



AGENDA

Regular Meeting of the Board of Directors

June 17, 2026, at 3:00 PM

Location: Tehachapi-Cummings County Water District  
22901 Banducci Road, Tehachapi, CA 93561

1. Call to Order and Roll Call
2. Announcement: The meeting is being audio recorded, including all Board, Staff, and Public comments.
3. Flag Salute
4. Approval of Agenda
5. Comments by any Party on Items of Interest Within the Subject Matter Jurisdiction of the Legislative Body
  - a. Public comments may be made:
    - i. In person at location above
    - ii. Via email in advance of meeting to [cadams@tccwd.com](mailto:cadams@tccwd.com)
    - iii. Via US Mail at address below
6. Consent Calendar - Consent items are considered routine and are intended to be acted upon as a single item, without discussion. During this portion of the meeting, the Consent Calendar will be read aloud. Prior to approval, the President will give the Board the opportunity to remove any item from the Consent Calendar to be discussed and voted on individually. The President will also give staff and the public the opportunity to request any item be discussed individually, in which case the President will determine whether the item will be removed from the Consent Calendar. The remaining Calendar will be acted upon. Any removed items will then be heard and acted upon individually.
  - a. Approve Minutes of the Regular Board Meeting of May 20, 2026 and Special Board Meeting of June 5, 2026
  - b. Approve Financial Report and Payment of Bills
  - c. Receive and File Actuarial Valuation for Other Post-Employment Benefits (Retiree Medical)
7. General Manager's Report
8. Operations Report
9. Approve Fiscal Year 2026-27 Cost-of-Living Adjustment for all Employees
10. Adopt Resolution 04-26 Amending a Publicly Available Salary Schedule for Authorized Positions
11. Adopt Resolution 05-26 Approving the Fiscal Year 2025-26 Preliminary Budget, Appropriations Limit, and Reserves Policy
12. Adopt Resolution 06-26, For Transfer of Funds
13. Adopt Resolution 07-26, Setting Water Rates for 2026
14. Schedule Ad-hoc Audit Committee Meeting
15. Authorize Staff to Solicit Bids for District Vehicles
16. Board of Directors Comments
17. Closed Session – President to reference Closed Sessions items as presented on Agenda, then Board to adjourn to Closed Session
  - a. In Accordance with Exhibit A Attached hereto, TCCWD v. City of Tehachapi *Et al.*
  - b. In Accordance with Exhibit B Attached hereto, TCCWD v. City of Tehachapi
  - c. In Accordance with Exhibit C Attached hereto, DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds, et al.; DWR v. All Persons Interested In The Matter of the Authorization of Delta Program Revenue Bonds, *Et al.*

Note: A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request that the District (1) make agendas available in appropriate alternative formats, and (2) provide a disability-related modification or accommodation, including auxiliary aids or services, to participate in any public meeting of the Board of Directors. A request for modification or accommodation shall be made in person, or by telephone, facsimile or written correspondence to the General Manager at the District's office at least seven days before the public meeting for which the modification or accommodation is requested.

- d. In Accordance with Exhibit D Attached hereto, Rosedale-Rio Bravo WSD *Et al.* v. Kern County Water Agency *Et al.*
  - e. In Accordance with Exhibit E Attached hereto, City of Tehachapi vs. TCCWD
  - f. In Accordance with Exhibit F Attached hereto, City of Tehachapi vs. TCCWD
18. Return to Open Session
- a. Report Action Taken in Closed Session
19. Adjournment



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)

1. Existing Litigation Gov. Code §54956.9(d)(1): County of Sacramento Superior Court Case No. 34-2022-80003892  
Name of Case: Tehachapi-Cummings County Water District v. City of Tehachapi *Et al.*

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9(d) (4): \_\_\_\_\_

C. PUBLIC EMPLOYEES (Gov. Code § 54957.)

1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_  
2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_  
3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_  
4. Discipline/Dismissal/Release: \_\_\_\_\_

D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)

Agency Negotiator: \_\_\_\_\_  
Employee Organization: \_\_\_\_\_  
Unrepresented Employee: \_\_\_\_\_



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(Gov. Code § 54954.5)

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Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC Case No. BCV-25-103013  
Name of Case: \_\_\_\_\_  
City of Tehachapi \_\_\_\_\_  
\_\_\_\_\_

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9(d)(2): \_\_\_\_\_  
Gov. Code § 54956.9(d)(4): \_\_\_\_\_

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Title: \_\_\_\_\_

4. Discipline/Dismissal/Release: \_\_\_\_\_

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Agency Negotiator: \_\_\_\_\_  
Employee Organization: Not Applicable  
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Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

- 1. Existing Litigation Gov. Code §54956.9(d)(1): **Two Cases**  
Names of Cases: DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds, et al.; DWR v. All Persons Interested In The Matter of the Authorization of Delta Program Revenue Bonds, et al.
- 2. Anticipated Litigation:  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

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1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC No. BCV 21100418 TSC  
Name of Case: \_\_\_\_\_  
Rosedale-Rio Bravo WSD *Et al.* v. Kern County Water Agency *Et al.*

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
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Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC Case No. BCV-23-104134  
Names of Cases: City of Tehachapi v. Tehachapi-Cummings County  
Water District  
\_\_\_\_\_

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

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Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

- 1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC Case No. BCV-24-101512  
Names of Cases: City of Tehachapi vs. Tehachapi-Cummings County Water District
- 2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

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MINUTES

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
May 20, 2026, 3:00 P.M.  
22901 Banducci Road, Tehachapi, CA 93561

**Item 1. Call to Order and Roll Call**

**Directors Present:** Ables, Davis, Hall, Schultz **Absent:** Sasia

**Legal Counsel Present:** Legal Counsel joined Closed Session via Zoom

**Staff Present:** Catherine Adams, Jon Curry, Tom Neisler, Crystal Sampson

**Item 2. Announcement**

President Schultz announced this meeting is being audio recorded, including all Board, Staff, and Public comments.

**Item 3. Flag Salute**

The Pledge of Allegiance was led by President Schultz.

**Item 4. Approval of Agenda**

Director Hall moved to approve the Agenda. Director Ables seconded the motion, and it was carried on the following vote: Ayes: Ables, Davis, Hall, Schultz; Noes: None; Abstain: None; Absent: Sasia. Motion passed.

**Item 5. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body**

Corey Torres, District Manager of Tehachapi Valley Recreation and Parks District (TVRPD), introduced himself as well as Taylor Davis, Business Manager, and Sarai Diaz, the Community Events Supervisor. Torres thanked the District for their partnership and shared the huge success of the Annual Fishing Derby. Davis shared they had 937 participants and 36 tagged fish, including five gift cards and she and Diaz described the how the day went. They presented the Board with a plaque in appreciation of their partnership and sponsorship and took a picture. Neisler shared the appreciation from a staff perspective stating TVRPD does a tremendous job and the lake has never looked better and congratulated them on another successful event. President Schultz stated there was no issues with participants, no trash over the fence and not a single problem as a neighboring property so he thanked them for a very courteous event.

**Item 6. Consent Calendar - Consent items are considered routine and are intended to be acted upon as a single item, without discussion. During this portion of the meeting, the Consent Calendar will be read aloud. Prior to approval, the President will give the Board the opportunity to remove any item from the Consent Calendar to be discussed and voted on individually. The President will also give staff and the public the opportunity to request any item be discussed individually, in which case the President will determine whether the item will be removed from the Consent Calendar. The remaining calendar will be acted upon. Any removed items will then be heard and acted upon individually.**

- a. Approve Minutes of the Regular Board Meeting of April 15, 2026
- b. Approve Quarterly Investment Report, Financial Report and Payment of Bills
- c. Approve Date for Benefit Assessment Hearing

President Schultz asked if there were any items the Board, Staff or Public would like to remove for discussion, and there were none.

Director Hall moved to approve the Consent Calendar. Director Ables seconded the motion, and it was carried on the following vote: Ayes: Ables, Davis, Hall, Schultz; Noes: None; Abstain: None; Absent: Sasia. Motion passed.

**Item 7. General Manager's Report**

Neisler reported on the following:

- He clarified the photo in the report is not one of the District's pumps, he just wanted to depict the damage that golden mussels can do in a very short period of time. Anything that sits is inactive for any period of time is going to be corrupted by this invasive species.
- Curry and Neisler are participating in a water agency task force meetings and Curry has attended several vendor presentations. DWR is also taking action and Kern County Board of Supervisors issued an emergency proclamation at their board meeting regarding the golden mussel crisis. Congressman Fong arranged for \$5 million of federal funding for the Central Valley golden mussel infestation.
- DWR announced that the 2026 Table A Allocation was increasing from 30% to 45%. This is good news, however most water planning decisions were made some time ago so now the District needs to make provisions to handle this water.
- He shared the reservoir charts noting Lake Oroville is at 99% of capacity and is three feet from overflowing. It is 122% of historical average. As of May 15<sup>th</sup>, precipitation was 99% of average.
- At the ACWA Conference, President Ernie Avila, announced a new Executive Director was hired, Karla Nemeth. Nemeth is the former Director of the Department of Water Resources who is a skilled and experienced water professional, so this is great news. Governor Newsom will appoint an interim short-term director to that position within DWR and then they will be subject to reappointment.
- Next week the Importation System will start up the third engines to achieve full production. In order to accommodate this, he made the proper notifications and ordered more natural gas to meet those demands at a price of \$2.55/mmbtu. The natural gas purchased last year, for 2026, was secured at \$3.78/mmbtu. The new vendor, A.R.M. Energy, can provide both natural gas supplies to serve both systems.
- The District received notification from Kern County that there was some illegal dumping near Blackburn Dam. Graysen Oldham, Pipeline Supervisor, and his crew, spent a significant amount of time to remediate this problem. They cleared about 125 cubic yards of material in roll off bins. Curry will discuss this more in his report. A member of the public was able to provide information on this illegal dumping that allowed the Sheriff's office to greatly advance their investigation into this. In addition, the District equipment used for the clean up was locked up each night at Blackburn Dam and was vandalized overnight. Police reports for both incidents have been filed.
- He recalled making a presentation to the GHCSO Board of Directors on the Delta Conveyance Project (DCP) back in March and noted all public agency partners were represented at that meeting. Bear Valley CSD's Board President, Paul Paparella, their board president, placed an item on their agenda for last Thursday night to discuss that presentation. He did a great job summarizing the presentation, and Neisler was provided the opportunity to make comments to the board. Neisler has also been invited to speak at the Stallion Springs CSD June 16<sup>th</sup> Board meeting.
- He displayed the Snowpack Chart commenting that it is grim as there is virtually no snow left.
- He offered to answer any questions the Board or Public may have.

Director Hall inquired about the water the District banked in the San Joaquin Valley and asked how much had to be given up. Neisler responded that half was given up; 3,600 AF were brought down and 1,800 AF of that were banked on behalf of the District with some enhanced extraction and conveyance capabilities in the terms. He provided additional details on the partnership with ID4 and how the agreement works.

Director Hall asked about what kinds of trash were being dumped near Blackburn Dam and Curry stated there were animals, household trash, vehicle parts, paint, construction debris and just about everything you can think of. It was located down in a recessed swale which made it hard to see.

President Schultz asked if Staff intends to bring the extra water allocation amount up into the District or leave it down in the valley. Neisler stated the intention is to bring it up, if possible, especially given the lower energy costs. He explained his thought process and stated a 45% allocation is 8,965 AF, so the revised plan will allow for importing about 8,500 AF for the year.

**Item 8. Operations Report**

Curry reported on the following:

- The illegal dumping has already been discussed, he just added that the Pipeline Department did a knockout job on the clean-up, especially given they were shorthanded.
- The Brite Lake data from May 15, 2026, was, elevation 4354.7', volume 1168.7 AF, and level 28.7'. The Importation System is currently operating on a two-engine system and next week it will go up to three engines. Dennison and Pump Plant 5 extraction wells are currently shutdown.
- He described the tasks and projects completed by the Pumping Systems and Pipeline Departments as listed in the Staff Report.
- The JPIA Risk Advisor came out for an annual inspection and she was taken to Pump Plants 1 and 2. She had good things to say and the inspections went well.
- The photo on his Staff Report is of one of the bowls in the Benz Well showing there is sand issues at the bottom of it. It has been airlifted, acid swabbed and bailed. It will be videoed this week to see if a bottom plug patch is needed. Initial estimates for the repairs are about \$120,000.
- The Nunes Well has a couple bad spots in the casing and pump issues. The estimates to get it repaired and back online are about \$75,000 to \$80,000.
- Operations Staff attended the annual Hearing Testing and Heat Stress safety training.
- Staff coordinated with the City of Tehachapi on the roundabout project at Tucker and Highline Road. The District's fire hydrant on the northwest corner of the intersection will be relocated about 30 feet north.
- He serves on the California Rural Water Association (CRWA) Board so he attended the annual exposition in Lake Tahoe. His report on the event is attached to the Staff Report.
- He attended many sessions on Golden Mussels lately. Staff is looking at treatment technologies and making considerations regarding the lake, corrosivity of treatment processes and affects of copper sulfate in a turnout. In addition, programs and costs must be taken into consideration.
- Attached to the report are photos of the illegal dumping activities. He offered to answer any questions the Board or Public may have.

President Schultz asked if the repair costs for the Benz and Nunes Well would be included in the budget on this cycle and Neisler confirmed they will. Neisler brought up some concerns about the limits in the Purchasing Policy being outdated and provided some recent examples of maintenance and repair costs.

**Item 9. Accept Engine Replacement Project for PP2 and PP3 as Substantially Complete and Authorize General Manager to File Notice of Completion**

Curry stated both phases of the Engine Replacement Project for Pump Plants 2 and 3 are completed. There is one remaining item, which is Change Order B-26, which are the exhaust stack extensions. The Board approved the Change Order at the April 15<sup>th</sup> Regular Board Meeting. That work will be complete when the Importation System shuts down. The emissions testing will still be able to be completed with the current stacks. Therefore, Staff wishes to move forward with filing the Notice of Completion.

Per the contract, the District will retain 5% of the contract amount until 35 days after the recording of the Notice of Completion with the Kern County Recorder. The total contract cost was \$7,504,770.69 (prior to a \$8,500 deduction received today) which includes \$6,519,394 billed to date and \$985,376.59 remaining to be billed. This does include the \$343,126 of retention. There were 32 Change Orders and the funds to complete this project have been provided by the Certificates of Participation issued by the District and

Reserve Funds that the District has designated for that purpose. A copy of the Notice of Completion is attached to the Staff Report and the remaining Change Order B-26 is noted.

President Schultz moved that the Board accept the Engine Replacement Project for PP2 and PP3 as substantially complete and authorize the General Manager to file the Notice of Completion with the Kern County Recorder. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Ables, Davis, Hall, Schultz; Noes: None; Abstain: None; Absent: Sasia. Motion passed.

**Item 10. Accept Resignation of Joseph Sasia, Division 1 Director**

Neisler stated that on May 15, 2026, he received an email from Director Sasia stating that he was resigning his position as Director of Division 1 for personal reasons. The email is an attachment to the Staff Report. Neisler recommended is that the Board formally accept Mr. Sasia's resignation to ensure that there is a clean public record. He proposed the course of action outlined in the Staff Report for Board approval and Staff direction. If the board accepts this resignation, he will notify the Kern County Registrar of Voters of the vacancy in accordance with the appropriate government section. He reviewed the remaining steps including an appointment or Special Election which must take place within 60 days of this resignation. There is no fiscal impact unless the Board decides to call a Special Election.

President Schultz commented he will miss Mr. Sasia as he was a great Board member and he enjoyed having him on this Board. He will be recognized for his service at a Board meeting in the future.

President Schultz moved that the Board of Directors accept the resignation of Joseph Sasia, Division 1 Director, effective May 20, 2026, and direct staff to schedule a Special Board Meeting to determine the method to fill vacancy. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Ables, Davis, Hall, Schultz; Noes: None; Abstain: None; Absent: Sasia. Motion passed.

**Item 11. Receive and File Report on Procedures for November General Election**

Adams stated the Kern County Elections Division is starting the preparation process for the November 3, 2026, General Election. They've sent out the election packets with the critical dates. For this election cycle, the Board of Directors has three divisions up for election. Division 1, which was formerly held by Joseph Sasia, Division 3 held by John Ables and Division 5, held by Robert Schultz. These three seats will be on the ballot this year.

As the Board Secretary, she is required to complete the packet and submit it by July 1<sup>st</sup>, along with a Resolution calling for consolidation by August 7<sup>th</sup>. For anyone who is interested in running for any of these seats, they can begin filling out nomination documents on July 13, 2026. The filing period runs through August 7, 2026, at 5:00 p.m. Candidates must live within the boundaries of the division they are running for and a map is located on the District website. The Elections Division has not yet determined the election fees for this cycle. The District's current Resolution for consolidation is Attachment A. She offered to answer any questions and there were none.

**Item 12. Report on ACWA JPIA Spring Conference**

Neisler stated he attended the JPIA and ACWA conferences from May 4<sup>th</sup> to May 7<sup>th</sup> in Sacramento. He had the opportunity to have some very productive offline discussions with a number of people at the conference. It bears keeping in mind that there's about 1,500 people in the state who manage water districts such as this, and virtually all of them are in one place at one time at these conferences so it is a valuable opportunity.

He attended the JPIA Conference as the District's Alternate Director on May 4<sup>th</sup> and served as the voting member. He described the new voting system in place utilizing cell phones and it worked flawlessly. He voted for the two incumbents on behalf of the District. Most of the topics at the event are very routine.

JPIA elected new directors for the California Water Investment Fund (CWIF). It has been paying incredible benefits to the members as the proceeds from their investments have allowed them to increase some of their self-insurance limits. CWIF has been in place 5 years and the average return has been over 8%, so it's very successful.

The theme of the ACWA Conference was Vision for Our Water Future and he attached some handouts to the Staff Report that describe the components of this vision. He then described the goals from his conference notes (Attachment A). He mentioned these are all valuable goals and he signed onto the coalition supporting this on behalf of the District. ACWA is attempting to try to make a more proactive approach to being an advocate on important statewide issues. He attended the Groundwater Ag Committee meeting for Region 6 and 7 as a Director. The best session he attended was an attorney's program on adjudications. The panel included an attorney who spearheaded the Antelope Valley Adjudication prior to SGMA and the District's attorney, Robert Kuhs, was heavily involved in that. Another attorney named Mr. Crafton presented and Kuhs speaks highly of him. Scott Slater from Santa Barbara described an adjudication through Las Posas in the Central Coast area and they were all very informative. Adjudications under SGMA are managed much differently than adjudications were in the 1970s like Tehachapi Basin. It was announced on the news that Governor Newsom was going to be the Keynote Speaker on Thursday morning in place of Wade Crowfoot, the Environmental Resources Director. Neisler was unable to attend as he was driving back that day.

Director Ables has asked for his report to be postponed until the next Board meeting.

**Item 13. Board of Directors Comments**

Director Hall commented that JPIA had a phone-based system for voting the last time he attended but his phone would not connect.

President Schultz stated that with Mr. Sasia resigning, it is necessary to replace him on the Budget Committee and the Audit Committee. After some discussion, Director Davis was appointed to the Budget Committee and Director Ables to the Audit Committee.

**Item 14. Adjourn to Closed Session**

President to reference Closed Session items as presented on Agenda, then Board to adjourn to Closed Session.

- a. In Accordance with Exhibit A Attached hereto, TCCWD v. City of Tehachapi *Et al.*
- b. In Accordance with Exhibit B Attached hereto, TCCWD v. City of Tehachapi
- c. In Accordance with Exhibit C Attached hereto, DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds, et al.; DWR v. All Persons Interested in the Matter of the Authorization of Delta Program Revenue Bonds, et al.
- d. In Accordance with Exhibit D Attached hereto, Rosedale-Rio Bravo WSD *Et al.* v. Kern County Water Agency *Et al.*
- e. In Accordance with Exhibit E Attached hereto, City of Tehachapi vs. TCCWD
- f. In Accordance with Exhibit F Attached hereto, City of Tehachapi vs. TCCWD
- g. In Accordance with Exhibit G Attached hereto, Potential Litigation (one case)

The Board adjourned to Closed Session at 4:13 p.m.

**Item 15. Return to Open Session**

The Board returned to Open Session at 5:03 p.m.

**Report Action Taken in Closed Session:**

- a. No reportable action.
- b. No reportable action.
- c. No reportable action.
- d. No reportable action.
- e. No reportable action.
- f. No reportable action.
- g. No reportable action.

**Item 16. Adjournment**

The meeting adjourned at 5:03 p.m. on a motion made by Director Hall, seconded by Director Ables and carried on the following vote: Ayes: Ables, Davis, Hall, Schultz; Noes: None; Abstain: None; Absent: Sasia.

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Robert W. Schultz, Board President

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Catherine Adams, Board Secretary



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)

1. Existing Litigation Gov. Code §54956.9(d)(1): County of Sacramento Superior Court Case No. 34-2022-80003892  
Name of Case: Tehachapi-Cummings County Water District v. City of Tehachapi *Et al.*

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9(d) (4): \_\_\_\_\_

C. PUBLIC EMPLOYEES (Gov. Code § 54957.)

1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_  
2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_  
3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_  
4. Discipline/Dismissal/Release: \_\_\_\_\_

D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)

Agency Negotiator: \_\_\_\_\_  
Employee Organization: \_\_\_\_\_  
Unrepresented Employee: \_\_\_\_\_



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC Case No. BCV-25-103013  
Name of Case: \_\_\_\_\_  
City of Tehachapi \_\_\_\_\_  
\_\_\_\_\_

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9(d)(2): \_\_\_\_\_  
Gov. Code § 54956.9(d)(4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_

2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_

3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_

4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: Not Applicable  
Unrepresented Employee: \_\_\_\_\_



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

- 1. Existing Litigation Gov. Code §54956.9(d)(1): **Two Cases**  
Names of Cases: DWR v. All Persons Interested in Authorization of WaterFix Revenue Bonds, et al.; DWR v. All Persons Interested In The Matter of the Authorization of Delta Program Revenue Bonds, et al.
- 2. Anticipated Litigation:  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

- 1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_
- 2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_
- 3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_
- 4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: Not Applicable  
Unrepresented Employee: \_\_\_\_\_



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC No. BCV 21100418 TSC  
Name of Case: Rosedale-Rio Bravo WSD *Et al.* v. Kern County Water Agency *Et al.*

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_  
2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_  
3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_  
4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: \_\_\_\_\_  
Unrepresented Employee: \_\_\_\_\_



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC Case No. BCV-23-104134  
Names of Cases: City of Tehachapi v. Tehachapi-Cummings County  
Water District  
\_\_\_\_\_

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_

2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_

3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_

4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: Not Applicable  
Unrepresented Employee: \_\_\_\_\_



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

- 1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC Case No. BCV-24-101512  
Names of Cases: City of Tehachapi vs. Tehachapi-Cummings County Water District
- 2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

- 1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_
- 2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_
- 3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_
- 4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: Not Applicable  
Unrepresented Employee: \_\_\_\_\_



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

1. Existing Litigation Gov. Code §54956.9(d)(1): \_\_\_\_\_  
Name of Case: \_\_\_\_\_  
\_\_\_\_\_
2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): One Potential Case  
Gov. Code § 54956.9(d) (4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_
2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_
3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_
4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: \_\_\_\_\_  
Unrepresented Employee: \_\_\_\_\_

MINUTES

**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
SPECIAL MEETING OF THE BOARD OF DIRECTORS  
June 5, 2026, 11:00 A.M.  
22901 Banducci Road, Tehachapi, CA 93561**

- Item 1. Call to Order and Roll Call:** Meeting called to order at 11:20 a.m.  
**Directors Present:** Ables, Hall, Schultz **Absent:** Davis  
**Legal Counsel Present:** Counsel joined via Zoom for Closed Session  
**Staff Present:** Cat Adams, Jon Curry, Tom Neisler, Crystal Sampson
- Item 2. Announcement**  
President Schultz announced this meeting is being audio recorded, including all Board, Staff, and Public comments.
- Item 3. Flag Salute**  
The Pledge of Allegiance was led by President Schultz.
- Item 4. Approval of Agenda**  
Neisler stated that he made an oversight and neglected to include an item for Return to Open Session and Report on Action Taken. He stated without a four-fifths majority vote an item cannot be added to the Agenda. It was agreed that the Board will still report on any action taken in Closed Session as is the normal procedure.
- Director Hall moved to approve the agenda as advised. President Schultz seconded the motion, and it was carried on the following vote: Ayes: Ables, Hall, Schultz; Noes: None; Abstain: None; Absent: Davis. Motion passed.
- Item 5. Comments by any Party on Items of Interest and Within the Subject Matter Jurisdiction of the Legislative Body**  
None
- Item 6. Approve Check Register**  
Neisler stated this process is a little different than usual being that there is no Consent Calendar. He described the three checks that were on the register for approval.
- Director Ables moved to approve the Check Register. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Ables, Hall, Schultz; Noes: None; Abstain: None; Absent: Davis. Motion passed.
- Item 7. Approve Method to Fill Board Vacancy**  
Neisler stated that Director Sasia resigned his Board position via email on May 15, 2026. At the May 20, 2026, Regular Board Meeting, the Board of Directors formally accepted his resignation. Government Code 1780, which is included as Attachment A, outlines the methods to fill such a vacancy. The Notice of Vacancy that was sent to the Kern County Clerk is included as Attachment B. The remaining Board members may choose to fill the vacancy by appointment or by calling a Special Election. The vacancy must be filled within 60 days, which is July 14, 2026, in this case. The District must post the Notice of Vacancy in three conspicuous places in the District at least 15 days before appointment. A notice will be published in the local newspaper and a preliminary draft with recommended dates is Attachment D. This

same notice will be posted at the District office, Golden Hills CSD and the City of Tehachapi to meet the requirement of 3 conspicuous places. The notice will also be posted on social media outlets.

When the Directors decide on filling the vacancy, Neisler will notify the Kern County Elections officials. Regardless of the appointment, the Division 1 seat will be part of the General Election in November 2026. If the Board does not fill the vacancy within 60 days, the County Board of Supervisor's may fill the vacancy.

If the Board decides to appoint a replacement, Neisler recommends the Board direct Staff to post a solicitation for interested candidates with a deadline for submittals of July 2<sup>nd</sup> since the office is closed July 3<sup>rd</sup> in observance of the holiday. Then set a date for a Special Board Meeting to select a candidate. At this meeting, candidates can attend and address the Board and the Board can select a candidate to appoint. Once a candidate is appointed to the Board, that appointee can apply to run for the full four-year term in the November Election and the deadline to file an application is August 7, 2026. Attachment C is a map that shows the Division 1 boundaries that candidates must live within to apply for this seat. They can contact the office and Staff will help to determine whether or not they are eligible.

Discussion took place on situations that may occur such as if the Board does not receive any interested candidates by the deadline to fill the vacancy, the County's role in this process, and the General Election.

President Schultz moved that the Board choose to appoint the replacement (for Division 1) and direct Staff to solicit interested candidates with a deadline to apply of July 2, 2026, set the date for the meeting to select a candidate prior to July 14, 2026, with a Special Board Meeting set for July 10, 2026. Director Hall seconded the motion, and it was carried on the following vote: Ayes: Ables, Hall, Schultz; Noes: None; Abstain: None; Absent: Davis. Motion passed.

**Item 8. Board of Directors Comments**  
None

**Item 9. Adjourn to Closed Session**

President to reference Closed Session items as presented on Agenda, then Board to adjourn to Closed Session.

- a. In Accordance with Exhibit A Attached hereto, TCCWD v. City of Tehachapi *Et al.*
- b. In Accordance with Exhibit B Attached hereto, City of Tehachapi vs. TCCWD
- c. In Accordance with Exhibit C Attached hereto, City of Tehachapi vs. TCCWD

The Board adjourned to Closed Session at 11:38 a.m.

**Return to Open Session**

The Board returned to Open Session at 11:57 a.m.

**Report Action Taken in Closed Session:**

- a. No reportable action
- b. No reportable action
- c. No reportable action

**Item 10. Adjournment**

The meeting adjourned at 11:57 a.m. on a motion made by Director Hall, seconded by Director Ables and carried on the following vote: Ayes: Ables, Hall, Schultz; Noes: None; Abstain: None; Absent: Davis. Motion passed.

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Robert W. Schultz, Board President

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Catherine Adams, Board Secretary



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

1. Existing Litigation Gov. Code §54956.9(d)(1): County of Sacramento Superior Court Case No. 34-2022-80003892  
Name of Case: Tehachapi-Cummings County Water District v. City of Tehachapi *Et al.*
2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9(d) (4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_
2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_
3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_
4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: \_\_\_\_\_  
Unrepresented Employee: \_\_\_\_\_



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC Case No. BCV-23-104134  
Names of Cases: \_\_\_\_\_  
City of Tehachapi v. Tehachapi-Cummings County  
Water District  
\_\_\_\_\_

2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_

2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_

3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_

4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: Not Applicable  
Unrepresented Employee: \_\_\_\_\_



**CLOSED SESSION ITEM DESCRIPTIONS**

(Gov. Code § 54954.5)

**A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code § 54956.8.)**

Description of Property: \_\_\_\_\_  
Proposed District Negotiator: \_\_\_\_\_  
Negotiating Parties: \_\_\_\_\_  
Subject of Conference: \_\_\_\_\_

**B. CONFERENCE WITH LEGAL COUNSEL (Gov. Code § 54956.9.)**

- 1. Existing Litigation Gov. Code §54956.9(d)(1): KCSC Case No. BCV-24-101512  
Names of Cases: City of Tehachapi vs. Tehachapi-Cummings County Water District
- 2. Anticipated Litigation: \_\_\_\_\_  
Gov. Code § 54956.9 (d)(2): \_\_\_\_\_  
Gov. Code § 54956.9 (d)(4): \_\_\_\_\_

**C. PUBLIC EMPLOYEES (Gov. Code § 54957.)**

- 1. Appointment: \_\_\_\_\_  
Title: \_\_\_\_\_
- 2. Employment: \_\_\_\_\_  
Title: \_\_\_\_\_
- 3. Performance Evaluation: \_\_\_\_\_  
Title: \_\_\_\_\_
- 4. Discipline/Dismissal/Release: \_\_\_\_\_

**D. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6.)**

Agency Negotiator: \_\_\_\_\_  
Employee Organization: Not Applicable  
Unrepresented Employee: \_\_\_\_\_

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
Income Statement: April 30, 2026

% of Year Remaining 17%

	One Month Actual	Year To Date Actual	Year To Date Budget	Better (Worse) Than Budget	Annual Budget	% Remain
<b>GENERAL FUND (70)</b>						
Revenues:						
Operating Revenues:						
Water Sales - Ag	65,464	1,168,961	1,642,800	(473,839)	2,400,000	51%
Water Sales - M&I	34,441	429,908	360,000	69,908	360,000	-19%
Water Sales - Wheeled	12,697	58,988	29,708	29,280	70,000	16%
Water Sales - Surplus	7,418	82,763	75,000	7,763	75,000	-10%
Water Sales-Recycled Water	1,829	7,884	15,000	(7,116)	15,000	47%
Water Sales-Recharge BWRA	-	834,109	187,500	646,609	225,000	-271%
BL Storage Fee	-	9,985	8,330	1,655	10,000	0%
Water Services	3,147	86,767	71,942	14,825	77,750	-12%
Other Operating Revenues	1,493	35,747	127,838	(92,091)	155,400	77%
Total Operating Revenues	126,489	2,715,112	2,518,118	196,994	3,388,150	20%
Non-Operating Revenues:						
General Taxes	2,606,375	7,068,391	7,003,234	65,157	7,500,000	6%
Other Revenues	(40,347)	70,090	124,625	(54,535)	160,700	56%
Capital Contributions	-	4,500	16,670	(12,170)	20,000	78%
Total Non-Operating Revenues	2,566,028	7,142,981	7,144,529	(1,548)	7,680,700	7%
Total Revenues	2,692,517	9,858,093	9,662,647	195,446	11,068,850	11%
Expenses:						
Administration Dept.						
Salaries & Benefits	95,303	999,501	997,706	(1,795)	1,196,200	16%
Operations & Maintenance	93,672	955,824	911,307	(44,517)	1,029,300	7%
Capital Outlay	950	288,126	342,670	(54,544)	435,000	34%
Total Administration	189,925	2,243,451	2,251,683	8,232	2,660,500	16%
Pipeline Dept.						
Salaries & Benefits	52,648	660,473	814,850	154,377	951,700	31%
Operations & Maintenance	92,406	297,151	494,828	197,677	591,800	50%
Capital Outlay	83,703	309,025	531,611	222,586	621,000	50%
Total Pipeline	228,757	1,266,649	1,841,289	574,640	2,164,500	41%
Pumping Dept.						
Salaries & Benefits	97,018	872,092	838,025	(34,067)	1,030,900	15%
Operations & Maintenance	122,885	2,317,097	2,742,030	424,933	3,190,400	27%
Capital Outlay	154,000	519,264	454,010	(65,254)	514,000	-1%
Total Pumping	373,903	3,708,453	4,034,065	325,612	4,735,300	22%
Total General Fund						
Salaries & Benefits	244,969	2,532,066	2,650,581	118,515	3,178,800	20%
Operations & Maintenance	308,963	3,570,072	4,148,165	578,093	4,811,500	26%
Capital Outlay	238,653	1,116,415	1,328,291	211,876	1,570,000	29%
Total Expenses	792,585	7,218,553	8,127,037	908,484	9,560,300	24%
Net Income (Loss)	1,899,932	2,639,540	1,535,610	1,103,930	1,508,550	

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
Income Statement: April 30, 2026

% of Year Remaining 17%

	One Month Actual	Year To Date Actual	Year To Date Budget	Better (Worse) Than Budget	Annual Budget	% Remain
<b>BOARD-DESIGNATED RESERVE FUNDS</b>						
<b>EMERGENCY (71)</b>						
Revenues:						
Interest Earnings	2,934	13,733	13,440	293	17,400	21%
Total Revenues	2,934	13,733	13,440	293	17,400	21%
Expenses:						
Total Expenses	-	-	-	-	-	0%
Net Income (Loss)	2,934	13,733	13,440	293	17,400	
<b>WATER BANKING RESERVE (72)</b>						
Revenues:						
Operating Revenues:						
Water Sales-Recharge BWRA	-	-	83,330	(83,330)	100,000	100%
Total Operating Revenues	-	-	83,330	(83,330)	100,000	100%
Non-Operating Revenues:						
Interest Earnings	18,954	88,681	88,260	421	114,100	22%
Total Non-Operating Revenues	18,954	88,681	88,260	421	114,100	22%
Total Revenues	18,954	88,681	171,590	(82,909)	214,100	59%
Expenses:						
Total Expenses	-	-	-	-	-	0%
Net Income (Loss)	18,954	88,681	171,590	(82,909)	214,100	
<b>UNFUNDED PENSION LIABILITY (74)</b>						
Revenues:						
Interest Earnings	1,731	7,864	7,740	124	9,900	21%
Total Revenues	1,731	7,864	7,740	124	9,900	21%
Expenses:						
Total Expenses	-	-	-	-	-	0%
Net Income (Loss)	1,731	7,864	7,740	124	9,900	
<b>MAJOR REPAIR &amp; OVERHAUL (81)</b>						
Revenues:						
Interest Earnings	12,474	58,357	57,280	1,077	73,800	21%
Total Revenues	12,474	58,357	57,280	1,077	73,800	21%
Expenses:						
Total Expenses	-	-	-	-	-	0%
Net Income (Loss)	12,474	58,357	57,280	1,077	73,800	
<b>EQUIP/INFRA - RPLC/UPGRD (83)</b>						
Revenues:						
Interest Earnings	20,034	93,721	43,460	50,261	59,100	-59%
Total Revenues	20,034	93,721	43,460	50,261	59,100	-59%
Expenses:						
Total Expenses	-	-	-	-	-	0%
Net Income (Loss)	20,034	93,721	43,460	50,261	59,100	

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
Income Statement: April 30, 2026

% of Year Remaining 17%

	One Month Actual	Year To Date Actual	Year To Date Budget	Better (Worse) Than Budget	Annual Budget	% Remain
<b>TAX REVENUE LIABILITY (85)</b>						
Revenues:						
Interest Earnings	11,054	53,146	52,180	966	67,300	21%
Total Revenues	11,054	53,146	52,180	966	67,300	21%
Expenses:						
Total Expenses	-	-	-	-	-	0%
Net Income (Loss)	11,054	53,146	52,180	966	67,300	

<b>RATE STABILIZATION (87)</b>						
Revenues:						
Interest Earnings	4,582	21,435	21,060	375	27,100	21%
Total Revenues	4,582	21,435	21,060	375	27,100	21%
Expenses:						
Total Expenses	-	-	-	-	-	0%
Net Income (Loss)	4,582	21,435	21,060	375	27,100	

**RESTRICTED RESERVE FUNDS**

<b>ENGINE PROJECT (73)</b>						
Revenues:						
Interest Earnings	13	23,446	23,600	(154)	24,600	5%
Total Revenues	13	23,446	23,600	(154)	24,600	5%
Expenses:						
Operations & Maintenance	4,950	7,793	20,840	13,047	25,000	69%
Debt Service	-	247,375	247,375	-	1,054,750	77%
Capital Outlay	227,096	4,416,639	5,901,669	1,485,030	6,040,720	27%
Total Expenses	232,046	4,671,807	6,169,884	1,498,077	7,120,470	34%
Net Income (Loss)	(232,033)	(4,648,361)	(6,146,284)	1,497,923	(7,095,870)	

**IMPROVEMENT DISTRICT NO. 2 (76)**

Revenues:						
General Taxes	1,975	5,110	3,760	1,350	4,000	-28%
Interest Earnings	3	3	75	(72)	100	97%
Total Revenues	1,978	5,113	3,835	1,278	4,100	-25%
Expenses:						
Operations & Maintenance	42	42	100	58	40,100	100%
Total Expenses	42	42	100	58	40,100	100%
Net Income (Loss)	1,936	5,071	3,735	1,336	(36,000)	

**IMPROVEMENT DISTRICT NO. 3 (77)**

Revenues:						
General Taxes	3,951	11,713	8,353	3,360	10,100	-16%
Interest Earnings	1,520	7,115	7,061	54	9,100	22%
Total Revenues	5,471	18,828	15,414	3,414	19,200	2%
Expenses:						
Operations & Maintenance	86	86	9,200	9,114	9,200	99%
Total Expenses	86	86	9,200	9,114	9,200	99%
Net Income (Loss)	5,385	18,742	6,214	12,528	10,000	

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
Income Statement: April 30, 2026

% of Year Remaining 17%

	One Month Actual	Year To Date Actual	Year To Date Budget	Better (Worse) Than Budget	Annual Budget	% Remain
<b>STATE PAYMENT (82)</b>						
Revenues:						
Special Taxes	1,712,928	4,745,790	3,280,048	1,465,742	3,408,400	-39%
Interest Earnings	72,511	341,407	310,488	30,919	408,100	16%
Total Revenues	1,785,439	5,087,197	3,590,536	1,496,661	3,816,500	-33%
Expenses:						
Operations & Maintenance	11,549	2,341,704	2,210,960	(130,744)	4,183,400	44%
Total Expenses	11,549	2,341,704	2,210,960	(130,744)	4,183,400	44%
Net Income (Loss)	1,773,890	2,745,493	1,379,576	1,365,917	(366,900)	

**FLOOD CONTROL BENEFIT ASSESSMENT (86)**

Revenues:						
Benefit Assessments	30,438	100,448	108,890	(8,442)	113,500	11%
Interest Earnings	8,312	38,699	38,544	155	49,900	22%
Total Revenues	38,750	139,147	147,434	(8,287)	163,400	15%
Expenses:						
Operations & Maintenance	2,911	40,392	70,460	30,068	113,500	64%
Total Expenses	2,911	40,392	70,460	30,068	113,500	64%
Net Income (Loss)	35,839	98,755	76,974	21,781	49,900	

**DISTRICT TOTAL (All Funds)**

Revenues:						
Operating Revenues	126,489	2,715,112	2,601,448	113,664	3,488,150	22%
Non-Operating Revenues	4,469,442	12,753,649	11,208,768	1,544,881	12,077,200	-6%
Total Revenues	4,595,931	15,468,761	13,810,216	1,658,545	15,565,350	1%
Expenses:						
Salaries & Benefits	244,969	2,532,066	2,650,581	118,515	3,178,800	20%
Operations & Maintenance	328,501	5,960,089	6,459,725	499,636	9,182,700	35%
Debt Service	-	247,375	247,375	-	1,054,750	77%
Capital Outlay	465,749	5,533,054	7,229,960	1,696,906	7,610,720	27%
Total Expenses	1,039,219	14,272,584	16,587,641	2,315,057	21,026,970	32%
Net Income (Loss)	3,556,712	1,196,177	(2,777,425)	3,973,602	(5,461,620)	

