Management & Acctg Fees | \$ 191,025 | \$ 15,919 | \$ 63,675 | 33.33% |
| 02-430-43010 | Interest Earned | \$ 401,409 | \$ 407 | \$ 1,912,992 | 476.57% |
| 02-431-43110 | Property Tax - Unsecured | \$ 250,727 | \$ 22,021 | \$ 22,021 | 8.78% |
| 02-431-43120 | Property Tax - Secured | \$ 4,223,153 | \$ 9,691 | \$ 18,524 | 0.44% |
| 02-431-43130 | Tax Collection - Prior | \$ 69,287 | \$ - | \$ 619 | 0.89% |
| 02-431-43140 | Taxes - Other | \$ 458,270 | \$ (79) | \$ (123) | -0.03% |
| 02-491-49110 | Rental Income | \$ - | \$ 2,575 | \$ 2,575 | N/A |
| 02-491-49150 | Revenue - Misc Non-Operating | \$ 25,004 | \$ 5,467 | \$ 102,466 | 409.80% |
| | WATER OPERATING REVENUE | \$ 22,227,077 | \$ 1,442,335 | \$ 9,207,479 | 41.42% |
| 02-491-49100 | Reserve Fund Transfer In | \$ 5,150,559 | \$ - | \$ - | N/A |
| 02-480-48002 | Grants | \$ - | \$ - | \$ - | N/A |
| 02-480-48901 | Contrib Cap-Capacity Fees | \$ - | \$ 26,956 | \$ 551,385 | N/A |
| 02-480-48902 | Contrib Cap-Sustainability | \$ - | \$ 5,435 | \$ 38,898 | N/A |
| | TOTAL WATER REVENUE | \$ 27,377,636 | \$ 1,474,726 | \$ 9,797,762 | 35.79% |

NOTE: Plan check & inspection fees to 02-42122

| FY 2025-26 Sewer Revenue | | | | | |
|--------------------------|--------------------------------|----------------------|---------------------|---------------------|---------------|
| G/L ACCOUNT# | DESCRIPTION | BUDGET | Oct '25 | Year to Date | % |
| 03-400-40016 | Sales-Establish Service Fee | \$ 552 | \$ - | \$ 25 | 4.53% |
| 03-400-41000 | Sales-Sewer Charges | \$ 13,927,873 | \$ 1,179,193 | \$ 4,764,989 | 34.21% |
| 03-400-41005 | Sales-Disc (Multi Units)-SC | \$ (173,000) | \$ (13,648) | \$ (54,592) | 31.56% |
| 03-400-41110 | Meter/Lateral Installation | \$ 7,500 | \$ 22 | \$ 2,619 | 34.93% |
| 03-400-41121 | Penalty - Late Charges | \$ 147,141 | \$ 12,289 | \$ 47,947 | 32.59% |
| 03-400-41124 | Bad Debt Write-Off & Recovery | \$ (15,000) | \$ - | \$ - | 0.00% |
| 03-400-41131 | Front Footage Fees | \$ 57,806 | \$ 171 | \$ 8,420 | 14.57% |
| 03-421-42122 | Revenue - Other, Operating | \$ 2,102 | \$ 722 | \$ 1,629 | 77.48% |
| 03-430-43010 | Interest Earned | \$ 409,880 | \$ 95 | \$ 652,689 | 159.24% |
| 03-431-43110 | Property Tax - Unsecured | \$ - | \$ - | \$ - | N/A |
| 03-431-43120 | Property Tax - Secured | \$ - | \$ - | \$ - | N/A |
| 03-431-43130 | Tax Collection - Prior | \$ - | \$ - | \$ - | N/A |
| 03-431-43140 | Taxes - Other | \$ - | \$ - | \$ - | N/A |
| 03-491-49150 | Revenue - Misc Non-Operating | \$ 2,760 | \$ - | \$ 200 | 7.25% |
| | SEWER OPERATING REVENUE | \$ 14,367,614 | \$ 1,178,844 | \$ 5,423,926 | 37.75% |
| 03-491-49100 | Reserve Fund Transfer In | \$ 1,526,437 | \$ - | \$ - | 0.00% |
| 03-480-48002 | Grants | \$ - | \$ - | \$ - | N/A |
| 03-480-48901 | Contrib Cap-Capacity Fees | \$ - | \$ 41,140 | \$ 281,957 | N/A |
| 03-480-48905 | Contrib Cap-Infrastructure | \$ - | \$ - | \$ - | N/A |
| | TOTAL SEWER REVENUE | \$ 15,894,051 | \$ 1,219,985 | \$ 5,705,882 | 35.90% |

| FY 2025-26 Recycled Revenue | | | | | |
|-----------------------------|-----------------------------------|---------------------|-------------------|-------------------|---------------|
| G/L ACCOUNT# | DESCRIPTION | BUDGET | Oct '25 | Year to Date | % |
| 04-400-40010 | Sales-Water & Non Potable | \$ 1,474,457 | \$ 105,107 | \$ 573,620 | 38.90% |
| 04-400-40011 | Sales-Construction Water | \$ - | \$ - | \$ - | N/A |
| 04-400-40017 | Sales-Excess Drinking Water | \$ 71,643 | \$ 5,204 | \$ 40,537 | 56.58% |
| 04-400-40018 | Sales-Infrastructure | \$ 113,811 | \$ 8,220 | \$ 52,477 | 46.11% |
| 04-400-41000 | Sales-Service Demand Charges | \$ 299,973 | \$ 25,763 | \$ 102,904 | 34.30% |
| 04-400-41003 | Sales-Const Water Minimum Chg | \$ 3,324 | \$ 258 | \$ 1,200 | 36.11% |
| 04-400-41110 | Meter/Lateral Installation | \$ 1,104 | \$ - | \$ 722 | 65.40% |
| 04-400-41121 | Penalty - Late Charges | \$ 9,791 | \$ 854 | \$ 2,998 | 30.62% |
| 04-400-41122 | Revenue - Other, Operating | \$ 526 | \$ 154 | \$ 540 | 102.67% |
| 04-430-43010 | Interest Earned | \$ 18,292 | \$ - | \$ 3,134 | 17.13% |
| 04-431-43110 | Property Tax - Unsecured | \$ - | \$ - | \$ - | N/A |
| 04-431-43120 | Property Tax - Secured | \$ 453,059 | \$ - | \$ - | 0.00% |
| 04-431-43130 | Tax Collection - Prior | \$ - | \$ - | \$ - | N/A |
| 04-431-43140 | Taxes - Other | \$ - | \$ - | \$ - | N/A |
| 04-491-49150 | Revenue-Misc Non-Operating | \$ - | \$ - | \$ - | N/A |
| | RECYCLED OPERATING REVENUE | \$ 2,445,980 | \$ 145,561 | \$ 778,132 | 31.81% |
| 04-491-49100 | Reserve Fund Transfer In | \$ - | \$ - | \$ - | N/A |
| 04-480-48002 | Grants | \$ - | \$ - | \$ - | N/A |
| 04-480-48901 | Contrib Cap-Capacity Fees | \$ - | \$ - | \$ 48,335 | N/A |
| | TOTAL RECYCLED REVENUE | \$ 2,445,980 | \$ 145,561 | \$ 826,467 | 33.79% |

| FY 2025-26 Water Expenses | | | | | |
|---------------------------|-------------------------------|---------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | ADOPTED BUDGET | Oct '25 | Year to Date | % |
| 02-501-50009 | Labor - Overtime | \$ 56,821 | \$ 3,536 | \$ 16,035 | 28.22% |
| 02-501-50010 | Labor | \$ 1,253,346 | \$ 90,779 | \$ 408,753 | 32.61% |
| 02-501-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 02-501-50013 | Benefits-FICA | \$ 117,909 | \$ 7,586 | \$ 34,499 | 29.26% |
| 02-501-50014 | Benefits-Life Insurance | \$ 4,582 | \$ - | \$ 413 | 9.02% |
| 02-501-50016 | Benefits-Health & Def Comp | \$ 229,278 | \$ 20,237 | \$ 88,595 | 38.64% |
| 02-501-50017 | Benefits-Disability Insurance | \$ 28,051 | \$ 1,124 | \$ 6,111 | 21.79% |
| 02-501-50019 | Benefits-Workers Compensation | \$ 55,543 | \$ 6,356 | \$ 19,191 | 34.55% |
| 02-501-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (2,217) | N/A |
| 02-501-50022 | Benefits-PERS Employer | \$ 229,552 | \$ 7,502 | \$ 152,996 | 66.65% |
| 02-501-50023 | Benefits-Uniforms | \$ 8,181 | \$ 166 | \$ 885 | 10.82% |
| 02-501-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 02-501-50025 | Benefits-Boots & Incentives | \$ 7,260 | \$ - | \$ 2,760 | 38.02% |
| 02-501-51001 | R&M - Vehicles & Equipment | \$ 36,010 | \$ 1,999 | \$ 14,266 | 39.62% |
| 02-501-51003 | R&M - Structures | \$ 400,000 | \$ 183 | \$ 35,636 | 8.91% |
| 02-501-51011 | R&M - Valves | \$ 72,976 | \$ - | \$ - | 0.00% |
| 02-501-51115 | Laboratory Supplies | \$ 3,101 | \$ - | \$ 3,566 | 114.98% |
| 02-501-51140 | General Supplies & Expenses | \$ 2,231 | \$ - | \$ - | 0.00% |
| 02-501-51210 | Power Purchases | \$ 1,995,379 | \$ 286,329 | \$ 857,590 | 42.98% |
| 02-501-51211 | Electricity & Fuel | \$ 2,142 | \$ 231 | \$ 830 | 38.73% |
| 02-501-51316 | Supplemental Source of Supply | \$ 1,763,503 | \$ - | \$ 623,156 | 35.34% |
| 02-501-54012 | Education & Training | \$ 6,175 | \$ - | \$ - | 0.00% |
| 02-501-54019 | Licenses & Permits | \$ 78,054 | \$ - | \$ 1,200 | 1.54% |
| 02-501-54025 | Telephone & Internet | \$ 3,941 | \$ - | \$ 3,630 | 92.11% |
| 02-501-54110 | Laboratory Services | \$ 47,501 | \$ - | \$ 13,002 | 27.37% |
| 02-501-57040 | YVRWFF-Crystal Creek Exp | \$ 723,475 | \$ 59,458 | \$ 313,334 | 43.31% |
| | WATER RESOURCE TOTALS | \$ 7,125,011 | \$ 485,488 | \$ 2,594,231 | 36.41% |
| 02-503-50009 | Labor - Overtime | \$ 42,138 | \$ 8,003 | \$ 20,214 | 47.97% |
| 02-503-50010 | Labor | \$ 2,298,669 | \$ 181,804 | \$ 738,516 | 32.13% |
| 02-503-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 02-503-50013 | Benefits-FICA | \$ 223,854 | \$ 15,153 | \$ 60,435 | 27.00% |
| 02-503-50014 | Benefits-Life Insurance | \$ 12,258 | \$ - | \$ 1,089 | 8.89% |
| 02-503-50016 | Benefits-Health & Def Comp | \$ 581,202 | \$ 55,254 | \$ 224,670 | 38.66% |
| 02-503-50017 | Benefits-Disability Insurance | \$ 53,256 | \$ 2,246 | \$ 12,014 | 22.56% |
| 02-503-50019 | Benefits-Workers Compensation | \$ 11,085 | \$ 1,345 | \$ 4,061 | 36.64% |
| 02-503-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (4,138) | N/A |
| 02-503-50022 | Benefits-PERS Employer | \$ 365,943 | \$ 14,483 | \$ 260,375 | 71.15% |
| 02-503-50023 | Benefits-Uniforms | \$ 24,426 | \$ 902 | \$ 4,800 | 19.65% |
| 02-503-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 02-503-50025 | Benefits-Boots & Incentives | \$ 33,705 | \$ - | \$ 7,470 | 22.16% |
| 02-503-51001 | R&M - Vehicles & Equipment | \$ 198,629 | \$ 2,681 | \$ 23,443 | 11.80% |
| 02-503-51011 | R&M - Valves | \$ 40,814 | \$ - | \$ - | 0.00% |
| 02-503-51020 | R&M - Pipelines | \$ 156,023 | \$ - | \$ 79,797 | 51.14% |
| 02-503-51021 | R&M - Service Lines | \$ 105,543 | \$ - | \$ 46,248 | 43.82% |

| FY 2025-26 Water Expenses | | | | | |
|---------------------------|-------------------------------|---------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | ADOPTED BUDGET | Oct '25 | Year to Date | % |
| 02-503-51022 | R&M - Fire Hydrants | \$ 79,308 | \$ - | \$ 15,911 | 20.06% |
| 02-503-51029 | R&M - Backflow | \$ 89,740 | \$ 865 | \$ 30,739 | 34.25% |
| 02-503-51030 | R&M - Meters | \$ 107,057 | \$ - | \$ 16,470 | 15.38% |
| 02-503-51031 | R&M - Fire Flow Testing | \$ 27,602 | \$ - | \$ - | 0.00% |
| 02-503-51032 | R&M - Facility Improvements | \$ 229,000 | \$ 24,888 | \$ 45,543 | 19.89% |
| 02-503-51092 | Equipment Credits | \$ - | \$ - | \$ - | N/A |
| 02-503-51140 | General Supplies & Expenses | \$ 3,378 | \$ - | \$ - | 0.00% |
| 02-503-54012 | Education & Training | \$ 27,540 | \$ - | \$ - | 0.00% |
| 02-503-54025 | Telephone & Internet | \$ 9,232 | \$ - | \$ 9,960 | 107.89% |
| | PUBLIC WORKS TOTALS | \$ 4,720,402 | \$ 307,624 | \$ 1,597,616 | 33.84% |
| 02-506-50009 | Labor - Overtime | \$ 1,146 | \$ - | \$ 66 | 5.78% |
| 02-506-50010 | Labor | \$ 876,808 | \$ 74,991 | \$ 299,167 | 34.12% |
| 02-506-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 02-506-50012 | Director Fees | \$ 32,909 | \$ 2,653 | \$ 9,286 | 28.22% |
| 02-506-50013 | Benefits-FICA | \$ 82,355 | \$ 4,711 | \$ 20,671 | 25.10% |
| 02-506-50014 | Benefits-Life Insurance | \$ 3,003 | \$ 25 | \$ 339 | 11.30% |
| 02-506-50016 | Benefits-Health & Def Comp | \$ 163,625 | \$ 17,817 | \$ 74,112 | 45.29% |
| 02-506-50017 | Benefits-Disability Insurance | \$ 19,594 | \$ 885 | \$ 3,989 | 20.36% |
| 02-506-50019 | Benefits-Workers Compensation | \$ 5,462 | \$ 353 | \$ 1,067 | 19.54% |
| 02-506-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,551) | N/A |
| 02-506-50022 | Benefits-PERS Employer | \$ 250,334 | \$ 6,738 | \$ 191,697 | 76.58% |
| 02-506-50023 | Benefits-Uniforms | \$ 1,010 | \$ 75 | \$ 399 | 39.54% |
| 02-506-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 02-506-50025 | Benefits-Boots & Incentives | \$ 2,380 | \$ - | \$ 1,785 | 75.00% |
| 02-506-51001 | R&M - Vehicles & Equipment | \$ 1,694 | \$ - | \$ 3,443 | 203.26% |
| 02-506-51003 | R&M - Structures | \$ 154,558 | \$ 360 | \$ 22,924 | 14.83% |
| 02-506-51091 | Expense Credits (overhead) | \$ - | \$ (608) | \$ (608) | N/A |
| 02-506-51120 | Safety Equipment & Supplies | \$ 24,638 | \$ - | \$ 5,066 | 20.56% |
| 02-506-51125 | Petroleum Products | \$ 198,900 | \$ 1,333 | \$ 68,041 | 34.21% |
| 02-506-51130 | Office Supplies & Expenses | \$ 18,802 | \$ 225 | \$ 9,237 | 49.13% |
| 02-506-51140 | General Supplies & Expenses | \$ 36,611 | \$ - | \$ 8,334 | 22.76% |
| 02-506-51199 | Disaster Repairs & Incidences | \$ - | \$ - | \$ - | N/A |
| 02-506-51211 | Electricity | \$ 57,413 | \$ 7,839 | \$ 23,723 | 41.32% |
| 02-506-51213 | Natural Gas | \$ 2,893 | \$ - | \$ 105 | 3.62% |
| 02-506-54002 | Dues & Subscriptions | \$ 33,518 | \$ 4,601 | \$ 7,549 | 22.52% |
| 02-506-54005 | Computer Expenses | \$ 184,864 | \$ 9,481 | \$ 41,631 | 22.52% |
| 02-506-54010 | Postage | \$ 9,654 | \$ - | \$ 2,093 | 21.68% |
| 02-506-54011 | Printing & Publications | \$ - | \$ - | \$ - | N/A |
| 02-506-54012 | Education & Training | \$ 22,524 | \$ 1,570 | \$ 9,574 | 42.51% |
| 02-506-54013 | Utility Billing Expenses | \$ 349,194 | \$ 17,585 | \$ 94,801 | 27.15% |
| 02-506-54014 | Public Relations | \$ 13,329 | \$ - | \$ - | 0.00% |
| 02-506-54016 | Travel Related Expenses | \$ 10,606 | \$ - | \$ 86 | 0.81% |
| 02-506-54017 | Certifications & Renewals | \$ 12,107 | \$ 9,408 | \$ 15,418 | 127.35% |
| 02-506-54020 | Meeting Related Expenses | \$ 5,485 | \$ 169 | \$ 887 | 16.16% |

| FY 2025-26 Water Expenses | | | | | |
|---------------------------|--------------------------------|----------------------|---------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | ADOPTED BUDGET | Oct '25 | Year to Date | % |
| 02-506-54022 | Utilities - YVWD Services | \$ 195,592 | \$ - | \$ 61,679 | 31.53% |
| 02-506-54024 | Waste Disposal | \$ 7,270 | \$ 387 | \$ 2,234 | 30.74% |
| 02-506-54025 | Telephone & Internet | \$ 47,219 | \$ 2,120 | \$ 12,487 | 26.44% |
| 02-506-54099 | Conservation & Rebates | \$ 40,500 | \$ - | \$ 240 | 0.59% |
| 02-506-54104 | Contractural Services | \$ 253,022 | \$ 6,454 | \$ 44,600 | 17.63% |
| 02-506-54107 | Legal | \$ 69,956 | \$ - | \$ 20,592 | 29.43% |
| 02-506-54108 | Audit & Accounting | \$ 15,754 | \$ - | \$ 5,833 | 37.03% |
| 02-506-54109 | Professional Fees | \$ 178,741 | \$ 3,750 | \$ 41,789 | 23.38% |
| 02-506-55500 | Depreciation | \$ - | \$ - | \$ - | N/A |
| 02-506-56001 | Insurance | \$ 215,370 | \$ 20,718 | \$ 83,694 | 38.86% |
| 02-506-57030 | Regulatory Compliance | \$ 37,691 | \$ - | \$ 2,491 | 6.61% |
| 02-506-57090 | Election Related Expenses | \$ - | \$ - | \$ - | N/A |
| 02-506-57094 | Water Co. Annual Assessment | \$ - | \$ - | \$ - | N/A |
| 02-506-57095 | Yucaipa SGMA | \$ 21,590 | \$ 16,993 | \$ 16,993 | 78.71% |
| 02-506-57096 | Beaumont Basin Watermaster | \$ 114,850 | \$ 5,480 | \$ 7,138 | 6.21% |
| 02-506-57097 | San Timoteo SGMA | \$ - | \$ - | \$ - | N/A |
| 02-506-57098 | Bunker Hill GSC | \$ - | \$ - | \$ - | N/A |
| | ADMINISTRATION TOTALS | \$ 3,772,971 | \$ 216,115 | \$ 1,213,102 | 32.15% |
| 02-540-57201 | Series 2015A Principal | \$ - | \$ - | \$ - | N/A |
| 02-540-57207 | Series 2022A Principal | \$ - | \$ - | \$ - | N/A |
| 02-540-57208 | Series 2022B Principal | \$ 3,455,000 | \$ - | \$ 3,455,000 | 100.00% |
| 02-540-57402 | Interest - Bond Repayment | \$ 5,589,335 | \$ - | \$ 453,695 | 8.12% |
| | 40 - Debt | \$ 9,044,335 | \$ - | \$ 3,908,695 | 43.22% |
| 02-540-57001 | Asset Acq. - Water Dept | \$ - | \$ - | \$ - | N/A |
| 02-540-57003 | Asset Acq. - US Dept | \$ - | \$ - | \$ - | N/A |
| 02-540-57006 | Asset Acq. - Admin Dept | \$ - | \$ - | \$ - | N/A |
| 02-540-57807 | Infrastructure Replacement Fnd | \$ 2,234,917 | \$ - | \$ - | 0.00% |
| | 40 - Capital Outlay | \$ 2,234,917 | \$ - | \$ - | 0.00% |
| | TOTAL WATER EXPENSES | \$ 26,897,636 | \$ 1,009,227 | \$ 9,313,644 | 34.63% |

| FY 2025-26 Sewer Expenses | | | | | |
|---------------------------|-------------------------------|---------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | BUDGET | Oct '25 | Year to Date | % |
| 03-502-50009 | Labor - Overtime | \$ 56,821 | \$ 3,536 | \$ 16,035 | 28.22% |
| 03-502-50010 | Labor | \$ 1,531,099 | \$ 114,483 | \$ 498,911 | 32.59% |
| 03-502-50013 | Benefits-FICA | \$ 144,146 | \$ 9,543 | \$ 41,824 | 29.01% |
| 03-502-50014 | Benefits-Life Insurance | \$ 5,652 | \$ - | \$ 504 | 8.92% |
| 03-502-50016 | Benefits-Health & Def Comp | \$ 294,140 | \$ 26,287 | \$ 114,373 | 38.88% |
| 03-502-50017 | Benefits-Disability Insurance | \$ 34,294 | \$ 1,408 | \$ 6,834 | 19.93% |
| 03-502-50019 | Benefits-Workers Compensatn | \$ 67,208 | \$ 7,366 | \$ 22,239 | 33.09% |
| 03-502-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (2,717) | N/A |
| 03-502-50022 | Benefits-PERS Employer | \$ 280,137 | \$ 9,209 | \$ 187,873 | 67.06% |
| 03-502-50023 | Benefits-Uniforms | \$ 9,006 | \$ 392 | \$ 2,246 | 24.94% |
| 03-502-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 03-502-50025 | Benefits-Boots & Incentives | \$ 7,720 | \$ - | \$ 3,420 | 44.30% |
| 03-502-51001 | R&M - Vehicles & Equipment | \$ 35,992 | \$ - | \$ 9,552 | 26.54% |
| 03-502-51003 | R&M - Structures | \$ 595,414 | \$ 16,675 | \$ 109,606 | 18.41% |
| 03-502-51010 | R&M - Automation Control | \$ 37,811 | \$ 2,683 | \$ 9,087 | 24.03% |
| 03-502-51032 | R&M - Facility Improvements | \$ 229,000 | \$ - | \$ 99 | 0.04% |
| 03-502-51106 | Chemicals | \$ 664,373 | \$ 22,881 | \$ 162,567 | 24.47% |
| 03-502-51111 | Propane | \$ 11,000 | \$ - | \$ - | 0.00% |
| 03-502-51115 | Laboratory Supplies | \$ 62,017 | \$ 3,746 | \$ 16,318 | 26.31% |
| 03-502-51140 | General Supplies & Expenses | \$ 10,125 | \$ - | \$ - | 0.00% |
| 03-502-51210 | Utilities - Power Purchases | \$ 1,001,153 | \$ 145,337 | \$ 432,106 | 43.16% |
| 03-502-54012 | Education & Training | \$ 7,636 | \$ - | \$ - | 0.00% |
| 03-502-54025 | Telephone & Internet | \$ 5,067 | \$ - | \$ 4,510 | 89.01% |
| 03-502-54110 | Laboratory Services | \$ 88,735 | \$ 335 | \$ 17,023 | 19.18% |
| 03-502-57031 | Sewage Waste Disposal-Solids | \$ 392,354 | \$ - | \$ 92,188 | 23.50% |
| 03-502-57034 | Brineline Operating Expenses | \$ 311,660 | \$ 29 | \$ 43,214 | 13.87% |
| | TREATMENT TOTALS | \$ 5,882,560 | \$ 363,910 | \$ 1,787,809 | 30.39% |
| 03-506-50009 | Labor - Overtime | \$ 1,146 | \$ - | \$ 66 | 5.78% |
| 03-506-50010 | Labor | \$ 876,816 | \$ 74,990 | \$ 299,166 | 34.12% |
| 03-506-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 03-506-50012 | Director Fees | \$ 32,909 | \$ 2,653 | \$ 9,286 | 28.22% |
| 03-506-50013 | Benefits-FICA | \$ 82,356 | \$ 4,711 | \$ 20,671 | 25.10% |
| 03-506-50014 | Benefits-Life Insurance | \$ 3,003 | \$ 25 | \$ 339 | 11.29% |
| 03-506-50016 | Benefits-Health & Def Comp | \$ 163,625 | \$ 18,485 | \$ 75,025 | 45.85% |
| 03-506-50017 | Benefits Disability Insurane | \$ 19,594 | \$ 885 | \$ 3,989 | 20.36% |
| 03-506-50019 | Benefits-Workers Compensation | \$ 5,462 | \$ 709 | \$ 2,139 | 39.17% |
| 03-506-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,551) | N/A |
| 03-506-50022 | Benefits-PERS Employer | \$ 234,553 | \$ 6,738 | \$ 191,347 | 81.58% |
| 03-506-50023 | Benefits-Uniforms | \$ 1,012 | \$ - | \$ - | 0.00% |
| 03-506-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 03-506-50025 | Benefits-Boots & Incentives | \$ 2,380 | \$ - | \$ 1,785 | 75.00% |
| 03-506-50055 | Pension Expense-GASB 68 | \$ - | \$ - | \$ - | N/A |
| 03-506-51001 | R&M - Vehicles & Equipment | \$ - | \$ - | \$ - | N/A |
| 03-506-51120 | Safety Equipment & Supplies | \$ 10,489 | \$ - | \$ 3,457 | 32.96% |
| 03-506-51125 | Petroleum Products | \$ 37,760 | \$ 3,147 | \$ 12,587 | 33.33% |

| FY 2025-26 Sewer Expenses | | | | | |
|---------------------------|-------------------------------|---------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | BUDGET | Oct '25 | Year to Date | % |
| 03-506-51130 | Office Supplies & Expenses | \$ 12,130 | \$ - | \$ 1,025 | 8.45% |
| 03-506-51140 | General Supplies & Expenses | \$ 25,059 | \$ 340 | \$ 1,038 | 4.14% |
| 03-506-51199 | Disaster Repairs & Incidences | \$ - | \$ - | \$ - | N/A |
| 03-506-54002 | Dues & Subscriptions | \$ 40,693 | \$ 4,601 | \$ 5,566 | 13.68% |
| 03-506-54003 | Management & Admin Services | \$ 191,025 | \$ 15,919 | \$ 63,675 | 33.33% |
| 03-506-54005 | Computer Expenses | \$ 161,962 | \$ 8,920 | \$ 33,203 | 20.50% |
| 03-506-54011 | Printing & Publications | \$ - | \$ - | \$ - | N/A |
| 03-506-54012 | Education & Training | \$ 11,621 | \$ - | \$ 8,099 | 69.70% |
| 03-506-54014 | Public Relations | \$ 7,000 | \$ - | \$ - | 0.00% |
| 03-506-54016 | Travel Related Expenses | \$ 15,432 | \$ - | \$ 104 | 0.67% |
| 03-506-54017 | Certifications & Renewals | \$ 29,597 | \$ 1,181 | \$ 3,166 | 10.70% |
| 03-506-54019 | Licenses & Permits | \$ 94,300 | \$ - | \$ 19,690 | 20.88% |
| 03-506-54020 | Meeting Related Expenses | \$ 5,140 | \$ 227 | \$ 605 | 11.77% |
| 03-506-54022 | Utilities - YVWD Services | \$ 680,924 | \$ - | \$ 170,421 | 25.03% |
| 03-506-54024 | Waste Disposal | \$ 26,322 | \$ - | \$ 10,514 | 39.94% |
| 03-506-54025 | Telephone & Internet | \$ 61,983 | \$ 3,576 | \$ 15,992 | 25.80% |
| 03-506-54030 | Drinking Water | \$ - | \$ - | \$ - | N/A |
| 03-506-54104 | Contractual Services | \$ 254,703 | \$ 10,192 | \$ 58,828 | 23.10% |
| 03-506-54107 | Legal | \$ 38,008 | \$ - | \$ 14,687 | 38.64% |
| 03-506-54108 | Audit & Accounting | \$ 15,754 | \$ - | \$ 5,833 | 37.03% |
| 03-506-54109 | Professional Fees | \$ 369,189 | \$ 3,750 | \$ 25,045 | 6.78% |
| 03-506-55500 | Depreciation | \$ - | \$ - | \$ - | N/A |
| 03-506-56001 | Insurance | \$ 278,074 | \$ 26,051 | \$ 104,202 | 37.47% |
| 03-506-57030 | Regulatory Compliance | \$ 144,229 | \$ - | \$ 26,039 | 18.05% |
| | ADMINISTRATION TOTALS | \$ 3,934,250 | \$ 187,099 | \$ 1,186,037 | 30.15% |
| 03-507-50009 | Labor - Overtime | \$ 17,243 | \$ 2,530 | \$ 7,160 | 41.52% |
| 03-507-50010 | Labor | \$ 917,454 | \$ 73,965 | \$ 301,452 | 32.86% |
| 03-507-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 03-507-50013 | Benefits-FICA | \$ 88,932 | \$ 6,038 | \$ 24,219 | 27.23% |
| 03-507-50014 | Benefits-Life Insurance | \$ 4,583 | \$ - | \$ 415 | 9.05% |
| 03-507-50016 | Benefits-Health & Def Comp | \$ 226,112 | \$ 21,670 | \$ 86,569 | 38.29% |
| 03-507-50017 | Benefits-Disability Insurance | \$ 21,160 | \$ 892 | \$ 4,442 | 20.99% |
| 03-507-50019 | Benefits-Workers Compensatio | \$ 9,303 | \$ 536 | \$ 1,619 | 17.40% |
| 03-507-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,616) | N/A |
| 03-507-50022 | Benefit-PERS Employer | \$ 225,391 | \$ 6,157 | \$ 165,724 | 73.53% |
| 03-507-50023 | Benefits-Uniforms | \$ 9,183 | \$ 153 | \$ 820 | 8.92% |
| 03-507-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 03-507-50025 | Benefits-Boots & Incentives | \$ 13,090 | \$ - | \$ 2,775 | 21.20% |
| 03-507-51001 | R&M - Vehicles & Equipment | \$ 121,982 | \$ 850 | \$ 13,213 | 10.83% |
| 03-507-51003 | Sewer Pipeline & Facilities | \$ 270,352 | \$ 158 | \$ 316,698 | 117.14% |
| 03-507-51140 | General Supplies & Expenses | \$ 812 | \$ - | \$ 97 | N/A |
| 03-507-51241 | Lift Station #1 | \$ 130,572 | \$ 7,865 | \$ 65,114 | 49.87% |