**DISTRICT TOTAL (Excluding Debt-Financed Capital Project - Fund 73)**

DISTRICT TOTAL (All Funds)						
Net Income (Loss)	3,556,712	1,196,177	(2,777,425)	3,973,602	(5,461,620)	
Less: ENGINE PROJECT (73)						
Net Income (Loss)	(232,033)	(4,648,361)	(6,146,284)	1,497,923	(7,095,870)	
Net Income (Loss) Excluding Fund 73	3,788,745	5,844,538	3,368,859	2,475,679	1,634,250	

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
CASH BALANCES AS OF APRIL 30

<u>DISTRICT FUNDS</u>	2026	2025	CHANGE
GENERAL FUND (70)	4,178,794	6,059,227	(1,880,433)
<u>BOARD-DESIGNATED RESERVES</u>			
EMERGENCY (71)	451,027	434,179	16,848
WATER BANKING (72)	2,912,409	2,803,612	108,797
UNFUNDED PENSION LIABILITY (74)	257,863	0	257,863
MAJOR REPAIRS & OVERHAUL (81)	1,916,537	1,844,943	71,594
EQUIP./INFRA. - REPL./UPGR. (83)	3,077,934	2,962,953	114,981
TAX REVENUE LIABILITY (85)	1,747,202	1,677,185	70,017
RATE STABILIZATION (87)	703,965	677,667	26,298
<u>RESTRICTED RESERVES</u>			
ENGINE PROJECT (73)	8,244	2,137,444	(2,129,200)
IMPROVEMENT DISTRICT NO. 2 (76)	10,618	4,989	5,629
IMPROVEMENT DISTRICT NO. 3 (77)	246,857	224,515	22,342
STATE PAYMENT (82)	13,439,597	10,759,084	2,680,513
BENEFIT ASSESSMENT DISTRICT NO. 1 (86)	1,328,947	1,276,195	52,752
-----			
DISTRICT TOTAL	30,279,994	30,861,993	(581,999)
=====			

**COUNTY OF KERN  
MONTHLY CASH BALANCE**

As of Date: 4/30/2026

FUND	FUND NAME	AS OF DATE	TREASURERS CASH
8271	Tehachapi-Cummings Water M & O	04/30/2026	\$0.00
8287	Tehachapi-Cummings Wat Imp #2	04/30/2026	\$0.00
8301	Tehachapi-Cummings Wat Imp #3	04/30/2026	\$0.00
8315	Teh-Cum Co Water-State Payment	04/30/2026	\$0.00
8327	Teh Cum Wt-Fld Con Ben Assm Ar	04/30/2026	\$0.00
8340	Tccwd Investment Account	04/30/2026	\$29,584.73
			<b>\$29,584.73</b>

DIT: April Property Tax App #2    3,469,500.02  
**\$3,499,084.75**

**OFFICE OF THE TREASURER  
SACRAMENTO**

Local Agency Investment Fund  
PO Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001  
[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)



April, 2026 Statement

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

Attn: DISTRICT TREASURER  
P.O. BOX 326  
TEHACHAPI CA 93581

**Transactions**

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
04-15-2026	04-14-2026	QRD	1798050		SYSTEM	60,386.99
04-16-2026	04-16-2026	RW	1798938	1759618	CRYSTAL SAMPSON	-950,000.00
04-29-2026	04-28-2026	RD	1799462	1760153	CRYSTAL SAMPSON	260,000.00

**Account Summary**

Total Deposit:	320,386.99	Beginning Balance:	6,258,690.59
Total Withdrawal:	-950,000.00	Ending Balance:	5,629,077.58

**CAMP Pool - Account Reconciliation**

April 30, 2026						
Bank Activity				G/L Allocation		
Date	Description	GL Acct #	CAMP Pool	Interest Earnings	G/L Balance	
	Beginning Balance	10160	\$ 12,403.45		\$	12,403.45
4/30/2026	Interest Earnings	40231	38.57	38.57		38.57
	Ending Balance	10160	\$ 12,442.02	\$	38.57	\$ 12,442.02
				40231		10160

Bank

G/L

U.S. Bank - Managed Investments Account Reconciliation

April 30, 2026										
Bank Activity							G/L Allocation			
Date	Description	GL Acct #	Cash & Equivalents	Taxable Bonds at Book Value	Market Value Adj - Only Recorded at YE	US Bank Investments	Interest Earnings	Cash - BMO	Bank & Admin Services	Total Adjusted GL Balance
	Beginning Balance	10170	\$ 790,995.10	\$ 18,497,984.50	\$ 567,537.46	\$ 19,856,517.06				\$ 19,288,979.60
4/27/2026	Transfer from BMO	10110	(156,000.00)	-	-	(156,000.00)	-	(156,000.00)	-	(156,000.00)
4/1/2026	Security Matured		750,000.00	(750,000.00)	-	-	-	-	-	-
4/8/2026	Security Matured		250,000.00	(250,000.00)	-	-	-	-	-	-
4/8/2026	Security Purchased		(1,005,400.00)	1,005,400.00	-	-	-	-	-	-
4/8/2026	Accrued Interest - purchased	40231	(111.11)	-	-	(111.11)	(111.11)	-	-	(111.11)
4/8/2026	Security Purchased		(213,630.00)	213,630.00	-	-	-	-	-	-
4/8/2026	Security Purchased		(492,290.00)	492,290.00	-	-	-	-	-	-
4/8/2026	Accrued Interest - purchased	40231	(4,399.17)	-	-	(4,399.17)	(4,399.17)	-	-	(4,399.17)
4/30/2026	Long-Term Gains/Losses		-	5,331.25	-	5,331.25	5,331.25	-	-	5,331.25
4/1/2026	Taxable Interest - reinvested	40231	-	20,000.00	-	20,000.00	20,000.00	-	-	20,000.00
4/1/2026	Taxable Interest - reinvested	40231	-	17,343.75	-	17,343.75	17,343.75	-	-	17,343.75
4/1/2026	Taxable Interest - reinvested	40231	-	60.22	-	60.22	60.22	-	-	60.22
4/8/2026	Taxable Interest - reinvested	40231	-	5,812.50	-	5,812.50	5,812.50	-	-	5,812.50
4/8/2026	Taxable Interest - reinvested	40231	-	3,206.25	-	3,206.25	3,206.25	-	-	3,206.25
4/10/2026	Taxable Interest - reinvested	40231	-	5,468.75	-	5,468.75	5,468.75	-	-	5,468.75
4/15/2026	Taxable Interest - reinvested	40231	-	4,300.68	-	4,300.68	4,300.68	-	-	4,300.68
4/16/2026	Taxable Interest - reinvested	40231	-	24,000.00	-	24,000.00	24,000.00	-	-	24,000.00
4/17/2026	Taxable Interest - reinvested	40231	-	771.90	-	771.90	771.90	-	-	771.90
4/27/2026	Taxable Interest - reinvested	40231	-	17,437.50	-	17,437.50	17,437.50	-	-	17,437.50
4/29/2026	Taxable Interest - reinvested	40231	-	835.34	-	835.34	835.34	-	-	835.34
4/30/2026	Taxable Interest - reinvested	40231	-	5,343.75	-	5,343.75	5,343.75	-	-	5,343.75
	Transfers between assets		104,580.64	(104,580.64)	-	-	-	-	-	-
4/30/2026	Taxable Dividends - paid	40231	1,276.30	-	-	1,276.30	1,276.30	-	-	1,276.30
4/24/2026	Monthly Trustee Fees	50207	(161.14)	-	-	(161.14)	-	-	(161.14)	(161.14)
	Fair Value Adjustment	40232	-	-	(33,926.55)	(33,926.55)	-	-	-	-
	Ending Balance	10170	\$ 24,860.62	\$ 19,214,635.75	\$ 533,610.91	\$ 19,773,107.28	\$ 106,677.91	\$ (156,000.00)	\$ (161.14)	\$ 19,239,496.37
			(0.00)	-	-	-	40231	10110	50207	10170-00

Only booked at YE

Assets at MV

G/L

**U.S. Bank - Bond Account Reconciliation  
Held by Trustee**

2023 REVENUE CERTIFICATES OF PARTICIPATION  
Trust Agreement dated June 1, 2023

Bond Proceeds	12,062,601.15
Par Amount	10,925,000.00
Premium	1,137,601.15
Reserve Fund (surety bond issued by the Insurer; not a District asset)	1,055,500.00

**April 30, 2026**

Bank Activity									G/L Allocation	
Date	Description	GL Acct #	Certificate			Prepayment		Total Fiscal Agent	Interest	G/L Balance
			Payment Fund	Interest Fund	Principal Fund	Fund	Aquisition Fund	Cash	Earnings	
	Beginning Balance	73-00-10150	\$ 8,230.69	\$ -	\$ -	\$ -	\$ -	\$ 8,230.69		\$ 8,230.69
4/1/2026	Interest	73-00-40231	13.32	-	-	-	-	13.32	13.32	13.32
	Transfers Between Accounts		-	-	-	-	-	-	-	-
	Ending Balance	73-00-10150	\$ 8,244.01	\$ -	\$ -	\$ -	\$ -	\$ 8,244.01	\$ 13.32	\$ 8,244.01
			73-00-10150				73-00-10150	73-00-10150	73-00-40231	73-00-10150

**CHECK REGISTER**  
**For the Period from**  
**June 11, 2026 to June 11, 2026**

Check #	Name	Line Description	Amount
11241	Ables, John	Reimburse Mileage, Meals-ACWA Spring Conference	\$511.60
11242	Actuarial Retirement Consulting	GASB 75 Valuation Report 6/30/25	\$2,700.00
11243	ACWA/JPIA	Medical/Dental/Vision/EAP Premiums	\$34,904.29
11244	Amazon Capital Services	Paper Towel Dispenser/Envelopes/File Folders/Labels/Rubber Stamps/Message Pads	\$643.03
11245	Automotive Radiator Serv.	Flange Gaskets for Outlet-Innercooler	\$1,090.10
11246	B.S. & E.	Reach Lift Rental	\$774.94
11247	Bakersfield Well & Pump Co	Progress Billing #2-Benz Well / Progress Billing #2-Nunes Well	\$73,763.07
11248	BMC Industries	Face Rocker Boxes/Jumper Tube for Rocker Boxes	\$4,178.25
11249	Boot Barn	Safety Boots (JM)	\$259.79
11250	Cal West Rain	Hydraulic Charging Kit	\$116.91
11251	Cintas Corp	Uniform Rental-May	\$976.73
11252	Coastline Equipment	Repair Table & Coolant Lines E64	\$11,026.95
11253	Condition Monitoring Services, Inc	Vibration Analysis & Reporting (10 Machines)	\$817.50
11254	Core & Main, LP	Insert, Repair Clamp Full Circle-Repair of 2" Line	\$1,791.46
11255	Crowley Company, LLC	Repair Kit/Oil Controller	\$2,146.91
11256	Deran Gear	Material to Repair Gearhead	\$9,991.18
11257	Dewalt Corporation	2026 Jacobsen Dam Settlement Survey	\$9,750.00
11258	Employee Relations	Pre-Employment Check (Mechanic Position)	\$29.65
11259	EMTS, Inc	Landscape Maintenance - May 2026	\$1,058.56
11260	Envirotech Consultants, Inc	Delete Backhoe from DOORS List / EID Stickers for Equipment	\$281.82
11261	Esquivel's Janitorial Service	General Office Cleaning-May	\$625.00
11262	Estes Express Lines, Inc	Ship Gear Box to Deran Gear	\$1,018.83
11263	Fastenal Company	Sorbent Pads (100)	\$303.62
11264	Global Compression Services	Spark Plugs (36 @\$64.79 ea)	\$2,376.73
11265	Government Finance Offices Assoc	Membership Renewal 7/1/26 to 6/30/27	\$250.00
11266	Grainger, W.W. Inc	Nipples/Tubing/Clamps/Hose Assembly/Hex Key Sets/Ice Machine Sanitizer, Descaler/Labels	\$921.71
11267	Kern Auto Parts, Inc	Oil-PP34 / Cabin Filter-PP40	\$130.95
11268	Kern County Water Agency	Cross Valley Canal-O & M, Standby 3rd Quarter	\$2,812.49
11269	Kern County Water Agency	2026 SWP Water	\$523,750.00
11270	Lebeau-Thelen, LLP	General Legal - May 2026	\$4,050.00
11271	Lee, Steve (Announce Solutions)	Website Updates(ReportLeaks)/Monthly Maintenance/Reload Laptop/Rectify KYND Notifications	\$1,210.00
11272	Matarazzo Law	Legal Fees-May 2026	\$2,167.80
11273	Murphy's Diesel & Auto Repair, LLC	Clean Truck Check - PP39	\$165.00
11274	N.B. Sales & Service, Inc	AC Contractor - PP2 Compressor	\$1,139.87
11275	Navillus Enterprises	Vehicle Gas & Diesel - May	\$6,861.78
11276	Office 1	Copy Charge-May 2026	\$90.97
11277	Optimized Investment Partners, LLC	Investment Advisory Service, Per. End. 5/31/26	\$2,742.60
11278	O'Reilly Auto Parts	Air Filter PP38	\$55.34

**CHECK REGISTER**  
**For the Period from**  
**June 11, 2026 to June 11, 2026**

Check #	Name	Line Description	Amount
11279	Orkin	Pest Control Service-Office, Shop	\$162.40
11280	Pacific Mechanical Supply	Viton O-Rings (Replace Check # 11162, Lost in Mail)	\$2,202.35
11281	Petty Cash	Vehicle Gas-PP40/Certificates of Mailing/Permatex	\$90.36
11282	PG & E	Electricity Costs- PP1, PP2 / Cost Ownership PP#2 Lighting	\$3,081.82
11283	Pitney Bowes Bank, Reserve Account	Reserve Postage-Postage Machine	\$500.00
11284	Pitney Bowes Global Fin (Lease)	Lease Payment - Postage Machine (3/30/26 to 6/29/26)	\$171.71
11285	Quinn Company	Spare Filters for E76 Backhoe	\$1,119.50
11286	Robinson Welding Supply Inc	Compressed Nitrogen	\$193.53
11287	Safety-Kleen Corp.	Waste Coolant Pickup	\$215.00
11288	Shreds Unlimited, Inc	Shredding Service-June	\$50.00
11289	Silvas Oil Company	Mobil SHC 360 (165 Gals.) / Drum Credit-13 Drums	\$8,490.60
11290	Southern California Edison	Electricity Costs-PP's, Wells, Office, Shop - May	\$20,867.87
11291	Stockdale Aire	Diagnose Office AC Issue	\$265.00
11292	The Tire Store	Flat Tire Repair - E67 / Oil Change - PP34	\$325.00
11293	United Rentals Northwest Inc.	Equipment Rental to Haul Illegally Dumped Trash	\$2,493.75
11294	Villarreal, Ramiro	Reimburse - Safety Boots	\$162.12
11295	Waste Management-Kern County	Porta Pottie Service-June/Recycling, Gate Fees/Rolloff Rental-Illegal Dumping Cleanup	\$5,814.61
11296	Waukesha-Pearce Ind. Inc	Spacers/Catalyst Element-PP1 Spare/Parts for F18 PP4	\$21,844.72
11297	Westec	CPR Training	\$720.00
11298	Wienhoff Drug Testing	Random Selection Testing	\$340.00
11299	WM Lyles	Pay Request #20	\$8,920.50

**Check Total**      **\$785,516.27**

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
June 17, 2026

TOPIC: Receive and File Actuarial Valuation for Other Post-Employment Benefits (Retiree Medical)

ITEM FOR: Receive and File

PURPOSE: Board acknowledgement of required report

IMPACT: Fiscal/Budget, Personnel

SUBMITTED BY: Crystal Sampson

EXECUTIVE SUMMARY

This report is provided every two years as a required element of our participation in the California Employers' Retiree Benefit Trust (CERBT) Fund in compliance with Governmental Accounting Standards Board (GASB) Statement No. 75.

BACKGROUND

The District provides a medical insurance benefit for qualified retirees. In compliance with GASB 75, the District holds these funds in a trust account that was established with the CERBT program of CalPERS in March 2012. Per GASB 75, an actuarial valuation of the Other Post-Employment Benefits (OPEB) plan is required at least once every two years. As of the valuation date, the actuarial valuation determines certain actuarial measurements that assess an employer's financial liability and annual costs.

Due to having the same actuarial consultant (Roeder Financial) since the District established the CERBT program in 2012, the District felt it was time to send out requests for proposal for these actuarial valuation services. In March 2026, the requests for proposal were sent to five firms, including Roeder Financial. At that time, the District was notified by Roeder Financial that they were winding down their practice and wouldn't be rebidding the engagement. In April 2026, the District contracted with Actuarial Retirement Consulting (ARC) to perform the District's actuarial valuation services for its OPEB plan for five years beginning with the June 30, 2025 valuation.

As of June 30, 2025, the trust account balance was \$184,986.52 (Attachment A). Since this money is held in a trust, it does not appear in the District's monthly financial reports. The difference between the OPEB Plan Fiduciary Net Position (i.e., the trust account balance) and Total OPEB Liability, as determined by actuarial valuation, is reported on the District's annual comprehensive financial report as either a Net OPEB Liability or Asset as an indication of the plan's funded status.

Some items of significance reported in the District's actuarial valuation of its OPEB plan as of June 30, 2025 (Attachment B), are as follows:

Executive Summary (page 1): The plan is currently overfunded by \$64,117 (153.05%), and as such is referred to as a Net OPEB Asset.

Changes Since the Prior Valuation (page 2): Several factors can cause the Total OPEB Liability to change over time. The Total OPEB Liability of \$82,012 as of the 6/30/23 valuation increased to \$120,870 as of

the 6/30/25 valuation. Cost increases were related to plan experience and assumptions used. The change to the discount rate from 5.00% to 5.80% offset some of the cost decreases.

Actuarially Determined Contribution (page 5): The actuarially determined contribution (ADC) represents the contribution amounts that are not required but are a common measurement of contribution amounts needed to prefund OPEB benefits. The District makes annual contributions to the trust account by the end of June each year in the amount of the ADC. Due to the OPEB plan's overfunded status, no ADC will be paid in June 2026 for FY 2025-26 nor will an ADC be included in the FY 2026-27 budget.

**FISCAL IMPACT**

No actuarially determined contributions will be made to the CERBT trust account for FYs 2025-26 or 2026-27.

The June 30, 2025 actuarial valuation costing \$2,700 and annual disclosure costing \$580 (to be reported upon in the annual comprehensive financial report for the year ended June 30, 2026) were budgeted for in the FY 2025-26 Final Budget, as amended.

The annual disclosure costing \$580 (to be reported upon in the annual comprehensive financial report for the year ended June 30, 2027) has been included in the FY 2026-27 Preliminary Budget.

**RECOMMENDED MOTION**

***N/A- No motion needed because this item is for receive and file.***

**ATTACHMENTS**

A - CERBT account statement, for the quarter ended June 30, 2025

B - GASB 75 Actuarial Valuation as of June 30, 2025

## Tehachapi-Cummings County Water District

CERBT Strategy 3

Entity #: SKB8-1890507994

Quarter Ended June 30, 2025



## Market Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Balance	\$177,721.38	\$169,365.72
Contribution	0.00	0.00
Disbursement	0.00	0.00
Transfer In	0.00	0.00
Transfer Out	0.00	0.00
Investment Earnings	7,296.13	15,751.28
Administrative Expenses	(11.94)	(57.33)
Investment Expense	(19.05)	(73.15)
Other	0.00	0.00
Ending Balance	\$184,986.52	\$184,986.52
FY End Contrib per GASB 74 Para 22	0.00	0.00
FY End Disbursement Accrual	0.00	0.00
Grand Total	\$184,986.52	\$184,986.52

## Unit Value Summary:

	QTD Current Period	Fiscal Year to Date
Beginning Units	9,633.166	9,633.166
Unit Purchases from Contributions	0.000	0.000
Unit Sales for Withdrawals	0.000	0.000
Unit Transfer In	0.000	0.000
Unit Transfer Out	0.000	0.000
Ending Units	9,633.166	9,633.166
Period Beginning Unit Value	18.448886	17.581516
Period Ending Unit Value	19.203057	19.203057

Please note the Grand Total is your actual fund account balance at the end of the period, including all contributions per GASB 74 paragraph 22 and accrued disbursements. Please review your statement promptly. All information contained in your statement will be considered true and accurate unless you contact us within 30 days of receipt of this statement. If you have questions about the validity of this information, please contact CERBT4U@calpers.ca.gov.

Statement of Transaction Detail for the Quarter Ending 06/30/2025

Tehachapi-Cummings County Water District

Entity #: SKB8-1890507994



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Date	Description	Amount	Unit Value	Units	Check/Wire	Notes
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Client Contact:  
CERBT4U@CalPERS.ca.gov



June 3, 2026

Catherine Adams  
Administration Manager / Board Secretary  
Tehachapi-Cummings County Water District  
22901 Banducci Road  
Tehachapi, CA 93561

Re: June 30, 2025 GASB 75 Valuation for the Tehachapi-Cummings County Water District

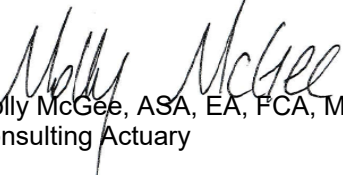
This report sets forth the results of our GASB 75 actuarial valuation of the Tehachapi-Cummings County Water District (District)'s other postemployment benefits (OPEB) plan as of June 30, 2025. Governmental Accounting Standards Board (GASB) Statement No. 75 requires an actuarial valuation of OPEB liabilities at least once every two years. This report may be compared with the valuation performed by Roeder Financial as of June 30, 2023, to see how the liabilities have changed since the last valuation.

Under GASB 75, actuarial valuations may be rolled forward, up to a reporting date of 30 months and 1 day following the valuation date, to produce note disclosures and required supplementary information for each fiscal year end. Separate GASB 75 disclosure reports will be provided annually.

The results set forth in this report are based on census, benefit provisions, employee agreements, premiums, contributions, and trust documents, if applicable, provided by the District. Certain assumptions were made regarding rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest rates. A complete list of the actuarial assumptions used in this valuation, as well as a glossary of terms, can be found at the end of the report.

We appreciate the opportunity to work on this report with the District. We are available to answer any questions the District or its auditors may have regarding this report.

Sincerely,

  
Molly McGee, ASA, EA, FCA, MAAA  
Consulting Actuary

  
Andy Yost, MBA, QKC, QPA  
Managing Director

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**Tehachapi-Cummings County Water District**  
**GASB 75 Actuarial Valuation**  
**as of June 30, 2025**

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**Executive Summary**

This report presents the results of the District's June 30, 2025 actuarial valuation of the OPEB plan. Actuarial valuations determine, as of a valuation date, certain actuarial measurements that assess an employer's financial liability and annual costs.

Results of an actuarial valuation reflect plan census, benefit provisions, premium rates, decrement assumptions, discount rate, and assets, if applicable, as of the valuation date. Future valuation results may differ significantly to the extent that actual plan experience differs from the expected plan experience detailed in this report. Future results are also dependent on any change to the discount rate and actual experience of plan assets, if applicable.

The District's prior actuarial valuation was dated June 30, 2023 and the total OPEB liability at 5.00% was \$82,012. The District's current June 30, 2025 valuation has a discount rate of 5.80% and a total OPEB liability of \$120,870.

This valuation includes benefits for 20 active employees who may become eligible to retire and receive benefits in the future. It excludes employees hired after the valuation date.

The District's net OPEB liability as of June 30, 2025 is:

Discount rate	5.80%
Total OPEB liability	\$120,870
Plan fiduciary net position	\$184,987
Net OPEB liability	\$(64,117)

Plan fiduciary net position as a percentage of the total OPEB liability 153.05 %

The total OPEB liability includes both explicit and implicit subsidies. The explicit subsidy includes any employer paid benefits for retirees. Explicit subsidies can include, but are not limited to, payments towards medical coverage. The implicit subsidy values the difference between the expected retiree claims and the actual premium charged for retiree coverage.

The District's total OPEB liability in this valuation reflects the value of an explicit subsidy liability equal to \$43,984 and an implicit subsidy liability equal to \$76,886.

The results of this actuarial valuation are intended to be used for the District's June 30, 2026 and June 30, 2027 disclosure reports. The next actuarial valuation is scheduled to be completed as of June 30, 2027. An updated actuarial valuation may need to be completed at an earlier date if the District experiences any significant changes to plan census, benefit provisions, or funding strategy. We are available to discuss any changes to determine the significance and, if needed, any adjustments to future reporting dates.



**Tehachapi-Cummings County Water District**  
**GASB 75 Actuarial Valuation**  
**as of June 30, 2025**

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**Changes Since the Prior Valuation**

The District's most recent prior valuation was completed as of June 30, 2023 and the total OPEB liability, at 5.00%, was \$82,012. The District's June 30, 2025 total OPEB liability, at 5.80%, is \$120,870.

Several factors can cause the total OPEB liability to change over time. Liabilities often increase as employees accrue more service and get closer to receiving benefits. Liabilities can decrease as benefits are paid out. Other factors include changes in the plan census (including actual versus expected termination, retirement, and mortality), changes in healthcare costs, and changes (updates) to the actuarial assumptions and methodology for the current valuation.

The changes from June 30, 2023 to June 30, 2025 are as follows:

Total OPEB Liability as of June 30, 2023	\$82,012
Changes due to plan experience	
Passage of time	12,233
Cumulative changes - terminations, retirements, and mortality experience different than expected, premium changes, and a change in actuarial firm	1,454
Changes due to assumptions or other inputs	
Change in claims calculations - change in claim cost calculation	8,282
Change in trend rate - update to assumed future medical trend	17,574
Change in withdrawal - update to assumed future withdrawal	(637)
Change in retirement - update to assumed future retirement	9,815
Change in mortality - update to assumed future mortality	(19)
Change in discount rate - 5.00% to 5.80%	(9,844)
Total OPEB Liability as of June 30, 2025	\$120,870



**Results**

**Discount Rate**

GASB 75 requires a discount rate that reflects the long-term expected rate of return on OPEB plan investments (if any) and a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

To determine the discount rate, the amount of the plan’s projected fiduciary net position (if any) and the amount of projected benefit payments are compared in each future period.

At June 30, 2025, the District has an irrevocable trust account for prefunding OPEB liabilities. Plan assets are expected to be sufficient. The discount rate used is 5.80%, equal to the long-term expected rate of return.

**Liability Measurements**

The present value of projected benefit payments for the District’s current and future retirees is \$214,721 as of June 30, 2025. If the District were to place this amount in a fund earning interest at the rate of 5.80% per year, and all other actuarial assumptions were exactly met, the fund would have exactly enough to pay all expected benefits to the current closed group of employees covered by benefit terms.

When the present value of projected benefit payments is allocated into past service and future service components under the Entry Age, Level Percent of Pay Cost Method, the total OPEB liability is \$120,870 as of June 30, 2025. This represents the present value of all benefits accrued through the valuation date if each employee’s liability is expensed from hire date until retirement date as a level percentage of pay.

The service cost is the portion of the present value of all benefits expected to be paid that are attributed to the current valuation year.

These liability measurements could be visually represented as follows:

Present value of projected benefit payments		
Total OPEB liability	Service Cost	Future service costs



**Tehachapi-Cummings County Water District**  
**GASB 75 Actuarial Valuation**  
**as of June 30, 2025**

**Results (cont.)**

**Valuation Results**

Valuation date	June 30, 2025
Discount rate	5.80%
Employees covered by benefit terms	
Actives	20
Retirees	0
Total	<u>20</u>
Present value of projected benefit payments	
Actives	\$214,721
Retirees	0
Total	<u>\$214,721</u>
Total OPEB liability (actuarial accrued liability)	
Actives	\$120,870
Retirees	0
Total	<u>\$120,870</u>
OPEB plan fiduciary net position	<u>\$184,987</u>
Net OPEB liability / (Asset) (unfunded actuarial accrued liability)	<u><u>\$(64,117)</u></u>
Service Cost (beginning of year)	\$7,888

**Sensitivity of the net OPEB liability**

The change in net OPEB liability, if the District used a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (4.80%)	Discount Rate (5.80%)	1% Increase (6.80%)
Net OPEB liability (asset)	<u>\$(51,712)</u>	<u>\$(64,117)</u>	<u>\$(75,473)</u>

The change in net OPEB liability, if the District used healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (4.50% current, 3.00% ultimate, 3.00% Medicare)	Trend Rate (5.50% current, 4.00% ultimate, 4.00% Medicare)	1% Increase (6.50% current, 5.00% ultimate, 5.00% Medicare)
Net OPEB liability (asset)	<u>\$(80,625)</u>	<u>\$(64,117)</u>	<u>\$(43,965)</u>



**Actuarially Determined Contribution**

An actuarially determined contribution is a potential payment to the plan determined using a contribution allocation procedure. It is not a required contribution, but a measurement commonly used to prefund OPEB benefits. The components of the actuarially determined contribution are an amortization of the net OPEB liability, the service cost at the beginning of the year, and the interest amount to the end of the year.

The District's OPEB plan fiduciary net position is currently greater than the District's total OPEB liability, creating a net OPEB asset. When an OPEB plan has a net OPEB asset, it is not recommended that additional contributions are made to the plan due to the nature of irrevocable trusts. The District's net OPEB liability / (asset) was amortized such that the resulting actuarially determined contribution was zero.

Discount Rate	<u>5.80%</u>
Actuarially Determined Contribution (2025-26)	
Amortization of Net OPEB Liability / (Asset)	\$(7,888)
Service Cost (beginning of year)	7,888
Interest	<u>0</u>
Total	<u><u>\$0</u></u>
Actuarially Determined Contribution (2026-27)	
Amortization of Net OPEB Liability / (Asset)	(8,125)
Service Cost (beginning of year)	8,125
Interest	<u>0</u>
Total	<u><u>\$0</u></u>



**Tehachapi-Cummings County Water District**  
**GASB 75 Actuarial Valuation**  
**as of June 30, 2025**

**Projected Benefits**

The following projection of future benefit payments shows expected explicit subsidy and implicit subsidy amounts separately.

An implicit subsidy is valued when claims costs for retirees are expected to be higher than the premium charged, due to a pooled environment. If an employer provides retired employees with the option to participate in the same health insurance pool as active employees, the premiums paid for coverage of active employees are higher than what the premiums would be if the active employees were rated separately.

<b>Year Beginning</b>	<b>Explicit Subsidy (pay-as-you-go)</b>	<b>Implicit Subsidy</b>	<b>Total</b>
2025	\$1,146	\$1,826	\$2,972
2026	2,083	3,259	5,342
2027	3,539	6,162	9,701
2028	5,045	9,730	14,775
2029	3,097	6,778	9,875
2030	0	1,269	1,269
2031	290	1,786	2,076
2032	1,438	2,734	4,172
2033	1,347	1,424	2,771
2034	1,872	2,383	4,255
2035	2,456	3,607	6,063
2036	3,176	4,118	7,294
2037	4,051	5,927	9,978
2038	4,893	8,043	12,936
2039	5,723	10,431	16,154
2040	6,557	13,238	19,795
2041	0	1,109	1,109
2042	270	1,557	1,827
2043	1,245	2,987	4,232
2044	3,728	4,299	8,027
2045	7,560	9,039	16,599
2046	11,670	15,290	26,960
2047	11,597	14,295	25,892
2048	15,042	20,122	35,164
2049	19,025	28,412	47,437
2050	23,924	38,054	61,978
2051	22,362	36,302	58,664
2052	26,830	47,719	74,549
2053	24,533	46,594	71,127
2054	9,514	19,585	29,099
2055	4,184	9,610	13,794
2056	5,664	11,115	16,779
2057	7,158	11,887	19,045
2058	8,680	13,703	22,383
2059	10,375	18,059	28,434
2060	5,064	8,502	13,566
2065	0	1,761	1,761



**Tehachapi-Cummings County Water District  
 GASB 75 Actuarial Valuation  
 as of June 30, 2025**

**Fiscal Year End Disclosure Report Tie In**

The schedule of changes in the net OPEB liability / (asset) shown below is consistent with the District's June 30, 2025 disclosure report.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability / (Asset) (a) – (b)
<b>Balances at June 30, 2024</b>	\$74,628	\$169,366	\$(94,738)
<b>Changes for the year:</b>			
Service cost	0		0
Interest	0		0
Changes of benefit terms	0		0
Difference between expected and actual experience	0		0
Changes in assumptions or other inputs	0		0
Contributions – employer		0	0
Net investment income		15,751	(15,751)
Benefit payments	0	0	0
Administrative expenses		(130)	130
<b>Net changes</b>	<b>0</b>	<b>15,621</b>	<b>(15,621)</b>
<b>Balances at June 30, 2025</b>	<b>\$74,628</b>	<b>\$184,987</b>	<b>\$(110,359)</b>
Changes of benefit terms	0		0
Difference between expected and actual experience	6,071		6,071
Changes in assumptions or other inputs	40,171		40,171
Net difference between projected and actual earnings on OPEB plan investments		0	0
<b>Net changes</b>	<b>46,242</b>	<b>0</b>	<b>46,242</b>
<b>Balances at June 30, 2025</b>	<b>\$120,870</b>	<b>\$184,987</b>	<b>\$(64,117)</b>

The deferred inflows and outflows of resources established as of June 30, 2025 will be first recognized in the District's disclosure report for the reporting fiscal year ending June 30, 2026.



### **Actuarial Certification**

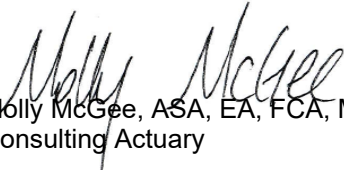
The results presented in this report are based on our actuarial valuation of the OPEB plan of the Tehachapi-Cummings County Water District (District) as of June 30, 2025. The valuation was performed in accordance with generally accepted actuarial principles and practices. The actuarial assumptions and methodologies used in these calculations are believed to be reasonable under the requirements set forth in GASB 75 and the Actuarial Standards of Practice (ASOP).

Supporting documentation provided by the District was relied upon without audit. This information includes, but is not limited to, census data, premiums, OPEB plan provisions, contributions, payroll, and any applicable asset statements. The data was reviewed in accordance with ASOP 23. The valuation results, and subsequent disclosure information, depend on the integrity of the provided information.

The results in this report were calculated with the assistance of ProVal actuarial valuation software. The model was developed in 1994 and is maintained by Winklevoss Technologies (WinTech). Through ProVal, WinTech provides valuation and projection software for both pension and other postemployment benefit plans. We utilize ProVal in accordance with its intended purpose and have not identified any material inconsistencies in the ProVal assumptions or outputs that would affect this valuation.

The undersigned actuary is a member of the American Academy of Actuaries and meets the qualification standards to render the actuarial opinion contained in this report.

Certified by:

  
Molly McGee, ASA, EA, FCA, MAAA  
Consulting Actuary



**Plan Provisions**

**Plan Description**

The District maintains a Retiree Healthcare Plan (HC Plan) and provides medical benefits to eligible retirees.

**Benefits Provided**

District employees become eligible for the medical benefits upon attaining age 50, completing a minimum of twenty-five years of full-time service, and retiring directly from the District.

The District provides a paid benefit equal to 50% of the employee-only medical premium. The eligible spouse of a retiree can be covered by the medical plan, at the retiree’s expense. The District paid benefit ends at the retiree’s age 65.

The District does not provide coverage for the surviving spouse of a retiree.

All part-time employees of TCCWD who become full-time employees shall have the part-time service years credited at one (1) week for every 40 hours worked.

The following select monthly premium rates were effective January 1, 2025:

<u>Coverage</u>	<u>Anthem Blue Cross Classic PPO</u>	<u>Anthem Blue Cross CalCare HMO</u>	<u>Kaiser South Traditional HMO</u>
Single	\$904.70	\$1,080.50	\$780.19
2 Party	1,809.40	2,161.00	1,560.38
Family	2,397.46	2,863.33	2,168.93



**Tehachapi-Cummings County Water District**  
**GASB 75 Actuarial Valuation**  
**as of June 30, 2025**

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**Census Data**

The District does not have any retirees as of the valuation date.

The following table shows the age and service distribution of active employees included in the valuation:

Age	Years of Service								Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	
<25	0	0	0	0	0	0	0	0	0
25-29	2	0	0	0	0	0	0	0	2
30-34	0	0	0	0	0	0	0	0	0
35-39	0	4	0	1	0	0	0	0	5
40-44	3	1	0	0	0	0	0	0	4
45-49	0	0	0	0	0	1	0	0	1
50-54	0	0	0	0	0	0	0	0	0
55-59	0	2	0	1	0	0	0	0	3
60-64	0	0	2	0	0	1	2	0	5
65+	0	0	0	0	0	0	0	0	0
<b>All Ages</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>20</b>

Average Age: 47.0  
Average Service: 11.6



**Tehachapi-Cummings County Water District**  
**GASB 75 Actuarial Valuation**  
**as of June 30, 2025**

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**Assumptions**

The liabilities set forth in this report are based on the actuarial assumptions described in this section.

Valuation Date:	June 30, 2025
Actuarial Cost Method:	Entry Age, Level Percent of Pay
Discount Rate:	5.80%
Salary Increases:	3.00%
Inflation Rate:	2.50%
Withdrawal:	
CalPERS:	CalPERS Public Agency Miscellaneous combined Terminated Refund and Terminated Vested rates (2025 CalPERS Experience Study)
Pre-retirement Mortality:	
CalPERS:	CalPERS Public Agency Miscellaneous and Schools Pre-Retirement Mortality, with fully generational mortality improvement using 80% of MP-2021 (2025 CalPERS Experience Study)
Post-retirement Mortality:	
CalPERS:	CalPERS Public Agency Post-Retirement Mortality with fully generational mortality improvement using 80% of MP-2021 (2025 CalPERS Experience Study)
Retirement:	
Hired before 2013:	CalPERS Miscellaneous 2% @60 (2025 CalPERS Experience Study)
Hired on or after 2013:	CalPERS Miscellaneous 2% @62 (2025 CalPERS Experience Study)
Medical Claim Cost:	Annual Per Retiree or Spouse

<u>Age</u>	<u>Medical</u>
50	\$11,100
55	14,208
60	17,892
64	21,600
65	4,452
70	4,272
75	4,560



**Tehachapi-Cummings County Water District  
 GASB 75 Actuarial Valuation  
 as of June 30, 2025**

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**Assumptions (cont.)**

Medical Trend:

Sample Rates:

<u>Year</u>	<u>Pre-Medicare</u>	<u>Medicare</u>
2023 – 2034	5.50%	4.00%
2035 – 2074	4.50%	4.00%
2075 +	4.00%	4.00%

Percent Electing Coverage:

80%

Spouse Coverage:

Future retirees: 10%

Current retirees: Actual dependent data used.

Female spouses are assumed to be three years younger than male spouses.



## **Glossary**

The following definitions are a selection of terms used throughout the report. A more extensive list of terms can be found in the glossary section of Statement No. 75 of the Governmental Accounting Standards Board. The definitions are intended to provide clarity in relation to how they are used in GASB 75. They are organized in the order they appear in this report.

### **Other postemployment benefits (OPEB)**

Benefits (such as death benefits, life insurance, disability, and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment, regardless of the manner in which they are provided. OPEB does not include termination benefits or termination payments for sick leave.

### **Actuarial present value of projected benefit payments**

Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.

### **Total OPEB liability**

The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service.

### **Service costs**

The portions of the actuarial present value of projected benefit payments that are attributed to valuation years.

### **Actuarially determined contribution**

A target or recommended contribution to a defined benefit OPEB plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

### **Projected benefit payments**

All benefits (including refunds of employee contributions) estimated to be payable through the OPEB plan to current active and inactive employees as a result of their past service and their expected future service.

### **Explicit Subsidy (pay-as-you-go)**

The explicit subsidy includes any employer benefits paid subsequent to the termination of employment. Explicit subsidies can include, but are not limited to, payments towards medical, dental and vision coverage.

### **Implicit Subsidy**

The implicit subsidy values the difference between the expected retiree claims and the actual premium charged for retiree coverage.

### **Healthcare cost trend rates**

The rates of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.