| FY 2025-26 Sewer Expenses | | | | | |
|---------------------------|---|----------------------|-------------------|---------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | BUDGET | Oct '25 | Year to Date | % |
| 03-507-51242 | Lift Station #2 | \$ 36,647 | \$ 2,223 | \$ 59,757 | 163.06% |
| 03-507-51243 | Lift Station #3 | \$ 8,200 | \$ 385 | \$ 1,760 | 21.47% |
| 03-507-51244 | Lift Station #4 | \$ 9,505 | \$ 3,696 | \$ 12,240 | 128.78% |
| 03-507-51246 | Lift Station #6 | \$ 19,870 | \$ 2,183 | \$ 6,386 | 32.14% |
| 03-507-51248 | Lift Station #8 | \$ 8,000 | \$ 671 | \$ 1,516 | 18.95% |
| 03-507-54012 | Education & Training | \$ 5,759 | \$ - | \$ - | 0.00% |
| 03-507-54025 | Telephone & Internet | \$ 3,378 | \$ - | \$ 3,700 | 109.53% |
| 03-507-54111 | Pretreatment | \$ 94,876 | \$ - | \$ 32,851 | 34.62% |
| | ENVIRONMENTAL CONTROL TOTAL | \$ 2,242,404 | \$ 129,972 | \$ 1,106,910 | 49.36% |
| 03-540-57202 | SRF Principal - WWTP | \$ - | \$ - | \$ - | N/A |
| 03-540-57203 | SRF Principal - Brineline | \$ - | \$ - | \$ - | N/A |
| 03-540-57204 | SRF Principal - Wise | \$ - | \$ - | \$ - | N/A |
| 03-540-57205 | SRF Principal - R 10.3 | \$ - | \$ - | \$ - | N/A |
| 03-540-57206 | SRF Principal - Crow St | \$ - | \$ - | \$ - | N/A |
| 03-540-57207 | 2022A Bond | \$ 645,000 | \$ - | \$ 645,000 | 100.00% |
| 03-540-57210 | SRF Principal - Calimesa 24" | \$ 86,764 | \$ - | \$ - | 0.00% |
| 03-540-57403 | Interest - Long Term Debt | \$ 2,550,302 | \$ - | \$ 507,625 | 19.90% |
| | 40 - Debt | \$ 3,282,066 | \$ - | \$ 1,152,625 | 35.12% |
| 03-540-57002 | Asset Acq. - Treatment Dept | \$ - | \$ - | \$ - | N/A |
| 03-540-57006 | Asset Acq. - Admin Dept | \$ - | \$ - | \$ - | N/A |
| 03-540-57007 | Asset Acq. - EC Dept | \$ - | \$ - | \$ - | N/A |
| 03-540-57807 | Infrastructure Replacement Fnd | \$ 552,771 | \$ - | \$ - | 0.00% |
| | 40 - Capital Outlay | \$ 552,771 | \$ - | \$ - | 0.00% |
| | TOTAL SEWER EXPENSES | \$ 15,894,051 | \$ 680,981 | \$ 5,233,381 | 32.93% |
| | 03-507-51003 is for Summerwind Sewer Bridge | | | 261,550 | |

| FY 2025-26 Recycled Expenses | | | | | |
|--------------------------------|-------------------------------|---------------------|-------------------|-------------------|---------------|
| G/L ACCOUNT # | DESCRIPTION | BUDGET | Oct '25 | Year to Date | % |
| 04-506-50009 | Labor - Overtime | \$ 9,849 | \$ 1,623 | \$ 3,544 | 35.99% |
| 04-506-50010 | Labor | \$ 981,138 | \$ 81,389 | \$ 327,117 | 33.34% |
| 04-506-50011 | Labor - Credit | \$ - | \$ - | \$ - | N/A |
| 04-506-50012 | Director Fees | \$ - | \$ - | \$ - | N/A |
| 04-506-50013 | Benefits-FICA | \$ 91,485 | \$ 6,000 | \$ 25,090 | 27.43% |
| 04-506-50014 | Benefits-Life Insurance | \$ 3,987 | \$ - | \$ 374 | 9.38% |
| 04-506-50016 | Benefits-Health & Def Comp | \$ 202,869 | \$ 20,731 | \$ 84,786 | 41.79% |
| 04-506-50017 | Benefits-Disability Insurance | \$ 21,760 | \$ 984 | \$ 4,888 | 22.46% |
| 04-506-50019 | Benefits-Workers Compensation | \$ 9,973 | \$ 918 | \$ 2,771 | 27.79% |
| 04-506-50021 | Benefits-PERS Employee | \$ - | \$ - | \$ (1,778) | N/A |
| 04-506-50022 | Benefits-PERS Employer | \$ 256,195 | \$ 6,855 | \$ 152,560 | 59.55% |
| 04-506-50023 | Benfits-Uniforms | \$ 5,810 | \$ 64 | \$ 340 | 5.84% |
| 04-506-50024 | Benefits-Vacation & Sick Pay | \$ - | \$ - | \$ - | N/A |
| 04-506-50025 | Benefits-Boots & Incentives | \$ 13,665 | \$ - | \$ 2,505 | 18.33% |
| 04-506-51001 | R&M - Vehicles & Equipment | \$ 7,285 | \$ - | \$ 1,719 | 23.60% |
| 04-506-51003 | R&M - Structures | \$ 78,225 | \$ - | \$ 1,045 | 1.34% |
| 04-506-51011 | R&M - Valves | \$ 18,831 | \$ - | \$ - | 0.00% |
| 04-506-51012 | R&M - ClaVal | \$ 3,991 | \$ 36 | \$ 712 | 17.83% |
| 04-506-51020 | R&M - Pipelines | \$ 3,846 | \$ - | \$ 3,734 | 97.10% |
| 04-506-51021 | R&M - Service Lines | \$ 3,285 | \$ - | \$ - | 0.00% |
| 04-506-51022 | R&M - Fire Hydrants | \$ 2,208 | \$ - | \$ - | 0.00% |
| 04-506-51030 | R&M - Meters | \$ 13,544 | \$ - | \$ 767 | 5.66% |
| 04-506-51032 | R&M - Facility Improvements | \$ 109,000 | \$ - | \$ - | 0.00% |
| 04-506-51140 | General Supplies & Expenses | \$ 6,936 | \$ 799 | \$ 1,018 | 14.68% |
| 04-506-51210 | Utilities - Power Purchases | \$ 183,722 | \$ 25,376 | \$ 62,328 | 33.93% |
| 04-506-54002 | Dues & Subscriptions | \$ 7,927 | \$ 4,221 | \$ 4,151 | 52.36% |
| 04-506-54005 | Computer Expenses | \$ 33,824 | \$ 1,209 | \$ 4,783 | 14.14% |
| 04-506-54011 | Printing & Publications | \$ - | \$ - | \$ - | N/A |
| 04-506-54012 | Education & Training | \$ 3,864 | \$ - | \$ 2,057 | 53.23% |
| 04-506-54014 | Public Relations | \$ 1,566 | \$ - | \$ - | 0.00% |
| 04-506-54016 | Travel Related Expenses | \$ 3,362 | \$ - | \$ - | 0.00% |
| 04-506-54017 | Certifications & Renewals | \$ 3,100 | \$ - | \$ - | 0.00% |
| 04-506-54019 | Licenses & Permits | \$ 8,824 | \$ 711 | \$ 711 | 8.06% |
| 04-506-54020 | Meeting Related Expenses | \$ 398 | \$ 54 | \$ 65 | 16.25% |
| 04-506-54022 | Utilities - YVWD Services | \$ 40,773 | \$ - | \$ 5,631 | 13.81% |
| 04-506-54025 | Telephone & Internet | \$ 5,711 | \$ - | \$ 3,821 | 66.91% |
| 04-506-54104 | Contractural Services | \$ 32,982 | \$ 563 | \$ 4,322 | 13.10% |
| 04-506-54107 | Legal | \$ 9,949 | \$ - | \$ 3,166 | 31.82% |
| 04-506-54108 | Audit & Accounting | \$ 15,754 | \$ - | \$ 5,833 | 37.03% |
| 04-506-54109 | Professional Fees | \$ 39,621 | \$ - | \$ 5,636 | 14.22% |
| 04-506-54110 | Laboratory Services | \$ - | \$ - | \$ - | N/A |
| 04-506-55500 | Depreciation | \$ - | \$ - | \$ - | N/A |
| 04-5-06-56001 | Insurance | \$ 47,720 | \$ 4,604 | \$ 18,416 | 38.59% |
| 04-5-06-57030 | Regulatory Compliance | \$ 14,501 | \$ - | \$ 2,942 | 20.29% |
| 04-5-06-57040 | Environmental Compliance | \$ - | \$ - | \$ - | N/A |
| TOTAL RECYCLED EXPENSES | | \$ 2,297,480 | \$ 156,136 | \$ 735,055 | 31.99% |

**Date:** November 18, 2025**Task:** 135277**Prepared By:** Ryan Janisch, Public Works Supervisor**Subject:** Consideration of the Installation of Four Variable Frequency Drive Controllers and Associated Electrical Upgrades at Lift Station No. 1**Recommendation:** That the Board: (1) authorize the General Manager to purchase four replacement variable frequency drives and associated pump wiring for a total cost not to exceed \$88,368; and (2) adopt Resolution No. 2025-73 transferring reserve funds to cover the cost of this purchase.

The District recently completed the replacement of four pumps at Lift Station No. 1 as part of its ongoing efforts to enhance infrastructure resiliency and operational efficiency. With these pumps now operational, the next phase involves upgrading the Variable Frequency Drives (VFDs) which are essential components that regulate pump motor speeds for optimal performance, and the electrical wiring between these drives and the motors. These upgrades are imperative to guarantee long-term reliability, minimize downtime, and align with modern standards for energy efficiency and system control.

Currently, the existing VFDs are aging, with one unit having already failed, necessitating immediate replacement. The remaining drives tend to exhibit indicators of impending failure, including erratic performance and component degradation. Two of these VFDs exceed twenty years in service, far surpassing their typical operational lifespan in a demanding environment like a wastewater lift station. Such failures not only disrupt service but also increase the risk of system breakdowns, potentially leading to overflows, environmental hazards, and costly emergency repairs.

In addition, the insulation on the existing wiring between the motor junction boxes and the VFDs is deteriorating, cracked and flaking, which poses an electrical safety and reliability concern. This project will replace both the aging VFDs and the associated wiring to fully restore facility integrity and operational performance. The new VFDs and wiring will modernize the lift station's electrical system and ensure reliable service for many years to come.

The District Staff solicited quotes from the following qualified electrical contractors:

| Vendor | Unit Price |
|-----------------|--------------|
| Center Electric | \$88,368.00 |
| Metricom | \$111,618.00 |
| Titan | No Bid |

Financial Impact:

This purchase will be paid for by the Sewer Fund, Infrastructure Reserves [G/L Account # 03-000-10311].



RESOLUTION NO. 2025-73

RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT TRANSFERRING FUNDS WITHIN THE WATER FUND AS TRANSFER NO. 29 FOR FISCAL YEAR 2026

WHEREAS the Yucaipa Valley Water District recognizes the importance of funding projects and equipment within the District with funds set aside for this purpose, and

WHEREAS, the Board of Directors has authorized the purchase of four Variable Frequency Drives (VFDs) and associated pump wiring with Center Electric, Inc. for a sum not to exceed \$88,368 [Director Memorandum 25-211] and authorized the use of reserve funds for this purchase and adjust the budget line items appropriately to accommodate the reserve funds transfer if necessary.

NOW, THEREFORE, the Board of Directors of the Yucaipa Valley Water District hereby RESOLVE, DETERMINE, and ORDER as follows:

Section 1: Fund Transfer No. 29 in the amount of \$88,368.00 from the Sewer Fund Infrastructure Reserves (03-000-10311) to fund the purchase of the attachments listed above.

PASSED, APPROVED and ADOPTED this 18th day of November 2025.

YUCAIPA VALLEY WATER DISTRICT

Jay Bogh, President Board of Directors

ATTEST:

Joseph B. Zoba, General Manager



Date: November 18, 2025

Task: 97321

Prepared By: Ashley Gibson, Regulatory Compliance Manager

Subject: Consideration of Professional Support Services from Dudek for Assistance with the Basin Monitoring Task Force

Recommendation: That the Board authorize the General Manager to continue the professional services agreement with Dudek for a sum not to exceed \$17,920.

The Basin Monitoring Program Task Force, formed in August 2004 as a successor to the Nitrogen/TDS Task Force, consists of twenty water agencies in the Santa Ana River Watershed and is administered by the Santa Ana Watershed Project Authority to implement the 2004 Basin Plan Amendments by the Regional Water Quality Control Board (RWQCB). Its primary responsibilities include compiling and collecting monitoring data to annually evaluate water quality in Santa Ana River for compliance with surface water and underlying groundwater objectives, as well as conducting a watershed-wide TDS/Nitrogen ambient water quality update every five years to assess management zones, determine if objectives are met or exceeded, and update assimilative capacity findings. The Task Force also oversees updates to the Santa Ana River waste load allocation model, which distributes TDS and total inorganic nitrogen (TIN) shares among publicly owned treatment works discharging to the river and its tributaries. The Task Force meets monthly, to produce reports such as annual Santa Ana River water quality reports with appendices on data and flow, triennial recomputations of ambient water quality using 20-year running averages, and wasteload allocation model reports to support salt management in the watershed.

The District staff have recognized a significant benefit by using the Dudek staff to augment District resources in participating in the Task Force. Since Dudek has specific expertise in local environmental and hydrogeological issues with knowledge of the region, they are able to incorporate watershed based policies and concepts into groundwater management reports prepared by the District for a variety of regulatory agencies.

The District staff recommend continuing the funding for Dudek to provide this valuable assistance for an amount of \$17,920 which should be sufficient to fund their consulting services through December 2026 for this effort.

Financial Impact:

This expense will be funded by Sewer Division, Regulatory Compliance, [G/L Account # 03-506-57030].



What is the Task Force?

Basin Monitoring Program Task Force

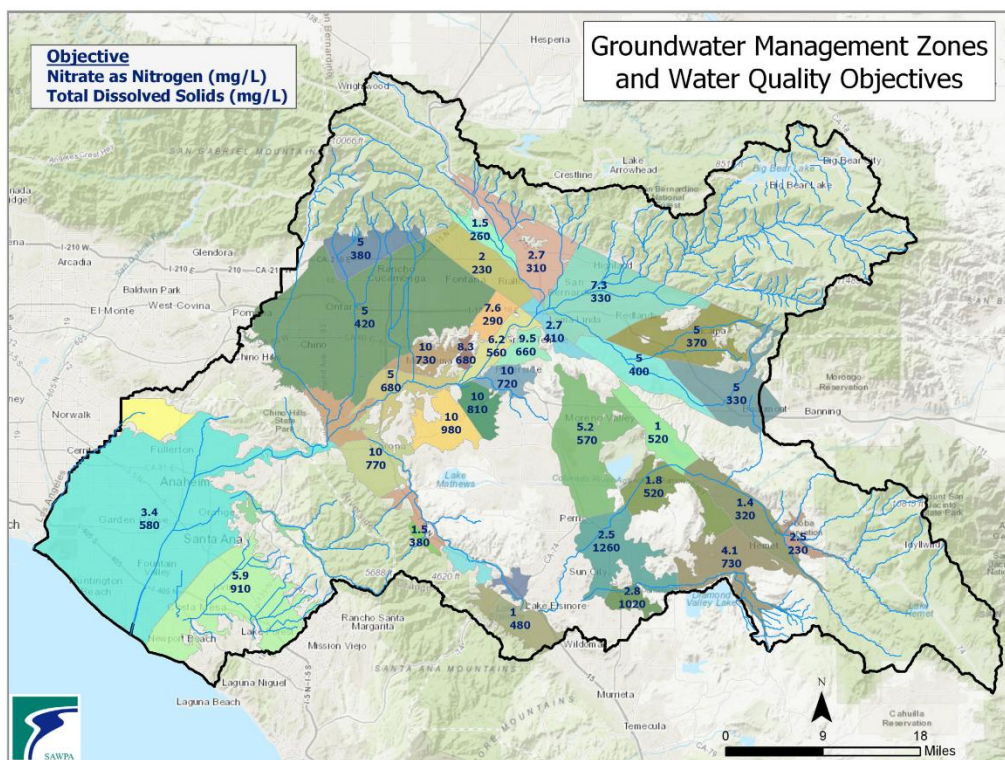
The Task Force is a 20-agency collaborative effort organized by SAWPA. It was formed in 2004 to address water quality issues in the Santa Ana River Watershed. The Task Force monitors total dissolved solids and nitrate-nitrogen concentrations triennially in groundwater basins and annually in the Santa Ana River. Every 5-10 years, the Task Force conducts a wasteload allocation report for these same parameters for the Santa Ana River that provides guidance to the Regional Board in establishing discharge permits for water recycling plants along the river.

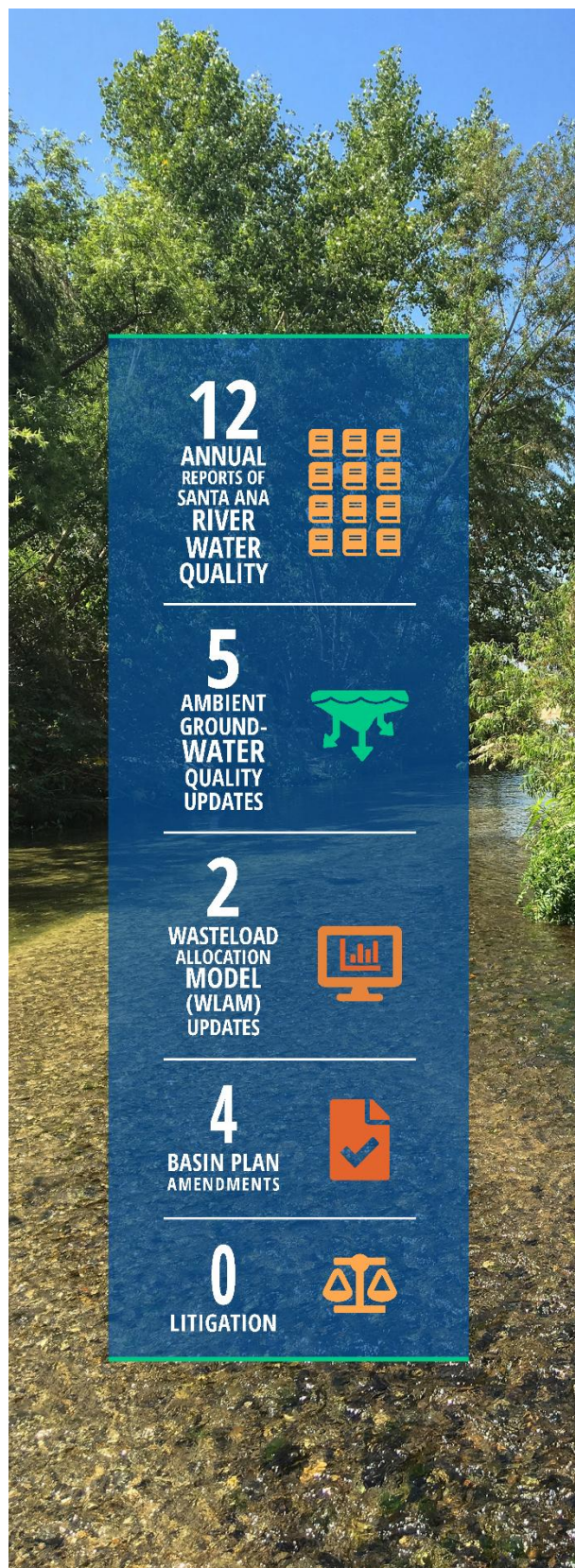
What are the goals of the Task Force?

Monitor Salinity and Nitrogen

- Monitors water quality (TDS and Nitrogen) in surface water and groundwater to determine if standards are being met
- Assesses if assimilative capacity, the ability of the groundwater basin to absorb additional pollutants without violating water quality standards, exists in groundwater basin
- Advises on the development of regional regulations and permitting approaches in response to drought impacts

The map below depicts TDS and Nitrogen objectives for groundwater quality. Santa Ana River Reaches 2, 4, and 5 are assessed annually for surface water quality. Watershed-wide groundwater and ambient water quality updates are conducted triennially.





Who is the Task Force?

Collaboration in Place of New Regulation

20 Stakeholders Working Together

The Task Force, administered by SAWPA, brings together a large collection of key watershed stakeholders – **key wastewater agencies** and the **Santa Ana Regional Water Quality Control Board** – for the shared purpose of improving water quality across the Santa Ana River Watershed.

Stakeholders

- Beaumont-Cherry Valley Water District (WD)
- City of Banning
- City of Beaumont
- City of Corona
- City of Redlands
- City of Rialto
- City of Riverside
- Chino Basin Watermaster
- Colton/San Bernardino Regional Tertiary Treatment and Wastewater Reclamation
- Eastern Municipal WD
- Elsinore Valley Municipal WD
- Inland Empire Utilities Agency
- Irvine Ranch WD
- Temescal Valley WD
- Orange County WD
- San Bernardino Valley Municipal WD
- San Geronimo Pass Water Agency
- Santa Ana Regional Water Quality Control Board
- West Riverside County Regional Wastewater Authority
- Yucaipa Valley WD
- Jurupa Community Services District

Key Tasks: Implements Watershed Water Quality Monitoring Program

These tasks provide Task Force members and regulators with the most current information on water quality in the ground-water underlying the region. This information will help guide future planning efforts in the watershed.

- Develop annual Santa Ana River **Water Quality Reports** that assess the effectiveness of wasteload allocations
- Produce triennial Ambient **Water Quality Updates** that determine assimilative capacity of a groundwater basin
- Develop and update the **Wasteload Allocation Model (WLAM)** to provide guidance on wastewater treatment plant discharge permits
- Conduct additional cooperative water quality studies, as necessary, to evaluate salt and nitrate trends



These three Task Forces work together to ensure water quality is monitored and protected. The Basin Monitoring Program focuses on surface and groundwater quality monitoring.

Successes to Date

Key Outcomes: Reduce Conflicts and Work Together



RELATIONSHIP BUILDING WITH 20 STAKEHOLDERS

Over the last 15 years, the Task Force has been able to **reduce conflict and improve efficiencies** in water and wastewater operations through joint salinity control studies and implementation.

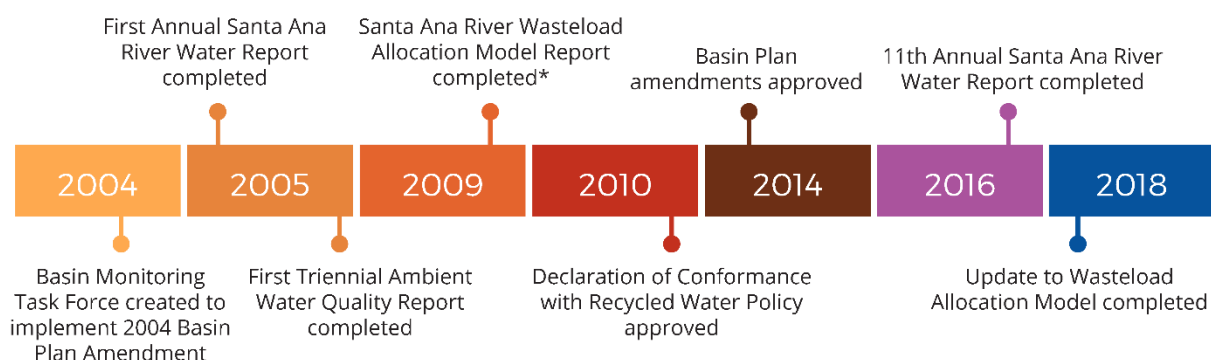


COST SAVINGS THROUGH COLLABORATION

Regional support in reducing regulatory compliance for 20 agencies and **avoiding up to \$100 million** in additional wastewater treatment plant desalting costs.

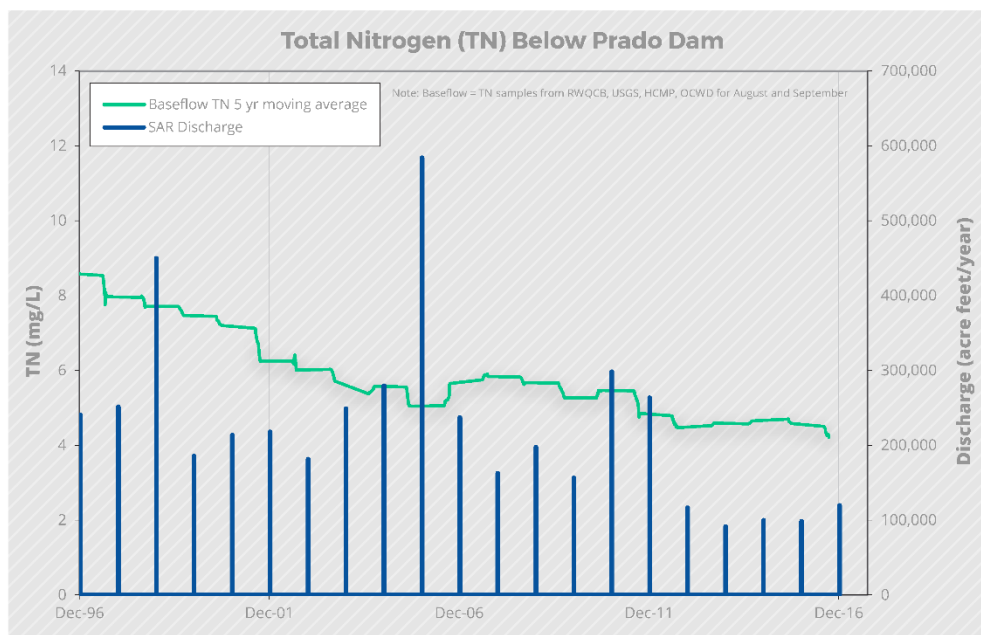
Milestones Since Inception

*Initial report for the Wasteload Allocation Model Report was completed in 2009 for scenarios 1-6. Scenario 7 required additional analysis completed in 2009 and Scenario 8 was completed in 2012.



Santa Ana River Water Quality Reports have been completed annually since 2005 and Ambient Water Quality Updates were completed in 2005, 2008, 2011, 2014, and 2017.

Over a 20 year period, the concentration of Total Nitrogen in in Santa Ana River discharge has steadily declined in Reach 2 of the Santa Ana River (below Prado Dam). This is critical to protecting water quality in the Orange County Groundwater Basin.



Who is SAWPA?

SAWPA is a Watershed Agency Focused on Regional Water Issues

Formed originally in 1968 as a planning agency, the Santa Ana Watershed Project Authority (SAWPA) was created to help resolve interagency conflicts and address regional water issues in the Santa Ana River watershed. SAWPA tackles issues related to water supply reliability, water quality improvement, recycled water, wastewater treatment, groundwater management, and brine disposal.

SAWPA's Role

SAWPA Administers Multi-Agency Task Forces

SAWPA serves as an administrator for several Task Forces within the watershed through meeting facilitation, contract service administration, and Task Force Agreement coordination. Through collaborative processes, SAWPA creates value by building relationships among regulators, SAWPA members, and regulated parties that allow for economies of scale, reduced costs, or increased benefits in addressing water related issues; provides regional capacity and neutral venue for supporting multi-agency forum(s) to address the water resources challenges in the Santa Ana River Watershed; and assists in the establishment and on-going facilitation of stakeholder processes to address watershed-specific issues.

SAWPA Supports its Member Agencies and Other Organizations with Water Planning

SAWPA is a Joint Powers Authority of five member agencies that supports water resources planning: Eastern Municipal Water District, Inland Empire Utilities Agency, Orange County Water District, San Bernardino Valley Municipal Water District, and Western Municipal Water District. SAWPA seeks to create and facilitate partnerships with and between organizations pursuing shared interests and overall watershed sustainability. Our regional leadership provides a model of collaboration and cooperation utilizing integrated solutions. SAWPA's Mission is to:

- Facilitate communication
- Identify emerging opportunities
- Develop regional plans
- Secure funding
- Implement programs
- Build projects
- Operate and maintain facilities

The **Basin Monitoring Program Task Force** is one of our success stories – additional information about SAWPA programs can be found at www.sawpa.gov.

SAWPA Regional Planning Efforts

Middle Santa Ana River TMDL Task Force
Emerging Constituents Program Task Force
Imported Water Recharge Workgroup
Regional Water Quality Monitoring Task Force
One Water One Watershed Program
Santa Ana Sucker Conservation Team
Lake Elsinore and Canyon Lake TMDL Task Force
Forest First
WECAN
Arundo Habitat Management
Lake Elsinore & San Jacinto Watersheds Authority

SAWPA Member Agencies



Learn More and Contact Information

For the latest information on the Basin Monitoring Program Task Force, please visit:



www.sawpa.gov/task-forces/basin-monitoring-task-force/



www.CAWaterLibrary.net



Contact Ian Achimore at
iachimore@sawpa.gov

DUDEK

MAIN OFFICE
605 THIRD STREET
ENCINITAS, CALIFORNIA 92024
T 760.942.5147 T 800.450.1818 F 760.632.0164

October 30, 2025

13276.17

Ashley Gibson
Regulatory Compliance Officer
Yucaipa Valley Water District
12770 Second Street
Yucaipa, California 92399

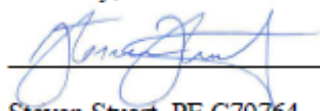
*Subject: Proposal to Provide Support Services Associated with the Basin Task Force
from November 1, 2025 to December 31, 2026*

Dear Ms. Gibson:

Dudek is pleased to present this proposal for Steven Stuart, PE, to provide services to the Yucaipa Valley Water District (the District) from November 1, 2025 to December 31, 2026 to support the District in meetings/activities associated with the Nitrogen and Total Dissolved Solids Task Force, also known as the Basin Task Force. The support services include participating in up to six (6) Task Force meetings and reviewing and providing comments on draft documents prepared by the Task Force. Dudek will submit a contract amendment for additional work requested by the District outside the scope of work to participate in up to 6 meetings and review and provide comments on draft documents prepared for and/or by the Basin Task Force.

The fee is a time-and-materials not-to-exceed \$17,920 (Table 1). This includes 56 labor hours at a rate of \$320/hour as a Principal Hydrogeologist III for Mr. Stuart to provide these services. If you have any questions, please call me at 760.415.9079.

Sincerely,



Steven Stuart, PE C79764
Project Manager/Hydrogeologist

*att: Table 1. Dudek Fee Schedule for Services Provided to Yucaipa Valley Water District for Basin Task Force
Support November 1, 2025 to December 31, 2026
2025 Standard Schedule of Charges*

WWW.DUDEK.COM

Table 1. Dudek Fee Schedule for Services Provided to Yucaipa Valley Water District for Basin Task Force Support**November 1, 2025 to December 31, 2026**

| Task # | Project Team Role: | | TOTAL HOURS | DUDEK LABOR COST | OTHER DIRECT COSTS ¹ | TOTAL FEE |
|--------|--|--------------------------------|-------------|------------------|---------------------------------|-----------|
| | Principal Hydrogeologist II | Team Member: Steven Stuart, PE | | | | |
| | | \$320 | | | | |
| | TASK | | | | | |
| 1 | Participate in Basin Task Force Meetings | | 25 | \$ 8,000 | \$ - | \$ 8,000 |
| 2 | Review Documents and Other Work Provided by the Basin Task Force | | 25 | \$ 8,000 | \$ - | \$ 8,000 |
| 3 | Project Management | | 6 | \$ 1,920 | \$ - | \$ 1,920 |
| | Total Hours and Fee | | 56 | \$ 17,920 | \$ - | \$ 17,920 |

Percent of Hours: 100% 100%

1) Direct costs include administration, reproduction of reports and transportation/lodging costs for site inspection and interviews.