## ***MANAGER'S REPORT – JUNE 17, 2026***

### **SUMMARY**

When it rains, it pours. We have experienced two simultaneous clogging events that have severely stressed our Pumping team. We were struck with an extreme algae bloom that impacted most of the CA aqueduct. It began late afternoon on Saturday (of course) May 30. We have been fighting it ever since. When we went to 3 engines, we began experiencing scale clogging at PP4. This is normal, but worse this year. These battles are ongoing as well. Our SCADA system allows much troubleshooting and adjustments to occur without having to dispatch personnel in the middle of the night. We can't push a button and clear debris clogging our facilities. It requires dedicated staff being dispatched at all hours for extended periods of time. Our team has rallied to the challenge, but I'm concerned that it's only June and are burning our matches early in the year. Worse, this junk in the picture at right contains numerous Golden Mussels. I'm worried it will get worse before it gets better.



### **STATEWIDE/REGIONAL**

- Golden Mussel treatment/eradication remain an important concern. TCCWD is participating at a local, regional and state level. Treatment options remain unproven, but the science and empirical data are improving. Jon is spearheading our efforts, and I am working at the KCWA/ACWA levels.
- Reservoir levels are significantly above average as we enter the peak of demand season. These levels, combined with the anticipated catastrophic impacts of the Super Duper What a Whopper El Niño we are entering (tongue firmly in cheek) point to a very uncertain water outlook for the coming year. The El Niño is here and it does appear extreme. However, what that indicates is subject to great debate.
- DWR has withdrawn both Validation requests for the DCP. Any funding path forward remains unclear at this time. DWR Director Karla Nemeth is transitioning into her new position as Executive Director of ACWA. Governor Newsom has yet to name her replacement at DWR. Active discussions continue with KCWA and SWC on a path towards completion. I will provide more information as it becomes available.

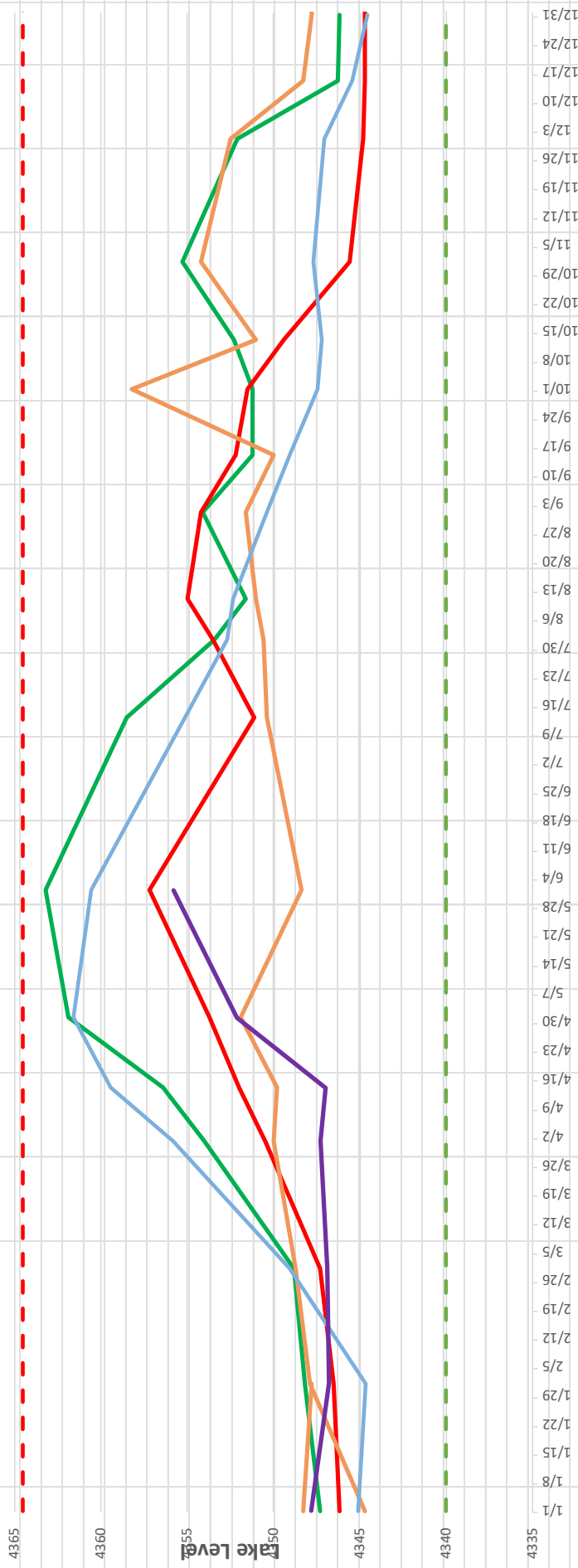
### **LOCAL**

- The clogging issues described above, which Jon will describe further, have been a drain on PP Team resources. Paul and the PP team have done incredible work. I appreciate their commitment to keeping us operating.
- We are seeing close correlation between our system pumping and our surface demand. This is great news and the ideal situation, but I'm not used to it. Consequently, lake levels are lower than average and we are directing all flow to the lake rather than recharges.
- Jon has exciting news to report on the illegal dumping situation. We have received great support and coordination for KCSO and Supervisor Parlier and his staff.
- We will welcome two new full-time, probationary staff additions on Monday, June 15. Additionally, we have three interns starting soon. We want to welcome our new team members! These additions will help with the extensive efforts we are making to keep the best possible service we can to our customers.

### **OTHER ITEMS**

- Our annual Safety Picnic will be held at Brite Lake on June 26. We have a fun event planned and some good food as well. I hope you can all attend. Please let one of know if you can attend so we can ensure we don't eat all of the smash burgers.
- My presentation at the Stallion Springs CSD RBM has been rescheduled to July 14. I look forward to the opportunity and hope to share good news on several issues.

# Brite Lake Level

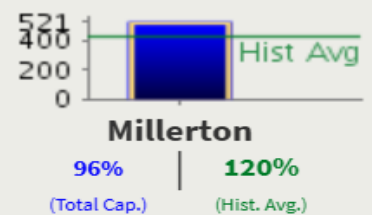
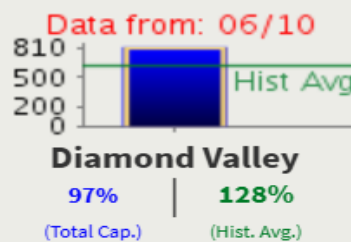
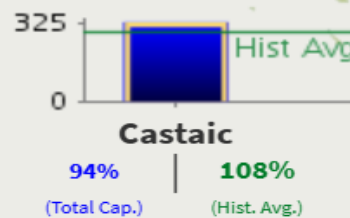
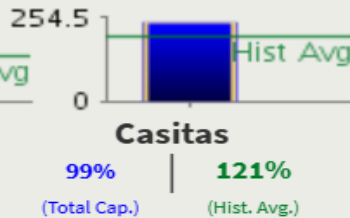
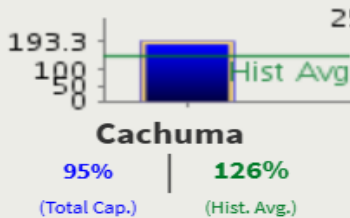
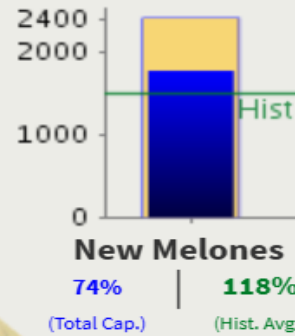
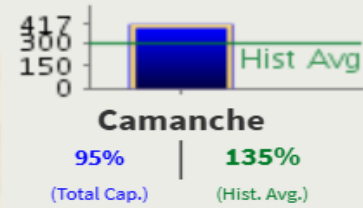
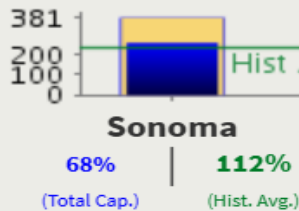
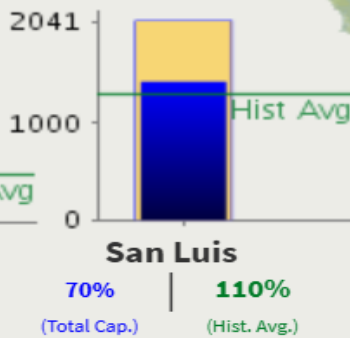
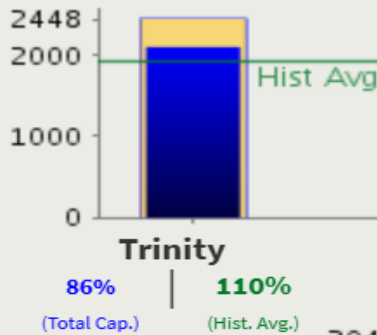
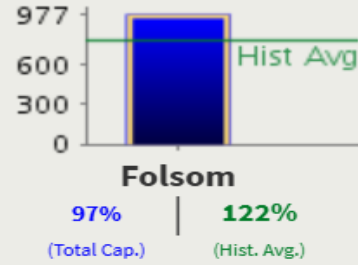
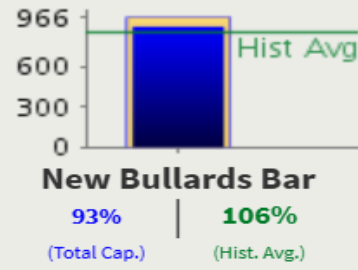
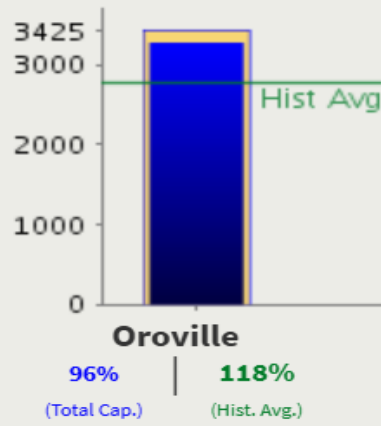
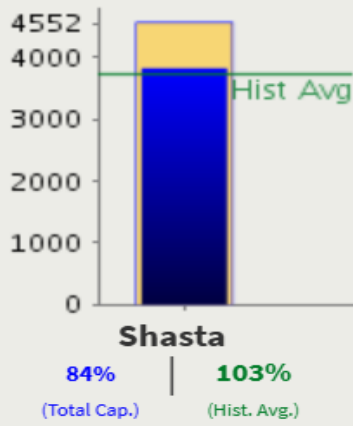


Date

Min. Elev. Max. Elev. 2023 Actual 2024 Actual 2025 Actual 2026 Actual 2017-22 Average

# CURRENT CONDITIONS: MAJOR WATER SUPPLY RESERVOIRS:11-JUN-2026

Data as of Midnight: 11-Jun-2026

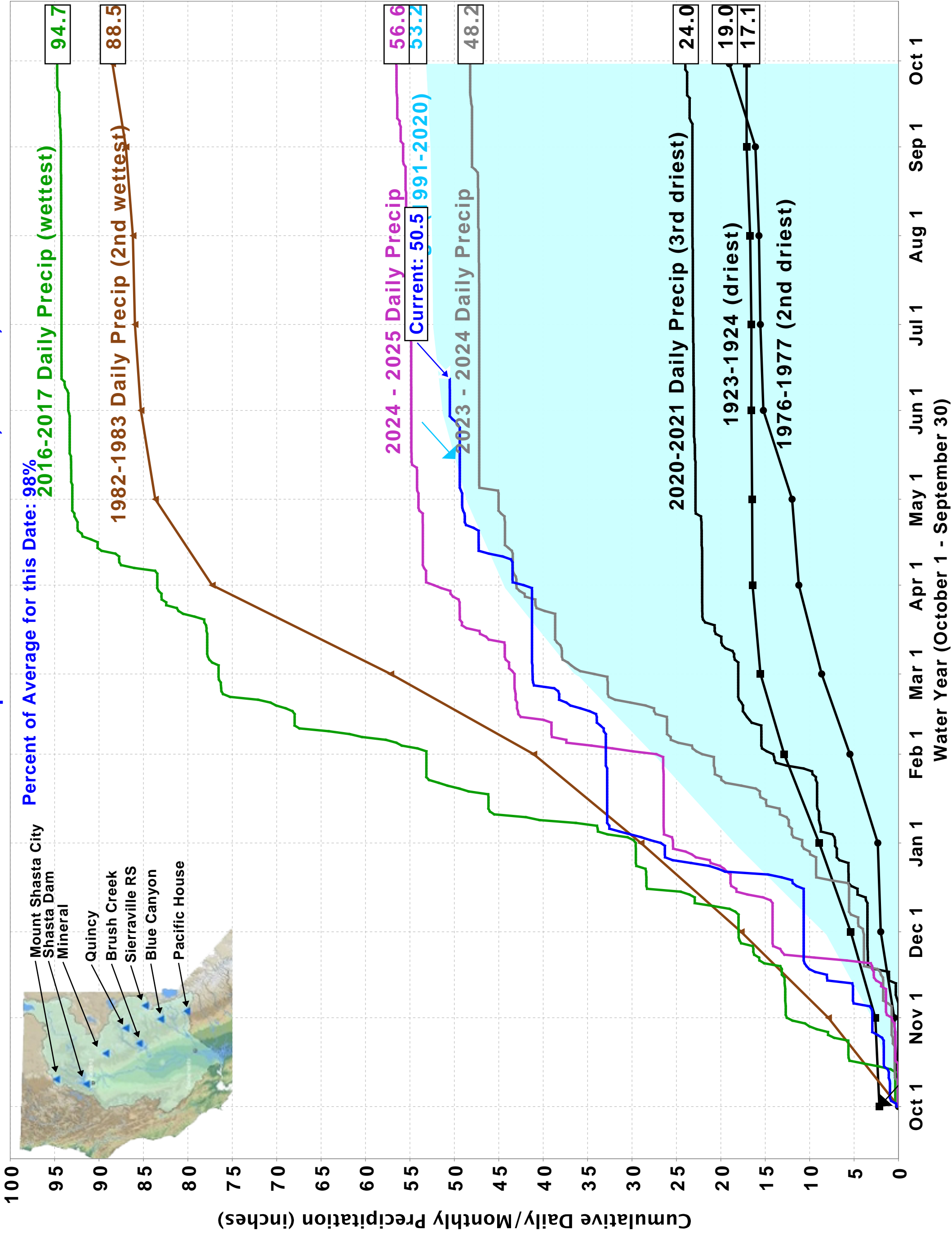


[Click to download printable version of current data.](#)

Report Generated: 12-

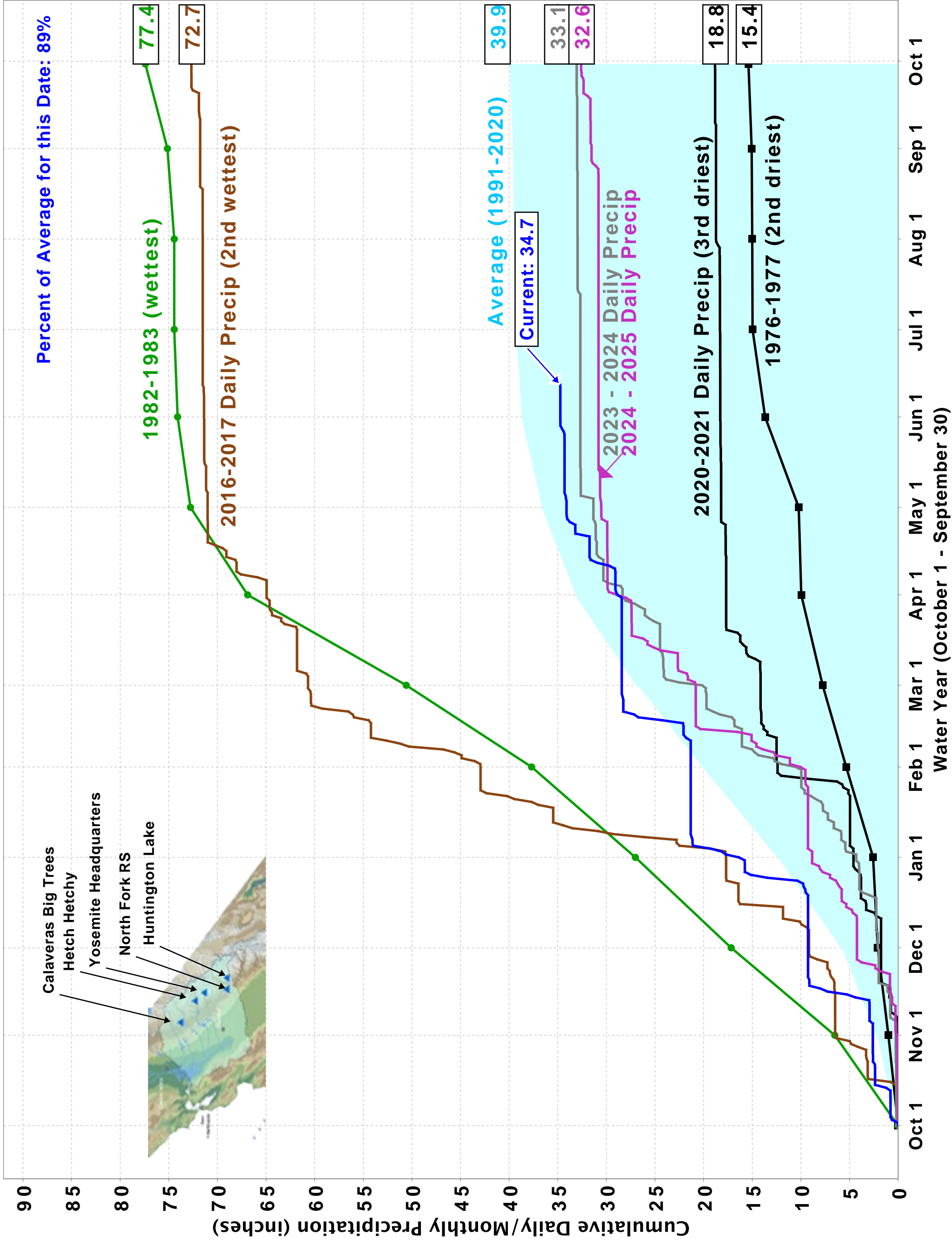
The CSI link has been disabled to zoom in, for the lack of historical data.

# Northern Sierra Precipitation: 8-Station Index, June 12, 2026



Total Water Year Precipitation

# San Joaquin Precipitation: 5-Station Index, June 12, 2026



Total Water Year Precipitation

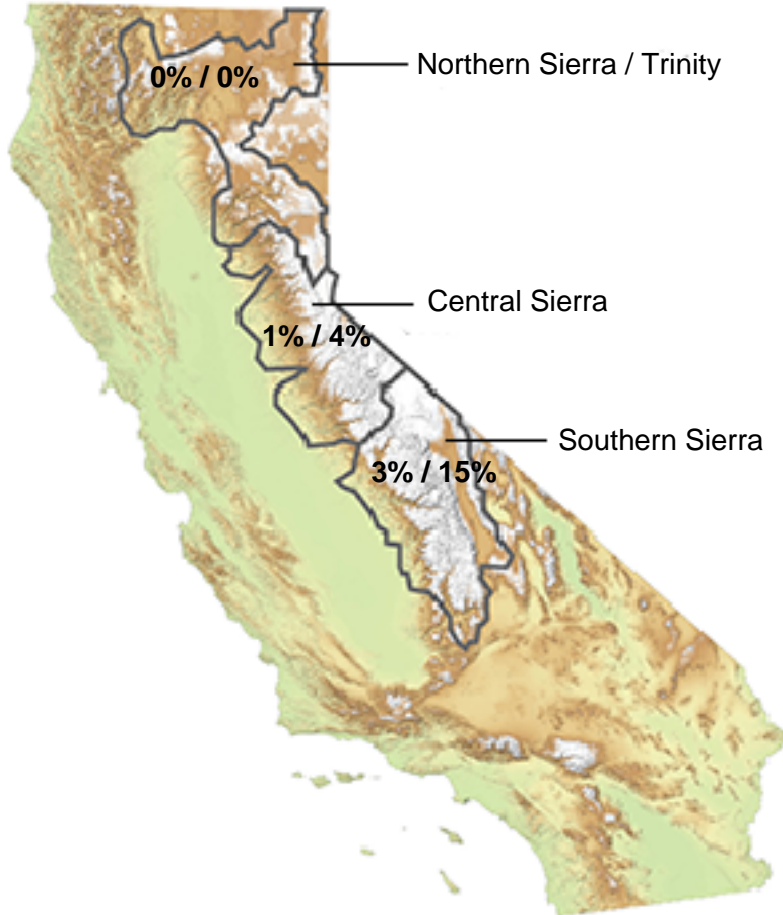




# STATEWIDE SNOW WATER CONTENT

## CURRENT REGIONAL SNOWPACK FROM AUTOMATED SNOW SENSORS

% of April 1 Average / % of Normal for This Date



NORTH	
Data as of June 5, 2026	
Number of Stations Reporting	32
Average snow water equivalent (Inches)	0.1
Percent of April 1 Average (%)	0
Percent of normal for this date (%)	0

CENTRAL	
Data as of June 5, 2026	
Number of Stations Reporting	54
Average snow water equivalent (Inches)	0.4
Percent of April 1 Average (%)	1
Percent of normal for this date (%)	4

SOUTH	
Data as of June 5, 2026	
Number of Stations Reporting	25
Average snow water equivalent (Inches)	0.8
Percent of April 1 Average (%)	3
Percent of normal for this date (%)	15

STATE	
Data as of June 5, 2026	
Number of Stations Reporting	111
Average snow water equivalent (Inches)	0.4
Percent of April 1 Average (%)	1
Percent of normal for this date (%)	4

**Statewide Average: 1% / 4%**

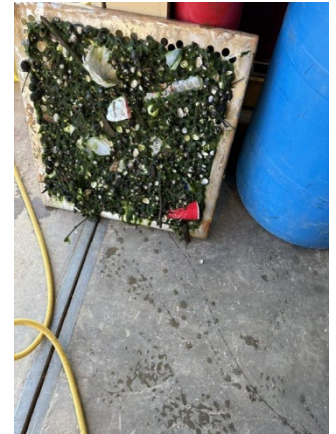
Data as of June 5, 2026

## **OPERATIONS REPORT- JUNE 17, 2026**

### **SUMMARY**

On May 26, we increased the importation system to three engines. Within the next 48 hours, we began to see increased scale deposits at PP4. This is an occurrence which we see each pumping season when we move to three engines. Then on Saturday, May 30, we began to experience heavy algae and debris loading on the heat exchanger screens at PP1. I have attached some photos for reference. The algae/debris at PP1 has begun to diminish, but the scale continues to deposit at PP4. The Pumping Systems staff has been doing a tremendous job at all hours of the day and night keeping the system running.

The Benz Well repairs have been completed and the well is now operational. A two hour run test was completed this week and the well is operating at a steady 500gpm. The Nunes Well is another story. The well casing is severely decayed and there are signs of significant gravel pack loss. Staff has received quotes for a new liner/pump for the existing well and we have also received a quote for a new well. Costs range from 60K to 450K. We are currently weighing both options. I have attached the Nunes Well report for review.



### **OPERATIONS**

Brite Lake data from June 12, 2026: elevation was 4355.9', volume was 1245.9' Acre-Feet, and the level was 29.9'. The importation system is operating on a three-engine system at 19.5cfs. The Tehachapi Basin Extraction Wells are shut down.

### **MAINTENANCE**

#### **Pumping Systems**

- Emissions testing (internal staff) at all four Pump Plants. Test results were all satisfactory
- Routine oil services
- RA Drive warranty work at PP2 and PP3
- Heat exchanger cleaning at PP1 and PP4
- WPI performed warranty work at PP2

#### **Pipeline**

- Illegal dump site cleanup completed
- Coordination with Superior Tank with Oak Creek Tank work
- Turnout repair on mainline in Cummings Valley
- Leak repair at turnout T6S(2)
- Cleanout and maintenance of Pegasus Loop Line Cla-Val

#### **Other items:**

- Received report from JPIA Risk Assessment/Inspection (attached)
- Staff attended Hearing Conservation safety training
- Coordination with Kern County Public Works and Dist. 2 Supervisors office on reimbursement for illegal dumping cleanup costs
- Staff attended Golden Mussel Ad Hoc Meeting with KC Supervisors Parlier, Flores and other district and treatment providers
- Submitted CDFW Streambed Alteration Notification Permit for review

### **LOOKING AHEAD**

Staff will continue wrapping up FY 25-26 projects and tasks and begin to queue up the FY 26-27 projects. We will also continue working with CDFW on both the Streambed Alteration Notification and the Invasive Species Control Plan.



Mainline Turnout Repair in Cummings Valley



Pegasus Loop Line Cla-Val Strainer Screen



Gas Regulator Replacement at PP1



PP1 Heat Exchanger Screen



Scale and Golden Mussels at PP4



Intercooler Replacement at PP4



# DOWNHOLE VIDEO SURVEY













## Well Rehabilitation Services, Inc

Contractor License No.: CA. 983846  
 PO Box 80365 Bakersfield, CA. 93380

Phone: 661-587-0914 Fax: 661-587-0981 Web: www.WellRehabServices.com

Client: **Bakersfield Well & Pump** Survey Date: **May 22, 2026**  
 Address: **7212 Fruitvale Avenue** Invoice: **pending** Run: **3**  
 City: **Bakersfield** State: **CA** Zip: **93308** Well Name: **Nunes**  
 Requested By: **Ruben Baltierra** P.O.: **RB26502** Well Owner: **Tehachapi-Cummings County Water District**  
 Copy To: **John, Karzon, Ricky, Kenny, Samantha** Camera: **Aries BT9700 Color Camera**  
 Reason For Survey: **Post WRS Swaging @ 120'** Zero Datum: **Top Of Casing**  
 Location: **.24 miles E/O Dennison Rd on N/S/O Valley Blvd**  
 Field: **Tehachapi** Depth: **364.5 ft.** Vehicle: **W20**  
 County: **Kern** Gas Detected: **NO LEL: 0.0 H2S: 0.0 CO: 0.0** Type Perfs: **Bridge Slots**  
 Perf Intervals: **74-367 ft.**  
 1st Csg I.D.: **14" Steel** Csg Thickness: **1/8"** From: **0 ft.** To: **367 ft.** 2nd Csg I.D.: \_\_\_\_\_ Csg Weight: \_\_\_\_\_ From: \_\_\_\_\_ To: \_\_\_\_\_  
 I.D Reference: **Measured** Casing Buildup: **Variable Buildup Amounts** S.W.L.: **158.2 ft.** P.W.L.: \_\_\_\_\_ Pump Depth: \_\_\_\_\_  
 Operator: **Montoya** Latitude: **35.12420°** Longitude: **118.42784°** Section: \_\_\_\_\_ Range: \_\_\_\_\_ Township: \_\_\_\_\_  
 Other Information: **04-2026 - 367' Max historical depth for well - Riveted casing**

GPS coordinates in this report are click-to-open for location

WELLSNAPSHOTS	DEPTHS (SideScan-Feet)	WELLSNAPSHOT / CASING INFORMATION
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>0' (See Other Side)</p>  </div> <div style="text-align: center;"> <p>0' (See Other Side)</p>  </div> </div>	0.0 Ft.	Downview 24' deeper than sideview Sideview-Zero Datum
	<b>2.0 Ft.</b>	<b>Sideview-Riveted casing</b>
	32.3 Ft.	Possible casing deterioration; flaking/scale buildup continues intermittently to 52 ft **
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>2' (See Other Side)</p>  </div> <div style="text-align: center;"> <p>32.3' (See Other Side)</p>  </div> </div>	52.4 Ft.	Downview-Joint appears to be coming apart **
	57.2 Ft.	Tiltview-Appears to be a casing split @ 59'; continues on next page **
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>34' (See Other Side)</p>  </div> <div style="text-align: center;"> <p>36' (See Other Side)</p>  </div> </div>		
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>37.2' (See Other Side)</p>  </div> <div style="text-align: center;"> <p>42.5' (See Other Side)</p>  </div> </div>		
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>50' (See Other Side)</p>  </div> <div style="text-align: center;"> <p>52.4' (See Other Side)</p>  </div> </div>		
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>57.2' (See Other Side)</p>  </div> <div style="text-align: center;"> <p>59' (See Other Side)</p>  </div> </div>		

Click or Scan QR Code

New observations emerging from this inspection \*\*



Notes:

# WELLBORE SNAPSHOT(S)

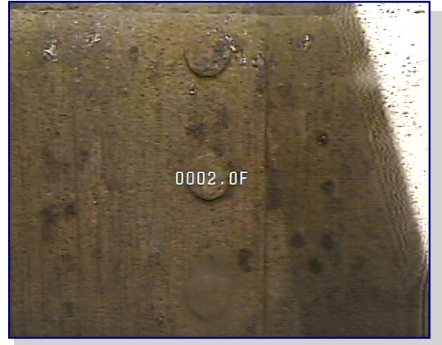
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Depth: 0 Feet



Depth: 2 Feet



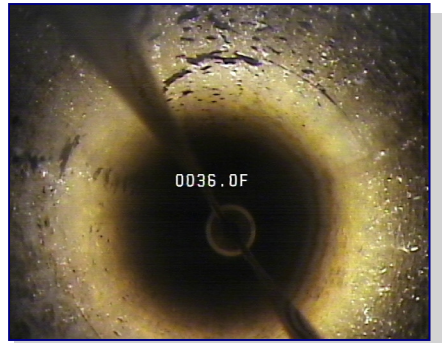
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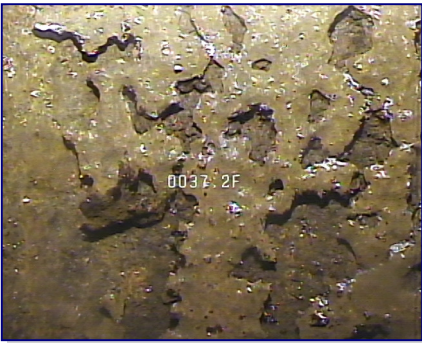
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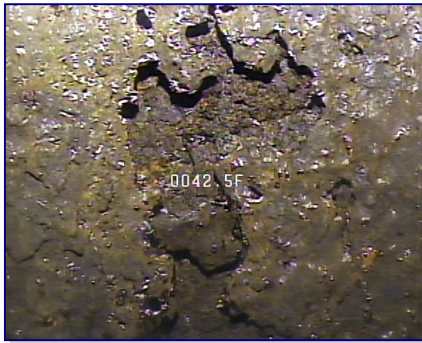
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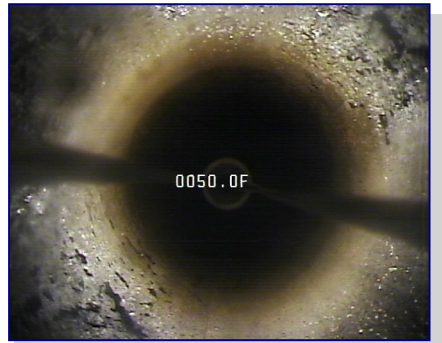
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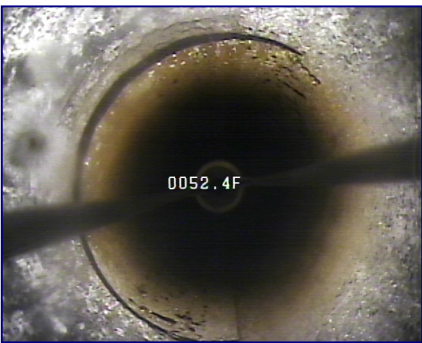
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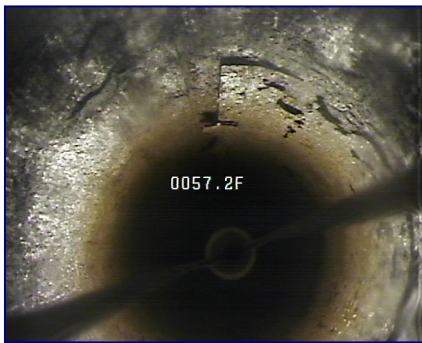
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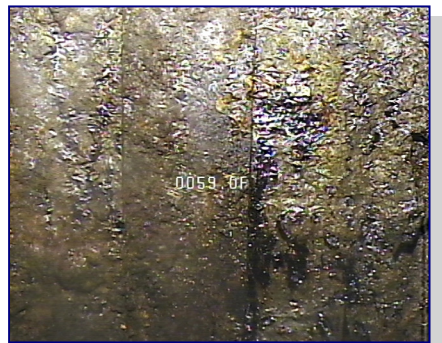
Depth: 52.4 Feet















Depth: 57.2 Feet



Depth: 59 Feet



Survey Date: May 22, 2026  
 Client: Bakersfield Well & Pump  
 Well Name: Nunes  
 Depth: 364.5 ft.  
 1st Csg I.D.: 14 in. From: 0 ft. To: 367 ft.  
 2nd Csg I.D.: \_\_\_\_\_ From: \_\_\_\_\_ To: \_\_\_\_\_  
 S.W.L.: 158.2 ft. P.W.L.: \_\_\_\_\_ Pump Depth: \_\_\_\_\_  
 Type Perfs: Bridge Slots  
 Perf Intervals: 74-367 ft.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

WELLBORE SNAPSHOTS	DEPTHS (SideScan-Feet)	WELLBORE / CASING INFORMATION
59.4' (See Other Side)  61' (See Other Side) 	59.4 Ft.	Tiltview-Possible split in casing observed from 59'-61.8' **
	64.0 Ft.	Sideview-Casing condition appears degraded **
	69.3 Ft.	Tiltview-Indication of casing degradation **
61.8' (See Other Side)  64' (See Other Side) 	71.1-72 Ft.	Sideview-Rivets missing **
	74.0 Ft.	First visible bridge slot
69.3' (See Other Side)  71.1' (See Other Side) 	100.0 Ft.	Downview-Buildup obscures seam and rivets; underlying condition unknown
72' (See Other Side)  100' (See Other Side) 	110.1 Ft.	Sideview-Slots plugged
110.1' (See Other Side)  115' (See Other Side) 	115.0 Ft.	Downview-Water entry from slot **
117.8' (See Other Side)  122.9' (See Other Side) 	117.8-122.9 Ft.	Corten HSLA Patches
		Sideview-WRS 5' patch covering split @ casing seam (1) (05-2026)
		1st patch overlapped top of 2nd wrs patch on next page
		New observations emerging from this inspection **

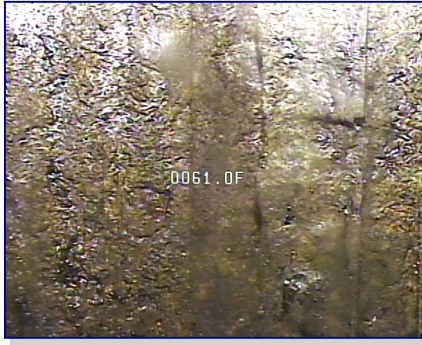
Notes:

# WELLBORE SNAPSHOT(S)

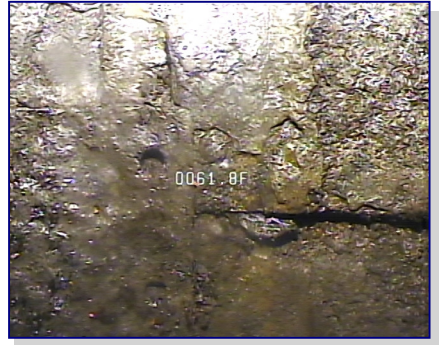
Depth: 59.4 Feet



Depth: 61 Feet



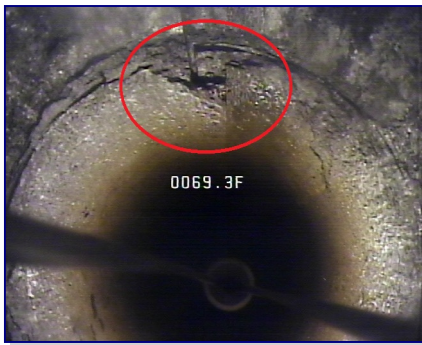
Depth: 61.8 Feet



Depth: 64 Feet



Depth: 69.3 Feet



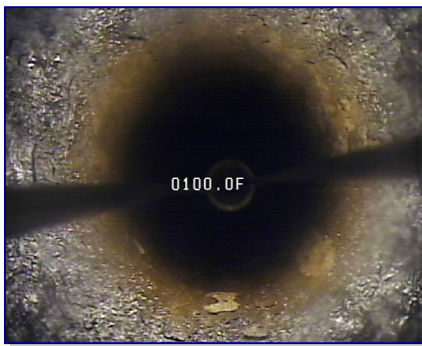
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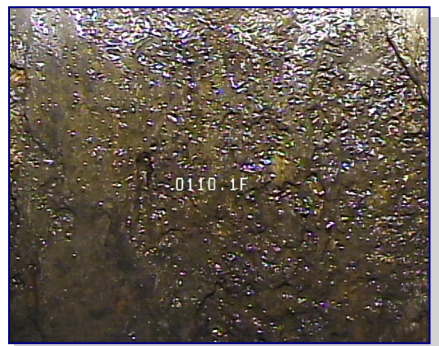
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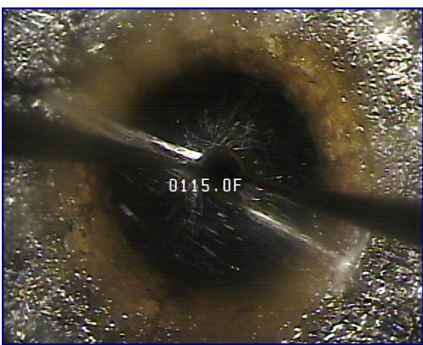
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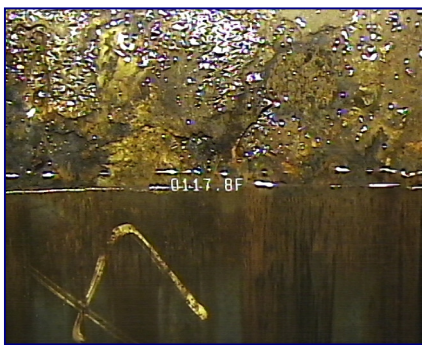
Depth: 110.1 Feet



Depth: 115 Feet











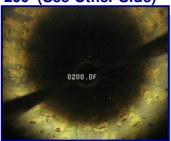
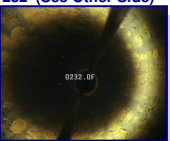
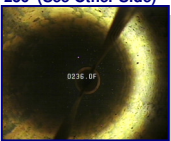

Depth: 117.8 Feet



Depth: 122.9 Feet



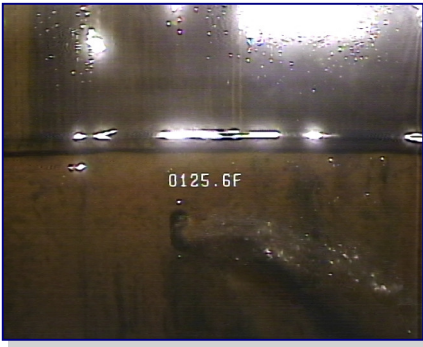
Survey Date: May 22, 2026  
 Client: Bakersfield Well & Pump  
 Well Name: Nunes  
 Depth: 364.5 ft.  
 1st Csg I.D.: 14 in. From: 0 ft. To: 367 ft.  
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 Type Perfs: Bridge Slots  
 Perf Intervals: 74-367 ft.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

WELLBORE SNAPSHOTS	DEPTHS (SideScan-Feet)	WELLBORE / CASING INFORMATION
	125.6 Ft.	Sideview-Bottom of WRS 5' patch covering water entry from slot (2) (04-2026)
125.6' (See Other Side)  126' (See Other Side) 	126.0 Ft.	Sideview-Cascading water from seam **
	133.9-139 Ft.	Sideview-WRS 5' patch covering casing seam (3) (04.2026)
133.9' (See Other Side)  139' (See Other Side) 	152.1 Ft.	Sideview-Slots plugged
	158.2 Ft.	Sideview-Static Water Level; clear  5-4-26 SWL @ 168'
152.1' (See Other Side)  158.2' (See Other Side) 	163.0 Ft.	Air bubbles entering from perforations, intermittent to 175' **  <i>No gas readings from quad monitor</i>
	164.3 Ft.	Sideview-Slots open; no gravel pack visible
164.3' (See Other Side)  173' (See Other Side) 	173.0 Ft.	Sideview-No gravel pack evident in sots
	200.0 Ft.	Downview-Well slightly deviated; continues to bottom, with increased deviation after 320'
200' (See Other Side)  232' (See Other Side) 	205.0 Ft.	Light buildup persist
	232-236 Ft.	Downview-Slightly oval casing observed **
236' (See Other Side)  238.4' (See Other Side) 	238.4 Ft.	Sideview-Casing appears to have a hole **

Notes:

# WELLBORE SNAPSHOT(S)

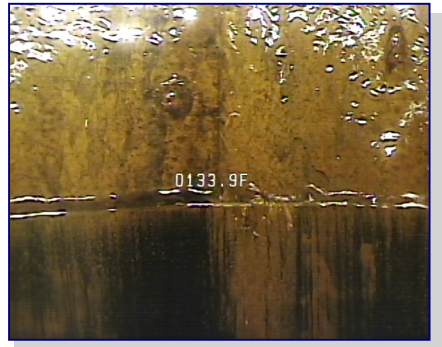
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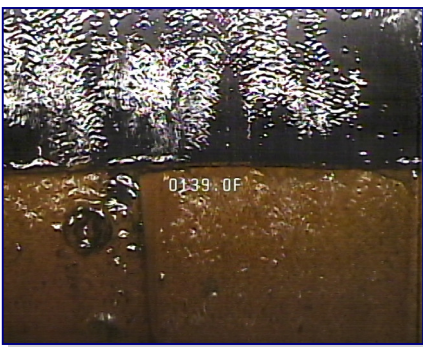
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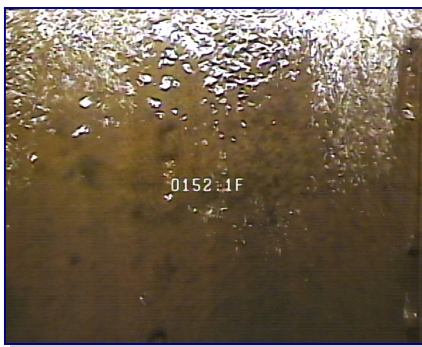
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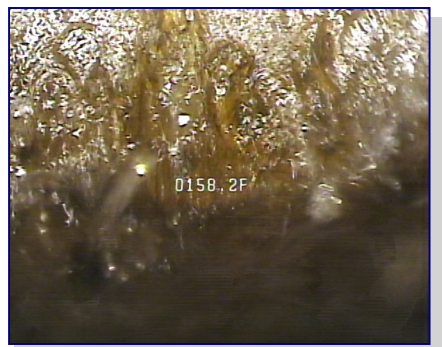
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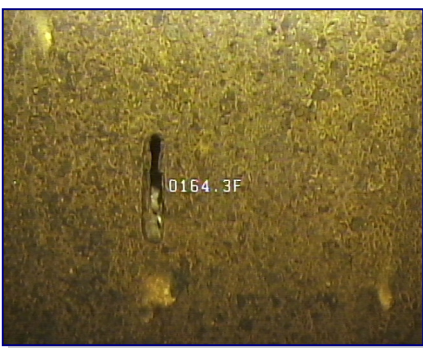
Depth: 152.1 Feet



Depth: 158.2 Feet



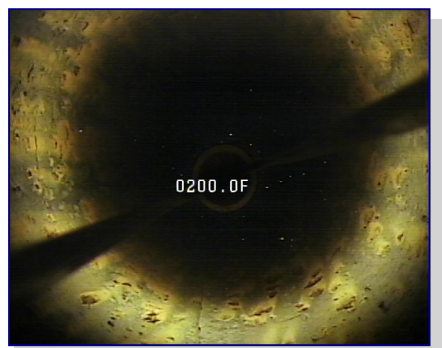
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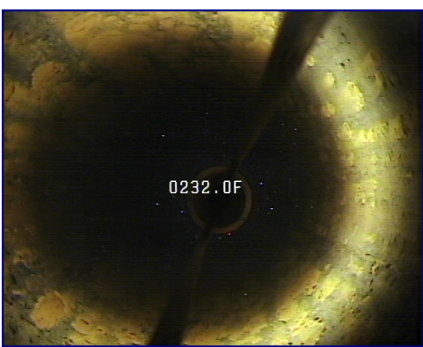
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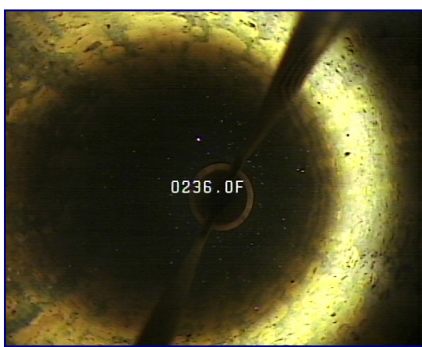
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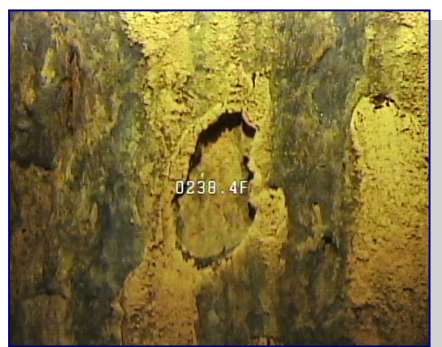
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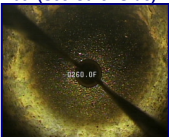

Depth: 236 Feet



Depth: 238.4 Feet



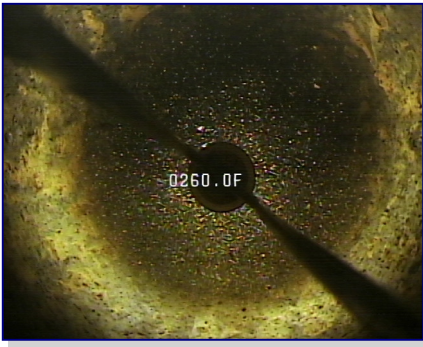
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 1st Csg I.D.: 14 in. From: 0 ft. To: 367 ft.  
 2nd Csg I.D.: \_\_\_\_\_ From: \_\_\_\_\_ To: \_\_\_\_\_  
 S.W.L.: 158.2 ft. P.W.L.: \_\_\_\_\_ Pump Depth: \_\_\_\_\_  
 Type Perfs: Bridge Slots  
 Perf Intervals: 74-367 ft.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

WELLBORE SNAPSHOTS	DEPTHS (SideScan-Feet)	WELLBORE / CASING INFORMATION
	260.0 Ft.	Downview-Buildup present; seam/rivets obscured; integrity unknown
	262.4 Ft.	Sideview-Water exiting from slot
	<b>265-270 Ft.</b>	<b>Sideview-5' patch (1), existing since 04-2026</b>
	265.6 Ft.	<b>Tiltview-Evidence of old water entry at patch hole **</b>
	<b>267.6 Ft.</b>	<b>Sideview-Hole in patch **</b>
	<b>269.0 Ft.</b>	<b>Sideview-Minor hole in patch **</b>
	278.8 Ft.	Sideview-Slots open; no gravel pack
	282.0 Ft.	Tiltview-Buildup increases with depth
	288.5 Ft.	Sideview-Water exiting @ slot **
	300.0 Ft.	Sideview-No visible slots; buildup covering casing wall
	<b>306.4 Ft.</b>	<b>Tiltview-Large casing hole; continues on next page **</b>
		
		
		
		

Notes:

# WELLBORE SNAPSHOT(S)

Depth: 260 Feet



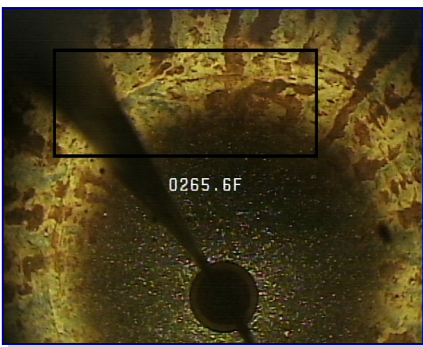
Depth: 262.4 Feet



Depth: 265 Feet



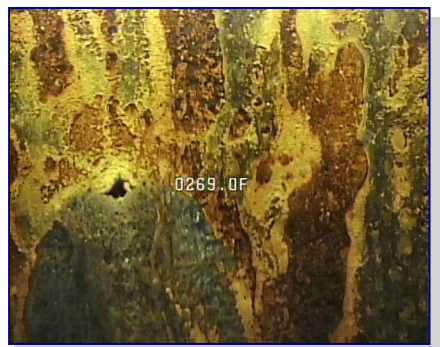
Depth: 265.6 Feet



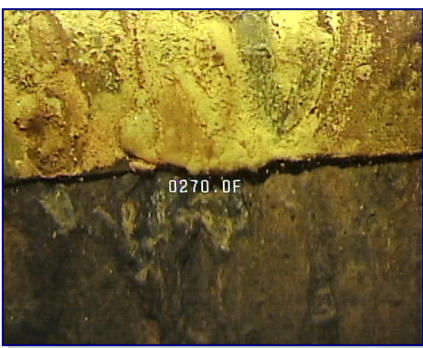
Depth: 267.6 Feet



Depth: 269 Feet



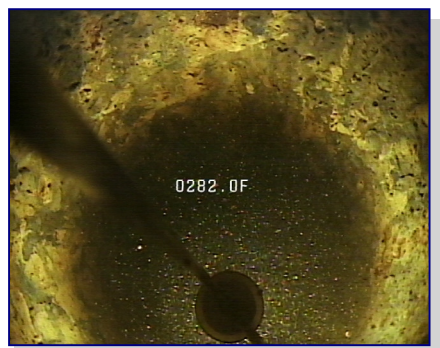
Depth: 270 Feet



Depth: 278.8 Feet



Depth: 282 Feet



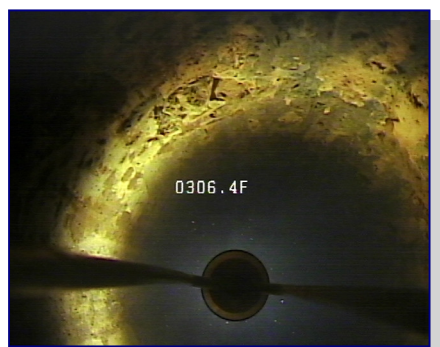
Depth: 288.5 Feet




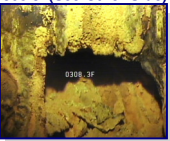
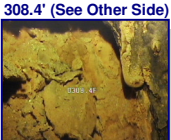

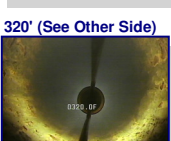




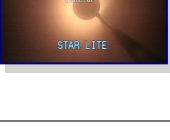

Depth: 300 Feet



Depth: 306.4 Feet



Survey Date: May 22, 2026  
 Client: Bakersfield Well & Pump  
 Well Name: Nunes  
 Depth: 364.5 ft.  
 1st Csg I.D.: 14 in. From: 0 ft. To: 367 ft.  
 2nd Csg I.D.: \_\_\_\_\_ From: \_\_\_\_\_ To: \_\_\_\_\_  
 S.W.L.: 158.2 ft. P.W.L.: \_\_\_\_\_ Pump Depth: \_\_\_\_\_  
 Type Perfs: Bridge Slots  
 Perf Intervals: 74-367 ft.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

WELLBORE SNAPSHOTS	DEPTHS (SideScan-Feet)	WELLBORE / CASING INFORMATION
308.2' (See Other Side)  308.3' (See Other Side) 	308.2-308.6 Ft.	Sideview-Casing deterioration with large hole observed **
308.4' (See Other Side)  308.6' (See Other Side) 	320.0 Ft.	Downview-Well deviation increases and continues to bottom
320' (See Other Side)  324.3' (See Other Side) 	322.1 Ft.	Sideview-Casing joint shows deterioration **
324.3' (See Other Side) 	325.0 Ft.	Buildup persists, obscuring casing walls.
324.3' (See Other Side) 	335.0 Ft.	Downview-Visibility decreases, making casing wall inspection difficult; buildup also limits view **
324.3' (See Other Side) 	350.0 Ft.	Sideview-Layer of buildup & sand residue; no slots visible
324.3' (See Other Side) 	362.4-362.5 Ft.	Sideview-Joint appears deteriorated; detached **
324.3' (See Other Side) 	362.6 Ft.	Sideview-Appears to be a steel washer **
324.3' (See Other Side)	362.0 Ft.	Downview-Partially soft bottom fill @ 364.5'
324.3' (See Other Side)		End of Survey
324.3' (See Other Side)		367' Max historical depth for well (04-2026)
324.3' (See Other Side)		
324.3' (See Other Side)		
324.3' (See Other Side)		
324.3' (See Other Side)		
324.3' (See Other Side)		

Notes:

# WELLBORE SNAPSHOT(S)

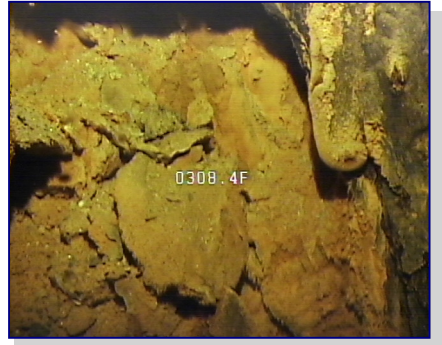
Depth: 308.2 Feet



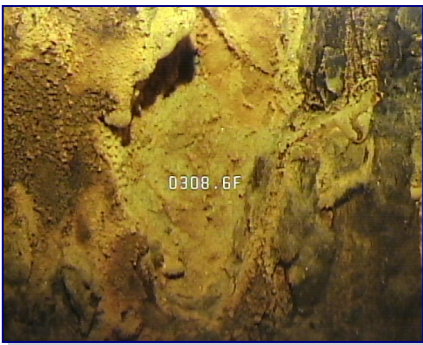
Depth: 308.3 Feet



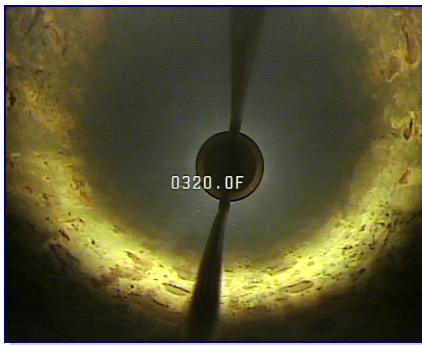
Depth: 308.4 Feet



Depth: 308.6 Feet



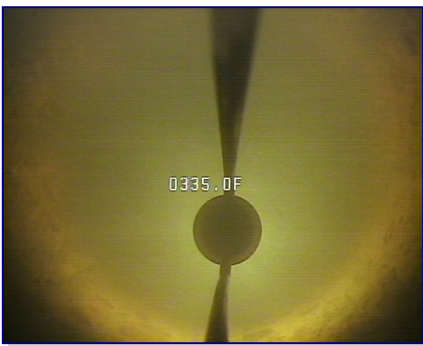
Depth: 320 Feet



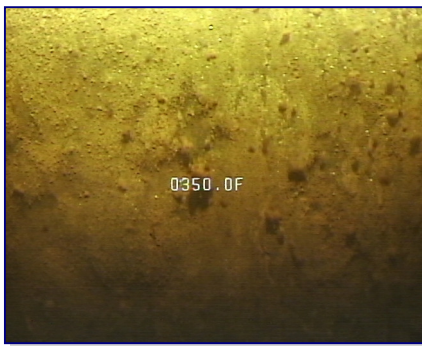
Depth: 324.3 Feet



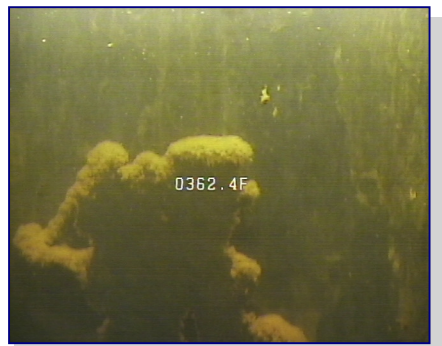
Depth: 335 Feet



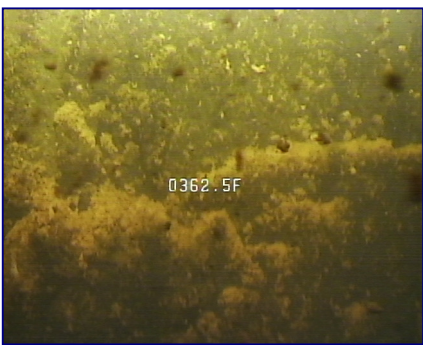
Depth: 350 Feet



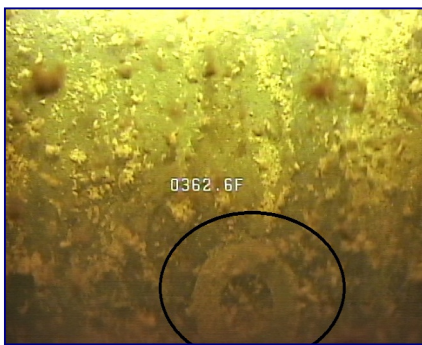
Depth: 362.4 Feet



Depth: 362.5 Feet



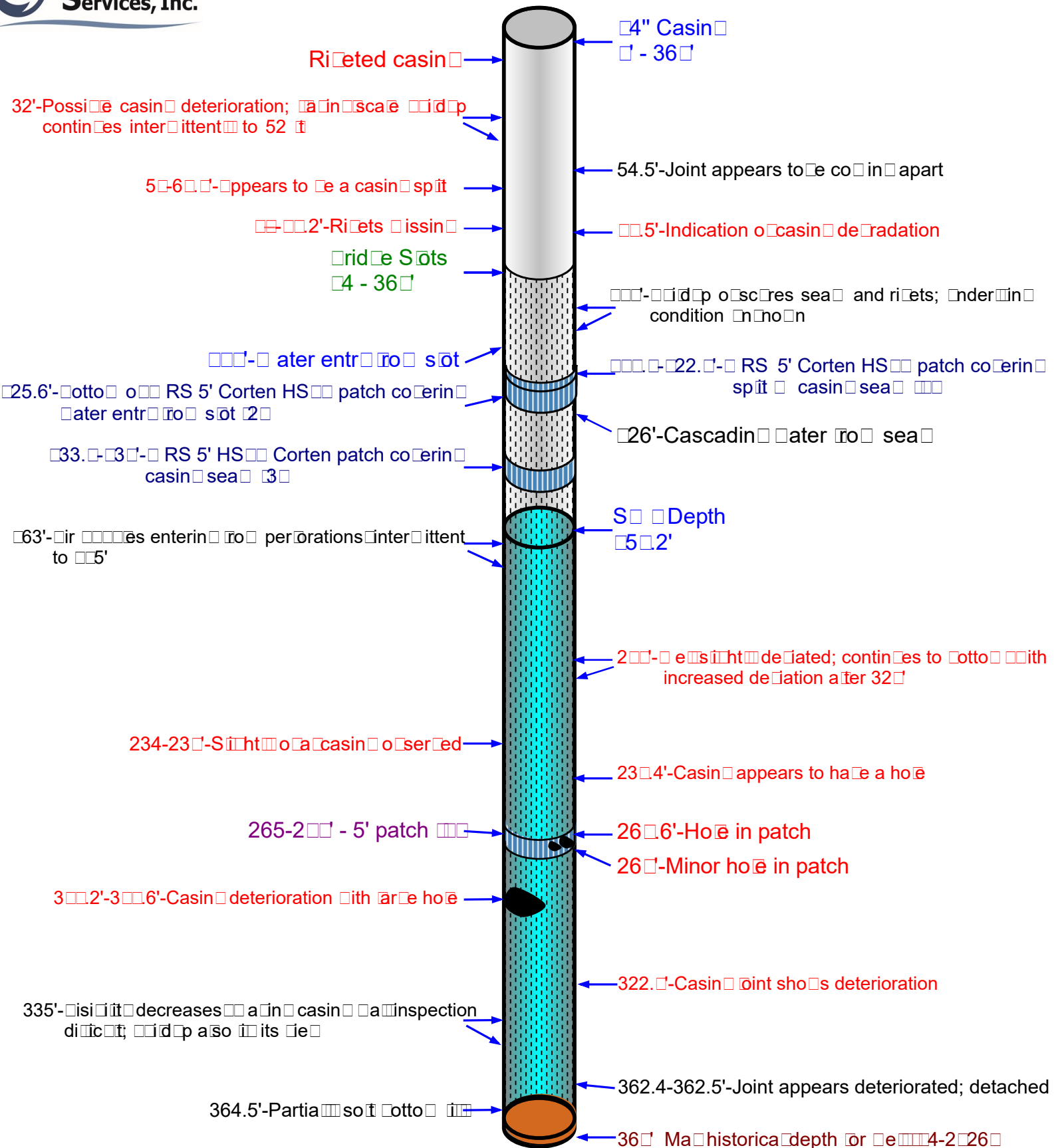
Depth: 362.6 Feet



Depth: 362 Feet



**NUNES RUN 3**





YOUR BEST PROTECTION

June 10, 2026

Mr. Tom Neisler, General Manager  
Tehachapi-Cummings County Water District  
P.O. Box 326  
Tehachapi, CA 93581-0326

**Re: Workers' Compensation, Liability, and Property Risk Assessment**

Dear Mr. Neisler:

On May 12, 2026, I met with Jon Curry, Assistant General Manager, for the risk assessment. The purpose was to receive an update on the District's operations, review the resources available from JPIA, follow up on training needs, and tour your facilities. Below are highlights from our discussions, along with relevant JPIA resources. I appreciate Jon's updates on the District's Injury and Illness Prevention Plan (IIPP) in 2024, the Workplace Violence Prevention Plan in 2025, and the Indoor Heat Illness Prevention Plan, which is currently in progress.

**Loss Review**

We reviewed the District's loss history, focusing on experience modification rates (E-Mods) for the Workers' Compensation (WC) and Liability Programs, which are based on the past three years of claims data. An E-Mod below 1.0 is favorable. Under the WC Program, the District's E-Mod is 0.67, with no claims in the past five years. Under the Liability Program, the District's E-Mod is 0.78, with no valued claims during the same period. The Property Program does not have an E-Mod. I will continue to advise the District on best practices from the JPIA's Commitment to Excellence (C2E) to help reduce losses.

**Risk Transfer**

Thank you for the updates regarding the completion of the Engine Replacement Project for Pump Plants 2 and 3, and the new shop to be built near the District Office. For current and future projects, I recommend that the District review JPIA's [Risk Transfer Manual](#) (Click on *Insurance Requirements*, then Recommended Insurance Requirements and Indemnification Clauses) and ensure that the Model Contracts and the recommended ISO Additional Insured endorsements are followed. For assistance, please contact [JPIA Member Services](#).

**Property Schedule**

As a reminder, all property must be scheduled before loss or within 90 days of acquisition to ensure coverage applies; any additional contributions will be prorated. Using the [RiskStar Member Dashboard](#), members are encouraged to review and update their Property Schedules throughout the year. If a loss occurs to unscheduled property, there is no coverage. Staff are

encouraged to continue consulting the JPIA when questions arise regarding property claims. For assistance, please contact [JPIA Member Services](#).

### **JPIA Risk Control Focus Areas**

Each fiscal year, the JPIA highlights risk-reduction and loss-control programs. Our goal is to measure the effectiveness of our best practice resources in addressing risk exposures and reducing losses for the membership.

- **Fall Protection Standards** – The District has several caged fixed ladders that exceed 24 feet in length and require the use of a fall arrest system. I recommend reviewing the [OSHA Fact Sheet](#) and the JPIA's [Splash Alert](#) on the General Industry Walking/Working Surfaces and Fall Protection Standard.
- **Cybersecurity Resources** – Under the Cyber Liability Program, the JPIA offers tools to enhance cybersecurity programs, including KYND, an online assessment tool for scanning external networks and identifying vulnerabilities, and KnowBe4, which provides employee awareness training and simulated phishing attacks. The JPIA's Cybersecurity Risk Specialist, Hunter Sargent, is available at 916-888-1813 or [hsargent@acwajpia.com](mailto:hsargent@acwajpia.com) for more information.
- **Ergonomics Strains and Sprains Program** – Sprain and strain injuries are the leading cause of losses in the Workers' Compensation Program, accounting for 36 percent of all injuries. A JPIA training standard approved by our Executive Committee recommends ergonomics training upon hire and every 2-4 years as a refresher. The JPIA provides various resources to help members develop and implement an effective ergonomics program. Members can access a [sample written program](#), training materials, and assessment tools through the [C2E Ergonomics/Falls Loss Reduction Focus Area](#) and Section 16, Ergonomics, in the [Risk Control Manual](#).

### **H.R. LaBounty Safety Awards Program**

The [H.R. LaBounty Safety Awards Program](#) is designed to promote safe workplace behavior and practices and to reward employees who demonstrate safe behavior, participate in recognized proactive activities, or take risk-reducing actions. Nominations are accepted year-round, and awards are announced at the JPIA's Membership Summit, held each spring and fall.

### **Commitment to Excellence (C2E)**

As a reminder, the District is encouraged to review risk control practices and identify opportunities for improvement related to loss history and exposures in the following areas: vehicle operations, construction, infrastructure, employment practices, ergonomics/falls, and wildfire prevention.

### **Risk Control Grant Program**

Having a signed C2E Agreement on file with the JPIA is one of the criteria for the Risk Control Grant Program. The Program promotes the implementation of best practices to prevent or mitigate losses in the JPIA's Workers' Compensation, Liability, and Property Programs. JPIA members are eligible for a grant of up to \$10,000 to fund risk management and safety program projects or equipment. Applications are open from October 1, 2026 to December 1, 2026.

Mr. Tom Neisler, General Manager  
Tehachapi-Cummings County Water District  
June 10, 2026  
Page 3

### **Training Opportunities**

As a JPIA member, the District has access to various training resources, many of which are available at no additional cost.

- The [Professional Development Program \(PDP\)](#) provides in-depth training across three specialized areas: Supervisor Basics, Human Resources, and Operations. Each area requires about 40 hours of coursework, which can be completed through in-person sessions, virtual classes, or self-study. Candidates pursuing certifications in Operations and Supervisor Basics will submit a nomination to the H.R. LaBounty Safety Award Program.
- Throughout the year, the JPIA offers in-person awareness-level training on various safety topics. Upcoming open training sessions are listed in the [Training Calendar](#).
- [VectorSolutions](#) is an online training platform offered through the JPIA and currently supplements the District's existing training efforts. Here is a link to the [VectorSolutions Catalog](#).

### **Site Visit**

We visited Pump Plants 1 and 2. I appreciate Jon's time and assistance during the risk assessment. The following risk assessment will be scheduled in May next year. Should you need assistance from a risk management and safety standpoint, please do not hesitate to reach out at (310) 749-6222 or [ipenales@acwajpia.com](mailto:ipenales@acwajpia.com).

Sincerely,



Iris Penales  
Senior Risk Control Advisor

610:tl

c: JPIA Member Services  
Jonathan Hall, JPIA Board Member

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
 REGULAR MEETING OF THE BOARD OF DIRECTORS  
 June 17, 2026

TOPIC: Approve fiscal year 2026-27 cost-of-living adjustment for all employees  
 ITEM FOR: Action  
 PURPOSE: Annual consideration of cost-of-living adjustment to salaries and wages  
 IMPACT: Fiscal/Budget, Personnel

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SUBMITTED BY: Tom Neisler

---

EXECUTIVE SUMMARY

Approval would grant each employee a cost-of-living salary increase effective with the first pay period in July 2026. Amount of increase, if any, to be determined by Board.

BACKGROUND

Last year the Board granted a 1.9% cost-of-living adjustment (COLA) effective July 14, 2025. Board practice has been to consider the annual COLA in conjunction with adoption of the upcoming fiscal year preliminary budget. The Board has used the April CPI-W (West – Size Class B/C, Urban Wage Earners and Clerical Workers) index (Attachment A) as the basis for the COLA. These are the most current data available to fit within the budget preparation calendar. I have attached a worksheet showing the previous ten years of data plus an estimate for this year based on the CPI data of 3.3% (Attachment B).

The twelve-month change in the CPI is 3.3% calculated as follows:

April 2026 index	207.011	=	1.0327
April 2025 index	200.461		

Staff included a 3.3% COLA in the preliminary budget to be considered later in today’s agenda. Although it contains useful data, the CPI is only an indicator of inflationary pressures in the local economy. Actual inflation experienced by the consumer depends on the mix of consumer goods purchased by a person or family. When considering cost-of-living adjustments for employees, the Board may also consider budget constraints, employee retention issues and the overall compensation package (including benefits).

The district’s salary schedule will be adjusted to include the increase for all pay ranges and steps if the Board approves a COLA. The existing salary schedule is included as Attachment C (prior to any 2026 COLA).

The Board may consider granting any or no COLA each year. The Consumer Price Indices are simply a baseline for consideration.

FISCAL IMPACT

A 3.3% COLA will increase salaries and benefits (Social Security/Medicare, workers compensation and retirement costs are a percentage of salaries) approximately \$119,000 in FY 2026-27. If the Board adopts a different (or no) COLA, the budget will be modified accordingly. Any adjustments will be reflected in the final budget to be presented to the Board at the August meeting.

COMMITTEE RECOMMENDATION

The ad-hoc Budget Committee (Schultz, Davis) considered the 3.3% COLA. The committee recommends that the Board approve the preliminary budget and the 3.3% COLA.

RECOMMENDED MOTION

*"I move that the Board approve a \_\_\_\_% cost-of-living allowance increase for all employees.*

ATTACHMENTS

A – CPI report for April 2026

B - COLA Analysis (previous ten years plus 2026 estimate)

C – Existing Salary Schedule and Authorized Positions List, effective July 14, 2025



## ATTACHMENT "B"



Tehachapi-Cummings  
County Water District  
*Our Water • Our Future*

### COST OF LIVING ALLOWANCE HISTORY

YEAR APPROVED	CPI APRIL 12 MONTHS	BOARD APPROVED	APRIL INDEX	BOARD APPROVED
2016	0.5%	1.0%	144.697	145.420
2017	2.4%	2.4%	148.170	148.911
2018	2.7%	2.7%	152.170	152.931
2019	2.6%	2.6%	156.127	156.907
2020	1.3%	1.3%	158.156	158.947
2021	4.5%	3.0%	165.273	163.716
2022	9.3%	6.0%	180.584	173.539
2023	4.8%	4.9%	189.320	182.042
2024	4.0%	4.0%	196.818	189.324
2025	1.9%	1.9%	200.461	192.921
2026	3.3%	3.3%	207.011	199.287

Preliminary Estimate



## SALARY SCHEDULE FOR AUTHORIZED POSITIONS

<u>Non-exempt:</u>	<u>Range<sup>1</sup></u>
Accounting Assistant.....	81
Administrative Assistant I.....	58
Administrative Assistant II.....	72
Controls and Emissions Technician (Vacant).....	80
Controls and Emissions Specialist (Vacant).....	120
GIS Technician.....	76
Heavy Duty Mechanic I.....	87
Heavy Duty Mechanic II.....	98
Heavy Equipment Operator.....	90
Lead Mechanic.....	110
Operations Assistant.....	48
Pipeline Foreman.....	100
Pipeline Maintenance I.....	76
Pipeline Maintenance II.....	87

Additional Compensation:

On-Call Duty.....	\$200.00/week or \$28.57/day
-------------------	---------------------------------

Hourly:

Temporary Hourly Employee (entry level).....	24
Temporary Hourly Employee (re-hire).....	Same current range for position
Temporary Replacement Rate.....	Up to the rate of employee replaced

Exempt:

General Manager.....	GM
Assistant General Manager – Operations.....	151
Operations Manager (Vacant).....	141
Administration Manager.....	141
Pipeline Supervisor.....	134
Pumping Systems Supervisor.....	134
Accounting and Finance Specialist.....	124

Revised 02/19/25

[I] See Attachment 1 for the monthly salary of each step within each pay range. From time to time, the Board may amend the pay schedule by minute order or resolution.



**SALARY SCHEDULE - 2025**  
**EFFECTIVE JULY 14, 2025**

REV: 00  
 1.9% COLA

RANGE	HOURLY WAGE					MONTHLY SALARY				
	A	B	C	D	E	A	B	C	D	E
1	14.58	15.31	16.08	16.88	17.72	2527	2654	2787	2926	3071
2	14.76	15.50	16.28	17.09	17.94	2558	2687	2822	2962	3110
3	14.92	15.67	16.45	17.27	18.13	2586	2716	2851	2993	3143
4	15.04	15.79	16.58	17.41	18.28	2607	2737	2874	3018	3169
5	15.19	15.95	16.75	17.59	18.47	2633	2765	2903	3049	3201
6	15.34	16.11	16.92	17.77	18.66	2659	2792	2933	3080	3234
7	15.48	16.25	17.06	17.91	18.81	2683	2817	2957	3104	3260
8	15.67	16.45	17.27	18.13	19.04	2716	2851	2993	3143	3300
9	15.85	16.64	17.47	18.34	19.26	2747	2884	3028	3179	3338
10	15.98	16.78	17.62	18.50	19.43	2770	2909	3054	3207	3368
11	16.15	16.96	17.81	18.70	19.64	2799	2940	3087	3241	3404
12	16.32	17.14	18.00	18.90	19.85	2829	2971	3120	3276	3441
13	16.47	17.29	18.15	19.06	20.01	2855	2997	3146	3304	3468
14	16.63	17.46	18.33	19.25	20.21	2883	3026	3177	3337	3503
15	16.77	17.61	18.49	19.41	20.38	2907	3052	3205	3364	3533
16	16.97	17.82	18.71	19.65	20.63	2941	3089	3243	3406	3576
17	17.14	18.00	18.90	19.85	20.84	2971	3120	3276	3441	3612
18	17.29	18.15	19.06	20.01	21.01	2997	3146	3304	3468	3642
19	17.47	18.34	19.26	20.22	21.23	3028	3179	3338	3505	3680
20	17.67	18.55	19.48	20.45	21.47	3063	3215	3377	3545	3721
21	17.83	18.72	19.66	20.64	21.67	3091	3245	3408	3578	3756
22	18.02	18.92	19.87	20.86	21.90	3123	3279	3444	3616	3796
23	18.19	19.10	20.06	21.06	22.11	3153	3311	3477	3650	3832
24	18.34	19.26	20.22	21.23	22.29	3179	3338	3505	3680	3864
25	18.57	19.50	20.48	21.50	22.58	3219	3380	3550	3727	3914
26	18.74	19.68	20.66	21.69	22.77	3248	3411	3581	3760	3947
27	18.90	19.85	20.84	21.88	22.97	3276	3441	3612	3793	3981
28	19.12	20.08	21.08	22.13	23.24	3314	3481	3654	3836	4028
29	19.29	20.25	21.26	22.32	23.44	3344	3510	3685	3869	4063
30	19.49	20.46	21.48	22.55	23.68	3378	3546	3723	3909	4105
31	19.71	20.70	21.74	22.83	23.97	3416	3588	3768	3957	4155
32	19.87	20.86	21.90	23.00	24.15	3444	3616	3796	3987	4186
33	20.07	21.07	22.12	23.23	24.39	3479	3652	3834	4027	4228
34	20.28	21.29	22.35	23.47	24.64	3515	3690	3874	4068	4271
35	20.48	21.50	22.58	23.71	24.90	3550	3727	3914	4110	4316
36	20.68	21.71	22.80	23.94	25.14	3585	3763	3952	4150	4358
37	20.92	21.97	23.07	24.22	25.43	3626	3808	3999	4198	4408
38	21.10	22.16	23.27	24.43	25.65	3657	3841	4033	4235	4446
39	21.32	22.39	23.51	24.69	25.92	3695	3881	4075	4280	4493
40	21.52	22.60	23.73	24.92	26.17	3730	3917	4113	4319	4536
41	21.75	22.84	23.98	25.18	26.44	3770	3959	4157	4365	4583
42	21.97	23.07	24.22	25.43	26.70	3808	3999	4198	4408	4628
43	22.18	23.29	24.45	25.67	26.95	3845	4037	4238	4449	4671
44	22.42	23.54	24.72	25.96	27.26	3886	4080	4285	4500	4725
45	22.62	23.75	24.94	26.19	27.50	3921	4117	4323	4540	4767

RANGE	HOURLY WAGE					MONTHLY SALARY				
	A	B	C	D	E	A	B	C	D	E
46	22.84	23.98	25.18	26.44	27.76	3959	4157	4365	4583	4812
47	23.07	24.22	25.43	26.70	28.04	3999	4198	4408	4628	4860
48	23.32	24.49	25.71	27.00	28.35	4042	4245	4456	4680	4914
49	23.55	24.73	25.97	27.27	28.63	4082	4287	4501	4727	4963
50	23.79	24.98	26.23	27.54	28.92	4124	4330	4547	4774	5013
51	24.01	25.21	26.47	27.79	29.18	4162	4370	4588	4817	5058
52	24.25	25.46	26.73	28.07	29.47	4203	4413	4633	4865	5108
53	24.49	25.71	27.00	28.35	29.77	4245	4456	4680	4914	5160
54	24.73	25.97	27.27	28.63	30.06	4287	4501	4727	4963	5210
55	24.98	26.23	27.54	28.92	30.37	4330	4547	4774	5013	5264
56	25.25	26.51	27.84	29.23	30.69	4377	4595	4826	5067	5320
57	25.49	26.76	28.10	29.51	30.99	4418	4638	4871	5115	5372
58	25.74	27.03	28.38	29.80	31.29	4462	4685	4919	5165	5424
59	25.98	27.28	28.64	30.07	31.57	4503	4729	4964	5212	5472
60	26.26	27.57	28.95	30.40	31.92	4552	4779	5018	5269	5533
61	26.52	27.85	29.24	30.70	32.24	4597	4827	5068	5321	5588
62	26.78	28.12	29.53	31.01	32.56	4642	4874	5119	5375	5644
63	27.04	28.39	29.81	31.30	32.87	4687	4921	5167	5425	5697
64	27.33	28.70	30.14	31.65	33.23	4737	4975	5224	5486	5760
65	27.61	28.99	30.44	31.96	33.56	4786	5025	5276	5540	5817
66	27.88	29.27	30.73	32.27	33.88	4833	5073	5327	5593	5873
67	28.15	29.56	31.04	32.59	34.22	4879	5124	5380	5649	5931
68	28.41	29.83	31.32	32.89	34.53	4924	5171	5429	5701	5985
69	28.72	30.16	31.67	33.25	34.91	4978	5228	5489	5763	6051
70	29.00	30.45	31.97	33.57	35.25	5027	5278	5541	5819	6110
71	29.30	30.77	32.31	33.93	35.63	5079	5333	5600	5881	6176
72	29.59	31.07	32.62	34.25	35.96	5129	5385	5654	5937	6233
73	29.88	31.37	32.94	34.59	36.32	5179	5437	5710	5996	6295
74	30.20	31.71	33.30	34.97	36.72	5235	5496	5772	6061	6365
75	30.48	32.00	33.60	35.28	37.04	5283	5547	5824	6115	6420
76	30.80	32.34	33.96	35.66	37.44	5339	5606	5886	6181	6490
77	31.08	32.63	34.26	35.97	37.77	5387	5656	5938	6235	6547
78	31.41	32.98	34.63	36.36	38.18	5444	5717	6003	6302	6618
79	31.71	33.30	34.97	36.72	38.56	5496	5772	6061	6365	6684
80	32.03	33.63	35.31	37.08	38.93	5552	5829	6120	6427	6748
81	32.35	33.97	35.67	37.45	39.32	5607	5888	6183	6491	6815
82	32.66	34.29	36.00	37.80	39.69	5661	5944	6240	6552	6880
83	33.01	34.66	36.39	38.21	40.12	5722	6008	6308	6623	6954
84	33.32	34.99	36.74	38.58	40.51	5775	6065	6368	6687	7022
85	33.67	35.35	37.12	38.98	40.93	5836	6127	6434	6757	7095
86	33.98	35.68	37.46	39.33	41.30	5890	6185	6493	6817	7159
87	34.35	36.07	37.87	39.76	41.75	5954	6252	6564	6892	7237
88	34.71	36.45	38.27	40.18	42.19	6016	6318	6633	6965	7313
89	35.03	36.78	38.62	40.55	42.58	6072	6375	6694	7029	7381
90	35.36	37.13	38.99	40.94	42.99	6129	6436	6758	7096	7452
91	35.75	37.54	39.42	41.39	43.46	6197	6507	6833	7174	7533
92	36.09	37.89	39.78	41.77	43.86	6256	6568	6895	7240	7602
93	36.48	38.30	40.22	42.23	44.34	6323	6639	6971	7320	7686
94	36.81	38.65	40.58	42.61	44.74	6380	6699	7034	7386	7755
95	37.17	39.03	40.98	43.03	45.18	6443	6765	7103	7459	7831
96	37.56	39.44	41.41	43.48	45.65	6510	6836	7178	7537	7913
97	37.94	39.84	41.83	43.92	46.12	6576	6906	7251	7613	7994
98	38.32	40.24	42.25	44.36	46.58	6642	6975	7323	7689	8074