DUDEK 2025 Standard Schedule of Charges**Engineering Services**

| | |
|-------------------------------------|-------------|
| Project Director | \$355.00/hr |
| Principal Engineer III | \$330.00/hr |
| Principal Engineer II | \$315.00/hr |
| Principal Engineer I | \$300.00/hr |
| Program Manager | \$290.00/hr |
| Senior Project Manager | \$290.00/hr |
| Project Manager | \$275.00/hr |
| Senior Engineer III | \$270.00/hr |
| Senior Engineer II | \$260.00/hr |
| Senior Engineer I | \$255.00/hr |
| Project Engineer IV/Technician IV | \$245.00/hr |
| Project Engineer III/Technician III | \$235.00/hr |
| Project Engineer II/Technician II | \$220.00/hr |
| Project Engineer I/Technician I | \$200.00/hr |
| 3D Production Manager | \$235.00/hr |
| Senior Designer II | \$220.00/hr |
| Senior Designer I | \$215.00/hr |
| Designer | \$210.00/hr |
| Assistant Designer | \$205.00/hr |
| CADD Operator III | \$200.00/hr |
| CADD Operator II | \$190.00/hr |
| CADD Operator I | \$175.00/hr |
| CADD Drafter | \$180.00/hr |
| CADD Technician | \$145.00/hr |
| Project Coordinator | \$170.00/hr |
| Engineering Assistant | \$145.00/hr |

Environmental Services

| | |
|-------------------------|-------------|
| Senior Project Director | \$350.00/hr |
| Project Director | \$300.00/hr |
| Senior Specialist V | \$275.00/hr |
| Senior Specialist IV | \$265.00/hr |
| Senior Specialist III | \$250.00/hr |
| Senior Specialist II | \$235.00/hr |
| Senior Specialist I | \$220.00/hr |
| Specialist V | \$210.00/hr |
| Specialist IV | \$195.00/hr |
| Specialist III | \$185.00/hr |
| Specialist II | \$175.00/hr |
| Specialist I | \$165.00/hr |
| Analyst V | \$155.00/hr |
| Analyst IV | \$145.00/hr |
| Analyst III | \$135.00/hr |
| Analyst II | \$125.00/hr |
| Analyst I | \$105.00/hr |
| Technician IV | \$100.00/hr |
| Technician III | \$90.00/hr |
| Technician II | \$80.00/hr |
| Technician I | \$70.00/hr |
| Project Coordinator II | \$170.00/hr |
| Project Coordinator I | \$135.00/hr |

Mapping and Surveying Services

| | |
|---------------------------|-------------|
| UAS Pilot | \$185.00/hr |
| Survey Lead | \$280.00/hr |
| Survey Manager | \$220.00/hr |
| Survey Crew Chief | \$185.00/hr |
| Survey Rod Person | \$145.00/hr |
| Survey Mapping Technician | \$135.00/hr |

Construction Management Services

| | |
|---|-------------|
| Principal Manager | \$215.00/hr |
| Senior Construction Manager | \$195.00/hr |
| Senior Project Manager | \$190.00/hr |
| Construction Manager | \$185.00/hr |
| Project Manager/Construction Management | \$175.00/hr |
| Resident Engineer | \$175.00/hr |
| Construction Engineer | \$175.00/hr |
| On-site Owner's Representative | \$160.00/hr |
| Prevailing Wage Inspector | \$180.00/hr |
| Construction Inspector | \$150.00/hr |
| Administrator/Labor Compliance | \$125.00/hr |

Hydrogeology/HazWaste Services

| | |
|---|-------------|
| Project Director | \$345.00/hr |
| Principal Hydrogeologist/Engineer III | \$320.00/hr |
| Principal Hydrogeologist/Engineer II | \$310.00/hr |
| Principal Hydrogeologist/Engineer I | \$300.00/hr |
| Senior Hydrogeologist V/Engineer V | \$275.00/hr |
| Senior Hydrogeologist IV/Engineer IV | \$265.00/hr |
| Senior Hydrogeologist III/Engineer III | \$255.00/hr |
| Senior Hydrogeologist II/Engineer II | \$245.00/hr |
| Senior Hydrogeologist I/Engineer I | \$235.00/hr |
| Project Hydrogeologist V/Engineer V | \$225.00/hr |
| Project Hydrogeologist IV/Engineer IV | \$215.00/hr |
| Project Hydrogeologist III/Engineer III | \$205.00/hr |
| Project Hydrogeologist II/Engineer II | \$195.00/hr |
| Project Hydrogeologist I/Engineer I | \$185.00/hr |
| Hydrogeologist/Engineering Assistant | \$150.00/hr |
| HazMat Field Technician | \$135.00/hr |

District Management & Operations

| | |
|-------------------------------|-------------|
| District General Manager | \$225.00/hr |
| District Engineer | \$215.00/hr |
| Operations Manager | \$185.00/hr |
| District Secretary/Accountant | \$150.00/hr |
| Collections System Manager | \$150.00/hr |
| Grade V Operator | \$140.00/hr |
| Grade IV Operator | \$125.00/hr |
| Grade III Operator | \$115.00/hr |
| Grade II Operator | \$95.00/hr |
| Grade I Operator | \$90.00/hr |
| Operator in Training | \$80.00/hr |
| Collection Maintenance Worker | \$85.00/hr |

Project Delivery Services

| | |
|-----------------------------|-------------|
| Technology Specialist II | \$245.00/hr |
| Technology Specialist I | \$190.00/hr |
| GIS Analyst V | \$220.00/hr |
| GIS Analyst IV | \$200.00/hr |
| GIS Analyst III | \$185.00/hr |
| GIS Analyst II | \$145.00/hr |
| GIS Analyst I | \$130.00/hr |
| Creative Services IV | \$185.00/hr |
| Creative Services III | \$160.00/hr |
| Creative Services II | \$145.00/hr |
| Creative Services I | \$130.00/hr |
| Technical Editor IV | \$185.00/hr |
| Technical Editor III | \$180.00/hr |
| Technical Editor II | \$145.00/hr |
| Technical Editor I | \$130.00/hr |
| Publications Specialist IV | \$135.00/hr |
| Publications Specialist III | \$125.00/hr |
| Publications Specialist II | \$115.00/hr |
| Publications Specialist I | \$105.00/hr |
| Clerical Administration | \$100.00/hr |

Expert Witness - Court appearances, depositions, and interrogatories as expert witness will be billed at 2.00 times normal rates.

Emergency and Holidays - Minimum charge of two hours will be billed at 1.75 times the normal rate.

Material and Outside Services - Subcontractors, rental of special equipment, special reproductions and blueprinting, outside data processing and computer services, etc., are charged at 1.15 times the direct cost.

Travel Expenses - Mileage at current IRS allowable rates. Per diem where overnight stay is involved is charged at cost.

Invoices, Late Charges - All fees will be billed to Client monthly and shall be due and payable upon receipt. Invoices are delinquent if not paid within 30 days from the date of the invoice. Client agrees to pay interest at a 10% annual rate for amounts unpaid greater than 30 days after the date of the invoice.

Annual Increases - Unless identified otherwise, these standard rates will increase in line with the CPIU for the nearest urban area per the Department of Labor Statistics to where the work is being completed) or by 3% annually, whichever is higher.

Prevailing Wage - The rates listed above assume prevailing wage rates do not apply. If this assumption is incorrect Dudek reserves the right to adjust its rates accordingly.

DUDEK**EFFECTIVE JANUARY 1, 2025**



Date: November 18, 2025

Task: 140552

Prepared By: Charles Thomas, Operations Manager

Subject: Consideration of an Engineering Contract for the Preparation of Digester Cleaning Specifications at the Wochholz Regional Water Recycling Facility

Recommendation: That the Board authorize the General Manager to issue a contract with Woodard & Curan for an amount not to exceed \$34,810.

The Wochholz Regional Water Recycling Facility stabilizes sludge through four anaerobic digesters, each with a capacity of approximately 262,000 gallons. Over time, normal plant operations result in the accumulation of grit and inert solids within these digesters, which can adversely impact digestion efficiency and reduce system capacity. Periodic cleaning, recommended every 7 to 15 years, is critical to ensure consistent operational performance and to allow for



assessment and maintenance of the digester structures and associated mechanical systems. The last comprehensive cleanings were completed in 2005 and 2014 underscoring the ongoing need for this essential maintenance activity.

To facilitate this project, Woodard & Curran has submitted a professional engineering services proposal to develop a digester cleaning bid package. Their scope includes preparation of the technical specification, identification of plant operational strategies during cleaning, shutdown protocols, coordination between District staff and contractors, and clear delineation of acceptable disposal methods for removed materials. The bid package will specify a sequential cleaning approach to ensure that only one digester is out of service at any time, to maintain uninterrupted plant operations. Key deliverables include meeting materials, finalized specification documents, and detailed terms for contractor milestones and payment.

The budget for professional engineering support as outlined by Woodard & Curran is \$34,810, which covers project management, specifications, and direct costs. Historical estimates for comprehensive cleaning and assessment, including potential cover replacement and extensive

corrosion repair, range between \$350,000 and \$550,000 depending on the digester conditions encountered during the cleaning project.

District staff recommends that the Board authorize the General Manager to proceed with the preparation of competitive bid documents for the digester cleaning project. This action will support ongoing operational reliability, regulatory compliance, and preservation of District infrastructure assets.

Financial Impact:

This contract, not to exceed \$34,810, will be paid by the Sewer Fund, R&M Structures [G/L Account # 03-502-51003] and the cleaning costs will be included in the 2026-27 budget and may be funded by the Sewer Fund, Infrastructure Reserves depending on the total cost [G/L #03-000-10311].

9665 Chesapeake Drive
Suite 320
San Diego, California 92123
www.woodardcurran.com

T 800.426.4262
T 858.875.7400

October 24, 2025



Mr. Matt Porras
Director of Engineering
Yucaipa Valley Water District
12770 Second Street
Yucaipa, CA 92399
Mporras@yvwd.us

Re: Digester Cleaning

Dear Mr. Porras:

Woodard & Curran is pleased to submit this proposal to Yucaipa Valley Water District (YVWD) for professional engineering services to support the digester cleaning at the Wochholz Regional Water Recycling Facility (WRWRF).

The WRWRF stabilizes sludge via four (4) anaerobic digesters. With routine use digesters accumulate grit and inert solids which can adversely impact the efficiency of digestion and reduce overall digester capacity. It is typically recommended that digesters are routinely cleaned every 7 to 15 years. This proposal includes efforts for developing a digester cleaning bid package based around sequential cleaning such that only one digester is out of service at a time.

Our Senior Technical Manager Tia Trate, PE has approximately 20 years of experience in wastewater treatment plant design and planning, with a focus on solids handling and has prepared and provided oversight for digester cleaning projects previously. Tia will serve as your primary Technical Advisor, and she will be supported by Gabe Aviles and Romy Sharafi as Project Manager. Scott Goldman will serve as Principal-in-Charge and has extensive knowledge of the YVWD facilities as well as experience with digester cleaning projects in nearby municipal wastewater facilities.

SCOPE OF SERVICES

Woodard & Curran will perform the following Scope of Services as part of this project.

Task 1: Project Management and Meetings

- Conduct a kickoff meeting, draft package review meeting and provide status updates throughout the project.
- Maintain quality assurance and adherence to budget and schedule.

Deliverables:

- Meeting agendas, meeting materials, and minutes (PDF format).

Task 2: Develop Digester Cleaning Specification Package

- Production of digester cleaning specification package:



1. Development of scope includes maintenance of plant operations strategy, identification of contractor laydown areas, establish shutdown durations and sequence of construction.
2. Develop constraints including shutdown procedure and identification of what activities will be supported by YVWD staff and activities to be performed by the contractor.
3. Determine acceptable means for disposal.
4. Estimate the measurement and payment terms for the contractor including estimation of the quantities.

Deliverables:

- Digester cleaning bidding package complete with front end, measurement and payment terms, maintenance of plant operations and technical specification.

SCHEDULE

Woodard & Curran is prepared to begin work within one month after of receipt of a formal Notice to Proceed. The overall project duration is anticipated to be approximately 2 months, depending on District review time.

BUDGET

The estimated level of effort to perform the work outlined in the above Scope of Services is contained in the attached fee schedule.

CLOSING

We greatly appreciate this opportunity to offer our wastewater infrastructure expertise to Yucaipa Valley Water District. Please feel free to contact me if you have any questions regarding this proposal or require any further information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott Goldman".

WOODARD & CURRAN, INC.

Scott Goldman
Senior Principal



P012400.00

Yucaipa Valley Water District
Digester Cleaning

Fee Estimate
27-Oct-25

| Tasks | | Labor | | | | | | ODCs | | Total | | |
|---|--|--------|-------|-----------|-------------|-------------------|--|-------------|-----------------------|-------|----------------|-----------|
| | | Scott | Romy | Tia Trate | Gabe Avilas | Project Assistant | | Total Hours | Total Labor Costs (1) | ODCs | Total ODCs (3) | Total Fee |
| | | PIC/PM | DPM | STM | E | Admin | | | | | | |
| | | \$335 | \$280 | \$320 | \$240 | \$140 | | | | | | |
| Task 1: Project Management | | | | | | | | | | | | |
| 1.1 Meetings: Kickoff (1 hr) + draft package Meetings | | 4 | 8 | 4 | 4 | | | 20 | \$5,820 | \$500 | \$550 | \$6,370 |
| 1.2 Project Administration & Coordination | | 2 | 8 | | | 2 | | 12 | \$3,190 | | \$0 | \$3,190 |
| 1.3 Monthly Progress Reports & Invoicing | | | 2 | | | 2 | | 4 | \$840 | | \$0 | \$840 |
| Subtotal Task 1: | | 6 | 18 | 4 | 4 | 4 | | 36 | \$9,850 | \$500 | \$550 | \$10,400 |
| Task 2: Digester Cleaning Specifications Package | | | | | | | | | | | | |
| 2.1 Digester Bid Specifications Package | | 6 | 6 | 20 | 48 | 20 | | 100 | \$24,410 | | \$0 | \$24,410 |
| Subtotal Task 2: | | 6 | 6 | 20 | 48 | 20 | | 100 | \$24,410 | \$0 | \$0 | \$24,410 |
| TOTAL | | 12 | 24 | 24 | 52 | 24 | | 136 | \$34,260 | \$500 | \$550 | \$34,810 |

1. The individual hourly rates include salary, overhead and profit.

2. Subconsultants will be billed at actual cost plus 10%.

3. Other direct costs (ODCs) such as reproduction, delivery, mileage (rates will be those allowed by current IRS guidelines), and travel expenses, will be billed at actual cost plus 10%.

4. W&C reserves the right to adjust its hourly rate structure and ODC markup at the beginning of the calendar year for all ongoing contracts.

5. Additional Woodard & Curran staff may perform work on the project, based on our standard billing rate schedule currently in effect.



Date: November 18, 2025

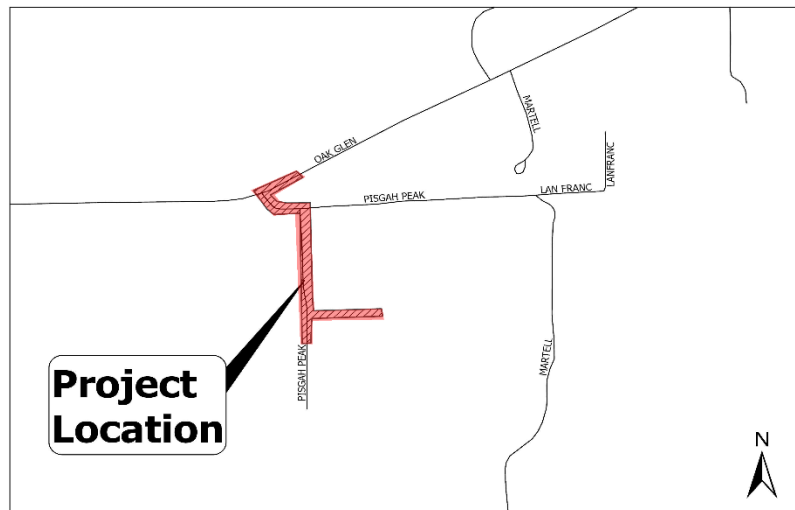
Task: 131532

Prepared By: Mike Rivera, Public Works Manager

Subject: Notice of Completion of the Chagall Road Pipeline Project

Recommendation: That the Board: (1) authorize the General Manager to execute and file the Notice of Completion for the pipeline project on Chagall Road, Martell Avenue, and Lan Franc Road; and (2) adopt Resolution No. 2025-72 returning \$37,364 to the Infrastructure Reserves fund as a result of project savings.