RANGE	HOURLY WAGE					MONTHLY SALARY				
	A	B	C	D	E	A	B	C	D	E
99	38.71	40.65	42.68	44.81	47.05	6710	7046	7398	7767	8155
100	39.07	41.02	43.07	45.22	47.48	6772	7110	7465	7838	8230
101	39.47	41.44	43.51	45.69	47.97	6841	7183	7542	7920	8315
102	39.88	41.87	43.96	46.16	48.47	6913	7257	7620	8001	8401
103	40.26	42.27	44.38	46.60	48.93	6978	7327	7693	8077	8481
104	40.68	42.71	44.85	47.09	49.44	7051	7403	7774	8162	8570
105	41.08	43.13	45.29	47.55	49.93	7121	7476	7850	8242	8655
106	41.49	43.56	45.74	48.03	50.43	7192	7550	7928	8325	8741
107	41.90	44.00	46.20	48.51	50.94	7263	7627	8008	8408	8830
108	42.34	44.46	46.68	49.01	51.46	7339	7706	8091	8495	8920
109	42.75	44.89	47.13	49.49	51.96	7410	7781	8169	8578	9006
110	43.18	45.34	47.61	49.99	52.49	7485	7859	8252	8665	9098
111	43.61	45.79	48.08	50.48	53.00	7559	7937	8334	8750	9187
112	44.06	46.26	48.57	51.00	53.55	7637	8018	8419	8840	9282
113	44.47	46.69	49.02	51.47	54.04	7708	8093	8497	8921	9367
114	44.94	47.19	49.55	52.03	54.63	7790	8180	8589	9019	9469
115	45.39	47.66	50.04	52.54	55.17	7868	8261	8674	9107	9563
116	45.81	48.10	50.51	53.04	55.69	7940	8337	8755	9194	9653
117	46.28	48.59	51.02	53.57	56.25	8022	8422	8843	9285	9750
118	46.77	49.11	51.57	54.15	56.86	8107	8512	8939	9386	9856
119	47.20	49.56	52.04	54.64	57.37	8181	8590	9020	9471	9944
120	47.68	50.06	52.56	55.19	57.95	8265	8677	9110	9566	10045
121	48.17	50.58	53.11	55.77	58.56	8349	8767	9206	9667	10150
122	48.64	51.07	53.62	56.30	59.12	8431	8852	9294	9759	10247
123	49.11	51.57	54.15	56.86	59.70	8512	8939	9386	9856	10348
124	49.64	52.12	54.73	57.47	60.34	8604	9034	9487	9961	10459
125	50.12	52.63	55.26	58.02	60.92	8687	9123	9578	10057	10559
126	50.61	53.14	55.80	58.59	61.52	8772	9211	9672	10156	10663
127	51.12	53.68	56.36	59.18	62.14	8861	9305	9769	10258	10771
128	51.66	54.24	56.95	59.80	62.79	8954	9402	9871	10365	10884
129	52.16	54.77	57.51	60.39	63.41	9041	9493	9968	10468	10991
130	52.67	55.30	58.07	60.97	64.02	9129	9585	10065	10568	11097
131	53.22	55.88	58.67	61.60	64.68	9225	9686	10169	10677	11211
132	53.74	56.43	59.25	62.21	65.32	9315	9781	10270	10783	11322
133	54.27	56.98	59.83	62.82	65.96	9407	9877	10371	10889	11433
134	54.78	57.52	60.40	63.42	66.59	9495	9970	10469	10993	11542
135	55.37	58.14	61.05	64.10	67.31	9597	10078	10582	11111	11667
136	55.93	58.73	61.67	64.75	67.99	9695	10180	10689	11223	11785
137	56.50	59.33	62.30	65.42	68.69	9793	10284	10799	11339	11906
138	57.06	59.91	62.91	66.06	69.36	9890	10384	10904	11450	12022
139	57.59	60.47	63.49	66.66	69.99	9982	10481	11005	11554	12132
140	58.18	61.09	64.14	67.35	70.72	10085	10589	11118	11674	12258
141	58.76	61.70	64.79	68.03	71.43	10185	10695	11230	11792	12381
142	59.37	62.34	65.46	68.73	72.17	10291	10806	11346	11913	12509
143	59.95	62.95	66.10	69.41	72.88	10391	10911	11457	12031	12633
144	60.56	63.59	66.77	70.11	73.62	10497	11022	11573	12152	12761
145	61.17	64.23	67.44	70.81	74.35	10603	11133	11690	12274	12887
146	61.77	64.86	68.10	71.51	75.09	10707	11242	11804	12395	13016
147	62.38	65.50	68.78	72.22	75.83	10813	11353	11922	12518	13144
148	63.03	66.18	69.49	72.96	76.61	10925	11471	12045	12646	13279
149	63.63	66.81	70.15	73.66	77.34	11029	11580	12159	12768	13406
150	64.27	67.48	70.85	74.39	78.11	11140	11697	12281	12894	13539
151	64.92	68.17	71.58	75.16	78.92	11253	11816	12407	13028	13679

RANGE	HOURLY WAGE					MONTHLY SALARY				
	A	B	C	D	E	A	B	C	D	E
152	65.56	68.84	72.28	75.89	79.68	11364	11932	12529	13154	13811
153	66.24	69.55	73.03	76.68	80.51	11482	12055	12659	13291	13955
154	66.89	70.23	73.74	77.43	81.30	11594	12173	12782	13421	14092
155	67.56	70.94	74.49	78.21	82.12	11710	12296	12912	13556	14234
156	68.21	71.62	75.20	78.96	82.91	11823	12414	13035	13686	14371
157	68.91	72.36	75.98	79.78	83.77	11944	12542	13170	13829	14520
158	69.62	73.10	76.76	80.60	84.63	12067	12671	13305	13971	14669
159	70.28	73.79	77.48	81.35	85.42	12182	12790	13430	14101	14806
GM	93.70					16241				

Note: Each range is 1% greater than the next lower range. Ex.: range 99 is 1% more than range 98.  
Each step is 5% greater than the next lower step. Ex.: step C is 5% more than step B.  
Exception = GM. Annual salary approved by Board of Directors under contract and hourly rate derived therefrom.

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
 REGULAR MEETING OF THE BOARD OF DIRECTORS  
 June 17, 2026

TOPIC: Adopt Resolution 04-26 Amending the District’s “Salary Schedule for Authorized Positions”

ITEM FOR: Action

PURPOSE: Amend Salary Schedule to Update Authorized Positions List and Include Board Approved Cost of Living Adjustment for 2026

IMPACT: Fiscal/Budget, Administration

SUBMITTED BY: Tom Neisler

EXECUTIVE SUMMARY

Adoption of this resolution will update the district’s salary schedule to add a new Authorized Position for Assistant General Manager – Administration and include the Board approved cost of living adjustment for 2026.

BACKGROUND

Resolution 04-26 will amend the District’s Salary Schedule in accordance with the Board approved cost of living adjustment considered in the previous agenda item. The COLA will go into effect the first pay period in July - July 13, 2026.

The proposed Salary Schedule includes a new position, Assistant General Manager – Administration. The job description is included as Attachment B. Should the Board approve this additional position, my intent is to promote Cat Adams into the newly created position. Her current position of Administration Manager would be vacant. I do not anticipate the need to add staff to fill the Administration or Operations Manager positions in the foreseeable future. The Board authorized the addition of the Controls and Emissions Specialist position at the February 2026 RBM and we successfully filled the position. The proposed schedule removes the “vacant” designation on this position but leaves the “vacant” designation on the Controls and Emissions Technician position. I do not anticipate the need to fill that position in the foreseeable future. Attachment C redlines the proposed revisions.

FISCAL IMPACT

Discussed in Agenda Item No. 9, in accordance with Board action on that item.

COMMITTEE RECOMMENDATION

None.

RECOMMENDED MOTION

*“I move that the Board adopt Resolution 04-26, amending the District’s Salary Schedule for Authorized Positions.”*

ATTACHMENTS

- A - Resolution 04-26, Amending Salary Schedule for Authorized Positions
- B – Job Description Assistant General Manager – Administration
- C – Redline of Proposed Authorized Positions List

**ATTACHMENT "A"**

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

Resolution No. 04-26

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
AMENDING A PUBLICLY AVAILABLE SALARY SCHEDULE  
FOR AUTHORIZED POSITIONS

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A. Recitals.

(i) District employees are contract members of the California Public Employees Retirement System ("CalPERS").

(ii) Pursuant to Government Code section 20636 and section 570.5 Title 2 of the California Code of Regulations, a CalPERS' members' "pay rate" must be set forth on a pay schedule that meets all of the following requirements:

- (1) Has been duly approved and adopted by the employer's governing body in accordance with the requirements of the public meeting laws;
- (2) Identifies the position title for every employee position;
- (3) Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly or annually;
- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- (6) Indicates an effective date and date of any revisions;
- (7) Is retained by the employer and available for public inspection for not less than five years; and
- (8) Does not reference another document in lieu of disclosing the pay rate.

B. Resolution.

1. Each of the preceding factual recitals is true and correct and the Board so finds and determines.

2. Attached hereto as **Exhibit A** is the salary schedule for employees of Tehachapi-Cummings County Water District effective as of the date of this Resolution, duly approved and adopted by the Board of Directors of Tehachapi-Cummings County Water District at a regular meeting of the Board of Directors held in accordance with the requirements of all applicable public meeting laws.

3. The Board of Directors hereby delegates to the General Manager the authority to determine for each employee the employee's step within the pay range hereby established for such employee's position.

4. A copy of this Resolution, including the attached salary schedule, shall be immediately accessible and available for public review at the District's office during normal business hours and shall be retained and shall be made available for public inspection for not less than five years from the date of this Resolution.

5. The Board of Directors may amend the attached salary schedule, including Exhibit A, from time to time by minute order or resolution. The amended salary schedule likewise shall be immediately available for public review at the District's office during normal business hours and shall be retained and shall be made available for public inspection for not less than five years from the date of such amendment.

PASSED, APPROVED and ADOPTED on this 17th day of June, 2026.

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Robert W. Schultz, Board President

ATTEST:

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Catherine Adams, Board Secretary

Exhibit A



Tehachapi-Cummings  
County Water District

*Our Water • Our Future*

**SALARY SCHEDULE FOR AUTHORIZED POSITIONS**

<u>Non-exempt:</u>	<u>Range<sup>1</sup></u>
Accounting Assistant.....	81
Administrative Assistant I.....	58
Administrative Assistant II.....	72
Controls and Emissions Technician (Vacant).....	80
Controls and Emissions Specialist.....	120
GIS Technician.....	76
Heavy Duty Mechanic I.....	87
Heavy Duty Mechanic II.....	98
Heavy Equipment Operator.....	90
Lead Mechanic.....	110
Operations Assistant.....	48
Pipeline Foreman.....	100
Pipeline Maintenance I.....	76
Pipeline Maintenance II.....	87

Additional Compensation:

On-Call Duty.....	\$200.00/week or \$28.57/day
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Hourly:

Temporary Hourly Employee (entry level).....	24
Temporary Hourly Employee (re-hire).....	Same current range for position
Temporary Replacement Rate.....	Up to the rate of employee replaced

Exempt:

General Manager.....	GM
Assistant General Manager – Operations.....	151
Assistant General Manager – Administration.....	151
Operations Manager (Vacant).....	141
Administration Manager (Vacant).....	141
Pipeline Supervisor.....	134
Pumping Systems Supervisor.....	134
Accounting and Finance Specialist.....	124

Revised 06/17/26

[1] See Attachment 1 for the monthly salary of each step within each pay range. From time to time, the Board may amend the pay schedule by minute order or resolution.



**SALARY SCHEDULE - 2026**  
**EFFECTIVE JULY 13, 2026**

REV: 0  
 3.3% COLA

RANGE	HOURLY WAGE					MONTHLY SALARY				
	A	B	C	D	E	A	B	C	D	E
1	15.06	15.81	16.60	17.43	18.30	2610	2740	2877	3021	3172
2	15.25	16.01	16.81	17.65	18.53	2643	2775	2914	3059	3212
3	15.41	16.18	16.99	17.84	18.73	2671	2805	2945	3092	3247
4	15.54	16.32	17.14	18.00	18.90	2694	2829	2971	3120	3276
5	15.69	16.47	17.29	18.15	19.06	2720	2855	2997	3146	3304
6	15.85	16.64	17.47	18.34	19.26	2747	2884	3028	3179	3338
7	15.99	16.79	17.63	18.51	19.44	2772	2910	3056	3208	3370
8	16.19	17.00	17.85	18.74	19.68	2806	2947	3094	3248	3411
9	16.37	17.19	18.05	18.95	19.90	2837	2980	3129	3285	3449
10	16.51	17.34	18.21	19.12	20.08	2862	3006	3156	3314	3481
11	16.68	17.51	18.39	19.31	20.28	2891	3035	3188	3347	3515
12	16.86	17.70	18.59	19.52	20.50	2922	3068	3222	3383	3553
13	17.01	17.86	18.75	19.69	20.67	2948	3096	3250	3413	3583
14	17.18	18.04	18.94	19.89	20.88	2978	3127	3283	3448	3619
15	17.32	18.19	19.10	20.06	21.06	3002	3153	3311	3477	3650
16	17.53	18.41	19.33	20.30	21.32	3039	3191	3351	3519	3695
17	17.71	18.60	19.53	20.51	21.54	3070	3224	3385	3555	3734
18	17.86	18.75	19.69	20.67	21.70	3096	3250	3413	3583	3761
19	18.05	18.95	19.90	20.90	21.95	3129	3285	3449	3623	3805
20	18.25	19.16	20.12	21.13	22.19	3163	3321	3487	3663	3846
21	18.42	19.34	20.31	21.33	22.40	3193	3352	3520	3697	3883
22	18.61	19.54	20.52	21.55	22.63	3226	3387	3557	3735	3923
23	18.79	19.73	20.72	21.76	22.85	3257	3420	3591	3772	3961
24	18.95	19.90	20.90	21.95	23.05	3285	3449	3623	3805	3995
25	19.18	20.14	21.15	22.21	23.32	3325	3491	3666	3850	4042
26	19.36	20.33	21.35	22.42	23.54	3356	3524	3701	3886	4080
27	19.52	20.50	21.53	22.61	23.74	3383	3553	3732	3919	4115
28	19.75	20.74	21.78	22.87	24.01	3423	3595	3775	3964	4162
29	19.93	20.93	21.98	23.08	24.23	3455	3628	3810	4001	4200
30	20.13	21.14	22.20	23.31	24.48	3489	3664	3848	4040	4243
31	20.36	21.38	22.45	23.57	24.75	3529	3706	3891	4085	4290
32	20.53	21.56	22.64	23.77	24.96	3559	3737	3924	4120	4326
33	20.73	21.77	22.86	24.00	25.20	3593	3773	3962	4160	4368
34	20.95	22.00	23.10	24.26	25.47	3631	3813	4004	4205	4415
35	21.16	22.22	23.33	24.50	25.73	3668	3851	4044	4247	4460
36	21.36	22.43	23.55	24.73	25.97	3702	3888	4082	4287	4501
37	21.61	22.69	23.82	25.01	26.26	3746	3933	4129	4335	4552
38	21.80	22.89	24.03	25.23	26.49	3779	3968	4165	4373	4592
39	22.02	23.12	24.28	25.49	26.76	3817	4007	4209	4418	4638
40	22.23	23.34	24.51	25.74	27.03	3853	4046	4248	4462	4685
41	22.47	23.59	24.77	26.01	27.31	3895	4089	4293	4508	4734
42	22.70	23.84	25.03	26.28	27.59	3935	4132	4339	4555	4782
43	22.91	24.06	25.26	26.52	27.85	3971	4170	4378	4597	4827
44	23.16	24.32	25.54	26.82	28.16	4014	4215	4427	4649	4881
45	23.37	24.54	25.77	27.06	28.41	4051	4254	4467	4690	4924

RANGE	HOURLY WAGE					MONTHLY SALARY				
	A	B	C	D	E	A	B	C	D	E
46	23.59	24.77	26.01	27.31	28.68	4089	4293	4508	4734	4971
47	23.83	25.02	26.27	27.58	28.96	4131	4337	4553	4781	5020
48	24.09	25.29	26.55	27.88	29.27	4176	4384	4602	4833	5073
49	24.33	25.55	26.83	28.17	29.58	4217	4429	4651	4883	5127
50	24.58	25.81	27.10	28.46	29.88	4261	4474	4697	4933	5179
51	24.80	26.04	27.34	28.71	30.15	4299	4514	4739	4976	5226
52	25.05	26.30	27.62	29.00	30.45	4342	4559	4787	5027	5278
53	25.30	26.57	27.90	29.30	30.77	4385	4605	4836	5079	5333
54	25.55	26.83	28.17	29.58	31.06	4429	4651	4883	5127	5384
55	25.80	27.09	28.44	29.86	31.35	4472	4696	4930	5176	5434
56	26.08	27.38	28.75	30.19	31.70	4521	4746	4983	5233	5495
57	26.33	27.65	29.03	30.48	32.00	4564	4793	5032	5283	5547
58	26.59	27.92	29.32	30.79	32.33	4609	4839	5082	5337	5604
59	26.84	28.18	29.59	31.07	32.62	4652	4885	5129	5385	5654
60	27.13	28.49	29.91	31.41	32.98	4703	4938	5184	5444	5717
61	27.40	28.77	30.21	31.72	33.31	4749	4987	5236	5498	5774
62	27.66	29.04	30.49	32.01	33.61	4794	5034	5285	5548	5826
63	27.93	29.33	30.80	32.34	33.96	4841	5084	5339	5606	5886
64	28.23	29.64	31.12	32.68	34.31	4893	5138	5394	5665	5947
65	28.52	29.95	31.45	33.02	34.67	4943	5191	5451	5723	6009
66	28.80	30.24	31.75	33.34	35.01	4992	5242	5503	5779	6068
67	29.08	30.53	32.06	33.66	35.34	5041	5292	5557	5834	6126
68	29.35	30.82	32.36	33.98	35.68	5087	5342	5609	5890	6185
69	29.67	31.15	32.71	34.35	36.07	5143	5399	5670	5954	6252
70	29.96	31.46	33.03	34.68	36.41	5193	5453	5725	6011	6311
71	30.27	31.78	33.37	35.04	36.79	5247	5509	5784	6074	6377
72	30.57	32.10	33.71	35.40	37.17	5299	5564	5843	6136	6443
73	30.87	32.41	34.03	35.73	37.52	5351	5618	5899	6193	6503
74	31.20	32.76	34.40	36.12	37.93	5408	5678	5963	6261	6575
75	31.49	33.06	34.71	36.45	38.27	5458	5730	6016	6318	6633
76	31.82	33.41	35.08	36.83	38.67	5515	5791	6081	6384	6703
77	32.11	33.72	35.41	37.18	39.04	5566	5845	6138	6445	6767
78	32.45	34.07	35.77	37.56	39.44	5625	5905	6200	6510	6836
79	32.76	34.40	36.12	37.93	39.83	5678	5963	6261	6575	6904
80	33.09	34.74	36.48	38.30	40.22	5736	6022	6323	6639	6971
81	33.42	35.09	36.84	38.68	40.61	5793	6082	6386	6705	7039
82	33.74	35.43	37.20	39.06	41.01	5848	6141	6448	6770	7108
83	34.10	35.81	37.60	39.48	41.45	5911	6207	6517	6843	7185
84	34.42	36.14	37.95	39.85	41.84	5966	6264	6578	6907	7252
85	34.78	36.52	38.35	40.27	42.28	6029	6330	6647	6980	7329
86	35.10	36.86	38.70	40.64	42.67	6084	6389	6708	7044	7396
87	35.48	37.25	39.11	41.07	43.12	6150	6457	6779	7119	7474
88	35.86	37.65	39.53	41.51	43.59	6216	6526	6852	7195	7556
89	36.19	38.00	39.90	41.90	44.00	6273	6587	6916	7263	7627
90	36.53	38.36	40.28	42.29	44.40	6332	6649	6982	7330	7696
91	36.93	38.78	40.72	42.76	44.90	6401	6722	7058	7412	7783
92	37.28	39.14	41.10	43.16	45.32	6462	6784	7124	7481	7855
93	37.68	39.56	41.54	43.62	45.80	6531	6857	7200	7561	7939
94	38.02	39.92	41.92	44.02	46.22	6590	6919	7266	7630	8011
95	38.40	40.32	42.34	44.46	46.68	6656	6989	7339	7706	8091
96	38.80	40.74	42.78	44.92	47.17	6725	7062	7415	7786	8176
97	39.19	41.15	43.21	45.37	47.64	6793	7133	7490	7864	8258
98	39.58	41.56	43.64	45.82	48.11	6861	7204	7564	7942	8339

RANGE	HOURLY WAGE					MONTHLY SALARY				
	A	B	C	D	E	A	B	C	D	E
99	39.99	41.99	44.09	46.29	48.60	6932	7278	7642	8024	8424
100	40.36	42.38	44.50	46.73	49.07	6996	7346	7713	8100	8505
101	40.77	42.81	44.95	47.20	49.56	7067	7420	7791	8181	8590
102	41.20	43.26	45.42	47.69	50.07	7141	7498	7873	8266	8679
103	41.59	43.67	45.85	48.14	50.55	7209	7569	7947	8344	8762
104	42.02	44.12	46.33	48.65	51.08	7283	7647	8031	8433	8854
105	42.44	44.56	46.79	49.13	51.59	7356	7724	8110	8516	8942
106	42.86	45.00	47.25	49.61	52.09	7429	7800	8190	8599	9029
107	43.28	45.44	47.71	50.10	52.61	7502	7876	8270	8684	9119
108	43.74	45.93	48.23	50.64	53.17	7582	7961	8360	8778	9216
109	44.16	46.37	48.69	51.12	53.68	7654	8037	8440	8861	9305
110	44.60	46.83	49.17	51.63	54.21	7731	8117	8523	8949	9396
111	45.05	47.30	49.67	52.15	54.76	7809	8199	8609	9039	9492
112	45.51	47.79	50.18	52.69	55.32	7888	8284	8698	9133	9589
113	45.94	48.24	50.65	53.18	55.84	7963	8362	8779	9218	9679
114	46.42	48.74	51.18	53.74	56.43	8046	8448	8871	9315	9781
115	46.89	49.23	51.69	54.27	56.98	8128	8533	8960	9407	9877
116	47.32	49.69	52.17	54.78	57.52	8202	8613	9043	9495	9970
117	47.81	50.20	52.71	55.35	58.12	8287	8701	9136	9594	10074
118	48.31	50.73	53.27	55.93	58.73	8374	8793	9233	9695	10180
119	48.76	51.20	53.76	56.45	59.27	8452	8875	9318	9785	10273
120	49.25	51.71	54.30	57.02	59.87	8537	8963	9412	9883	10377
121	49.76	52.25	54.86	57.60	60.48	8625	9057	9509	9984	10483
122	50.25	52.76	55.40	58.17	61.08	8710	9145	9603	10083	10587
123	50.73	53.27	55.93	58.73	61.67	8793	9233	9695	10180	10689
124	51.28	53.84	56.53	59.36	62.33	8889	9332	9799	10289	10804
125	51.77	54.36	57.08	59.93	62.93	8973	9422	9894	10388	10908
126	52.28	54.89	57.63	60.51	63.54	9062	9514	9989	10488	11014
127	52.81	55.45	58.22	61.13	64.19	9154	9611	10091	10596	11126
128	53.36	56.03	58.83	61.77	64.86	9249	9712	10197	10707	11242
129	53.88	56.57	59.40	62.37	65.49	9339	9805	10296	10811	11352
130	54.41	57.13	59.99	62.99	66.14	9431	9903	10398	10918	11464
131	54.98	57.73	60.62	63.65	66.83	9530	10007	10507	11033	11584
132	55.51	58.29	61.20	64.26	67.47	9622	10104	10608	11138	11695
133	56.06	58.86	61.80	64.89	68.13	9717	10202	10712	11248	11809
134	56.59	59.42	62.39	65.51	68.79	9809	10299	10814	11355	11924
135	57.20	60.06	63.06	66.21	69.52	9915	10410	10930	11476	12050
136	57.78	60.67	63.70	66.89	70.23	10015	10516	11041	11594	12173
137	58.36	61.28	64.34	67.56	70.94	10116	10622	11152	11710	12296
138	58.94	61.89	64.98	68.23	71.64	10216	10728	11263	11827	12418
139	59.49	62.46	65.58	68.86	72.30	10312	10826	11367	11936	12532
140	60.10	63.11	66.27	69.58	73.06	10417	10939	11487	12061	12664
141	60.70	63.74	66.93	70.28	73.79	10521	11048	11601	12182	12790
142	61.33	64.40	67.62	71.00	74.55	10631	11163	11721	12307	12922
143	61.93	65.03	68.28	71.69	75.27	10735	11272	11835	12426	13047
144	62.56	65.69	68.97	72.42	76.04	10844	11386	11955	12553	13180
145	63.19	66.35	69.67	73.15	76.81	10953	11501	12076	12679	13314
146	63.81	67.00	70.35	73.87	77.56	11060	11613	12194	12804	13444
147	64.44	67.66	71.04	74.59	78.32	11170	11728	12314	12929	13575
148	65.11	68.37	71.79	75.38	79.15	11286	11851	12444	13066	13719
149	65.73	69.02	72.47	76.09	79.89	11393	11963	12561	13189	13848
150	66.39	69.71	73.20	76.86	80.70	11508	12083	12688	13322	13988
151	67.06	70.41	73.93	77.63	81.51	11624	12204	12815	13456	14128

HOURLY WAGE						MONTHLY SALARY				
RANGE	A	B	C	D	E	A	B	C	D	E
152	67.72	71.11	74.67	78.40	82.32	11738	12326	12943	13589	14269
153	68.43	71.85	75.44	79.21	83.17	11861	12454	13076	13730	14416
154	69.10	72.56	76.19	80.00	84.00	11977	12577	13206	13867	14560
155	69.79	73.28	76.94	80.79	84.83	12097	12702	13336	14004	14704
156	70.46	73.98	77.68	81.56	85.64	12213	12823	13465	14137	14844
157	71.18	74.74	78.48	82.40	86.52	12338	12955	13603	14283	14997
158	71.92	75.52	79.30	83.27	87.43	12466	13090	13745	14433	15155
159	72.60	76.23	80.04	84.04	88.24	12584	13213	13874	14567	15295
GM	111.74					19368				

Note: Each range is 1% greater than the next lower range. Ex.: range 99 is 1% more than range 98.  
Each step is 5% greater than the next lower step. Ex.: step C is 5% more than step B.  
Exception = GM. Annual salary approved by Board of Directors under contract and hourly rate derived therefrom.

## ATTACHMENT "B"

### TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT JOB DESCRIPTION

**JOB TITLE:** Assistant General Manager - Administration/Board Secretary

**DEPARTMENT:** Administration

**REPORTS TO:** General Manager

**LOCATION:** District Office, Tehachapi, CA

**JOB DESCRIPTION:** Works under the direction of the General Manager to plan, direct, manage, organize, and supervise the work of staff of the Administration Department. Serves as Board Secretary (as appointed by Board of Directors). Performs duties of payroll and payroll reporting. Acts as human resources (HR) manager. Performs difficult and complex office support work. Prepares detailed reports to courts, governments, regulatory authorities, and other agencies. Schedules appointments and travel arrangements. Responds to internal and external inquiries and provides appropriate information. Maintains all official documents and records and ensures completeness, accuracy and timeliness of website document postings. Coordinates tasks with office personnel. Manages clerical support to administrative and operational staff. This is an at-will, exempt classification and serves at the pleasure of the General Manager.

#### **ESSENTIAL DUTIES AND RESPONSIBILITIES:**

- Supervise administrative staff; perform annual/periodic evaluation of assigned staff; make recommendations to the General Manager regarding compensation, performance issues and disciplinary action. Direct and participate in the development and implementation of District policies, objectives, and priorities.
- Serve as Secretary to the Board of Directors (subject to appointment by Board of Directors).
- Prepare and disseminate Board packet.
- Is responsible for all Agenda announcement and posting requirements.
- Maintain Minute Books, Ordinances, and Resolutions.
- Record minutes of Board meetings in role as Board Secretary.
- Act as HR manager. Ensure the effective and timely completion of routine human resource operations and transactions.
- Maintain and be responsible for personnel files.
- Provide work scheduling and prioritization for office support staff.
- Provide technical assistance and support in District's Watermaster function.
- Manage maintenance of Watermaster records. Assist with responses to public inquiries and complaints and assist with resolution of issues.
- Oversee accounting, billing, and receivables functions.
- Prepare payroll and maintain payroll records.
- Maintain and be responsible for all payroll related reporting.
- Administer timekeeping system, maintain balances on vacation and sick time for all District employees.
- Process, prepare and maintain all CalPERS payroll reporting.
- Handle enrollment and participation documents for ACWA Employee Benefit Plans.
- Handle enrollment and participation documents for the CalPERS 457 Plans.
- Ensure proper posting of labor related documents.
- Oversee processing of Benefit Assessment requirements.
- Act as the General Manager in the absence of the General Manager when assigned.

**QUALIFICATIONS:** To perform this job successfully, an individual must demonstrate the ability to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill and/or ability required. Reasonable accommodation may be made to enable individuals with disabilities to perform the essential functions.

**CERTIFICATES, LICENSES, REGISTRATIONS:** Valid California Class "C" driver's license required. Additional certificates, licenses, registrations or training may be required on an ongoing basis to fulfill essential duties. District will provide resources to obtain any additional requirements.

**EDUCATION AND/OR EXPERIENCE:** Bachelor's Degree from an accredited college or university in public/business administration, management or a closely related field is highly desirable; along with four (4) years of management, preferably governmental, experience. Additional, relevant experience may be considered in lieu of Bachelor's Degree.

**COMMUNICATION SKILLS:** Ability to read, analyze and interpret general business documents, technical procedures or governmental regulations. Ability to write reports and business correspondence. Excellent computer literacy is required, including advanced capabilities with Microsoft Office Suite applications. Ability to effectively present information to customers, and other employees of the organization.

**MATHEMATICAL SKILLS:** Ability to work with mathematical concepts such as probability and statistical inference and fundamentals of plane and solid geometry. Ability to apply concepts such as fractions, percentages, ratios and proportions to practical situations.

**REASONING ABILITY:** Ability to define problems, collect data, establish facts and draw valid conclusions. Ability to interpret an extensive variety of technical instructions in mathematical or diagram form and deal with several abstract and concrete variables.

**PHYSICAL REQUIREMENTS AND WORKING CONDITIONS:** The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodation may be made to enable individuals with disabilities to perform the essential functions.

- May occasionally travel by airplane and automobile to conduct District business.
- Work at a desk and computer for extended periods of time.
- Work in an office environment, lift and move objects up to 25 pounds such as file boxes, large binders, books, and small office equipment.
- Possess sufficient finger/hand coordination and dexterity to operate and adjust office equipment.
- Regularly use a telephone for communication.
- Operate office equipment such as computers, copiers, calculators, and FAX machines.
- Sit for extended periods of time.
- Possess hearing and vision within normal ranges with or without correction.

**WORK ENVIRONMENT:** The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodation may be made to enable individuals with disabilities to perform the essential functions.

The noise level in the work environment is usually moderate.



**SALARY SCHEDULE FOR AUTHORIZED POSITIONS**

<u>Non-exempt:</u>	<u>Range<sup>1</sup></u>
Accounting Assistant.....	81
Administrative Assistant I.....	58
Administrative Assistant II.....	72
Controls and Emissions Technician (Vacant).....	80
Controls and Emissions Specialist <del>(Vacant)</del> .....	120
GIS Technician.....	76
Heavy Duty Mechanic I.....	87
Heavy Duty Mechanic II.....	98
Heavy Equipment Operator.....	90
Lead Mechanic.....	110
Operations Assistant.....	48
Pipeline Foreman.....	100
Pipeline Maintenance I.....	76
Pipeline Maintenance II.....	87

Additional Compensation:

On-Call Duty.....	\$200.00/week or \$28.57/day
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Hourly:

Temporary Hourly Employee (entry level).....	24
Temporary Hourly Employee (re-hire).....	Same current range for position
Temporary Replacement Rate.....	Up to the rate of employee replaced

Exempt:

General Manager.....	GM
Assistant General Manager – Operations.....	151
<u>Assistant General Manager – Administration.....</u>	<u>151</u>
Operations Manager (Vacant).....	141
Administration Manager <del>(Vacant)</del> .....	141
Pipeline Supervisor.....	134
Pumping Systems Supervisor.....	134
Accounting and Finance Specialist.....	124



Tehachapi-Cummings  
County Water District

*Our Water • Our Future*

[1] See Attachment 1 for the monthly salary of each step within each pay range. From time to time, the Board may amend the pay schedule by minute order or resolution.

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
 REGULAR MEETING OF THE BOARD OF DIRECTORS  
 June 17, 2026

TOPIC: Adopt Resolution No. 05-26, Approving the Fiscal Year 2026-27 Preliminary Budget, Appropriations Limit, and Reserves Policy

ITEM FOR: Action

PURPOSE: Approve a Preliminary Budget for the next fiscal year, to be superseded by the Final Budget within 60 days after the beginning of the fiscal year

IMPACT: Fiscal/Budget

SUBMITTED BY: Crystal Sampson

EXECUTIVE SUMMARY

The Board approves the Preliminary Budget in June. The purpose of the Preliminary Budget is to provide preliminary estimates for public review and comment before the information necessary to complete a Final Budget has been received. The Preliminary Budget is subject to change. Any required changes will be incorporated into the Final Budget. The Board will be presented with a resolution to adopt the Final Budget at its August board meeting.

BACKGROUND

The Ad-hoc Budget Committee met on Friday, May 29<sup>th</sup>, 2026, to review and discuss the draft FY 2026-27 Preliminary Budget, Appropriations Limit, and Reserves Policy.

The Appropriations Limit increased by approximately \$961K (5.05%) to \$19,986,244. Appropriations for FY 2026-27 are anticipated to be \$11,176,900 for general taxes, special taxes, and the benefit assessment. This amount is approximately \$9.77M below the limit (56% of the limit). The Appropriations Limit is calculated using State guidelines with data provided by CA Department of Finance related to figures provided for CA per capita personal income changes and population change in Kern County.

The Reserves Policy adopted at the May 2025 regular board meeting with Resolution No. 05-25 is included within the Preliminary Budget from Page 1-4 through Page 1-9.

The budget document is segregated into three sections: (1) district-wide budget, (2) Board-designated funds (which includes the general fund and seven other Board-designated funds), and (3) five restricted funds. There are five columns of numbers: first, the most recently completed fiscal year’s audited actual figures; second, Staff’s estimate of the current fiscal year’s revenues and expenses; third, the current fiscal year’s adopted budget (as amended); fourth, the proposed Preliminary Budget for the upcoming fiscal year; and fifth, the difference between the proposed budget and the current budget. The difference between the two budget years presented is also expressed as a percentage change in the furthest right-hand column.

The district-wide budget shows expenses exceeding revenues by \$1,238,961. This district-wide loss is attributable to losses at the following funds, offset by nearly \$875K in net income reported for the remaining District funds:

The State Payment Fund (82) has budgeted a loss of nearly \$2.08M to reflect anticipated excess reserves to be returned to rate payers through initial estimates of the ad valorem tax rate to be set based on early projections for the state payment tax calculation. The budget for this fund will change prior to the adoption of the Final Budget based on updated information that will be made available after the Preliminary Budget is adopted. Preliminary Assessed Valuations used in determining the ad valorem tax rate to be set to raise the revenue required to pay the state water payment obligation during FY 2026-27 are expected to be made available on the County's website at the beginning of July (just in time to set the ad valorem tax rate at the July regular board meeting). The Final Assessed Valuations will not be available until mid-August and, if available in time, will be used to true-up property tax revenue forecasts in the Final Budget. Otherwise, if those values are released after the Final Budget is prepared, the property tax revenue forecasts will be updated during the mid-year budget review.

Improvement District No. 2 Fund (76) has a budgeted loss of \$34,000 due to operations & maintenance costs exceeding property tax revenues apportioned by Kern County for this fund. Annually, Fund 76 receives an equity transfer from General Fund (70) due to this shortfall.

The General Fund's operating budget is a balanced budget due to fiscal year 2026-27 revenues exceeding expenses by \$25,150. However, after equity transfers from General Fund (70) to Improvement District No. 2 Fund (76) to pay operations and maintenance costs attributable to that flood control district that are not supported by property taxes apportioned by Kern County to that fund, there will be a net decrease to General Fund reserves of \$8,850.

Assumptions included in the Fiscal Year 2026-27 Preliminary Budget include:

Revenues (8% increase overall / 10% increase to operations)

1. Operating Revenues: (35% increase overall / 25% increase to operations)
  - a. The 45% (8,685 AF) State Water Project Table A allocation as of May 2026 is adequate to meet projected demands.
2. Non-Operating Revenues: (no significant change overall / 4% increase to operations)
  - a. General Tax revenues for the General Fund are budgeted at \$7.8M (compared to \$7.5M budgeted in prior fiscal year) per initial estimates provided by the Kern County Auditor Controller. Per the County, countywide assessed values are increasing by 0.4%, the secured roll is increasing by 4%, and the unsecured roll may increase by 3% over the prior year. The final FY 2026-27 assessed values are expected to be posted to the County website on August 10<sup>th</sup>, with preliminary values available as soon as July 2<sup>nd</sup>.
  - b. Total Interest Earnings are budgeted to be nearly \$119K less than the prior year at \$901,100. However, interest earnings are still expected to be nearly \$240K higher than the five-year average of \$661K.
    - i. The District has approximately \$19.2M invested with maturities laddered over the next 5 years having a weighted average yield to maturity of 4.33%.
    - ii. The District's liquid pooled funds amount to approximately \$8.15M, currently earning 3.81%.
    - iii. An investment interest rate of 4.023% was used to forecast interest earnings for FY 2026-27, which aligns with projections made for interest earnings by the District's investment advisor, OIP.

Expenses (14% decrease overall / 27% increase to operations)

1. Salaries & Benefits: (13% increase)
  - a. Overall Salaries & Benefit costs for the District increased by 13% from the FY 2025-26 budget.
  - b. The applicable consumer price index reported a 3.3% increase over the twelve-month period ended April 2026, which is the baseline index that the Board uses to evaluate potential COLA for employees. The Ad-hoc Budget Committee was informed that the 3.3% COLA increase projection (amounting to approximately \$119K in additional costs) was built into in the proposed FY 2026-27 Preliminary Budget at the Salaries & Wages, Overtime & Holiday, FICA/MEDI, and Retirement expense line items.
  - c. FY 2026-27 workforce of 22 full-time employees and three part-time (seasonal) employees.
  - d. Estimated 10% overall health insurance premium increase, to be conservative since the information will not be available until July.
  - e. Per the 6/30/25 actuarial valuation performed on the District's California Employers' Retiree Benefit Trust (CERBT) Fund, there are no actuarially determined contributions required for FY 2026-27.
  - f. Due to actively managing the CalPERS unfunded accrued liability (UAL) balances for the District's three pension plans as well as strong investment performance, it is not expected that there will be any minimum required employer contributions due for unfunded accrued liabilities (UAL) for fiscal year 2027-28 to be paid during FY 2026-27.
    - i. CalPERS is currently working on finalizing the 6/30/25 valuation, which is expected to be released in July 2026, and will report UAL balances due by July 2027.
    - ii. Although UAL payments are due by July 2027, the District budgets for UAL payments to be made prior to July to benefit from interest savings.
    - iii. If any revisions need to be made to this expense as a result of the release of the 6/30/25 valuation, it will be included in the FY 2026-27 Final Budget.
2. Operations & Maintenance: (14% increase overall / 5% decrease to operations)
  - a. The blended price of natural gas per MMBTU for 2026 is \$3.83 and it is being estimated that the blended price for 2027 will be \$3.97.
  - b. SoCal Gas transportation costs for PP4 are variable depending upon the quantity of water pumped through PP4. SoCal Gas prices this commodity on a daily basis and our budgeted costs are based on staff's best estimate.
3. Debt Service: (no significant change overall / only change is fund reported within)
  - a. \$1,051,750 in principal and interest payments will be paid during FY 2026-27 from the General Fund for the 2023 Engine Replacement Project Installment Purchase Agreement. This is a \$3,000 decrease from the prior year.
4. Capital Outlay: (61% decrease overall / 89% increase to operations)
  - a. General Fund Capital Expenditures amount to \$2,968,850.

Reserves: (\$1,238,961 decrease)

1. Per the annual review of the current fiscal year-end (FY 2025-26) reserve fund balances, transfers will be necessary as follows (and will be described in further detail within the next staff report):
  - a. The sum of \$110,000 from General Fund (70) to Tax Revenue Liability Fund (85).
  - b. The sum of \$3,035,000 from Equipment/ Infrastructure – Replacement/ Upgrade Fund (83) to Engine Project Fund (73).
  
2. After the above transfers are made, all FY 2025-26 reserve fund targets will meet or exceed full reserve target levels except for the ones noted below, which will be below the interim reserve target levels. Further, unless transfers are approved during the Final Budget and/or mid-year budget review, it is projected that these same reserve funds will continue to have their interim reserve target levels unmet for FY 2026-27:
  - a. The three flood control improvement districts funds (76, 77, and 86).
  - b. Equipment/ Infrastructure – Replacement/ Upgrade Fund (83) due to depletions to complete the Engine Project at Fund 73.
  
3. In December 2026, the following FY 2025-26 transfers from General Fund (70) are expected to be brought to the Board once the final need is known through the close of the FY 2025-26 books and June 30, 2026 financial statement audit:
  - a. To complete the Engine Project (73) an amount currently expected to be around \$1.25M will be needed plus \$1,054,750 so that the debt service payment will be shown as being made from Fund 73 per reporting requirements.
  - b. To Improvement District #2 (76) an amount currently expected to be around \$36K to offset the net loss that recurs in that fund annually due to insufficient general property tax revenues in relation to the costs of operating and maintaining that flood control district.
    - i. As stated, since this is a recurring issue, a transfer will be needed per the FY 2026-27 Preliminary Budget in an amount expected to be around \$34K, and will be determined through the June 30, 2027 year-end close and financial statement audit.
  
4. It is projected that the State Water Payment Fund reserve balance will decrease by just over \$2M as a result of preliminary calculations pertaining to the ad valorem tax rate that is used to raise the revenue required to pay the State Water Payment obligation for FY 2026-27.
  - a. In FY 2026-27, the total State Water Project costs will be paid using current special tax revenues and prior years' reserves.
  - b. The Board will adopt a resolution to set this special tax rate at the July 2026 regular board meeting.
  - c. Based on currently available information, preliminary calculations for the State Payment reserve fund are projecting an excess reserve balance, requiring the return of previously collected taxes to be accomplished by setting a reduced ad valorem tax rate.
  - d. FY 2026-27 operations and maintenance expenses are expected to increase by nearly \$1.48M (35%), with revenues expected to decrease by \$230K (6%) through intentionally reducing the ad valorem tax rate.
  - e. The long-term financial position of the State Payment reserve fund remains sound and there will be sufficient reserves in that fund at the end of the next fiscal year.

FISCAL IMPACT

The operating budget is balanced and will provide an additional \$25,150 to General Fund reserves (prior to transfers) in FY 2026-27. In total, reserves are projected to decrease by \$1,238,961, primarily due to activity in the State Payment Fund (82).

COMMITTEE RECOMMENDATION

The Ad-hoc Budget Committee recommends that the Board approve the Preliminary Budget, Appropriations Limit, and Reserves Policy.

RECOMMENDED MOTION

***“I move for adoption of Resolution No. 05-26, Approving the FY 2026-27 Preliminary Budget, Appropriations Limit, and Reserves Policy.”***

ATTACHMENT

A - Resolution No. 05-26, Approving the Fiscal Year 2026-27 Preliminary Budget, Appropriations Limit, and Reserves Policy

- Exhibit A - Fiscal Year 2026-27 Preliminary Budget

RESOLUTION NO. 05-26

A RESOLUTION OF THE BOARD OF DIRECTORS OF  
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
APPROVING THE FISCAL YEAR 2026-27 PRELIMINARY BUDGET,  
APPROPRIATIONS LIMIT, AND RESERVES POLICY

A. Recitals.

1. A fiscal budget is necessary for the orderly administration of public funds and the systematic operation of this County Water District.
2. A budget is required by County Water District Code and other State laws.

B. Resolutions.

NOW, THEREFORE, BE IT FOUND, DETERMINED, AND RESOLVED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT as follows:

1. The Preliminary Budget for Fiscal Year 2026-27, as shown in **Exhibit A** attached hereto, is hereby adopted by the Board of Directors of the Tehachapi-Cummings County Water District.
2. The Appropriations Limit for the District for Fiscal Year 2026-27 is \$19,986,244, per the calculation shown on Page 1-3 of the Preliminary Budget.
3. The District Reserves Policy, as shown on Page 1-4 through Page 1-9 of the Preliminary Budget, is hereby approved.
4. The Secretary of the Board is hereby directed to file a copy of the Preliminary Budget with US Bank on or before July 15, 2026, by Covenants of the Trust Agreement relating to the 2023 Revenue Certificates of Participation, dated June 1, 2023.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT this 17<sup>th</sup> day of June 2026.

\_\_\_\_\_  
Robert W. Schultz, Board President

ATTEST:

\_\_\_\_\_  
Catherine Adams, Board Secretary

SECRETARY'S CERTIFICATE

I, CATHERINE ADAMS, Secretary of the Board of Directors of Tehachapi-Cummings County Water District, hereby certify as follows:

The foregoing is a full, true and correct copy of Resolution No. 05-26 duly adopted at a regular meeting of the Board of Directors of the District duly and legally held at the regular meeting place thereof on June 17, 2026. All of the members of the Board of Directors received due notice of the meeting and a majority thereof was present. At the meeting the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: \_\_\_\_\_  
Catherine Adams, Board Secretary

(SEAL)

**Tehachapi-Cummings County Water District**

**Fiscal Year 2026-27**

**Preliminary Budget**

**Regular Board Meeting**

**June 17, 2026**

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

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**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT**

**FISCAL YEAR 2026-27 PRELIMINARY BUDGET**

**BOARD OF DIRECTORS**

President	Robert W. Schultz
Vice-President	Jonathan Hall
Director	John M. Ables
Director	Gerald Davis
Director	Joseph B. Sasia

**MANAGEMENT STAFF**

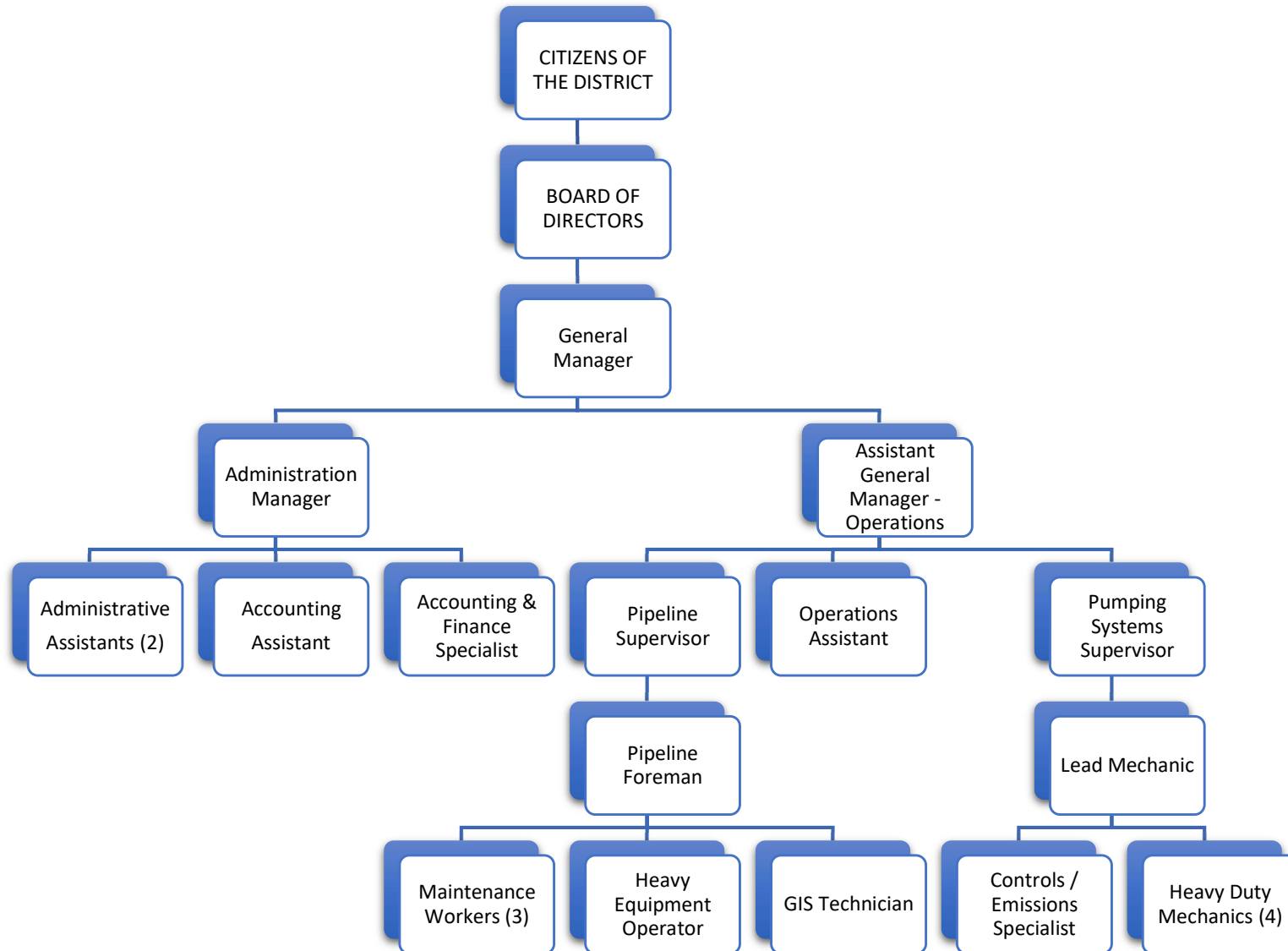
General Manager	Thomas P. Neisler
Assistant General Manager	Jon Curry
Administration Manager	Catherine Adams

**APPOINTED OFFICIALS**

Board Secretary	Catherine Adams
Treasurer	Crystal Sampson

# TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT ORGANIZATION CHART

DRAFT



**Tehachapi-Cummings  
County Water District**  
*Our Water • Our Future*

Revision No. 19  
Date: 05/28/26

**INVESTMENT POLICY (SUMMARY)**

The following is a summary of the District’s *Statement of Investment Policy*. The full version is available at the District’s Transparency section of their website at: <https://www.tccwd.com/policies>.

**Purpose:** The purpose of the *Statement of Investment Policy* is to set forth the investment policy of the District with respect to investments of District funds under Article 1 (commencing with section 53600) and Article 2 (commencing with section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of Government Code. The investment policy shall be reviewed at least annually.

**Objectives:** The primary objective of the District in the management of District funds shall be to safeguard the principal of the funds. The secondary objective shall be to meet the liquidity needs of the District. The third objective shall be to achieve a return on the funds. (See § 53600.5.)

**Legal Investments:** To the extent feasible, the District shall invest its surplus monies (i.e., funds not required for the immediate needs of the District) in investments deemed to be authorized and suitable per the investment policy.

**Reporting Requirements:** The Treasurer shall present a quarterly investment report showing the status of all District investments as required by Section 53646 and shall be received and considered by the Board pursuant to subdivisions (a) and (b).

**Authorized Signers for Transfers:** The Treasurer, General Manager, and Board Secretary are authorized to transfer monies between the District’s investment accounts and operating bank account. Transfers may be initiated by any one of the authorized persons and authorizations are provided consistent with the District’s internal controls.

**2026-27 APPROPRIATIONS LIMIT**

Section 1.5 of Article XIII B of the California Constitution requires each local governmental entity to establish an appropriations limit for each fiscal year. The appropriations limit for fiscal year 2026-27 calculated pursuant to State guidelines and with data provided by the California Department of Finance is \$19,986,244.

1.	2025-26 Appropriations Limit	\$19,025,458
2.	California Per-Capita Personal Income	4.95%
3.	Population Change (Kern County)	0.10%
4.	Combined Growth Factor	5.05%
5.	2026-27 Appropriations Limit	\$19,986,244

**RESERVES POLICY****A. PURPOSE**

The purpose of this Reserves Policy is to establish various reserve targets, funding priorities, and accomplish prudent financial planning to ensure sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. This Reserves Policy serves to ensure Tehachapi-Cummings County Water District's (TCCWD or District) reserves are accumulated, managed, and maintained to protect the District's creditworthiness; to provide for continuing operations including cash flow requirements, maintenance and eventual replacement of existing facilities and infrastructure, addition of new capital assets, and unforeseen and unexpected emergencies; to ensure certain financial resources are used only for specified purposes; and to facilitate stable services and fees.

The policy directives outlined in this Reserves Policy are intended to ensure TCCWD has sufficient funds available to meet current and future needs. The District is comprised of one major enterprise fund for its water operations. This one fund is segmented into thirteen internal sub-funds to account for the reserve balances. The Board of Directors of TCCWD (Board) shall designate and restrict specific reserves and maintain minimum reserve balances consistent with the reserve definitions and funding levels outlined in this policy. The Board will annually review the level of the reserve funds in conjunction with its review and approval of the District's budget. For purposes of compliance with this policy, TCCWD will use working capital (i.e., current assets less current liabilities) as of the final day of each fiscal year to calculate the reserve fund levels. Working capital is a better measure than either cash or net position to determine the District's ability to meet its financial obligations and to accomplish its financial plans.

Through this policy and the District's Strategic Plan, TCCWD has set forth a number of its short-term, mid-term, and long-term goals. A fundamental purpose of this policy and the Strategic Plan is to link what must be accomplished with the necessary resources to successfully do so. Upon the Board's adoption of this Reserves Policy, TCCWD will take the necessary actions to comply with this policy.

**B. GENERAL PROVISIONS**

TCCWD will maintain its reserve funds in separate internal sub-funds in a clearly identifiable manner that provides transparency to its ratepayers. Monies that are legally restricted will be held in Restricted Reserves. Monies that are not legally restricted will be held in unrestricted Designated Reserves.

Monies will be accumulated in the Designated Reserve funds in the order presented until the interim reserve target is achieved, at which time the next Designated Reserve fund will begin to accumulate. Once all eight Designated Reserve fund interim targets have been achieved, money will accumulate in each Designated Reserve fund, in the order presented, until the full reserve target for each Designated Reserve fund has been reached. Once a Designated Reserve fund's full reserve target is attained, any surplus unrestricted funds may be reallocated.

In the event that the Designated - Liquidity reserve fund balances exceed the established full target levels, excess monies may be transferred into the Designated - Capital reserve fund. In the event the Designated - Capital reserve fund balance exceeds the established maximum, the Board may make a determination regarding the reallocation of excess monies.

All expenditures or transfers from the Designated Reserve funds will be replaced as quickly as possible in the manner of priority dictated by the order of presentation in this policy.

Interest income will be credited to the reserve fund on which it was earned.

In assessing the funding of future capital facilities and maintaining and replacing existing assets, TCCWD will analyze the benefits and tradeoffs of utilizing pay-as-you-go and/or debt financing and determine the optimal funding strategy. The analysis will consider TCCWD's current and projected reserve fund levels.

**C. TYPES OF RESERVES**

The District maintains two types of reserves: 1) **Designated Reserves** and 2) **Restricted Reserves**. Designated Reserves are further broken down based on one of two purposes: 1) **Liquidity** and 2) **Capital**.

1. **Designated Reserves**. Designated Reserves are unrestricted reserves established by an action of the Board of Directors and set aside for a designated, specific purpose to ensure flexibility and stability. The source of their money is the General Fund; therefore, the designated purpose may be changed by the Board. **Liquidity** reserves may be changed or made available for short-term operating loans when deemed appropriate. **Capital** reserves may be changed or made available for borrowing when deemed necessary in **emergency** situations resulting from extreme, unforeseen, or unexpected circumstances.

2. **Restricted Reserves**. Restricted Reserves have restrictions on their use as imposed by an outside source such as creditors, grantors, contributors, statutes, court orders, contracts, or bond covenants. These reserves must remain in their respective funds, except for Board-approved short-term borrowing (with full interest repayment).

**D. DESIGNATED RESERVES**

The District has established seven (7) Designated - Liquidity reserve funds and one (1) Designated - Capital reserve fund. Full reserve targets and interim reserve targets are established herein.

1. **Liquidity**

**General Fund**. The District maintains a General reserve fund, which is comprised of the working capital generated from the District's water operations. While the District operates as an enterprise fund, its primary funding source is property taxes. Although the mix can vary from year to year, approximately two-thirds of General Fund revenues are attributable to property taxes and the remaining one-third of

General Fund revenues are attributable to water sales and services. Costs to perform the District's Watermaster duties under the three basin judgments are paid from the General reserve fund.

The Government Finance Officers Association recommends that, for enterprise funds, "governments should start with a baseline of ninety (90) days' worth of working capital and then adjust the target based on the particular characteristics of the enterprise fund in question (using 45 days as the minimum acceptable level)". Since the District's General reserve fund is primarily tax-supported and the first installment of property tax revenue is received approximately five months after the start of the fiscal year, the fund's beginning working capital as of July 1<sup>st</sup> will be equal to or greater than 90 days of operating expenses (based on the prior year's audit) and at no point during the year will the working capital fall to less than 45 days of operating expenses.

The annual State Water Project Table A allocation may be inadequate to meet the District's entire customer demand and BWRA requirements. Surface Water supplies may be limited due to the available SWP supply.

**Tax Revenue Liability Fund.** This reserve fund was established to continue normal operations in the aftermath of property tax revenue losses resulting from taxpayer appeals. Each year, Kern County publishes a tax revenue liability estimate for the District's General Fund. Since it is unlikely that all taxpayer appeals will be granted, the District will fund this reserve at 50% of the County's estimate. The interim target shall be set at 50% of the full reserve target.

**Emergency Fund.** This reserve fund was established in 1986 to mitigate the fact that the District does not carry insurance coverage for earthquake or flood damage. Its purpose is to set aside money for (1) repair, restoration, or replacement of District facilities damaged as the result of natural disasters, (2) matching fund payments for cost sharing required under federal or state disaster assistance programs, and (3) District personnel overtime costs and supplies used during eligible disaster response and recovery activities, including the cost of administering those activities. It shall be the policy of this District to maintain working capital in this fund at 5% of the General Fund's operating expenses (based on the prior year's audit). The interim reserve target shall be set at 50% of the full reserve target.

**Major Repairs and Overhaul Fund.** This reserve fund was established for the purpose of funding major, unanticipated repairs, or replacement of the District's water importation system components. It shall be the policy of this District to maintain working capital in this fund at 5% of the book value of the General Fund's capital assets (based on the prior year's audit). The interim reserve target shall be set at 50% of the full reserve target.

**Rate Stabilization Fund.** This reserve fund was established to normalize fluctuations in revenues so that water rates will be more stable over time. The monies are used as a buffer to reduce the frequency of changes to the District's water rates, and also to satisfy pledges and revenue calculations pursuant to long-term financing rate covenants. The amount is intended to fluctuate between 1% and 5% of the General Fund's operating expenses (based on the prior year's audit). The interim reserve target shall be set at 50% of the full reserve target.

**Unfunded Pension Liability Fund.** This reserve fund was established in 2025 to proactively manage Unfunded Accrued Liability (UAL) balances for the District’s three CalPERS pension plans. These reserve funds may be used to make additional discretionary payments toward these balances, which will increase the District’s funded status of its plans, stabilize contribution requirements, reduce future required contributions, and reduce long-term debt. The initial full reserve target shall be equal to \$250,000. The interim reserve target shall be set at 50% of the full reserve target.

**Water Banking Fund.** From time-to-time, monies in excess of 90 days’ operating expenses may be set aside from the General Fund and earmarked by the Board as Water Banking reserves to cover the cost to replace or extract the District’s banked water. Although this reserve fund is presented herein with the other Designated - Liquidity reserve funds, the priority for repayment of funds is lower than the Designated - Capital reserve fund. This reserve fund has the lowest priority of all Designated reserve funds.

## 2. **Capital**

**Equipment/Infrastructure – Replacement/Upgrade Fund.** This reserve fund was established and designated for future capital needs to fund the cost of both new and replacement projects as a part of the District’s strategic planning. The fund was created with the approval of the FY 2019-20 budget. The Strategic Plan document sets out a short-term (1-2 years), mid-term (3-5 years), and long-term (6-10 years) capital improvement plan. The current fiscal year’s capital improvement needs shall be funded from the General Fund and included in the annual budget process. The full reserve target shall be equal to 20% of the mid-term capital improvement plan. The interim target shall be set at 50% of the full reserve target. Any expenditure or transfer from this fund will be replaced as quickly as possible to ensure funding stability.

## E. **RESTRICTED RESERVES**

The District maintains five (5) Restricted Reserve funds. Full reserve targets and interim reserve targets are established herein.

**State Water Payment Fund.** This reserve fund is restricted by tax assessment for the purpose of paying the District’s obligations to the Kern County Water Agency for the District’s share of State Water Project costs. The District levies a special **ad-valorem** tax sufficient to cover all current costs under these two water supply contracts. The reserve balance is maintained at a level sufficient to cover six-months’ of operating expense obligations and one-half (1/2) of the fund’s **tax revenue liability** as determined by the Kern County Auditor-Controller. All unspent monies in this fund remain in the fund.

**Improvement District No. 2 (ID2) Fund.** This reserve fund is restricted by tax assessment and is maintained for the purpose of providing flood control maintenance, operations, and capital improvements within the discrete area known as ID2. Property within ID2 is subject to property taxes to fund this service. All unspent monies in this fund remain in the fund for future maintenance and replacement of its flood control facilities. The District sets a reserve target for this fund at 50% of the

estimated replacement cost of the facilities. The estimated replacement cost is calculated as the original construction cost adjusted for inflation.

**Improvement District No. 3 (ID3) Fund.** This reserve fund is restricted by tax assessment and is maintained for the purpose of providing flood control maintenance, operations, and capital improvements within the discrete area known as ID3. Property within ID3 is subject to property taxes to fund this service. All unspent monies in this fund remain in the fund for future maintenance and replacement of its flood control facilities. The District sets a reserve target for this fund at 50% of the estimated replacement cost of the facilities. The estimated replacement cost is calculated as the original construction cost adjusted for inflation.

**Benefit Assessment District No. 1 (AD1) Fund.** This reserve fund is restricted by tax assessment and is maintained for the purpose of providing flood control maintenance, operations, and capital improvements within the discrete area known as AD1. Property within AD1 is subject to a special benefit assessment to fund this service. All unspent monies in this fund remain in the fund for future maintenance and replacement of its flood control facilities. The District sets a reserve target for this fund at 50% of the estimated replacement cost of the facilities. The estimated replacement cost is calculated as the original construction cost adjusted for inflation.

**Engine Project Fund.** This reserve fund is restricted by trust agreement relating to the issuance of the 2023 Revenue Certificates of Participation (COPs). Monies are held with a fiscal agent to pay for the costs of the 2023 Engine Project or to reimburse the District for previous costs expended in the acquisition or construction of the project, including any incidental expenses. This reserve fund is used to track all costs and reimbursements related to the 2023 Revenue Certificates of Participation that the District issued in June of 2023 for \$10,925,000 to finance certain capital improvements to the District’s water system.

**Reserve targets for the three (3) flood control districts** (i.e., ID2, ID3, and AD1) are not fully funded and are not anticipated to be so for quite some time. Ideally, these reserves should be adequate to repair or replace structures damaged in a flood event. Flood control assets tend to stay in place for long periods of time and function without damage under normal conditions. However, they can be damaged or destroyed by natural disaster events requiring rebuilding. Some funds may become available from federal or state agencies in a declared disaster event, but it is possible that facilities could be damaged in a localized flood event that is not part of a declared disaster.

In the event of a declared disaster, it is likely that FEMA and CalEMA would provide funding assistance to the District to rebuild the flood control facilities. Under this scenario, the District’s reserves would be used for matching funds (typically 10-20% of total cost) to secure the disaster assistance funds.

**F. MANAGEMENT OF RESERVE FUNDS**

Reserve fund balances will be reviewed, at a minimum, on an annual basis to ensure compliance with this policy. The General Manager will be responsible for managing the accumulation of reserves in the various funds in accordance with Board policy. Only the Board shall approve any reallocation of funds or any transfers between reserve funds. The Board will work collaboratively with the General Manager to

ensure the accuracy of the annual report and evaluate the goals and purposes of each reserve fund and adopt policy changes as may be necessary or desirable.

The minimum levels established for each reserve fund represent the baseline financial condition that is acceptable to TCCWD from risk and long-term financial planning perspectives. Maintaining reserve funds at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include but are not limited to: fees and charges, energy usage, capital financing, investment of surplus funds, and levels of capital expenditures.

# TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

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## RESERVE TARGETS

Reserve Funds & Descriptions	Reserve Formula	Audited Actual Balance 6/30/2025	FY 2025-26 (Targets per Mid-Year Budget)					FY 2026-27 (Targets per Preliminary Budget)				
			Full Reserve Target	Interim Reserve Target	Forecast Balance 6/30/2026	Reserve Target Met?	Full Reserve Target	Interim Reserve Target	Forecast Balance 6/30/2027	Reserve Target Met?		
<b>DESIGNATED RESERVES</b>												
<b>70 General Fund</b>												
Working capital	90 days of general fund operating expenses (PY audit)	4,212,320	2,129,000	2,129,000	4,161,779	Full	Yes	2,214,000	2,214,000	4,152,929	Full	Yes
<b>85 Tax Revenue Liability</b>												
Tax revenue liability reserve	50% of Kern County's liability estimate	1,733,462	1,887,000	943,500	1,903,062	Full	Yes	1,887,000	943,500	1,974,062	Full	Yes
<b>71 Emergency</b>												
Emergency reserve	5% of general fund operating expenses (prior year audit)	447,356	432,000	216,000	462,656	Full	Yes	449,000	224,500	480,656	Full	Yes
<b>81 Major Repairs &amp; Overhaul</b>												
Asset maintenance / replacement reserve	5% of capital assets' book value (prior year audit)	1,900,882	1,824,000	912,000	1,965,882	Full	Yes	1,860,000	930,000	2,042,882	Full	Yes
<b>87 Rate Stabilization</b>												
Rate stabilization reserve	1% to 5% of general fund operating expenses (PY audit)	698,214	432,000	216,000	722,114	Full	Yes	449,000	224,500	750,114	Full	Yes
<b>74 Unfunded Pension Liability</b>												
Unfunded pension liability reserve	Initial target of \$250,000	N/A	250,000	125,000	258,700	Full	Yes	250,000	125,000	268,700	Full	Yes
<b>72 Water banking reserve</b>												
Cost to replace or extract banked water	N/A	3,052,950	N/A	N/A	3,086,079	N/A	N/A	N/A	N/A	3,715,079	N/A	N/A
<b>83 Equip./Infra. - Repl./Upgrade</b>												
Strategic planning capital improvements	20% mid-term CIP	2,887,279	1,588,000	794,000	122,350	Interim	No	1,688,000	844,000	124,350	Interim	No
<b>RESTRICTED RESERVES</b>												
<b>82 State Payment</b>												
Six-month operating reserve	50% of current year expenditure budget	10,064,963	2,092,000	2,092,000	9,068,263	Full	Yes	2,832,000	2,832,000	6,990,252	Full	Yes
Tax revenue liability reserve	50% of Kern County's liability estimate	843,000	843,000	843,000	843,000	Full	Yes	843,000	843,000	843,000	Full	Yes
<b>76 Improvement District No. 2</b>												
Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	5,545	312,000	312,000	5,545	Interim	No	323,000	323,000	5,545	Interim	No
<b>77 Improvement District No. 3</b>												
Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	233,043	694,000	694,000	242,843	Interim	No	717,000	717,000	255,743	Interim	No
<b>86 Benefit Assessment Zone No. 1</b>												
Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	1,285,774	1,989,000	1,989,000	1,285,774	Interim	No	2,055,000	2,055,000	1,285,774	Interim	No
<b>73 Engine Project</b>												
Certificates of Participation (COP) proceeds	N/A	879,791	N/A	N/A	-	N/A	N/A	N/A	N/A	-	N/A	N/A

**RATE COVENANT  
FORECAST FOR THE YEAR ENDED JUNE 30, 2026**

The District covenants, to the fullest extent permitted by law, that it will prescribe and assess at the commencement of each Fiscal Year rates and charges for Water Service which, when combined with other Revenues of the District, are reasonably expected, at the commencement of such Fiscal Year, to be at least sufficient to yield Net Revenues during each Fiscal Year equal to 1.25 times the sum of: (1) debt service payments related to the 2023 Revenue Certificates of Participation, and (2) any other debt service payments or additional payments required with respect to outstanding debt of the District.

The rate covenant formula is as follows:

Rate Covenant:  $\frac{\text{Net Revenues}}{\text{Debt Service}}$

The rate covenant is calculated as follows based on the budget for FY 2026-27:

Revenues	
Water Sales	\$ 4,446,000
Water Services	86,750
Property Taxes	7,800,000
Interest & Penalties	842,000
Other (Operating & Nonoperating)	<u>3,700</u>
Total Revenues	\$ 13,178,450
Operation and Maintenance Costs	
Source of Supply	\$ 5,000
Pumping	4,121,600
Transmission & Distribution	1,548,400
Administrative and General	<u>2,281,700</u>
Total Operation and Maintenance Costs	\$ 7,956,700
Net Revenues Prior to Transfers	\$ 5,221,750
Transfers (to)/from Rate Stabilization Fund	<u>-</u>
Net Revenues (a)	<u>\$ 5,221,750</u>
Debt Service	
2023 Revenue Certificates of Participation- Principal	\$ 585,000
2023 Revenue Certificates of Participation- Interest	<u>466,750</u>
Total Debt Service (b)	<u>\$ 1,051,750</u>
Rate Covenant Calculation (a)/(b):	<u>4.96</u>
Net Revenues Remaining After Debt Service	<u>\$ 4,170,000</u>

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District Total - Summary

Tehachapi-Cummings County Water District  
 Revenues & Expenses - District Total - Summary

Account Description	Audited		Amended	Requested	PY/CY Budget	
	2024-25	2025-26	2025-26	2026-27	Amount	Pct
	Actual	Estimate	Budget	Budget	Change	Chg
<b>Revenues</b>						
<b>Operating Revenues</b>						
Water Sales - Imported	2,621,438	2,372,300	2,830,000	<b>3,370,000</b>	540,000	19%
Water Sales - Surplus	69,862	75,300	75,000	<b>100,000</b>	25,000	33%
Water Sales - Recycled	21,274	6,100	15,000	<b>15,000</b>	0	0%
Water Sales - Recharge BWRA	3,339	990,400	325,000	<b>950,000</b>	625,000	192%
BL Storage Fee	11,372	10,000	10,000	<b>10,000</b>	0	0%
Water Sales - Other	0	100	0	<b>0</b>	0	0%
Water Services	84,262	92,100	77,750	<b>77,750</b>	0	0%
Other Operating Revenues	128,115	186,000	155,400	<b>198,000</b>	42,600	27%
Total Operating Revenues	2,939,662	3,732,300	3,488,150	<b>4,720,750</b>	1,232,600	35%
<b>Non-Operating Revenues</b>						
General Taxes	7,350,278	7,541,100	7,514,100	<b>7,818,000</b>	303,900	4%
Special Taxes	4,493,852	3,402,600	3,408,400	<b>3,245,400</b>	(163,000)	-5%
Benefit Assessments	104,539	102,400	113,500	<b>113,500</b>	0	0%
Other Revenues	2,155,140	959,320	1,021,200	<b>902,800</b>	(118,400)	-12%
Capital Contributions	9,850	9,500	20,000	<b>10,000</b>	(10,000)	-50%
Total Non-Operating Revenues	14,113,659	12,014,920	12,077,200	<b>12,089,700</b>	12,500	0%
Total Revenues	17,053,321	15,747,220	15,565,350	<b>16,810,450</b>	1,245,100	8%
<b>Expenses</b>						
<b>Salaries &amp; Benefits</b>						
Salaries & Wages	1,963,715	2,138,300	2,231,200	<b>2,522,300</b>	291,100	13%
Benefits	2,067,210	937,200	947,600	<b>1,062,900</b>	115,300	12%
Total Salaries & Benefits	4,030,925	3,075,500	3,178,800	<b>3,585,200</b>	406,400	13%
<b>Operations &amp; Maintenance</b>						
Administrative/General	579,361	657,700	587,400	<b>587,900</b>	500	0%
Utilities	68,382	77,800	70,000	<b>73,000</b>	3,000	4%
Automobiles & Equipment	152,615	171,600	201,000	<b>185,000</b>	(16,000)	-8%
System Operations	4,215,044	6,413,500	6,277,100	<b>7,501,511</b>	1,224,411	20%
Maintenance	1,078,776	1,223,800	1,292,700	<b>1,326,700</b>	34,000	3%
Services	288,414	375,900	393,500	<b>380,500</b>	(13,000)	-3%
Government & Regulatory	292,892	301,500	361,000	<b>389,000</b>	28,000	8%
Non-Cash Expenses	1,070,964	0	0	<b>0</b>	0	0%
Total Operations & Maintenance	7,746,448	9,221,800	9,182,700	<b>10,443,611</b>	1,260,911	14%

Tehachapi-Cummings County Water District  
 Revenues & Expenses - District Total - Summary

Account Description	Audited		Amended	Requested	PY/CY Budget	
	2024-25	2025-26	2025-26	2026-27	Amount	Pct
	Actual	Estimate	Budget	Budget	Change	Chg
<b>Debt Service</b>						
Principal Payments	530,000	560,000	560,000	<b>585,000</b>	25,000	4%
Interest Expense	443,202	494,750	494,750	<b>466,750</b>	(28,000)	-6%
Total Debt Service	973,202	1,054,750	1,054,750	<b>1,051,750</b>	(3,000)	0%
<b>Capital Outlay</b>						
Pumping Plants	10,258,542	6,255,780	6,340,720	<b>995,000</b>	(5,345,720)	-84%
Mainline Pipeline	0	0	20,000	<b>160,000</b>	140,000	700%
Dams & Reservoir	6,052	20,000	20,000	<b>20,000</b>	0	0%
Transmission System	98,901	174,000	444,000	<b>428,850</b>	(15,150)	-3%
General Office, Shop & Equipment	208,511	822,900	786,000	<b>1,115,000</b>	329,000	42%
Water Reclamation	93,740	0	0	<b>250,000</b>	250,000	100%
Total Capital Outlay	10,665,746	7,272,680	7,610,720	<b>2,968,850</b>	(4,641,870)	-61%
Total Expenses	23,416,321	20,624,730	21,026,970	<b>18,049,411</b>	(2,977,559)	-14%
<i>Net Income (Loss) Before Transfers</i>	(6,363,000)	(4,877,510)	(5,461,620)	<b>(1,238,961)</b>	4,222,659	
<b>Reserves</b>						
Beginning Balances	33,567,696	28,244,579	28,244,579	<b>24,128,047</b>	(4,116,532)	
Working Capital Conversion to Cash	0	760,978	786,493	<b>0</b>	(786,493)	
Transfers In	2,022,572	5,734,641	5,697,640	<b>34,000</b>	(5,663,640)	
Transfers Out	(2,022,572)	(5,734,641)	(5,697,640)	<b>(34,000)</b>	5,663,640	
Net Transfers	0	0	0	<b>0</b>	0	
Net To (From) Reserves	(6,363,000)	(4,877,510)	(5,461,620)	<b>(1,238,961)</b>	4,222,659	
Change in Non-Cash Items	1,039,883	0	0	<b>0</b>	0	
Ending Balances	28,244,579	24,128,047	23,569,452	<b>22,889,086</b>	(680,366)	

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District Total - Account Detail

Tehachapi-Cummings County Water District  
 Revenues & Expenses - District Total - Account Detail

PY/CY

Acct. No.	Account Description	Audited		Amended	Requested	Budget	
		2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
<b>OPERATING REVENUES</b>							
<b>Water Sales</b>							
40101	Water Sales - Agriculture	2,090,100	1,878,700	2,400,000	<b>2,700,000</b>	300,000	13%
40102	Water Sales - Term M & I	465,022	379,500	300,000	<b>500,000</b>	200,000	67%
40103	Water Sales - Regular M & I	22,495	15,900	60,000	<b>70,000</b>	10,000	17%
40104	Water Sales - Wheeled Water	43,821	98,200	70,000	<b>100,000</b>	30,000	43%
40105	Water Sales - Surplus	69,862	75,300	75,000	<b>100,000</b>	25,000	33%
40106	Water Sales - Recycled Water	21,274	6,100	15,000	<b>15,000</b>	0	0%
40107	Water Sales - Recharge BWRA	3,339	990,400	325,000	<b>950,000</b>	625,000	192%
40108	BL Storage Fee	11,372	10,000	10,000	<b>10,000</b>	0	0%
40110	Water Sales - Other	0	100	0	<b>0</b>	0	0%
<b>Water Services</b>							
40111	Recurring Service Charges	10,327	10,200	9,300	<b>9,300</b>	0	0%
40112	Recharge Surcharge - Cummings	13,255	13,700	8,500	<b>8,500</b>	0	0%
40113	Recharge Surcharge - Tehachapi	1,163	1,300	1,000	<b>1,000</b>	0	0%
40114	Standby Fees	41,213	42,900	42,950	<b>42,950</b>	0	0%
40115	Connection Fees	585	600	2,000	<b>2,000</b>	0	0%
40116	Delinquent Charges	(3,738)	1,300	1,000	<b>1,000</b>	0	0%
40117	Spreading Loss Surcharge-Cummings	19,436	20,000	12,000	<b>12,000</b>	0	0%
40118	Spreading Loss Surcharge-Tehachapi	2,021	2,100	1,000	<b>1,000</b>	0	0%
<b>Other Operating Revenues</b>							
40122	Reimbursement - Health Insurance	17,139	25,300	25,600	<b>24,200</b>	(1,400)	-5%
40123	Reimbursement - Flood Control Maint.	77,695	136,100	102,800	<b>151,800</b>	49,000	48%
40125	Reimbursement - Insurance Claims	10,769	12,900	0	<b>0</b>	0	0%
40126	Reimbursement - Other Operating	20,476	11,200	25,000	<b>20,000</b>	(5,000)	-20%
40127	Other Operating Revenue	2,036	500	2,000	<b>2,000</b>	0	0%
<b>TOTAL OPERATING REVENUES</b>		<b>2,939,662</b>	<b>3,732,300</b>	<b>3,488,150</b>	<b>4,720,750</b>	<b>1,232,600</b>	<b>35%</b>
<b>NON-OPERATING REVENUES</b>							
<b>General Taxes</b>							
40201	Current Year Property Taxes	7,012,904	7,255,200	7,238,700	<b>7,521,000</b>	282,300	4%
40202	Prior Year Property Taxes	16,902	45,700	36,000	<b>35,000</b>	(1,000)	-3%
40203	Homeowners Property Tax Relief	30,858	29,600	35,000	<b>25,000</b>	(10,000)	-29%
40204	Redevelopment Agency Pass-through	285,251	203,700	201,400	<b>232,000</b>	30,600	15%
40205	Property Tax - Penalties/Other	4,363	6,900	3,000	<b>5,000</b>	2,000	67%
<b>Special Taxes</b>							
40211	Current Year State Payment Tax	4,453,424	3,318,400	3,318,400	<b>3,159,400</b>	(159,000)	-5%
40212	Prior Year State Payment Tax	10,469	49,000	50,000	<b>46,000</b>	(4,000)	-8%
40213	Homeowners Property Tax Relief	16,275	16,400	20,000	<b>20,000</b>	0	0%
40215	State Payment Tax - Penalties/Other	13,684	18,800	20,000	<b>20,000</b>	0	0%
<b>Benefit Assessments</b>							
40221	Current Year Benefit Assessments	99,696	97,900	106,000	<b>106,000</b>	0	0%
40222	Prior Year Benefit Assessments	4,690	3,500	6,000	<b>6,000</b>	0	0%
40224	Benefit Assessment - Penalties/Other	153	1,000	1,500	<b>1,500</b>	0	0%

Tehachapi-Cummings County Water District  
 Revenues & Expenses - District Total - Account Detail