Yucaipa Valley Water District owns and operates a drinking water distribution system that requires continuous maintenance and replacement of aging infrastructure. The District continues to improve infrastructure through pipeline replacements to improve service reliability, water quality, and fire protection. The new pipeline replaces a 12-inch steel and 6-inch PVC pipeline that was prone to main line failures and is at the end of its useful life.



LOCATION MAP

The Chagall Road Pipeline replacement project included the installation of 12-Inch Ductile Iron Pipe ("DIP") for 1,400 linear feet, 7 water services, and 2 fire hydrants. The increased diameter of the mainline and current design standards has enhanced operational performance, reductions in water loss and leak repair costs and improved fire protection.

District Staff has recently completed the replacement of the drinking water pipeline. The Board approved a transfer from Infrastructure Reserves on December 17, 2024, which was an estimate for the material and paving costs for the project [Director Memorandum 24-190, Resolution 2024-57]. After reconciling the final project costs, the District completed the project below initial estimates, saving a net total of \$37,364 which will be returned to the Infrastructure Reserves account. B-81 Paving was the low bid for the RFP paving agreement and a purchase order was issued to the vendor on September 11, 2025 and the job has been completed.

| Description | Estimate | Actual | (Over)/Under |
|-----------------|------------------|------------------|-----------------|
| Paving Costs | \$48,762 | \$17,000 | \$31,762 |
| Materials/Parts | \$145,458 | \$139,856 | \$5,602 |
| TOTAL | \$194,220 | \$156,856 | \$37,364 |

Financial Impact:

District staff prepared a construction estimate for the pipeline totaling \$411,725.00. The requested transfer of reserve funds was for the cost of the paving and materials totaling \$194,220.00. As a result of net savings in total costs, \$37,364 will be returned to the Infrastructure Reserves for future projects and/or the purchase of new vehicles/equipment [G/L Account # 02-000-10311].



RESOLUTION NO. 2025-72**RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT
TRANSFERRING FUNDS WITHIN THE WATER FUND AS
TRANSFER NO. 28 FOR FISCAL YEAR 2026**

WHEREAS the Yucaipa Valley Water District recognizes the importance of funding projects and programs within the District with funds set aside for this purpose, and

WHEREAS, the Board of Directors has authorized a transfer back to the Infrastructure Reserves fund as a result of completing the project under budget resulting in savings. [Director Memorandum 25-214].

NOW, THEREFORE, the Board of Directors of the Yucaipa Valley Water District hereby RESOLVE, DETERMINE, and ORDER as follows:

Section 1: Fund Transfer No. 28 in the amount of \$37,364 to the Water Infrastructure Reserves (02-000-10311).

PASSED, APPROVED and ADOPTED this 18th day of November 2025.

YUCAIPA VALLEY WATER DISTRICT

Jay Bogh, President Board of Directors

ATTEST:

Joseph B. Zoba, General Manager

Record Without Fee
Per Govt. Code 6103

Recording Requested By:
Yucaipa Valley Water District

And When Recorded Mail To:

Yucaipa Valley Water District
P.O. Box 730
Yucaipa, CA 92399

SPACE ABOVE THIS LINE FOR RECORDERS USE

NOTICE OF COMPLETION

Project Number/Task Number: 131532

Director Memorandum Number for Authorization: DM 24-190

Director Memorandum Number for Notice of Completion: DM 25-214

Notice pursuant to Civil Code Section 3093, must be filed within 10 days after completion.

Notice is hereby given that:

1. The undersigned is owner or corporate officer of the owner of the interest in the property hereinafter described:
2. The full name of the owner is Yucaipa Valley Water District
3. The full address of the owner is 12770 Second Street, Yucaipa, CA 92399
4. The Nature of the Interest or Estate of the Undersigned is: In Fee
5. A work performed hereinafter described was completed on October 7, 2025. The work done was: The replacement of 1400 linear feet of 12-inch ductile iron pipe, 7 water services and 2 fire hydrants.
6. The name of the contractor for such work was: Yucaipa Valley Water District Staff – Pipeline and LP Paving and Grading Inc. for paving
7. The property on which said work was complete in the City of Yucaipa
County of San Bernardino, State of CA, and is described as APN: _____
8. The street address of said property is Chagall Road, Martell Avenue and Lan Franc Road – 1400 linear feet

(Date of Contract)

(if no street address has been assigned, insert "none")

Dated November 18, 2025

Mike Rivera, Public Works Manager
Yucaipa Valley Water District

Verification

I, the undersigned, say: I am the General Manager of the Declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the comments thereof; the same is true to my knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 18th, 2025 at Yucaipa, CA.

Joseph B. Zoba, General Manager
Yucaipa Valley Water District



Date: September 18, 2025

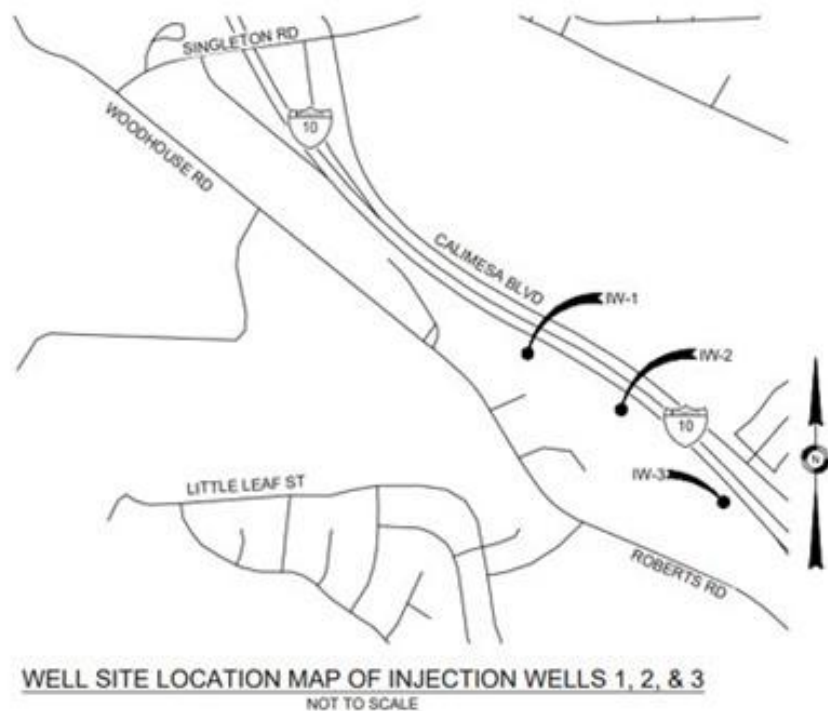
Task: 123137

Prepared By: Mia Preciado, Senior Engineering Technician

Subject: Status Update for the Aquifer Storage and Recovery Phase 1 Project

Recommendation: Staff presentation, no action required.

The Aquifer Storage and Recovery (ASR) Project Phase 1 located near Roberts Road in the City of Calimesa will allow for the groundwater basin to be recharged with recycled water through the use of three ASR wells. During the summer months the ASR wells can be reversed to extract recycled water to meet peak demands. ASR Project Phase 2 is a future project that will address the use of production wells to recover the recharged water as potable water after the appropriate amount of travel time has passed in compliance with the drinking water regulations.



The project was awarded to Layne Christensen Company (Layne) on December 17, 2024 [Director Memorandum 24-195]. Since this project falls under the WIFIA funding program, there are additional requirements that need to be met throughout the duration of design and construction of the injection wells. For this reason, the District is also consulting with Woodard and Curran for WIFIA compliance and technical support on the proposed well equipment.

At this time, Layne has completed the pump development efforts for each of the three wells. Pump development consisted of testing each of the three wells at increasing rates to determine the extraction capabilities of the wells and how the groundwater surrounding the sites were affected. From there, data was collected and provided to Geoscience for further review.

After determining the pumping capabilities of each well, the next step was injection testing. Starting at IW-1, a step test and constant rate test were performed to analyze how the well would respond to various rates of injection. The data collected during this test is being reviewed by

Geoscience and will assist the team in determining how to best equip the well for its intended use. As of November 7, 2025, injection testing was completed at IW-2. By the end of this month, we will finish injection testing for IW-3 and begin closing out phase 1 of the ASR project.







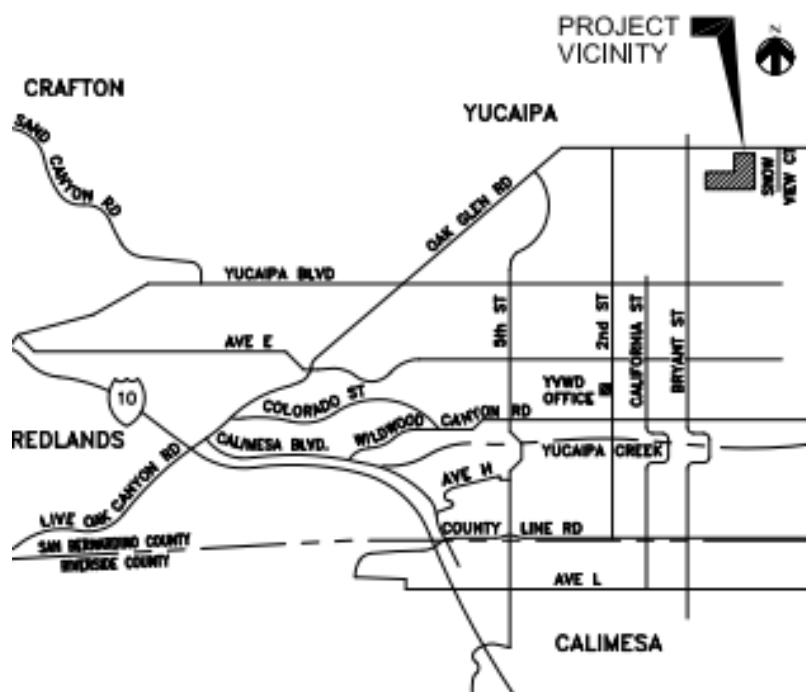
**Date:** November 18, 2025**Task:** 105317**Prepared By:** Mia Preciado, Senior Engineering Technician**Subject:** Status Update for the Salinity Concentration Reduction and Minimization (SCRAM) Project**Recommendation:** Staff presentation, no action required.

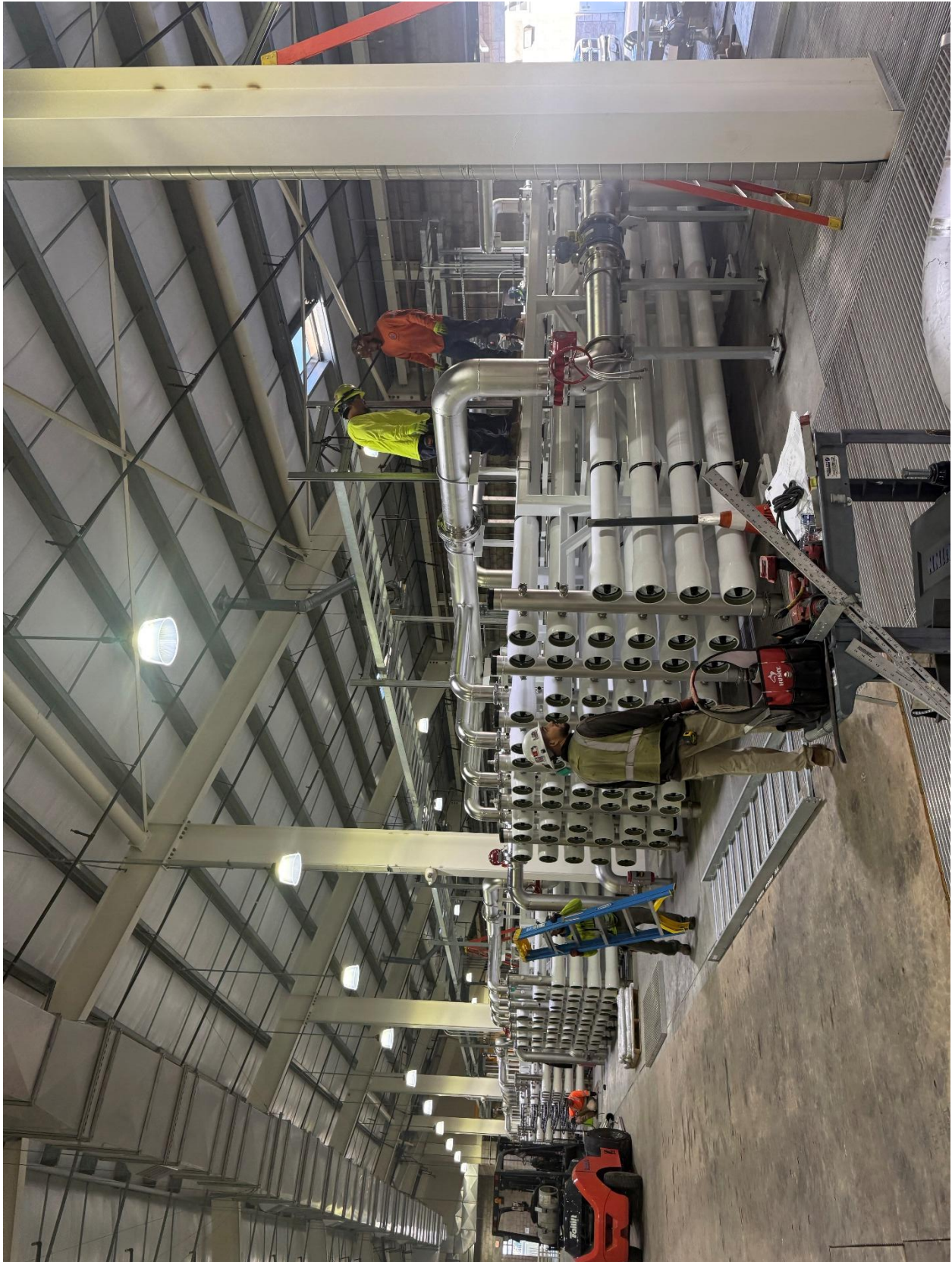
The Yucaipa Valley Water District is in the process of completing construction of the Salinity Concentration Reduction and Minimization ("SCRAM") Project located at the Yucaipa Valley Regional Water Filtration Facility ("YVRWFF"). Currently, the drinking water filtration facility is designed for an ultimate capacity of 36 million gallons per day ("mgd") using the latest membrane barrier technology for the removal of macro, micro and molecular constituents that are commonly found in surface water streams and lakes.

The project was awarded to Borden Excavating ("Contractor") on May 21, 2024 [Director Memorandum 24-087].

On February 20, 2025, the Board of Directors authorized the General Manager to execute Contract Change Order No. 1 [Director Memorandum 25-034].

Borden has been working to install the microfiltration racks, nanofiltration trains and dissolved air flotation ("DAF") units for the past couple of months. At this time, deliveries of major material components are ongoing but nearing completion. Borden has been on-site continuously for the past couple of months working through the final installation efforts as they continue to receive equipment and material deliveries. We have also seen progress in the electrical work and the data cable wiring for the additional filtration units. The electrical control components allow for the new filtration trains to work with the SCADA equipment and will integrate into the existing process equipment.



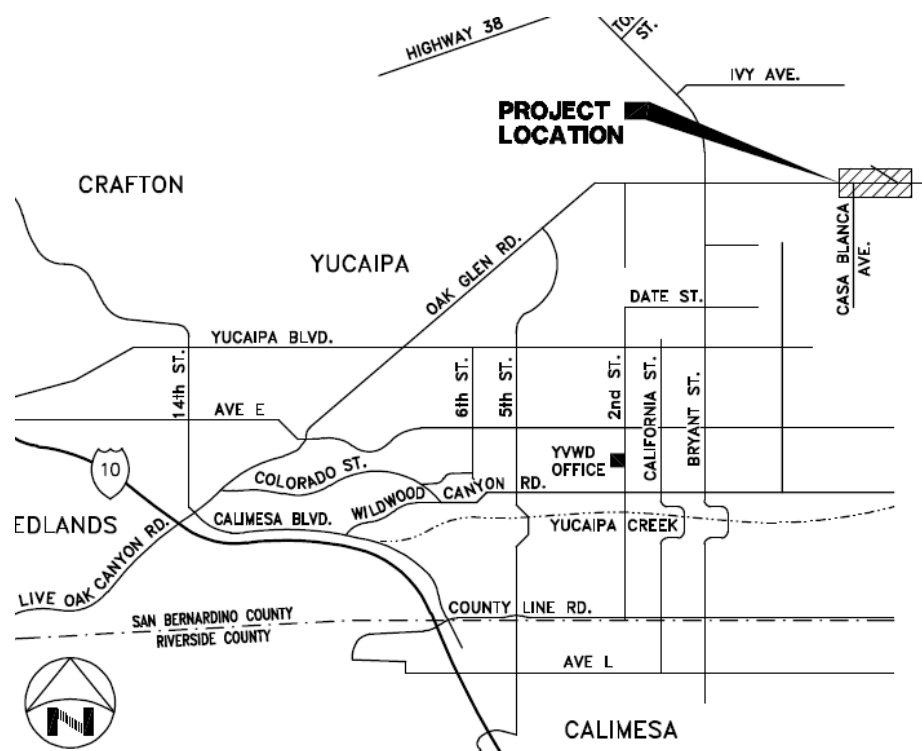






**Date:** November 18, 2025**Task:** 87173**Prepared By:** Matthew Porras, Director of Engineering**Subject:** Status Update of the R-16.2 Reservoir and Booster Pumping Project**Recommendation:** Staff presentation, no action required.

The District owns and operates the R-16.2 drinking water storage facility [Asset ID: PW-R-13016.2] that was initially put into service in the early 1980's. The R-16.2 drinking water storage facility consisted of a bolted steel tank measuring 38 feet in diameter and 24 feet in height with a storage capacity of 200,000 gallons with the necessary site piping to accommodate the distribution of water to and from the adjacent 15 and 17 pressure zones. The 200,000-gallon tank site did not have an electrical



service or a permanent booster station. The goal of this project is to replace the 200,000-gallon tank, install a permanent booster station, and prepare the site for the future construction of a second drinking water reservoir and recycled water reservoir.

The project is located off Oak Glen Road, east of Casa Blanca Avenue in the City of Yucaipa. The proposed project includes a 65-foot diameter, 600,000-gallon drinking water tank, an electrical service and booster station, a back-up generator, upgraded site piping, site fencing, SCADA communication equipment, various valves, fittings and appurtenances to operate and maintain the site ("Project") all within the District's existing property.

On March 10, 2020, District staff presented the Project to the Board of Directors as a priority replacement infrastructure project due to its age and condition [Director Memorandum 20-064].

On March 26, 2020, the Board authorized the design of the Project [Director Memorandum 20-084].

On August 25, 2020, the Board of Directors authorized the Board President to execute Development Agreement 2020-04 that coordinated the details of the necessary easement with the property owner to the south of the Project [Director Memorandum 2020-125].

On March 21, 2023, the Board of Directors adopted Resolution No. 2023-22, certifying the Final Mitigated Negative Declaration for the R-16.2 Reservoir and Booster Pumping Project [Director Memorandum 23-048].

On April 16, 2024, the Board of Directors authorized the General Manager to solicit bids for the Project. The bid period was opened May 29, 2024, and closed July 3, 2024 [Director Memorandum 24-068].

On July 16, 2024, the Board of Directors awarded the construction contact to R.I.C. Construction Co., Inc. ("Contractor") for a sum not to exceed \$5,018,656 [Director Memorandum No. 24-112].

On November 19, 2024, the Board of Directors authorized Contract Change Order No. 1 ("CCO No. 1"). CCO No. 1 was a no-cost adjustment to the contract but added seven days to the overall contract duration [Director Memorandum 24-171]. The adjusted contract duration is 547 consecutive calendar days and is planned to be completed January 14, 2026. The initiation of the contract change order was in order to adjust the connection point locations of the site piping to align with the recently installed off-site pipelines.

On July 1, 2025, the Board of Directors authorized Contract Change Order No. 2 ("CCO No. 2"). District staff initiated CCO No. 2 in the effort to find a solution that does not interrupt drinking water service and fire-flow to its customers in the heat of summer [Director Memorandum No. 25-143]. This solution included the contractor installing a "line-stop" and "shear-ring" as an alternative method to isolating the 17-zone drinking water distribution system in order to cut into the existing 12-inch, 17-zone welded steel pipeline. The traditional isolation method is typically suitable for a tie-in for new expansion of an existing pipeline, but in this specific case, and considering the time of year, the ability to keep the 17-zone pressurized was advantageous. District staff evaluated the additional cost of CCO No. 2 and found the proposal to be reasonable and effective.

The line-stop and shear-ring worked as planned and allowed the switch-over to take place. The new 600,000-gallon tank was completed and passed all testing protocols. District staff worked with the Division of Drinking Water and the Contractor to bring the newly completed 600,000-gallon drinking water tank into service on July 23, 2025.

| | Contract Changes | Contract Amount | Percentage Change from Original Bid Amount | Reference |
|---------------------|------------------|-----------------|--|-----------|
| Original Bid Amount | -- | \$5,018,656 | - - | DM 24-112 |
| Change Order No. 1 | \$0 | \$5,018,656 | 0% | DM 24-171 |
| Change Order No. 2 | \$26,034 | \$5,044,690 | 0.5% | DM 25-143 |

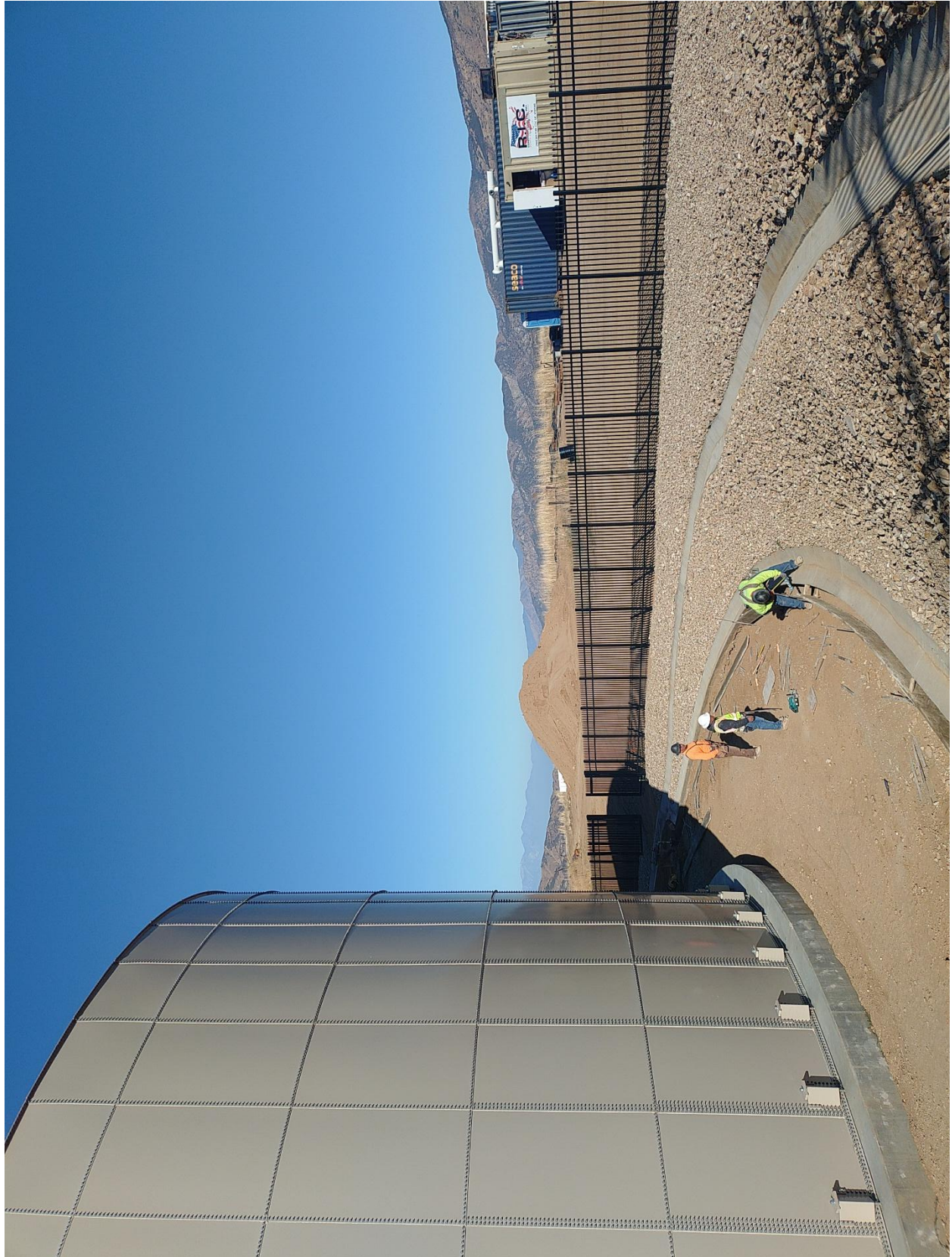
The Contractor has completed the tubular steel fencing along with the remaining site grading and v-ditches. Other recent site work improvements include the storm water outlet structure and piping, concrete curbing, and placement of rock on the slopes.

The booster facility foundation was poured after all plumbing and electrical was roughed in to the building. Then the concrete block walls were stacked, and the roof structure was constructed.

After the block building is completed, the interior piping and equipment will be installed. The Contractor is working on securing the long-lead time electrical equipment and service from Southern California Edison but will most likely be delayed in completing the site. District staff are currently reviewing options to facilitate expedited electrical equipment and service connections.









Date: November 18, 2025

Task: 140635

Prepared By: Joseph B. Zoba, General Manager

Subject: Authorization to Assess and Complete the Rehabilitation of Drinking Water Well No. 48 Located on Singleton Road, Calimesa

Recommendation: That the Board authorize the General Manager to contract with Layne for the assessment and rehabilitation of Well No. 48 with the final cost and fund transfer to be presented for ratification at a future meeting.

Rehabilitating a groundwater well is vital to ensuring high water quality and dependable operation within a drinking water system. Restoring a well through rehabilitation addresses sediment buildup, mineral deposits, and biological growth, which not only recovers lost production but also improves hydraulic efficiency. This process lessens strain on pumping equipment, reduces energy use and increases the lifespan of essential well and pump components.



The District's Well No. 48 is located on Singleton Road and will be the primary extraction source for the three injection wells constructed as part of the ASR Project in Calimesa. To ensure proper operation of this drinking water extraction facility, it is necessary to rehabilitate Well No. 48 to maximize its performance and efficiency.

Contractor Procurement Process for Well Rehabilitations

Layne's proposal for the rehabilitation of Well No. 48 begins with a thorough assessment to evaluate its current condition and determine required repairs. Layne was selected due to their extensive groundwater well expertise, successful history with the District's ASR well projects, and nearby location, which helps reduce travel costs.

The full scope and budget of rehabilitation will be determined after the initial assessment. Krieger & Stewart and Layne Well Company will jointly interpret the findings and prepare recommendations, which District staff will review before approving any repairs in a detailed work plan.

Once the repairs and associated costs are approved, District staff will present the rehabilitation details to the Board for ratification, including authorization to transfer reserve funds to cover expenses.

This process differs from standard procurement procedures that require multiple bids. Since the actual scope of work cannot be defined until after the assessment, requesting bids beforehand would not reliably capture the true extent or costs of necessary repairs.

Financial Impact:

The cost of this rehabilitation will be paid from the Water Fund, Infrastructure Reserves [G/L Account # 02-000-10311] and will be included in a Resolution that will be presented to the Board at a future meeting.



Layne, A Granite Company
1717 W. Park Ave.
Redlands, CA. 92373
909-390-2833

11/6/2025

Yucaipa Valley Water District
Matt Porras
12770 Second Street
Yucaipa, CA 92399

Re: Project located at Singleton Road

Matt Porras,

Thank you for the opportunity to present this pricing for YVWD Well 48 Rehabilitation.
The following is a brief outline of the project scope:

This proposal includes the following:

Remove the roof and walls, put back up walls and roof after pump and motor are removed.
Remove the pump and motor, take back to our shop; perform a teardown and inspection of the column, tube and shaft; plus the bowls, then provide an inspection report with the findings.
Perform a video of the well to bottom to see the condition of the casing & screens.
Provide options for rehabilitation of the well.

The attached estimate is valid for 30 days and is subject to Layne Terms and Conditions.

We have this work scheduled to begin on 11/12/2025 and complete the video on 11/17/2025.

We appreciate your consideration of Layne as your trusted partner for water resource solutions.

Sincerely,

Duane Trammell
Project Manager
909-322-3897

www.graniteconstruction.com/company/our-brands/layne



Date: November 6, 2025
Written By: Duane Trammell
Quote Number: DTD110625
Phone: 909-322-3897
Email: Duane.Trammell@gcinc.com
Project Address: Singleton Road
Calimesa, CA

[illegible]

Additional Terms and Conditions

- 1 Price based on the attached Layne Terms and Conditions.
2 By signing below, client acknowledges receipt of Layne Terms and Conditions.
3 Price is based on acceptable ingress and egress to site.
4
5 Estimate is based on median fuel cost. Increases realized at time of purchase will be invoiced at cost plus 15%.
6 If approved, please sign and return.

Prices are valid for 30 days from date of proposal

Yucaipa Valley Water District

Date _____

Date _____

Thank you for the opportunity to be your water resource solution.