PY/CY

		Audited	Amended		Requested	Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>Other Revenues</b>							
40231	Interest Earnings	1,566,318	957,020	1,019,600	<b>901,100</b>	(118,500)	-12%
40232	Unrealized Gain/(Loss)	599,600	0	0	<b>0</b>	0	0%
40234	Rents and Royalties	2,491	1,700	1,600	<b>1,700</b>	100	6%
40239	Other Non-Operating Revenue	1,835	600	0	<b>0</b>	0	0%
40299	Gain/(Loss) on Sale of Asset	(15,104)	0	0	<b>0</b>	0	0%
<b>Capital Contributions</b>							
40244	Reimbursement - New Connections	9,850	9,500	20,000	<b>10,000</b>	(10,000)	-50%
<b>TOTAL NON-OPERATING REVENUES</b>		<b>14,113,659</b>	<b>12,014,920</b>	<b>12,077,200</b>	<b>12,089,700</b>	<b>12,500</b>	<b>0%</b>
<b>TOTAL REVENUES</b>		<b>17,053,321</b>	<b>15,747,220</b>	<b>15,565,350</b>	<b>16,810,450</b>	<b>1,245,100</b>	<b>8%</b>

<b>EXPENSES</b>							
<b>SALARIES &amp; BENEFITS</b>							
<b>Salaries &amp; Wages</b>							
50112	Salaries & Wages	1,921,336	2,090,700	2,181,000	<b>2,474,800</b>	293,800	13%
50114	Overtime & Holiday	42,361	47,600	50,200	<b>47,500</b>	(2,700)	-5%
50119	Compensated Absence Adjustment	18	0	0	<b>0</b>	0	0%
<b>Benefits</b>							
50121	FICA/MEDI	149,717	162,100	171,000	<b>193,000</b>	22,000	13%
50122	Workers Compensation	30,442	30,600	31,800	<b>33,200</b>	1,400	4%
50124	Health Insurance	442,751	540,500	512,500	<b>587,600</b>	75,100	15%
50125	Health Insurance - Reimbursable	14,921	28,300	25,600	<b>24,200</b>	(1,400)	-5%
50127	Retirement	191,728	175,400	205,200	<b>222,900</b>	17,700	9%
50128	Tuition Reimbursements	0	300	1,500	<b>2,000</b>	500	33%
50131	Retiree Medical Contribution	0	0	0	<b>0</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	229,061	0	0	<b>0</b>	0	0%
<b>TOTAL SALARIES &amp; BENEFITS</b>		<b>4,030,925</b>	<b>3,075,500</b>	<b>3,178,800</b>	<b>3,585,200</b>	<b>406,400</b>	<b>13%</b>

<b>OPERATIONS &amp; MAINTENANCE</b>							
<b>Administrative/General</b>							
50201	Public Information & Notices	3,654	5,600	5,200	<b>6,000</b>	800	15%
50202	Books/Periodicals/Subscriptions	60	100	200	<b>200</b>	0	0%
50203	Printing	1,894	2,900	2,800	<b>2,800</b>	0	0%
50204	Postage & Shipping	2,987	5,700	5,000	<b>5,000</b>	0	0%
50205	Office Supplies	11,254	14,900	14,000	<b>15,000</b>	1,000	7%
50206	Office Computer & Machinery	41,666	69,100	55,000	<b>55,000</b>	0	0%
50207	Bank & Administrative Services	3,585	2,500	2,200	<b>2,500</b>	300	14%
50208	County Collection Charges	73,805	80,200	77,000	<b>76,500</b>	(500)	-1%
50209	Memberships	34,771	37,600	40,000	<b>40,000</b>	0	0%
50210	Directors' Fees	8,800	11,300	16,000	<b>16,800</b>	800	5%
50211	Training & Travel	36,361	41,200	44,700	<b>56,000</b>	11,300	25%
50213	Recruitment	864	2,400	1,500	<b>1,500</b>	0	0%
50214	Awards & Recognition	6,771	5,700	5,000	<b>8,000</b>	3,000	60%
50215	Safety Program & Supplies	16,666	14,500	23,600	<b>18,600</b>	(5,000)	-21%
50216	Legal	310,874	331,700	250,000	<b>250,000</b>	0	0%
50217	Audit	25,349	32,000	44,200	<b>33,000</b>	(11,200)	-25%
50219	Water Conservation Program	0	300	1,000	<b>1,000</b>	0	0%

Tehachapi-Cummings County Water District  
Revenues & Expenses - District Total - Account Detail

PY/CY

Acct. No.	Account Description	Audited		Amended	Requested	Budget	
		2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
	<b>Utilities</b>						
50221	Electricity - Office/Shops	24,023	23,100	24,000	<b>24,000</b>	0	0%
50222	Natural Gas - Office/Shops	2,168	6,400	5,000	<b>6,000</b>	1,000	20%
50226	Phone - Internet & Communications	42,191	48,300	41,000	<b>43,000</b>	2,000	5%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	86,871	91,300	112,000	<b>101,000</b>	(11,000)	-10%
50232	Automobile Repair	52,320	58,800	58,500	<b>58,500</b>	0	0%
50233	Equipment Repairs	9,689	17,900	23,000	<b>18,000</b>	(5,000)	-22%
50234	Equipment Rentals	2,144	2,900	5,000	<b>5,000</b>	0	0%
50238	Shop Supplies	1,591	700	2,500	<b>2,500</b>	0	0%
	<b>System Operations</b>						
50241	Source of Supply - KCWA Contract	2,579,281	4,743,100	4,172,100	<b>5,651,511</b>	1,479,411	35%
50242	Natural Gas - Pumping	1,163,627	1,166,900	1,600,000	<b>1,330,000</b>	(270,000)	-17%
50243	Engine Oil & Fluids- Pumping	163,279	236,300	200,000	<b>200,000</b>	0	0%
50244	Electricity - Pumping	199,780	190,800	225,000	<b>225,000</b>	0	0%
50245	Electricity - Pipeline	70,050	58,500	55,000	<b>55,000</b>	0	0%
50247	Operation of Joint Turnout	0	0	5,000	<b>5,000</b>	0	0%
50248	Cross Valley Canal O & M	12,583	7,700	15,000	<b>30,000</b>	15,000	100%
50249	Source of Supply - Recycled & Other	26,444	10,200	5,000	<b>5,000</b>	0	0%
	<b>Maintenance</b>						
50251	Maintenance - Pump Plants	503,352	715,900	600,000	<b>600,000</b>	0	0%
50252	Maintenance - Natural Gas Pipeline	37,996	24,000	40,000	<b>60,000</b>	20,000	50%
50253	Maintenance - Pipeline	128,999	106,300	150,000	<b>150,000</b>	0	0%
50254	Maintenance - Reservoir	27,958	8,700	25,000	<b>20,000</b>	(5,000)	-20%
50255	Maintenance - Access Roads	0	6,000	15,000	<b>15,000</b>	0	0%
50256	Maintenance - Control System	67,470	108,200	90,000	<b>90,000</b>	0	0%
50257	Maintenance - Cogeneration Plant	0	300	1,000	<b>1,000</b>	0	0%
50258	Maintenance - System Wells & Boosters	16,784	10,500	24,000	<b>24,000</b>	0	0%
50259	Maintenance - Flood Control Facilities	85,445	137,400	107,800	<b>156,800</b>	49,000	45%
50260	Maintenance - Recharge Facilities	12,539	3,800	15,000	<b>15,000</b>	0	0%
50261	Maintenance - Office & Grounds	34,730	32,800	35,000	<b>30,000</b>	(5,000)	-14%
50262	Maintenance - Public Water System	0	2,000	5,000	<b>5,000</b>	0	0%
50264	Customer Meters	98,951	38,400	125,000	<b>100,000</b>	(25,000)	-20%
50266	Welding Supplies	825	3,600	5,500	<b>5,500</b>	0	0%
50267	Pipeline Materials	48,441	10,000	40,000	<b>40,000</b>	0	0%
50268	Small Tools - Pumping	9,882	13,000	10,000	<b>10,000</b>	0	0%
50269	Small Tools - Pipeline	5,404	2,900	4,400	<b>4,400</b>	0	0%
	<b>Services</b>						
50271	Outside Service	12,019	16,200	17,500	<b>16,500</b>	(1,000)	-6%
50275	Engineering	0	3,800	9,500	<b>9,500</b>	0	0%
50276	Consulting	79,675	58,600	63,000	<b>63,000</b>	0	0%
50277	Uniforms	16,188	14,600	17,000	<b>17,000</b>	0	0%
50278	Lab Analysis	3,027	2,900	3,500	<b>3,500</b>	0	0%
50279	Insurance & Bonds	163,700	230,400	221,000	<b>201,000</b>	(20,000)	-9%

Tehachapi-Cummings County Water District  
 Revenues & Expenses - District Total - Account Detail

PY/CY

		Audited		Amended	Requested	Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>Government &amp; Regulatory</b>							
50281	Emissions Compliance	76,984	34,000	65,000	45,000	(20,000)	-31%
50282	Government Fees/Taxes - Pumping	168,798	177,200	225,000	225,000	0	0%
50284	Regulatory Fees - Other	46,715	89,100	70,000	88,000	18,000	26%
50285	Certification Fees	395	1,200	1,000	1,000	0	0%
50286	Elections	0	0	0	30,000	30,000	100%
<b>Non-Cash Expenses</b>							
50292	Depreciation	1,070,964	0	0	0	0	0%
<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>		<b>7,746,448</b>	<b>9,221,800</b>	<b>9,182,700</b>	<b>10,443,611</b>	<b>1,260,911</b>	<b>14%</b>
<b>DEBT SERVICE</b>							
<b>Principal Payments</b>							
50303	Principal - Engine Replacement Financing	530,000	560,000	560,000	585,000	25,000	4%
<b>Interest Expense</b>							
50313	Interest - Engine Replacement Financing	443,202	494,750	494,750	466,750	(28,000)	-6%
<b>TOTAL DEBT SERVICE</b>		<b>973,202</b>	<b>1,054,750</b>	<b>1,054,750</b>	<b>1,051,750</b>	<b>(3,000)</b>	<b>0%</b>
<b>CAPITAL OUTLAY</b>							
<b>Pumping Plants</b>							
50411	Replacement Pumps	167,318	0	0	120,000	120,000	100%
50412	Pump Plant Improvements	19,800	35,100	90,000	305,000	215,000	239%
50413	Control System Improvements	32,345	14,700	15,000	225,000	210,000	1400%
50414	Replacement Engines	9,921,998	5,940,380	6,040,720	0	(6,040,720)	-100%
50415	Engine Overhauls	0	94,600	75,000	225,000	150,000	200%
50416	Pump Overhauls	117,081	171,000	120,000	120,000	0	0%
<b>Mainline Pipeline</b>							
50421	Cathodic Protection	0	0	20,000	100,000	80,000	400%
50422	Land Improvements	0	0	0	60,000	60,000	100%
<b>Dams &amp; Reservoir</b>							
50431	Road Repair	6,052	20,000	20,000	20,000	0	0%
<b>Transmission System</b>							
50445	Transmission System Meters	0	0	0	50,000	50,000	100%
50448	Upgrade/R&M/Rebuild Wells & Tanks	70,000	84,000	154,000	78,850	(75,150)	-49%
50449	Pipeline Replacement/Rehabilitation	28,901	90,000	290,000	300,000	10,000	3%
<b>General Office, Shop &amp; Equipment</b>							
50451	Vehicles	14,638	0	0	290,000	290,000	100%
50452	Storage Facility Construction	1,000	355,100	355,000	300,000	(55,000)	-15%
50453	Building Remodel	4,353	185,500	80,000	0	(80,000)	-100%
50454	Roof Replacement	0	0	0	75,000	75,000	100%
50455	Equipment	187,020	274,800	326,000	100,000	(226,000)	-69%
50456	Building Improvements	0	7,500	25,000	155,000	130,000	520%
50458	CMMS Software	0	0	0	25,000	25,000	100%
50460	Intangible Assets	1,500	0	0	120,000	120,000	100%
50466	Engineering - Consulting	0	0	0	50,000	50,000	100%

Tehachapi-Cummings County Water District  
 Revenues & Expenses - District Total - Account Detail

		Audited		Amended		Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg	
<b>Water Reclamation &amp; Recovery</b>								
50485	Recovery Well Improvements	93,740	0	0	<b>250,000</b>	250,000	100%	
	TOTAL CAPITAL OUTLAY	10,665,746	7,272,680	7,610,720	<b>2,968,850</b>	(4,641,870)	-61%	
	TOTAL EXPENSES	23,416,321	20,624,730	21,026,970	<b>18,049,411</b>	(2,977,559)	-14%	
	<i>NET INCOME (LOSS)</i>	<i>(6,363,000)</i>	<i>(4,877,510)</i>	<i>(5,461,620)</i>	<b><i>(1,238,961)</i></b>	4,222,659		
<b>RESERVES</b>								
	BEGINNING BALANCES	33,567,696	28,244,579	28,244,579	<b>24,128,047</b>	(4,116,532)		
	WORKING CAPITAL CONVERSION TO CASH	0	760,978	786,493	<b>0</b>	(786,493)		
	TRANSFERS IN	2,022,572	5,734,641	5,697,640	<b>34,000</b>	(5,663,640)		
	TRANSFERS OUT	(2,022,572)	(5,734,641)	(5,697,640)	<b>(34,000)</b>	5,663,640		
	NET TO (FROM) RESERVES	(6,363,000)	(4,877,510)	(5,461,620)	<b>(1,238,961)</b>	4,222,659		
	CHANGE IN NON-CASH ITEMS	1,039,883	0	0	<b>0</b>	0		
	ENDING BALANCES	28,244,579	24,128,047	23,569,452	<b>22,889,086</b>	(680,366)		

# Capital Expenditure Budget

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

DRAFT

CAPITAL EXPENDITURE BUDGET

Fund / Dept.	Account Number	Preliminary Budget	Purpose of Capital Expenditure
<u>General / Administration (70-01)</u>			
	50452-01	\$ 300,000	Storage Facility (carryover)
	50455-03	10,000	Director Devices
	50455-04	90,000	Electric Forklift
	50456-08	50,000	Bathroom Septic/ Lift Station for PP/PL Office
	50456-09	70,000	Slurry Seal/ Restripe Parking Lot
	50458-01	25,000	Computerized Maintenance Management System (CMMS)
	50460-01	100,000	Water Rate Study (carryover)
	50460-02	20,000	Record Digitization (carryover)
Subtotal		<u>\$ 665,000</u>	
<u>General / Pipeline (70-02)</u>			
	50421-01	\$ 100,000	Cathodic Protection Survey/Study and Installation (carryover)
	50422-04	60,000	Perimeter Fencing PP3
	50431-01	20,000	Lake Road Repairs (annual)
	50445-01	50,000	Mag Meter/ SCADA at PP5 Well
	50449-06	50,000	CV Pressure Relief 8" CLA-VAL
	50449-05	200,000	Pipeline Inspection
	50449-06	50,000	Engineering For Standardized Pipeline Repair
	50451-04	110,000	Service Truck
	50451-05	60,000	New GIS Vehicle
	50456-02	10,000	New Road/Construction Signage and Delineation
	50485-06	80,000	Nunes Well Rehabilitation
	50485-07	150,000	Benz Well Rehabilitation
	50485-08	20,000	Tehachapi Wells Inspections
Subtotal		<u>\$ 960,000</u>	
<u>General / Pumping (70-03)</u>			
	50411-03	\$ 120,000	New 7-stage Pump
	50412-06	20,000	PP Road Base (annual)
	50412-08	150,000	High Pressure Discharge Valve Repl (4/yr x 3 yrs)
	50412-09	20,000	Sand Media Filter Replacement PP4
	50412-10	50,000	Air Receiver Tanks PPs 2 & 3
	50412-11	25,000	Swamp Coolers PP1
	50412-12	40,000	Rebuild 2 Heat Exchangers at PPs 1, 2, and 4
	50413-06	200,000	SCADA Platform Upgrade (Ignition)
	50413-07	25,000	PLC & Engine Control Upgrade PP1
	50415-04	150,000	Catalyst Elements PP1
	50415-06	75,000	Spare 1706 Parts for PP4
	50416-01	90,000	Pump Repairs (annual)
	50416-04	30,000	Right Angle Gear Box Repairs (annual)
	50448-01	78,850	STS Maintenance (annual)
	50451-03	120,000	New Half-Ton Pickups
	50454-01	75,000	Roof Replacement at 1 of 4 PPs
	50456-05	25,000	Drainage Improvements PP4
	50466-01	50,000	Engine Replacement Engineering PP4
Subtotal		<u>\$ 1,343,850</u>	
General Fund (70) Total		<u><u>\$ 2,968,850</u></u>	
District Total		<u><u>\$ 2,968,850</u></u>	

Forecast of Reserves, Revenues & Expenses - Designated

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

DRAFT

Forecast of Reserves, Revenues & Expenses - Designated  
July 1, 2026 to June 30, 2027

	General Fund (70)	Emergency (71)	Water Banking (72)	Unfunded Pension Liability (74)	Major Repairs & Overhaul (81)	Equip./Infra. Repl./Upgrade (83)	Tax Revenue Liability (85)	Rate Stabilization (87)	Total Designated Reserves
BEGINNING BALANCE ON JULY 1, 2026	\$4,161,779	\$ 462,656	\$3,086,079	\$ 258,700	\$1,965,882	\$ 122,350	\$1,903,062	\$ 722,114	\$ 12,682,622
REVENUES									
Operating Revenues									
Water Sales	3,945,000	-	500,000	-	-	-	-	-	4,445,000
Water Services	77,750	-	-	-	-	-	-	-	77,750
Other Operating Revenue	198,000	-	-	-	-	-	-	-	198,000
Total Operating Revenues	4,220,750	-	500,000	-	-	-	-	-	4,720,750
Non-Operating Revenues									
General Taxes	7,800,000	-	-	-	-	-	-	-	7,800,000
Special Taxes	-	-	-	-	-	-	-	-	-
Benefit Assessments	-	-	-	10,000	-	-	-	-	10,000
Other Revenue	167,700	18,000	129,000	-	77,000	2,000	71,000	28,000	492,700
Capital Contributions	10,000	-	-	-	-	-	-	-	10,000
Total Non-Operating Revenues	7,977,700	18,000	129,000	10,000	77,000	2,000	71,000	28,000	8,312,700
TOTAL REVENUES	12,198,450	18,000	629,000	10,000	77,000	2,000	71,000	28,000	13,033,450
TRANSFERS FROM OTHER FUNDS									
From Designated Reserve Funds	-	-	-	-	-	-	-	-	-
From Restricted Reserve Funds	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS IN	-	-	-	-	-	-	-	-	-
TOTAL AVAILABLE DURING BUDGET YEAR	16,360,229	480,656	3,715,079	268,700	2,042,882	124,350	1,974,062	750,114	25,716,072
EXPENSES									
Salaries & Benefits	3,585,200	-	-	-	-	-	-	-	3,585,200
Operations & Maintenance	4,567,500	-	-	-	-	-	-	-	4,567,500
Debt Service	1,051,750	-	-	-	-	-	-	-	1,051,750
Capital Outlay	2,968,850	-	-	-	-	-	-	-	2,968,850
TOTAL EXPENSES	12,173,300	-	-	-	-	-	-	-	12,173,300
TRANSFERS TO OTHER FUNDS									
To Designated Reserve Funds	-	-	-	-	-	-	-	-	-
To Restricted Reserve Funds	34,000	-	-	-	-	-	-	-	34,000
TOTAL TRANSFERS OUT	34,000	-	-	-	-	-	-	-	34,000
TOTAL EXPENSES AND TRANSFERS OUT	12,207,300	-	-	-	-	-	-	-	12,207,300
ENDING BALANCE ON JUNE 30, 2027	\$4,152,929	\$ 480,656	\$3,715,079	\$ 268,700	\$2,042,882	\$ 124,350	\$1,974,062	\$ 750,114	\$ 13,508,772
DESIGNATIONS									
Minimum of 90 days Working Capital	\$2,214,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,214,000
Capital Improvement	-	-	-	-	-	1,688,000	-	-	1,688,000
Asset Replacement	-	-	-	-	1,860,000	-	-	-	1,860,000
Rate Stabilization	-	-	-	-	-	-	-	449,000	449,000
Unfunded Pension Liability	-	-	-	250,000	-	-	-	-	250,000
Water Banking Contingency	-	-	N/A	-	-	-	-	-	-
Tax Revenue Liability	-	-	-	-	-	-	1,887,000	-	1,887,000
Emergency	-	449,000	-	-	-	-	-	-	449,000
Total Designated	2,214,000	449,000	-	250,000	1,860,000	1,688,000	1,887,000	449,000	8,797,000
BALANCE	\$1,938,929	\$ 31,656	\$3,715,079	\$ 18,700	\$ 182,882	\$(1,563,650)	\$ 87,062	\$ 301,114	\$ 4,711,772

General Fund (70) - Summary

Tehachapi-Cummings County Water District  
 Revenues & Expenses - General Fund (70) - Summary

Account Description	Audited		Amended	Requested	PY/CY Budget	
	2024-25	2025-26	2025-26	2026-27	Amount	Pct
	Actual	Estimate	Budget	Budget	Change	Chg
<b>Revenues</b>						
<b>Operating Revenues</b>						
Water Sales - Imported	2,621,438	2,372,300	2,830,000	<b>3,370,000</b>	540,000	19%
Water Sales - Surplus	69,862	75,300	75,000	<b>100,000</b>	25,000	33%
Water Sales - Recycled	21,274	6,100	15,000	<b>15,000</b>	0	0%
Water Sales - Recharge BWRA	3,339	890,400	225,000	<b>450,000</b>	225,000	100%
BL Storage Fee	11,372	10,000	10,000	<b>10,000</b>	0	0%
Water Sales - Other	0	100	0	<b>0</b>	0	0%
Water Services	88,238	92,100	77,750	<b>77,750</b>	0	0%
Other Operating Revenues	128,115	186,000	155,400	<b>198,000</b>	42,600	27%
Total Operating Revenues	<b>2,943,638</b>	<b>3,632,300</b>	<b>3,388,150</b>	<b>4,220,750</b>	<b>832,600</b>	<b>25%</b>
<b>Non-Operating Revenues</b>						
General Taxes	7,327,388	7,526,100	7,500,000	<b>7,800,000</b>	300,000	4%
Other Revenues	385,396	150,200	160,700	<b>167,700</b>	7,000	4%
Capital Contributions	9,850	9,500	20,000	<b>10,000</b>	(10,000)	-50%
Total Non-Operating Revenues	<b>7,722,634</b>	<b>7,685,800</b>	<b>7,680,700</b>	<b>7,977,700</b>	<b>297,000</b>	<b>4%</b>
Total Revenues	<b>10,666,272</b>	<b>11,318,100</b>	<b>11,068,850</b>	<b>12,198,450</b>	<b>1,129,600</b>	<b>10%</b>
<b>Expenses</b>						
<b>Salaries &amp; Benefits</b>						
Salaries & Wages	1,963,715	2,138,300	2,231,200	<b>2,522,300</b>	291,100	13%
Benefits	2,067,210	937,200	947,600	<b>1,062,900</b>	115,300	12%
Total Salaries & Benefits	<b>4,030,925</b>	<b>3,075,500</b>	<b>3,178,800</b>	<b>3,585,200</b>	<b>406,400</b>	<b>13%</b>
<b>Operations &amp; Maintenance</b>						
Administrative/General	565,791	640,500	573,100	<b>572,100</b>	(1,000)	0%
Utilities	68,382	77,800	70,000	<b>73,000</b>	3,000	4%
Automobiles & Equipment	152,615	171,600	201,000	<b>185,000</b>	(16,000)	-8%
System Operations	1,635,763	1,670,400	2,105,000	<b>1,850,000</b>	(255,000)	-12%
Maintenance	997,194	1,087,700	1,189,900	<b>1,174,900</b>	(15,000)	-1%
Services	230,884	339,100	358,500	<b>350,500</b>	(8,000)	-2%
Government & Regulatory	255,319	274,100	314,000	<b>362,000</b>	48,000	15%
Non-Cash Expenses	1,068,804	0	0	<b>0</b>	0	0%
Total Operations & Maintenance	<b>4,974,752</b>	<b>4,261,200</b>	<b>4,811,500</b>	<b>4,567,500</b>	<b>(244,000)</b>	<b>-5%</b>

Tehachapi-Cummings County Water District  
 Revenues & Expenses - General Fund (70) - Summary

Account Description	Audited		Amended	Requested	PY/CY Budget	
	2024-25	2025-26	2025-26	2026-27	Amount	Pct
	Actual	Estimate	Budget	Budget	Change	Chg
<b>Debt Service</b>						
Principal Payments	0	0	0	<b>585,000</b>	585,000	100%
Interest Expense	0	0	0	<b>466,750</b>	466,750	100%
Total Debt Service	<u>0</u>	<u>0</u>	<u>0</u>	<u><b>1,051,750</b></u>	<u>1,051,750</u>	<u>100%</u>
<b>Capital Outlay</b>						
Pumping Plants	336,544	315,400	300,000	<b>995,000</b>	695,000	232%
Mainline Pipeline	0	0	20,000	<b>160,000</b>	140,000	700%
Dams & Reservoir	6,052	20,000	20,000	<b>20,000</b>	0	0%
Transmission System	98,901	174,000	444,000	<b>428,850</b>	(15,150)	-3%
General Office, Shop & Equipment	208,511	822,900	786,000	<b>1,115,000</b>	329,000	42%
Water Reclamation & Recovery	93,740	0	0	<b>250,000</b>	250,000	100%
Total Capital Outlay	<u>743,748</u>	<u>1,332,300</u>	<u>1,570,000</u>	<u><b>2,968,850</b></u>	<u>1,398,850</u>	<u>89%</u>
Total Expenses	<u>9,749,425</u>	<u>8,669,000</u>	<u>9,560,300</u>	<u><b>12,173,300</b></u>	<u>2,613,000</u>	<u>27%</u>
<i>Net Income (Loss) Before Transfers</i>	<u><i>916,847</i></u>	<u><i>2,649,100</i></u>	<u><i>1,508,550</i></u>	<u><i><b>25,150</b></i></u>	<u><i>(1,483,400)</i></u>	
<b>Reserves</b>						
Beginning Balances	<u>2,679,951</u>	<u>4,212,320</u>	<u>4,212,320</u>	<u><b>4,161,779</b></u>	<u>(50,541)</u>	
Transfers In	0	0	0	<b>0</b>	0	
Transfers Out	<u>(2,022,572)</u>	<u>(2,699,641)</u>	<u>(2,662,636)</u>	<u><b>(34,000)</b></u>	<u>2,628,636</u>	
Net Transfers	<u>(2,022,572)</u>	<u>(2,699,641)</u>	<u>(2,662,636)</u>	<u><b>(34,000)</b></u>	<u>2,628,636</u>	
Net To (From) Reserves	<u>(1,105,725)</u>	<u>(50,541)</u>	<u>(1,154,086)</u>	<u><b>(8,850)</b></u>	<u>1,145,236</u>	
Change in Non-Cash Items	<u>2,638,094</u>	<u>0</u>	<u>0</u>	<u><b>0</b></u>	<u>0</u>	
Ending Balances	<u><u>4,212,320</u></u>	<u><u>4,161,779</u></u>	<u><u>3,058,234</u></u>	<u><u><b>4,152,929</b></u></u>	<u><u>1,094,695</u></u>	

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General Fund (70) - Account Detail

Tehachapi-Cummings County Water District  
Revenues & Expenses - General Fund (70)

						PY/CY			
		Audited		Amended		Requested		Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg		
<b>REVENUES</b>									
OPERATING REVENUES									
<b>Water Sales</b>									
40101	Water Sales - Agriculture	2,090,100	1,878,700	2,400,000	<b>2,700,000</b>	300,000	13%		
40102	Water Sales - Term M & I	465,022	379,500	300,000	<b>500,000</b>	200,000	67%		
40103	Water Sales - Regular M & I	22,495	15,900	60,000	<b>70,000</b>	10,000	17%		
40104	Water Sales - Wheeled Water	43,821	98,200	70,000	<b>100,000</b>	30,000	43%		
40105	Water Sales - Surplus	69,862	75,300	75,000	<b>100,000</b>	25,000	33%		
40106	Water Sales - Recycled Water	21,274	6,100	15,000	<b>15,000</b>	0	0%		
40107	Water Sales - Recharge BWRA	3,339	890,400	225,000	<b>450,000</b>	225,000	100%		
40108	BL Storage Fee	11,372	10,000	10,000	<b>10,000</b>	0	0%		
40110	Water Sales - Other	0	100	0	<b>0</b>	0	0%		
<b>Water Services</b>									
40111	Recurring Service Charges	10,327	10,200	9,300	<b>9,300</b>	0	0%		
40112	Recharge Surcharge - Cummings	13,255	13,700	8,500	<b>8,500</b>	0	0%		
40113	Recharge Surcharge - Tehachapi	1,163	1,300	1,000	<b>1,000</b>	0	0%		
40114	Standby Fees	41,213	42,900	42,950	<b>42,950</b>	0	0%		
40115	Connection Fees	585	600	2,000	<b>2,000</b>	0	0%		
40116	Delinquent Charges	238	1,300	1,000	<b>1,000</b>	0	0%		
40117	Spreading Loss Surcharge-Cummings	19,436	20,000	12,000	<b>12,000</b>	0	0%		
40118	Spreading Loss Surcharge-Tehachapi	2,021	2,100	1,000	<b>1,000</b>	0	0%		
<b>Other Operating Revenues</b>									
40122	Reimbursement - Health Insurance	17,139	25,300	25,600	<b>24,200</b>	(1,400)	-5%		
40123	Reimbursement - Flood Control Maint.	77,695	136,100	102,800	<b>151,800</b>	49,000	48%		
40125	Reimbursement - Insurance Claims	10,769	12,900	0	<b>0</b>	0	0%		
40126	Reimbursement - Other Operating	20,476	11,200	25,000	<b>20,000</b>	(5,000)	-20%		
40127	Other Operating Revenue	2,036	500	2,000	<b>2,000</b>	0	0%		
<b>TOTAL OPERATING REVENUES</b>		<b>2,943,638</b>	<b>3,632,300</b>	<b>3,388,150</b>	<b>4,220,750</b>	<b>832,600</b>	<b>25%</b>		
NON-OPERATING REVENUES									
<b>General Taxes</b>									
40201	Current Year Property Taxes	6,992,105	7,241,600	7,226,000	<b>7,505,000</b>	279,000	4%		
40202	Prior Year Property Taxes	16,902	45,700	36,000	<b>35,000</b>	(1,000)	-3%		
40203	Homeowners Property Tax Relief	30,858	29,600	35,000	<b>25,000</b>	(10,000)	-29%		
40204	Redevelopment Agency Pass-through	283,160	202,300	200,000	<b>230,000</b>	30,000	15%		
40205	Property Tax - Penalties/Other	4,363	6,900	3,000	<b>5,000</b>	2,000	67%		
<b>Other Revenues</b>									
40231	Interest Earnings	352,679	147,900	159,100	<b>166,000</b>	6,900	4%		
40232	Unrealized Gain/(Loss)	43,495	0	0	<b>0</b>	0	0%		
40234	Rents and Royalties	2,491	1,700	1,600	<b>1,700</b>	100	6%		
40239	Other Non-Operating Revenue	1,835	600	0	<b>0</b>	0	0%		
40299	Gain/(Loss) on Sale of Asset	(15,104)	0	0	<b>0</b>	0	0%		
<b>Capital Contributions</b>									
40244	Reimbursement - New Connections	9,850	9,500	20,000	<b>10,000</b>	(10,000)	-50%		
<b>TOTAL NON-OPERATING REVENUES</b>		<b>7,722,634</b>	<b>7,685,800</b>	<b>7,680,700</b>	<b>7,977,700</b>	<b>297,000</b>	<b>4%</b>		
<b>TOTAL REVENUES</b>		<b>10,666,272</b>	<b>11,318,100</b>	<b>11,068,850</b>	<b>12,198,450</b>	<b>1,129,600</b>	<b>10%</b>		

Tehachapi-Cummings County Water District  
Revenues & Expenses - General Fund (70)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>EXPENSES</b>							
	<b>SALARIES &amp; BENEFITS</b>						
	<b>Salaries &amp; Wages</b>						
50112	Salaries & Wages	1,921,336	2,090,700	2,181,000	<b>2,474,800</b>	293,800	13%
50114	Overtime & Holiday	42,361	47,600	50,200	<b>47,500</b>	(2,700)	-5%
50119	Compensated Absence Adjustment	18	0	0	<b>0</b>	0	0%
	<b>Benefits</b>						
50121	FICA/MEDI	149,717	162,100	171,000	<b>193,000</b>	22,000	13%
50122	Workers Compensation	30,442	30,600	31,800	<b>33,200</b>	1,400	4%
50124	Health Insurance	442,751	540,500	512,500	<b>587,600</b>	75,100	15%
50125	Health Insurance - Reimbursable	14,921	28,300	25,600	<b>24,200</b>	(1,400)	-5%
50127	Retirement	191,728	175,400	205,200	<b>222,900</b>	17,700	9%
50128	Tuition Reimbursements	0	300	1,500	<b>2,000</b>	500	33%
50129	GASB 68 Pension Expense Adjustment	1,024,211	0	0	<b>0</b>	0	0%
50130	GASB 75 OPEB Expense Adjustment	(15,621)	0	0	<b>0</b>	0	0%
50131	Retiree Medical Contribution	0	0	0	<b>0</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	229,061	0	0	<b>0</b>	0	0%
	<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>4,030,925</b>	<b>3,075,500</b>	<b>3,178,800</b>	<b>3,585,200</b>	<b>406,400</b>	<b>13%</b>
<b>OPERATIONS &amp; MAINTENANCE</b>							
	<b>Administrative/General</b>						
50201	Public Information & Notices	1,956	3,900	3,200	<b>4,000</b>	800	25%
50202	Books/Periodicals/Subscriptions	60	100	200	<b>200</b>	0	0%
50203	Printing	1,674	2,600	2,500	<b>2,500</b>	0	0%
50204	Postage & Shipping	2,987	5,700	5,000	<b>5,000</b>	0	0%
50205	Office Supplies	11,254	14,900	14,000	<b>15,000</b>	1,000	7%
50206	Office Computer & Machinery	41,666	69,100	55,000	<b>55,000</b>	0	0%
50207	Bank & Administrative Services	3,585	2,500	2,200	<b>2,500</b>	300	14%
50208	County Collection Charges	62,153	68,000	68,000	<b>68,000</b>	0	0%
50209	Memberships	34,771	37,600	40,000	<b>40,000</b>	0	0%
50210	Directors' Fees	8,800	11,300	16,000	<b>16,800</b>	800	5%
50211	Training & Travel	36,361	41,200	44,700	<b>56,000</b>	11,300	25%
50213	Recruitment	864	2,400	1,500	<b>1,500</b>	0	0%
50214	Awards & Recognition	6,771	5,700	5,000	<b>8,000</b>	3,000	60%
50215	Safety Program & Supplies	16,666	14,500	23,600	<b>18,600</b>	(5,000)	-21%
50216	Legal	310,874	331,700	250,000	<b>250,000</b>	0	0%
50217	Audit	25,349	29,000	41,200	<b>28,000</b>	(13,200)	-32%
50219	Water Conservation Program	0	300	1,000	<b>1,000</b>	0	0%
	<b>Utilities</b>						
50221	Electricity - Office/Shops	24,023	23,100	24,000	<b>24,000</b>	0	0%
50222	Natural Gas - Office/Shops	2,168	6,400	5,000	<b>6,000</b>	1,000	20%
50226	Phone - Internet & Communications	42,191	48,300	41,000	<b>43,000</b>	2,000	5%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	86,871	91,300	112,000	<b>101,000</b>	(11,000)	-10%
50232	Automobile Repair	52,320	58,800	58,500	<b>58,500</b>	0	0%
50233	Equipment Repairs	9,689	17,900	23,000	<b>18,000</b>	(5,000)	-22%
50234	Equipment Rentals	2,144	2,900	5,000	<b>5,000</b>	0	0%
50238	Shop Supplies	1,591	700	2,500	<b>2,500</b>	0	0%

Tehachapi-Cummings County Water District  
Revenues & Expenses - General Fund (70)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
	<b>System Operations</b>						
50242	Natural Gas - Pumping	1,163,627	1,166,900	1,600,000	1,330,000	(270,000)	-17%
50243	Engine Oil & Fluids- Pumping	163,279	236,300	200,000	200,000	0	0%
50244	Electricity - Pumping	199,780	190,800	225,000	225,000	0	0%
50245	Electricity - Pipeline	70,050	58,500	55,000	55,000	0	0%
50247	Operation of Joint Turnout	0	0	5,000	5,000	0	0%
50248	Cross Valley Canal O & M	12,583	7,700	15,000	30,000	15,000	100%
50249	Source of Supply - Recycled & Other	26,444	10,200	5,000	5,000	0	0%
	<b>Maintenance</b>						
50251	Maintenance - Pump Plants	503,352	715,900	600,000	600,000	0	0%
50252	Maintenance - Natural Gas Pipeline	37,996	24,000	40,000	60,000	20,000	50%
50253	Maintenance - Pipeline	128,999	106,300	150,000	150,000	0	0%
50254	Maintenance - Reservoir	27,958	8,700	25,000	20,000	(5,000)	-20%
50255	Maintenance - Access Roads	0	6,000	15,000	15,000	0	0%
50256	Maintenance - Control System	67,470	108,200	90,000	90,000	0	0%
50257	Maintenance - Cogeneration Plant	0	300	1,000	1,000	0	0%
50258	Maintenance - Wells & Boosters	16,784	10,500	24,000	24,000	0	0%
50259	Maintenance - Flood Control Facilities	3,863	1,300	5,000	5,000	0	0%
50260	Maintenance - Recharge Facilities	12,539	3,800	15,000	15,000	0	0%
50261	Maintenance - Office & Grounds	34,730	32,800	35,000	30,000	(5,000)	-14%
50262	Maintenance - Public Water System	0	2,000	5,000	5,000	0	0%
50264	Customer Meters	98,951	38,400	125,000	100,000	(25,000)	-20%
50266	Welding Supplies	825	3,600	5,500	5,500	0	0%
50267	Pipeline Materials	48,441	10,000	40,000	40,000	0	0%
50268	Small Tools - Pumping	9,882	13,000	10,000	10,000	0	0%
50269	Small Tools - Pipeline	5,404	2,900	4,400	4,400	0	0%
	<b>Services</b>						
50271	Outside Service	12,019	14,200	15,500	14,500	(1,000)	-6%
50272	GIS System and Service	13,805	49,400	62,000	70,000	8,000	13%
50275	Engineering	0	1,800	7,500	7,500	0	0%
50276	Consulting	45,177	51,200	58,000	63,000	5,000	9%
50277	Uniforms	16,188	14,600	17,000	17,000	0	0%
50278	Lab Analysis	3,027	2,900	3,500	3,500	0	0%
50279	Insurance & Bonds	140,668	205,000	195,000	175,000	(20,000)	-10%
	<b>Government &amp; Regulatory</b>						
50281	Emissions Compliance	64,054	33,600	45,000	45,000	0	0%
50282	Government Fees/Taxes - Pumping	168,798	177,200	225,000	225,000	0	0%
50284	Regulatory Fees - Other	22,072	62,100	43,000	61,000	18,000	42%
50285	Certification Fees	395	1,200	1,000	1,000	0	0%
50286	Elections	0	0	0	30,000	30,000	100%
	<b>Non-Cash Expenses</b>						
50292	Depreciation	1,068,804	0	0	0	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>4,974,752</b>	<b>4,261,200</b>	<b>4,811,500</b>	<b>4,567,500</b>	<b>(244,000)</b>	<b>-5%</b>