Board Reports and Comments



Yucaipa Valley Water District



FACTS ABOUT THE YUCAIPA VALLEY WATER DISTRICT

Service Area Size: 40 square miles (sphere of influence is 68 square miles)

Elevation Change: 3,140 foot elevation change (from 2,044 to 5,184 feet)

Number of Employees: 5 elected board members
75 full time employees

FY 2025-26 Operating Budget: Water Division - \$27,377,636
Sewer Division - \$15,894,051
Recycled Water Division - \$2,445,980

Number of Services: 15,613 drinking water connections serving 19,718 units
15,177 sewer connections serving 22,474 units
904 recycled water connections serving 1,053 units

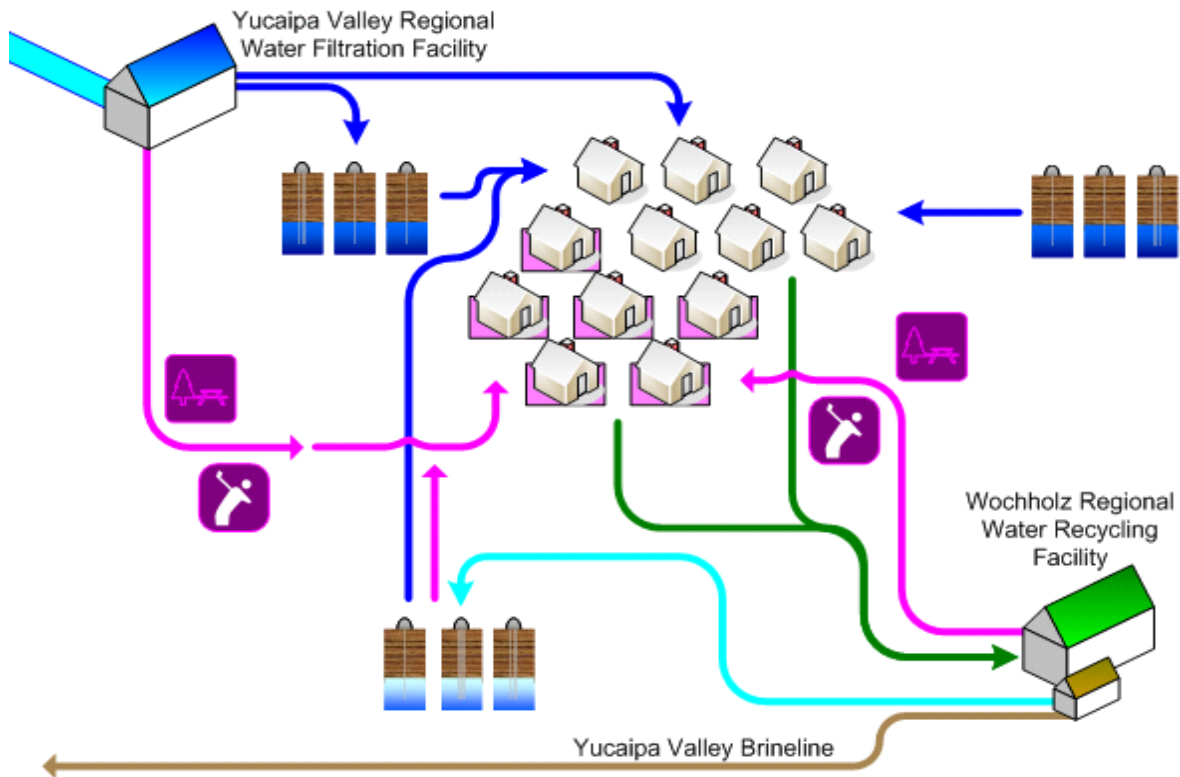
Water System: 243 miles of drinking water pipelines
2,324 fire hydrants
32 reservoirs - 38 million gallons of storage capacity
18 pressure zones
3.376 billion gallon annual drinking water demand
12 MGD - Yucaipa Valley Regional Water Filtration Facility

Sewer System: 8.0 million gallon treatment capacity - current flow at 4.0 mgd
228 miles of sewer mainlines
4,846 sewer manholes
6 sewer lift stations
1.46 billion gallons of recycled water produced per year

Recycled Water: 44 miles of recycled water pipelines
5 reservoirs - 12 million gallons of storage
0.623 billion gallon annual recycled water demand

Brine Disposal: 2.2 million gallon desalination facility at sewer treatment plant
1.756 million gallons of Inland Empire Brine Line capacity
0.595 million gallons of treatment capacity in Orange County

Sustainability Plan: A Strategic Plan for a Sustainable Future: The Integration and Preservation of Resources, adopted on August 20, 2008.



Typical Rates, Fees, and Charges:

- **Drinking Water Commodity Charge:**

| | |
|-----------------------------------|--------------------------------|
| 1,000 gallons to 15,000 gallons | \$1.848 per each 1,000 gallons |
| 16,000 gallons to 60,000 gallons | \$2.786 per each 1,000 gallons |
| 61,000 gallons to 100,000 gallons | \$2.798 per each 1,000 gallons |
| 101,000 gallons or more | \$2.969 per each 1,000 gallons |
- **Recycled Water Commodity Charge:**

| | |
|-----------------------|--------------------------------|
| 1,000 gallons or more | \$1.966 per each 1,000 gallons |
|-----------------------|--------------------------------|
- **Water Meter Service Charge (Drinking Water or Recycled Water):**

| | |
|-------------------------|-------------------|
| 5/8" x 3/4" Water Meter | \$18.50 per month |
| 1" Water Meter | \$30.90 per month |
| 1-1/2" Water Meter | \$61.61 per month |
- **Sewer Collection and Treatment Charge:**

| | |
|----------------------------|-------------------|
| Typical Residential Charge | \$47.72 per month |
|----------------------------|-------------------|

State Water Contractors: San Bernardino Valley Municipal Water District
San Gorgonio Pass Water Agency



| | San Bernardino Valley Municipal Water District | San Gorgonio Pass Water Agency |
|-----------------------------|--|--------------------------------|
| Service Area Size | 353 square miles | 222 square miles |
| Table "A" Water Entitlement | 102,600 acre feet | 17,300 acre feet |
| Imported Water Rate | \$125.80 / acre foot | \$399 / acre foot |
| Tax Rates for FY 2023-24 | \$0.1200 per \$100 | \$0.1750 per \$100 |
| Number of Board Members | Five (5) | Seven (7) |
| Operating Budget FY 2024-25 | \$40,858,510 | \$20,980,000 |

Imported Water Charges (Pass-through State Water Project Charge)

- San Bernardino Valley Municipal Water District - Customers in San Bernardino County or City of Yucaipa pay a pass-through amount of \$0.3054 per 1,000 gallons.
- San Gorgonio Pass Water Agency - Customers in Riverside County or City of Calimesa pay a pass-through amount of \$0.9689 per 1,000 gallons.





GLOSSARY OF COMMONLY USED TERMS

Every profession has specialized terms which generally evolve to facilitate communication between individuals. The routine use of these terms tends to exclude those who are unfamiliar with the specialized language of the group. Sometimes jargon can create communication difficulties where professionals in related fields use different terms for the same phenomena.

Below are commonly used water terms and abbreviations with commonly used definitions. If there is any discrepancy in definitions, the District's Regulations Governing Water Service is the final and binding definition.

Acre Foot of Water - The volume of water (325,850 gallons, or 43,560 cubic feet) that would cover an area of one acre to a depth of 1 foot.

Activated-Sludge Process - A secondary biological wastewater treatment process where bacteria reproduce at a high rate with the introduction of excess air or oxygen and consume dissolved nutrients in the wastewater.

Annual Water Quality Report - The document is prepared annually and provides information on water quality, constituents in the water, compliance with drinking water standards and educational material on tap water. It is also referred to as a Consumer Confidence Report (CCR).

Aquifer - The natural underground area with layers of porous, water-bearing materials (sand, gravel) capable of yielding a supply of water; see Groundwater basin.

Backflow - The reversal of water's normal direction of flow. When water passes through a water meter into a home or business it should not reverse flow back into the water mainline.

Best Management Practices (BMPs) - Methods or techniques found to be the most effective and practical means of achieving an objective. Often used in the context of water conservation.

Biochemical Oxygen Demand (BOD) - The amount of oxygen used when organic matter undergoes decomposition by microorganisms. Testing for BOD is done to assess the amount of organic matter in water.

Biosolids - Biosolids are nutrient rich organic and highly treated solid materials produced by the wastewater treatment process. This high-quality product can be recycled as a soil amendment on farmland or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

Capital Improvement Program (CIP) - Projects for repair, rehabilitation, and replacement of assets. Also includes treatment improvements, additional capacity, and projects for the support facilities.

California Environmental Quality Act (CEQA) - The California Environmental Quality Act (CEQA) is a California state law that requires state and local agencies to identify, analyze, and mitigate potential environmental impacts of proposed projects before approving them.

Certificate of Participation (COP) - A type of financing where an investor purchases a share of the lease revenues of a program rather than the bond being secured by those revenues.

Coliform Bacteria - A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere used as indicators of sewage pollution. E. coli is the most common bacteria in wastewater.

Collections System - In wastewater, it is the system of underground pipes that receive and convey sanitary wastewater or storm water.

Conjunctive Use - The coordinated management of surface water and groundwater supplies to maximize the yield of the overall water resource. Active conjunctive use uses artificial recharge, where surface water is intentionally percolated or injected into aquifers for later use. Passive conjunctive use is to simply rely on surface water in wet years and use groundwater in dry years.

Consumer Confidence Report (CCR) - see Annual Water Quality Report.

Contaminants of Potential Concern (CPC) - Pharmaceuticals, hormones, and other organic wastewater contaminants.

Cross-Connection - The actual or potential connection between a potable water supply and a non-potable source, where it is possible for a contaminant to enter the drinking water supply.

Disinfection by-Products (DBPs) - The category of compounds formed when disinfectants in water systems react with natural organic matter present in the source water supplies. Different disinfectants produce distinct types or amounts of disinfection byproducts. Disinfection byproducts for which regulations have been established have been identified in drinking water, including trihalomethanes, haloacetic acids, bromate, and chlorite.

Drought - a period of below average rainfall causing water supply shortages.

Fire Flow - The ability to have a sufficient quantity of water available to the distribution system to be delivered through fire hydrants or private fire sprinkler systems.

Fiscal Year - The twelve-month period beginning on July 1 and ending on June 30.

Gallons per Capita per Day (GPCD) - A measurement of the average number of gallons of water used by the number of people served each day in a water system. The calculation is made by dividing the total gallons of water used each day by the total number of people using the water system.

Generally Accepted Accounting Principles -

Groundwater Basin - An underground body of water or aquifer defined by physical boundaries.

Groundwater Recharge - The process of placing water in an aquifer. Can be a naturally occurring process or artificially enhanced.

Hard Water - Water having a high concentration of minerals, typically calcium and magnesium ions.

Hydrologic Cycle - The process of evaporation of water into the air and its return to earth in the form of precipitation (rain or snow). This process also includes transpiration from plants, percolation into the ground, groundwater movement, and runoff into rivers, streams, and the ocean; see Water cycle.

Levels of Service (LOS) - Goals to support environmental and public expectations for performance.

Mains, Distribution - A network of pipelines that delivers water (drinking water or recycled water) from transmission mains to residential and commercial properties, usually pipe diameters of 4" to 16".

Mains, Transmission - A system of pipelines that deliver water (drinking water or recycled water) from a source of supply to the distribution mains, usually pipe diameters of greater than 16".

Meter - A device capable of measuring, in either gallons or cubic feet, a quantity of water delivered by the District to a service connection.

Overdraft - The pumping of water from a groundwater basin or aquifer in excess of the supply flowing into the basin. This pumping results in a depletion of the groundwater in the basin which has a net effect of lowering the levels of water in the aquifer.

Pipeline - Connected piping that carries water, oil, or other liquids. See Mains, Distribution and Mains, Transmission.

Point of Responsibility, Metered Service - The connection point at the outlet side of a water meter where a landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

Potable Water - Water that is used for human consumption and regulated by the California Department of Public Health.

- Pressure Reducing Valve** - A device used to reduce the pressure in a domestic water system when the water pressure exceeds desirable levels.
- Pump Station** - A drinking water or recycled water facility where pumps are used to push water up to a higher elevation or different location.
- Reservoir** - A water storage facility where water is stored to be used later for peak demands or emergencies such as fire suppression. Drinking water and recycled water systems will typically use concrete or steel reservoirs. The State Water Project system considers lakes, such as Shasta Lake and Folsom Lake, to be water storage reservoirs.
- Runoff** - Water that travels downward over the earth's surface due to the force of gravity. It includes water running in streams as well as over land.
- Santa Ana River Interceptor (SARI) Line** - A regional brine line designed to convey 30 million gallons per day (MGD) of non-reclaimable wastewater from the upper Santa Ana River basin to Orange County Sanitation District for treatment, use and/or disposal.
- Secondary treatment** - Biological wastewater treatment, particularly the activated-sludge process, where bacteria and other microorganisms consume dissolved nutrients in wastewater.
- Service Connection** - The water piping system connecting a customer's system with a District water main beginning at the outlet side of the point of responsibility, including all plumbing and equipment located on a parcel required for the District's provision of water service to that parcel.
- Sludge** - Untreated solid material created by the treatment of wastewater.
- Smart Irrigation Controller** - A device that automatically adjusts the time and frequency with which water is applied to landscaping based on real-time weather such as rainfall, wind, temperature, and humidity.
- South Coast Air Quality Management District (SCAQMD)** - Regional regulatory agency that develops plans and regulations designed to achieve public health standards by reducing emissions from business and industry.
- Special district** - A form of local government created by a local community to meet a specific need. Yucaipa Valley Water District is a County Water District formed pursuant to Section 30000 of the California Water Code
- Supervisory Control and Data Acquisition (SCADA)** - A computerized system which provides the ability to remotely monitor and control water system facilities such as reservoirs, pumps, and other elements of water delivery.
- Surface Water** - Water found in lakes, streams, rivers, oceans, or reservoirs behind dams. In addition to using groundwater, Yucaipa Valley Water District receives surface water from the Oak Glen area.
- Sustainable Groundwater Management Act (SGMA)** - Pursuant to legislation signed by Governor Jerry Brown in 2014, the Sustainable Groundwater Management Act requires water agencies to manage groundwater extractions to not cause undesirable results from over production.
- Transpiration** - The process by which water vapor is released into the atmosphere by living plants.
- Trickling filter** - A biological secondary treatment process in which bacteria and other microorganisms, growing as slime on the surface of rocks or plastic media, consume nutrients in wastewater as it trickles over them.
- Underground Service Alert (USA)** - A free service (<https://www.digalert.org>) that notifies utilities such as water, telephone, cable and sewer companies of pending excavations within the area (dial 8-1-1 at least 2 working days before you dig).
- Urban runoff** - Water from city streets and domestic properties that carry pollutants into the storm drains, rivers, lakes, and oceans.
- Valve** - A device that regulates, directs, or controls the flow of water by opening, closing, or partially obstructing various passageways.
- Wastewater** - Any water that enters the sanitary sewer.

Water Banking - The practice of actively storing or exchanging in-lieu surface water supplies in available groundwater basin storage space for later extraction and use by the storing party or for sale or exchange to a third party. Water may be banked as an independent operation or as part of a conjunctive use program.

Water Cycle - The continuous movement of water from the earth's surface to the atmosphere and back again.

Water Pressure - Water pressure is created by the weight and elevation of water and/or generated by pumps that deliver water to customers.

Water Service Line - A water service line is used to deliver water from the Yucaipa Valley Water District's mainline distribution system.

Water table - the upper surface of the zone of saturation of groundwater in an unconfined aquifer.

Water transfer - a transaction, in which a holder of a water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water under that water right or entitlement.

Watershed - A watershed is the region or land area that contributes to the drainage or catchment area above a specific point on a stream or river.

Water-Wise House Call - a service which provides a custom evaluation of a customer's indoor and outdoor water use and landscape watering requirements.

Well - a hole drilled into the ground to tap an underground aquifer.

Wetlands - lands which are fully saturated or under water at least part of the year, like seasonal vernal pools or swamps.

WIFIA - Water Infrastructure Finance and Innovation Act. The WIFIA program administered by the Environmental Protection Agency accelerates investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects.





COMMONLY USED ABBREVIATIONS

| | |
|--------|---|
| AQMD | Air Quality Management District |
| BOD | Biochemical Oxygen Demand |
| CARB | California Air Resources Board |
| CCTV | Closed Circuit Television |
| CWA | Clean Water Act |
| EIR | Environmental Impact Report |
| EPA | U.S. Environmental Protection Agency |
| FOG | Fats, Oils, and Grease |
| GPD | Gallons per day |
| MGD | Million gallons per day |
| O & M | Operations and Maintenance |
| OSHA | Occupational Safety and Health Administration |
| POTW | Publicly Owned Treatment Works |
| PPM | Parts per million |
| RWQCB | Regional Water Quality Control Board |
| SARI | Santa Ana River Inceptor |
| SAWPA | Santa Ana Watershed Project Authority |
| SBVMWD | San Bernardino Valley Municipal Water District |
| SCADA | Supervisory Control and Data Acquisition system |
| SGMA | Sustainable Groundwater Management Act |
| SSMP | Sanitary Sewer Management Plan |
| SSO | Sanitary Sewer Overflow |
| SWRCB | State Water Resources Control Board |
| TDS | Total Dissolved Solids |
| TMDL | Total Maximum Daily Load |
| TSS | Total Suspended Solids |
| WDR | Waste Discharge Requirements |
| WIFIA | Water Infrastructure Finance and Innovation Act |
| YVWD | Yucaipa Valley Water District |