Tehachapi-Cummings County Water District  
Revenues & Expenses - General Fund (70)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
	<b>DEBT SERVICE</b>						
	<b>Principal Payments</b>						
50303	Principal - Engine Replacement Financing	0	0	0	<b>585,000</b>	585,000	100%
	<b>Interest Expense</b>						
50313	Interest - Engine Replacement Financing	0	0	0	<b>466,750</b>	466,750	100%
	<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,051,750</b>	1,051,750	100%
	<b>CAPITAL OUTLAY</b>						
	<b>Pumping Plants</b>						
50411	Replacement Pumps	167,318	0	0	<b>120,000</b>	120,000	100%
50412	Pump Plant Improvements	19,800	35,100	90,000	<b>305,000</b>	215,000	239%
50413	Control System Improvements	32,345	14,700	15,000	<b>225,000</b>	210,000	1400%
50415	Engine Overhauls	0	94,600	75,000	<b>225,000</b>	150,000	200%
50416	Pump Overhauls	117,081	171,000	120,000	<b>120,000</b>	0	0%
	<b>Mainline Pipeline</b>						
50421	Cathodic Protection	0	0	20,000	<b>100,000</b>	80,000	400%
50422	Land Improvements	0	0	0	<b>60,000</b>	60,000	100%
	<b>Dams &amp; Reservoir</b>						
50431	Road Repair	6,052	20,000	20,000	<b>20,000</b>	0	0%
	<b>Transmission System</b>						
50445	Transmission System Meters	0	0	0	<b>50,000</b>	50,000	100%
50448	Upgrade/R&M/Rebuild Wells & Tanks	70,000	84,000	154,000	<b>78,850</b>	(75,150)	-49%
50449	Pipeline Replacement/Rehabilitation	28,901	90,000	290,000	<b>300,000</b>	10,000	3%
	<b>General Office, Shop &amp; Equipment</b>						
50451	Vehicles	14,638	0	0	<b>290,000</b>	290,000	100%
50452	Storage Facility Construction	1,000	355,100	355,000	<b>300,000</b>	(55,000)	-15%
50453	Building Remodel	4,353	185,500	80,000	<b>0</b>	(80,000)	-100%
50454	Roof Replacement	0	0	0	<b>75,000</b>	75,000	100%
50455	Equipment	187,020	274,800	326,000	<b>100,000</b>	(226,000)	-69%
50456	Building Improvements	0	7,500	25,000	<b>155,000</b>	130,000	520%
50458	CMMS Software	0	0	0	<b>25,000</b>	25,000	100%
50460	Intangible Assets	1,500	0	0	<b>120,000</b>	120,000	100%
50466	Engineering - Consulting	0	0	0	<b>50,000</b>	50,000	100%
	<b>Water Reclamation &amp; Recovery</b>						
50485	Recovery Well Improvements	93,740	0	0	<b>250,000</b>	250,000	100%
	<b>TOTAL CAPITAL OUTLAY</b>	<b>743,748</b>	<b>1,332,300</b>	<b>1,570,000</b>	<b>2,968,850</b>	1,398,850	89%
	<b>TOTAL EXPENSES</b>	<b>9,749,425</b>	<b>8,669,000</b>	<b>9,560,300</b>	<b>12,173,300</b>	2,613,000	27%
	<b>NET INCOME (LOSS)</b>	<b>916,847</b>	<b>2,649,100</b>	<b>1,508,550</b>	<b>25,150</b>	<b>(1,483,400)</b>	

<b>RESERVES</b>							
	BEGINNING BALANCES	2,679,951	4,212,320	4,212,320	<b>4,161,779</b>	(50,541)	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	(2,022,572)	(2,699,641)	(2,662,636)	<b>(34,000)</b>	2,628,636	
	NET TO (FROM) RESERVES	(1,105,725)	(50,541)	(1,154,086)	<b>(8,850)</b>	1,145,236	
	CHANGE IN NON-CASH ITEMS	2,638,094	0	0	<b>0</b>	0	
	ENDING BALANCES	4,212,320	4,161,779	3,058,234	<b>4,152,929</b>	1,094,695	

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Administration Department (70-01)

Tehachapi-Cummings County Water District  
Expenses - General Fund, Admin. Dept. (70-01)

PY/CY

Acct. No.	Account Description	Audited		Amended	Requested	Budget	
		2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>EXPENSES</b>							
	<b>SALARIES &amp; BENEFITS</b>						
	<b>Salaries &amp; Wages</b>						
50112	Salaries & Wages	766,154	844,400	839,700	<b>996,100</b>	156,400	19%
50114	Overtime & Holiday	686	600	1,300	<b>1,100</b>	(200)	-15%
50119	Compensated Absence Adjustment	(3,918)	0	0	<b>0</b>	0	0%
	<b>Benefits</b>						
50121	FICA/MEDI	58,157	62,600	64,000	<b>76,000</b>	12,000	19%
50122	Workers Compensation	3,597	3,700	3,500	<b>3,900</b>	400	11%
50124	Health Insurance	169,876	194,100	186,200	<b>219,200</b>	33,000	18%
50125	Health Insurance - Reimbursable	14,921	28,300	25,600	<b>24,200</b>	(1,400)	-5%
50127	Retirement	67,860	67,500	74,900	<b>81,200</b>	6,300	8%
50128	Tuition Reimbursements	0	300	1,000	<b>1,000</b>	0	0%
50129	GASB 68 Pension Expense Adjustment	358,474	0	0	<b>0</b>	0	0%
50130	GASB 75 OPEB Expense Adjustment	(5,639)	0	0	<b>0</b>	0	0%
50131	Retiree Medical Contribution	0	0	0	<b>0</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	52,923	0	0	<b>0</b>	0	0%
	<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>1,483,091</b>	<b>1,201,500</b>	<b>1,196,200</b>	<b>1,402,700</b>	<b>206,500</b>	<b>17%</b>
<b>OPERATIONS &amp; MAINTENANCE</b>							
	<b>Administrative/General</b>						
50201	Public Information & Notices	1,956	3,900	3,200	<b>4,000</b>	800	25%
50202	Books/Periodicals/Subscriptions	60	100	200	<b>200</b>	0	0%
50203	Printing	1,674	2,600	2,500	<b>2,500</b>	0	0%
50204	Postage & Shipping	2,987	5,700	5,000	<b>5,000</b>	0	0%
50205	Office Supplies	11,254	14,900	14,000	<b>15,000</b>	1,000	7%
50206	Office Computer & Machinery	41,666	69,100	55,000	<b>55,000</b>	0	0%
50207	Bank & Administrative Services	3,585	2,500	2,200	<b>2,500</b>	300	14%
50208	County Collection Charges	62,153	68,000	68,000	<b>68,000</b>	0	0%
50209	Memberships	34,771	37,600	40,000	<b>40,000</b>	0	0%
50210	Directors' Fees	8,800	11,300	16,000	<b>16,800</b>	800	5%
50211	Training & Travel	16,258	22,700	30,000	<b>40,000</b>	10,000	33%
50213	Recruitment	0	800	500	<b>500</b>	0	0%
50214	Awards & Recognition	6,771	5,700	5,000	<b>8,000</b>	3,000	60%
50215	Safety Program & Supplies	13,956	10,600	20,000	<b>15,000</b>	(5,000)	-25%
50216	Legal	310,874	331,700	250,000	<b>250,000</b>	0	0%
50217	Audit	25,349	29,000	41,200	<b>28,000</b>	(13,200)	-32%
50219	Water Conservation Program	0	300	1,000	<b>1,000</b>	0	0%
	<b>Utilities</b>						
50221	Electricity - Office/Shops	24,023	23,100	24,000	<b>24,000</b>	0	0%
50222	Natural Gas - Office/Shops	2,168	6,400	5,000	<b>6,000</b>	1,000	20%
50226	Phone - Internet & Communications	42,191	48,300	41,000	<b>43,000</b>	2,000	5%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	2,861	3,500	6,000	<b>5,000</b>	(1,000)	-17%
50232	Automobile Repair	2,645	3,100	3,500	<b>3,500</b>	0	0%
50234	Equipment Rentals	0	100	500	<b>500</b>	0	0%

Tehachapi-Cummings County Water District  
Expenses - General Fund, Admin. Dept. (70-01)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
	<b>System Operations</b>						
50248	Cross Valley Canal O & M	12,583	7,700	15,000	<b>30,000</b>	15,000	100%
50249	Source of Supply - Recycled & Other	26,444	10,200	5,000	<b>5,000</b>	0	0%
50250	Delta Conveyance (f.k.a. CA Water Fix)	0	0	0	<b>0</b>	0	0%
	<b>Maintenance</b>						
50261	Maintenance - Office & Grounds	34,730	32,800	35,000	<b>30,000</b>	(5,000)	-14%
	<b>Services</b>						
50271	Outside Service	1,944	2,800	3,000	<b>3,000</b>	0	0%
50272	GIS System and Service	13,805	49,400	62,000	<b>70,000</b>	8,000	13%
50275	Engineering	0	600	2,500	<b>2,500</b>	0	0%
50276	Consulting	45,177	50,700	55,000	<b>60,000</b>	5,000	9%
50279	Insurance & Bonds	140,668	205,000	195,000	<b>175,000</b>	(20,000)	-10%
	<b>Government &amp; Regulatory</b>						
50284	Regulatory Fees - Other	22,072	43,300	22,000	<b>40,000</b>	18,000	82%
50285	Certification Fees	395	1,100	1,000	<b>1,000</b>	0	0%
50286	Elections	0	0	0	<b>30,000</b>	30,000	100%
	<b>Non-Cash Expenses</b>						
50292	Depreciation	1,068,804	0	0	<b>0</b>	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>1,982,624</b>	<b>1,104,600</b>	<b>1,029,300</b>	<b>1,080,000</b>	50,700	5%
	<b>DEBT SERVICE</b>						
	<b>Principal Payments</b>						
50303	Principal - Engine Replacement Financing	0	0	0	<b>585,000</b>	585,000	100%
	<b>Interest Expense</b>						
50313	Interest - Engine Replacement Financing	0	0	0	<b>466,750</b>	466,750	100%
	<b>TOTAL DEBT SERVICE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,051,750</b>	1,051,750	100%
	<b>CAPITAL OUTLAY</b>						
	<b>General Office, Shop &amp; Equipment</b>						
50452	Storage Facility Construction	1,000	355,100	355,000	<b>300,000</b>	(55,000)	-15%
50453	Building Remodel	4,353	185,500	80,000	<b>0</b>	(80,000)	-100%
50455	Equipment	18,684	0	0	<b>100,000</b>	100,000	100%
50456	Building Improvements	0	0	0	<b>120,000</b>	120,000	100%
50458	CMMS Software	0	0	0	<b>25,000</b>	25,000	100%
50460	Intangible Assets	1,500	0	0	<b>120,000</b>	120,000	100%
	<b>TOTAL CAPITAL OUTLAY</b>	<b>25,537</b>	<b>540,600</b>	<b>435,000</b>	<b>665,000</b>	230,000	53%
	<b>TOTAL EXPENSES</b>	<b>3,491,252</b>	<b>2,846,700</b>	<b>2,660,500</b>	<b>4,199,450</b>	1,538,950	58%

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Pipeline Department (70-02)

Tehachapi-Cummings County Water District  
Expenses - General Fund, Pipeline Dept. (70-02)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>EXPENSES</b>							
	<b>SALARIES &amp; BENEFITS</b>						
	<b>Salaries &amp; Wages</b>						
50112	Salaries & Wages	542,913	546,100	645,800	<b>682,700</b>	36,900	6%
50114	Overtime & Holiday	20,048	18,700	18,500	<b>19,200</b>	700	4%
50119	Compensated Absence Adjustment	(3,357)	0	0	<b>0</b>	0	0%
	<b>Benefits</b>						
50121	FICA/MEDI	43,067	43,400	51,000	<b>54,000</b>	3,000	6%
50122	Workers Compensation	13,144	12,300	14,000	<b>14,800</b>	800	6%
50124	Health Insurance	113,508	152,500	165,000	<b>169,300</b>	4,300	3%
50127	Retirement	55,454	38,300	57,400	<b>60,800</b>	3,400	6%
50128	Tuition Reimbursements	0	0	0	<b>500</b>	500	100%
50129	GASB 68 Pension Expense Adjustment	297,021	0	0	<b>0</b>	0	0%
50130	GASB 75 OPEB Expense Adjustment	(4,796)	0	0	<b>0</b>	0	0%
50131	Retiree Medical Contribution	0	0	0	<b>0</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	88,371	0	0	<b>0</b>	0	0%
	<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>1,165,373</b>	<b>811,300</b>	<b>951,700</b>	<b>1,001,300</b>	<b>49,600</b>	<b>5%</b>
<b>OPERATIONS &amp; MAINTENANCE</b>							
	<b>Administrative/General</b>						
50211	Training & Travel	83	8,200	4,700	<b>6,000</b>	1,300	28%
50213	Recruitment	624	100	500	<b>500</b>	0	0%
50215	Safety Program & Supplies	923	1,900	2,000	<b>2,000</b>	0	0%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	42,399	49,000	60,000	<b>50,000</b>	(10,000)	-17%
50232	Automobile Repair	16,777	20,000	20,000	<b>20,000</b>	0	0%
50233	Equipment Repairs	5,900	10,700	20,000	<b>15,000</b>	(5,000)	-25%
50234	Equipment Rentals	77	400	1,500	<b>1,500</b>	0	0%
50238	Shop Supplies	38	400	1,500	<b>1,500</b>	0	0%
	<b>System Operations</b>						
50245	Electricity - Pipeline	70,050	58,500	55,000	<b>55,000</b>	0	0%
50247	Operation of Joint Turnout	0	0	5,000	<b>5,000</b>	0	0%
	<b>Maintenance</b>						
50253	Maintenance - Pipeline	128,999	106,300	150,000	<b>150,000</b>	0	0%
50254	Maintenance - Reservoir	27,958	8,700	25,000	<b>20,000</b>	(5,000)	-20%
50255	Maintenance - Access Roads	0	6,000	15,000	<b>15,000</b>	0	0%
50257	Maintenance - Cogeneration Plant	0	300	1,000	<b>1,000</b>	0	0%
50258	Maintenance - System Wells & Boosters	16,784	10,500	24,000	<b>24,000</b>	0	0%
50259	Maintenance - Flood Control Facilities	3,863	1,300	5,000	<b>5,000</b>	0	0%
50260	Maintenance - Recharge Facilities	12,539	3,800	15,000	<b>15,000</b>	0	0%
50262	Maintenance - Public Water System	0	2,000	5,000	<b>5,000</b>	0	0%
50264	Customer Meters	98,951	38,400	125,000	<b>100,000</b>	(25,000)	-20%
50266	Welding Supplies	423	900	3,200	<b>3,200</b>	0	0%
50267	Pipeline Materials	48,441	10,000	40,000	<b>40,000</b>	0	0%
50269	Small Tools - Pipeline	5,404	2,900	4,400	<b>4,400</b>	0	0%

Tehachapi-Cummings County Water District  
Expenses - General Fund, Pipeline Dept. (70-02)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
	<b>Services</b>						
50271	Outside Service	0	400	1,500	500	(1,000)	-67%
50276	Consulting	0	0	1,000	1,000	0	0%
50277	Uniforms	2,105	3,600	3,000	3,000	0	0%
50278	Lab Analysis	3,027	2,900	3,500	3,500	0	0%
	<b>Government &amp; Regulatory</b>						
50285	Certification Fees	0	100	0	0	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>485,365</b>	<b>347,300</b>	<b>591,800</b>	<b>547,100</b>	<b>(44,700)</b>	<b>-8%</b>
	<b>CAPITAL OUTLAY</b>						
	<b>Mainline Pipeline</b>						
50421	Cathodic Protection	0	0	20,000	100,000	80,000	400%
50422	Land Improvements	0	0	0	60,000	60,000	100%
	<b>Dams &amp; Reservoir</b>						
50431	Road Repair	6,052	20,000	20,000	20,000	0	0%
	<b>Transmission System</b>						
50445	Transmission System Meters	0	0	0	50,000	50,000	100%
50449	Pipeline Replacement/Rehabilitation	28,901	90,000	290,000	300,000	10,000	3%
	<b>General Office, Shop &amp; Equipment</b>						
50451	Vehicles	14,638	0	0	170,000	170,000	100%
50455	Equipment	76,641	225,300	291,000	0	(291,000)	-100%
50456	Building Improvements	0	0	0	10,000	10,000	100%
	<b>Water Reclamation &amp; Recovery</b>						
50485	Recovery Well Improvements	93,740	0	0	250,000	250,000	100%
	<b>TOTAL CAPITAL OUTLAY</b>	<b>219,972</b>	<b>335,300</b>	<b>621,000</b>	<b>960,000</b>	<b>339,000</b>	<b>55%</b>
	<b>TOTAL EXPENSES</b>	<b>1,870,710</b>	<b>1,493,900</b>	<b>2,164,500</b>	<b>2,508,400</b>	<b>343,900</b>	<b>16%</b>

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Pumping Department (70-03)

Tehachapi-Cummings County Water District  
Expenses - General Fund, Pumping Dept. (70-03)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>EXPENSES</b>							
	<b>SALARIES &amp; BENEFITS</b>						
	<b>Salaries &amp; Wages</b>						
50112	Salaries & Wages	612,269	700,200	695,500	<b>796,000</b>	100,500	14%
50114	Overtime & Holiday	21,627	28,200	30,400	<b>27,200</b>	(3,200)	-11%
50119	Compensated Absence Adjustment	7,293	0	0	<b>0</b>	0	0%
	<b>Benefits</b>						
50121	FICA/MEDI	48,493	56,100	56,000	<b>63,000</b>	7,000	13%
50122	Workers Compensation	13,701	14,700	14,300	<b>14,500</b>	200	1%
50124	Health Insurance	159,367	193,900	161,300	<b>199,100</b>	37,800	23%
50127	Retirement	68,414	69,600	72,900	<b>80,900</b>	8,000	11%
50128	Tuition Reimbursements	0	0	500	<b>500</b>	0	0%
50129	GASB 68 Pension Expense Adjustment	368,716	0	0	<b>0</b>	0	0%
50130	GASB 75 OPEB Expense Adjustment	(5,186)	0	0	<b>0</b>	0	0%
50131	Retiree Medical Contribution	0	0	0	<b>0</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	87,767	0	0	<b>0</b>	0	0%
	<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>1,382,461</b>	<b>1,062,700</b>	<b>1,030,900</b>	<b>1,181,200</b>	<b>150,300</b>	<b>15%</b>
<b>OPERATIONS &amp; MAINTENANCE</b>							
	<b>Administrative/General</b>						
50211	Training & Travel	20,020	10,300	10,000	<b>10,000</b>	0	0%
50213	Recruitment	240	1,500	500	<b>500</b>	0	0%
50215	Safety Program & Supplies	1,787	2,000	1,600	<b>1,600</b>	0	0%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	41,611	38,800	46,000	<b>46,000</b>	0	0%
50232	Automobile Repair	32,898	35,700	35,000	<b>35,000</b>	0	0%
50233	Equipment Repairs	3,789	7,200	3,000	<b>3,000</b>	0	0%
50234	Equipment Rentals	2,067	2,400	3,000	<b>3,000</b>	0	0%
50238	Shop Supplies	1,553	300	1,000	<b>1,000</b>	0	0%
	<b>System Operations</b>						
50242	Natural Gas - Pumping	1,163,627	1,166,900	1,600,000	<b>1,330,000</b>	(270,000)	-17%
50243	Engine Oil & Fluids- Pumping	163,279	236,300	200,000	<b>200,000</b>	0	0%
50244	Electricity - Pumping	199,780	190,800	225,000	<b>225,000</b>	0	0%
	<b>Maintenance</b>						
50251	Maintenance - Pump Plants	503,352	715,900	600,000	<b>600,000</b>	0	0%
50252	Maintenance - Natural Gas Pipeline	37,996	24,000	40,000	<b>60,000</b>	20,000	50%
50256	Maintenance - Control System	67,470	108,200	90,000	<b>90,000</b>	0	0%
50266	Welding Supplies	402	2,700	2,300	<b>2,300</b>	0	0%
50268	Small Tools - Pumping	9,882	13,000	10,000	<b>10,000</b>	0	0%
	<b>Services</b>						
50271	Outside Service	10,075	11,000	11,000	<b>11,000</b>	0	0%
50275	Engineering	0	1,200	5,000	<b>5,000</b>	0	0%
50276	Consulting	0	500	2,000	<b>2,000</b>	0	0%
50277	Uniforms	14,083	11,000	14,000	<b>14,000</b>	0	0%

Tehachapi-Cummings County Water District  
Expenses - General Fund, Pumping Dept. (70-03)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
	<b>Government &amp; Regulatory</b>						
50281	Emissions Compliance	64,054	33,600	45,000	<b>45,000</b>	0	0%
50282	Government Fees/Taxes - Pumping	168,798	177,200	225,000	<b>225,000</b>	0	0%
50284	Regulatory Fees - Other	0	18,800	21,000	<b>21,000</b>	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>2,506,763</b>	<b>2,809,300</b>	<b>3,190,400</b>	<b>2,940,400</b>	<b>(250,000)</b>	<b>-8%</b>
	<b>CAPITAL OUTLAY</b>						
	<b>Pumping Plants</b>						
50411	Replacement Pumps	167,318	0	0	<b>120,000</b>	120,000	100%
50412	Pump Plant Improvements	19,800	35,100	90,000	<b>305,000</b>	215,000	239%
50413	Control System Improvements	32,345	14,700	15,000	<b>225,000</b>	210,000	1400%
50415	Engine Overhauls	0	94,600	75,000	<b>225,000</b>	150,000	200%
50416	Pump Overhauls	117,081	171,000	120,000	<b>120,000</b>	0	0%
	<b>Transmission System</b>						
50448	Upgrade/R&M/Rebuild Wells & Tanks	70,000	84,000	154,000	<b>78,850</b>	(75,150)	-49%
	<b>General Office, Shop &amp; Equipment</b>						
50451	Vehicles	0	0	0	<b>120,000</b>	120,000	100%
50454	Roof Replacement - PPs	0	0	0	<b>75,000</b>	75,000	100%
50455	Equipment	91,695	49,500	35,000	<b>0</b>	(35,000)	-100%
50456	Building Improvements	0	7,500	25,000	<b>25,000</b>	0	0%
50466	Engineering - Consulting	0	0	0	<b>50,000</b>	50,000	100%
	<b>TOTAL CAPITAL OUTLAY</b>	<b>498,239</b>	<b>456,400</b>	<b>514,000</b>	<b>1,343,850</b>	<b>829,850</b>	<b>161%</b>
	<b>TOTAL EXPENSES</b>	<b>4,387,463</b>	<b>4,328,400</b>	<b>4,735,300</b>	<b>5,465,450</b>	<b>730,150</b>	<b>15%</b>

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Other Board-designated Reserve Funds - Account Detail

Tehachapi-Cummings County Water District  
Revenues & Expenses - Emergency (71)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	20,539	15,300	17,400	<b>18,000</b>	600	3%
40232	Unrealized Gain/(Loss)	11,034	0	0	<b>0</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>31,573</b>	<b>15,300</b>	<b>17,400</b>	<b>18,000</b>	<b>600</b>	<b>3%</b>
	<b>TOTAL REVENUES</b>	<b>31,573</b>	<b>15,300</b>	<b>17,400</b>	<b>18,000</b>	<b>600</b>	<b>3%</b>
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	<i>NET INCOME (LOSS)</i>	<i>31,573</i>	<i>15,300</i>	<i>17,400</i>	<i><b>18,000</b></i>	<i>600</i>	
<b>RESERVES</b>							
	BEGINNING BALANCES	426,949	447,356	447,356	<b>462,656</b>	15,300	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	31,573	15,300	17,400	<b>18,000</b>	600	
	CHANGE IN NON-CASH ITEMS	(11,166)	0	0	<b>0</b>	0	
	ENDING BALANCES	447,356	462,656	464,756	<b>480,656</b>	15,900	

Tehachapi-Cummings County Water District  
Revenues & Expenses - Water Banking (72)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	OPERATING REVENUES						
	<b>Water Sales</b>						
40107	Water Sales - Recharge BWRA	0	100,000	100,000	<b>500,000</b>	400,000	400%
	<b>Water Services</b>						
40116	Delinquent Charges	(3,976)	0	0	<b>0</b>	0	0%
	<b>TOTAL OPERATING REVENUES</b>	<b>(3,976)</b>	<b>100,000</b>	<b>100,000</b>	<b>500,000</b>	<b>400,000</b>	<b>400%</b>
<b>NON-OPERATING REVENUES</b>							
	<b>Other Revenues</b>						
40231	Interest Earnings	129,912	98,800	114,100	<b>129,000</b>	14,900	13%
40232	Unrealized Gain/(Loss)	73,169	0	0	<b>0</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>203,081</b>	<b>98,800</b>	<b>114,100</b>	<b>129,000</b>	<b>14,900</b>	<b>13%</b>
	<b>TOTAL REVENUES</b>	<b>199,105</b>	<b>198,800</b>	<b>214,100</b>	<b>629,000</b>	<b>414,900</b>	<b>194%</b>
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	0	0	0%
	<b>NET INCOME (LOSS)</b>	<b>199,105</b>	<b>198,800</b>	<b>214,100</b>	<b>629,000</b>	<b>414,900</b>	
<b>RESERVES</b>							
	BEGINNING BALANCES	2,760,190	2,887,279	2,887,279	<b>3,086,079</b>	198,800	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	199,105	198,800	214,100	<b>629,000</b>	414,900	
	CHANGE IN NON-CASH ITEMS	(72,016)	0	0	<b>0</b>	0	
	ENDING BALANCES	2,887,279	3,086,079	3,101,379	<b>3,715,079</b>	613,700	

Tehachapi-Cummings County Water District  
 Revenues & Expenses - Unfunded Pension Liability (74)

PY/CY  
 Budget

Acct. No.	Account Description	Audited		Amended	Requested	Amount Change	Pct Chg
		2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget		
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	0	8,700	9,900	<b>10,000</b>	100	1%
40232	Unrealized Gain/(Loss)	0	0	0	<b>0</b>	0	0%
	TOTAL NON-OPERATING REVENUES	0	8,700	9,900	<b>10,000</b>	100	1%
	TOTAL REVENUES	0	8,700	9,900	<b>10,000</b>	100	1%
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	NET INCOME (LOSS)	0	8,700	9,900	<b>10,000</b>	100	
<b>RESERVES</b>							
	BEGINNING BALANCES	0	0	0	<b>258,700</b>	258,700	
	TRANSFERS IN	0	250,000	250,000	<b>0</b>	(250,000)	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	0	258,700	259,900	<b>10,000</b>	(249,900)	
	CHANGE IN NON-CASH ITEMS	0	0	0	<b>0</b>	0	
	ENDING BALANCES	0	258,700	259,900	<b>268,700</b>	8,800	

Tehachapi-Cummings County Water District  
 Revenues & Expenses - Major Repairs & Overhaul (81)

PY/CY  
 Budget

		Audited		Amended	Requested		
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	87,339	65,000	73,800	<b>77,000</b>	3,200	4%
40232	Unrealized Gain/(Loss)	46,775	0	0	<b>0</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>134,114</b>	<b>65,000</b>	<b>73,800</b>	<b>77,000</b>	<b>3,200</b>	<b>4%</b>
	<b>TOTAL REVENUES</b>	<b>134,114</b>	<b>65,000</b>	<b>73,800</b>	<b>77,000</b>	<b>3,200</b>	<b>4%</b>
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	<i>NET INCOME (LOSS)</i>	<i>134,114</i>	<i>65,000</i>	<i>73,800</i>	<i><b>77,000</b></i>	<i>3,200</i>	
<b>RESERVES</b>							
	BEGINNING BALANCES	1,814,148	1,900,882	1,900,882	<b>1,965,882</b>	65,000	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	134,114	65,000	73,800	<b>77,000</b>	3,200	
	CHANGE IN NON-CASH ITEMS	(47,380)	0	0	<b>0</b>	0	
	ENDING BALANCES	1,900,882	1,965,882	1,974,682	<b>2,042,882</b>	68,200	

Tehachapi-Cummings County Water District  
 Revenues & Expenses - Equip./Infra. - Repl./Upgr. (83)

PY/CY

		Audited		Amended	Requested	Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	139,356	104,400	59,100	<b>2,000</b>	(57,100)	-97%
40232	Unrealized Gain/(Loss)	73,962	0	0	<b>0</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>213,318</b>	<b>104,400</b>	<b>59,100</b>	<b>2,000</b>	<b>(57,100)</b>	<b>-97%</b>
	<b>TOTAL REVENUES</b>	<b>213,318</b>	<b>104,400</b>	<b>59,100</b>	<b>2,000</b>	<b>(57,100)</b>	<b>-97%</b>
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	<b>NET INCOME (LOSS)</b>	<b>213,318</b>	<b>104,400</b>	<b>59,100</b>	<b>2,000</b>	<b>(57,100)</b>	
<b>RESERVES</b>							
	BEGINNING BALANCES	2,915,713	3,052,950	3,052,950	<b>122,350</b>	(2,930,600)	
	WORKING CAPITAL CONVERSION TO CASH	0	0	(17,946)	<b>0</b>	17,946	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	(3,035,000)	(3,035,004)	<b>0</b>	3,035,004	
	NET TO (FROM) RESERVES	213,318	(2,930,600)	(2,975,904)	<b>2,000</b>	2,977,904	
	CHANGE IN NON-CASH ITEMS	(76,081)	0	0	<b>0</b>	0	
	ENDING BALANCES	3,052,950	122,350	59,100	<b>124,350</b>	65,250	

Tehachapi-Cummings County Water District  
 Revenues & Expenses - Tax Revenue Liability (85)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	80,245	59,600	67,300	<b>71,000</b>	3,700	5%
40232	Unrealized Gain/(Loss)	47,422	0	0	<b>0</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>127,667</b>	<b>59,600</b>	<b>67,300</b>	<b>71,000</b>	<b>3,700</b>	<b>5%</b>
	<b>TOTAL REVENUES</b>	<b>127,667</b>	<b>59,600</b>	<b>67,300</b>	<b>71,000</b>	<b>3,700</b>	<b>5%</b>
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	<i>NET INCOME (LOSS)</i>	<i>127,667</i>	<i>59,600</i>	<i>67,300</i>	<i><b>71,000</b></i>	<i>3,700</i>	
<b>RESERVES</b>							
	BEGINNING BALANCES	1,341,445	1,733,462	1,733,462	<b>1,903,062</b>	169,600	
	TRANSFERS IN	310,000	110,000	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	437,667	169,600	67,300	<b>71,000</b>	3,700	
	CHANGE IN NON-CASH ITEMS	(45,650)	0	0	<b>0</b>	0	
	ENDING BALANCES	1,733,462	1,903,062	1,800,762	<b>1,974,062</b>	173,300	

Tehachapi-Cummings County Water District  
Revenues & Expenses - Rate Stabilization (87)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	32,070	23,900	27,100	<b>28,000</b>	900	3%
40232	Unrealized Gain/(Loss)	17,183	0	0	<b>0</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>49,253</b>	<b>23,900</b>	<b>27,100</b>	<b>28,000</b>	<b>900</b>	<b>3%</b>
	<b>TOTAL REVENUES</b>	<b>49,253</b>	<b>23,900</b>	<b>27,100</b>	<b>28,000</b>	<b>900</b>	<b>3%</b>
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	<i>NET INCOME (LOSS)</i>	<i>49,253</i>	<i>23,900</i>	<i>27,100</i>	<i><b>28,000</b></i>	<i>900</i>	
<b>RESERVES</b>							
	BEGINNING BALANCES	666,364	698,214	698,214	<b>722,114</b>	23,900	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	49,253	23,900	27,100	<b>28,000</b>	900	
	CHANGE IN NON-CASH ITEMS	(17,403)	0	0	<b>0</b>	0	
	ENDING BALANCES	698,214	722,114	725,314	<b>750,114</b>	24,800	

Forecast of Reserves, Revenues & Expenses - Restricted

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

Forecast of Reserves, Revenues & Expenses - Restricted  
July 1, 2026 to June 30, 2027

	Engine Project (73)	Improvement District No. 2 (76)	Improvement District No. 3 (77)	State Payment (82)	Benefit Assess. Zone No. 1 (86)	Total Restricted Reserves
BEGINNING BALANCE ON JULY 1, 2026	\$ -	\$ 5,545	\$ 242,843	\$ 9,911,263	\$ 1,285,774	\$ 11,445,425
<b>REVENUES</b>						
Operating Revenues						
Water Sales	-	-	-	-	-	-
Water Services	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Total Operating Revenues	-	-	-	-	-	-
Non-Operating Revenues						
General Taxes	-	6,000	12,000	-	-	18,000
Special Taxes	-	-	-	3,245,400	-	3,245,400
Benefit Assessments	-	-	-	-	113,500	113,500
Other Revenue	-	100	10,000	341,000	49,000	400,100
Capital Contributions	-	-	-	-	-	-
Total Non-Operating Revenues	-	6,100	22,000	3,586,400	162,500	3,777,000
<b>TOTAL REVENUES</b>	-	6,100	22,000	3,586,400	162,500	3,777,000
<b>TRANSFERS FROM OTHER FUNDS</b>						
From Designated Reserve Funds	-	34,000	-	-	-	34,000
From Restricted Reserve Funds	-	-	-	-	-	-
<b>TOTAL TRANSFERS IN</b>	-	34,000	-	-	-	34,000
<b>TOTAL AVAILABLE DURING BUDGET YEAR</b>	-	45,645	264,843	13,497,663	1,448,274	15,256,425
<b>EXPENSES</b>						
Salaries & Benefits	-	-	-	-	-	-
Operations & Maintenance	-	40,100	9,100	5,664,411	162,500	5,876,111
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	-	40,100	9,100	5,664,411	162,500	5,876,111
<b>TRANSFERS TO OTHER FUNDS</b>						
To Designated Reserve Funds	-	-	-	-	-	-
To Restricted Reserve Funds	-	-	-	-	-	-
<b>TOTAL TRANSFERS OUT</b>	-	-	-	-	-	-
<b>TOTAL EXPENSES AND TRANSFERS OUT</b>	-	40,100	9,100	5,664,411	162,500	5,876,111
<b>ENDING BALANCE ON JUNE 30, 2027</b>	\$ -	\$ 5,545	\$ 255,743	\$ 7,833,252	\$ 1,285,774	\$ 9,380,314
<b>RESTRICTIONS</b>						
State Water Contract Obligations	\$ -	\$ -	\$ -	\$ 3,675,000	\$ -	\$ 3,675,000
Engine Project Costs	N/A	-	-	-	-	-
Flood Control Maintenance	-	323,000	717,000	-	2,055,000	3,095,000
<b>Total Restricted</b>	-	323,000	717,000	3,675,000	2,055,000	6,770,000
<b>BALANCE</b>	\$ -	\$ (317,455)	\$ (461,257)	\$ 4,158,252	\$ (769,226)	\$ 2,610,314

Restricted Reserve Funds - Account Detail

Tehachapi-Cummings County Water District  
Revenues & Expenses - Engine Project (73)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	222,857	23,500	24,600	0	(24,600)	-100%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>222,857</b>	<b>23,500</b>	<b>24,600</b>	<b>0</b>	<b>(24,600)</b>	<b>-100%</b>
	<b>TOTAL REVENUES</b>	<b>222,857</b>	<b>23,500</b>	<b>24,600</b>	<b>0</b>	<b>(24,600)</b>	<b>-100%</b>
<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Services</b>						
50276	Consulting	34,498	7,400	5,000	0	(5,000)	-100%
	<b>Government &amp; Regulatory</b>						
50281	Emissions Compliance	12,930	400	20,000	0	(20,000)	-100%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>47,428</b>	<b>7,800</b>	<b>25,000</b>	<b>0</b>	<b>(25,000)</b>	<b>-100%</b>
	DEBT SERVICE						
	<b>Principal Payments</b>						
50303	Principal - Engine Replacement Financing	530,000	560,000	560,000	0	(560,000)	-100%
	<b>Interest Expense</b>						
50313	Interest - Engine Replacement Financing	443,202	494,750	494,750	0	(494,750)	-100%
	<b>TOTAL DEBT SERVICE</b>	<b>973,202</b>	<b>1,054,750</b>	<b>1,054,750</b>	<b>0</b>	<b>(1,054,750)</b>	<b>-100%</b>
	CAPITAL OUTLAY						
	<b>Pumping Plants</b>						
50414	Replacement Engines	9,921,998	5,940,380	6,040,720	0	(6,040,720)	-100%
	<b>TOTAL CAPITAL OUTLAY</b>	<b>9,921,998</b>	<b>5,940,380</b>	<b>6,040,720</b>	<b>0</b>	<b>(6,040,720)</b>	<b>-100%</b>
	<b>TOTAL EXPENSES</b>	<b>10,942,628</b>	<b>7,002,930</b>	<b>7,120,470</b>	<b>0</b>	<b>(7,120,470)</b>	<b>-100%</b>
	<b>NET INCOME (LOSS)</b>	<b>(10,719,771)</b>	<b>(6,979,430)</b>	<b>(7,095,870)</b>	<b>0</b>	<b>7,095,870</b>	
<b>RESERVES</b>							
	BEGINNING BALANCES	10,978,786	879,791	879,791	0	(879,791)	
	WORKING CAPITAL CONVERSION TO CASH	0	760,978	804,439	0	(804,439)	
	TRANSFERS IN	726,616	5,338,661	5,411,640	0	(5,411,640)	
	TRANSFERS OUT	0	0	0	0	0	
	<b>NET TO (FROM) RESERVES</b>	<b>(9,993,155)</b>	<b>(1,640,769)</b>	<b>(1,684,230)</b>	<b>0</b>	<b>1,684,230</b>	
	CHANGE IN NON-CASH ITEMS	(105,840)	0	0	0	0	
	<b>ENDING BALANCES</b>	<b>879,791</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Tehachapi-Cummings County Water District  
 Revenues & Expenses - Improvement Dist. No. 2 (76)

PY/CY  
 Budget

		Audited		Amended	Requested		
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>General Taxes</b>						
40201	Current Year Property Taxes	10,559	4,000	4,000	6,000	2,000	50%
	<b>Other Revenues</b>						
40231	Interest Earnings	62	120	100	100	0	0%
40232	Unrealized Gain/(Loss)	(6)	0	0	0	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>10,615</b>	<b>4,120</b>	<b>4,100</b>	<b>6,100</b>	<b>2,000</b>	<b>49%</b>
	<b>TOTAL REVENUES</b>	<b>10,615</b>	<b>4,120</b>	<b>4,100</b>	<b>6,100</b>	<b>2,000</b>	<b>49%</b>

<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Administrative/General</b>						
50208	County Collection Charges	44	100	100	100	0	0%
	<b>Maintenance</b>						
50259	Maintenance - Flood Control Facilities	46,954	40,000	40,000	40,000	0	0%
	<b>Non-Cash Expenses</b>						
50292	Depreciation	60	0	0	0	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>47,058</b>	<b>40,100</b>	<b>40,100</b>	<b>40,100</b>	<b>0</b>	<b>0%</b>
	<b>TOTAL EXPENSES</b>	<b>47,058</b>	<b>40,100</b>	<b>40,100</b>	<b>40,100</b>	<b>0</b>	<b>0%</b>
	<b>NET INCOME (LOSS)</b>	<b>(36,443)</b>	<b>(35,980)</b>	<b>(36,000)</b>	<b>(34,000)</b>	<b>2,000</b>	

<b>RESERVES</b>							
	BEGINNING BALANCES	31	5,545	5,545	5,545	0	
	TRANSFERS IN	80,815	35,980	36,000	34,000	(2,000)	
	TRANSFERS OUT	0	0	0	0	0	
	NET TO (FROM) RESERVES	44,372	0	0	0	0	
	CHANGE IN NON-CASH ITEMS	(38,858)	0	0	0	0	
	ENDING BALANCES	5,545	5,545	5,545	5,545	0	

Tehachapi-Cummings County Water District  
 Revenues & Expenses - Improvement Dist. No. 3 (77)

PY/CY  
 Budget

Acct. No.	Account Description	Audited		Amended	Requested	PY/CY Budget	
		2024-25 Actual	2025-26 Estimate	2025-26 Budget	2026-27 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>General Taxes</b>						
40201	Current Year Property Taxes	10,240	9,600	8,700	<b>10,000</b>	1,300	15%
40204	Redevelopment Agency Pass-through	2,091	1,400	1,400	<b>2,000</b>	600	43%
	<b>Other Revenues</b>						
40231	Interest Earnings	10,163	8,000	9,100	<b>10,000</b>	900	10%
40232	Unrealized Gain/(Loss)	5,445	0	0	<b>0</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>27,939</b>	<b>19,000</b>	<b>19,200</b>	<b>22,000</b>	<b>2,800</b>	<b>15%</b>
	<b>TOTAL REVENUES</b>	<b>27,939</b>	<b>19,000</b>	<b>19,200</b>	<b>22,000</b>	<b>2,800</b>	<b>15%</b>

<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Administrative/General</b>						
50208	County Collection Charges	90	200	200	<b>100</b>	(100)	-50%
	<b>Maintenance</b>						
50259	Maintenance - Flood Control Facilities	0	9,000	9,000	<b>9,000</b>	0	0%
	<b>Non-Cash Expenses</b>						
50292	Depreciation	1,992	0	0	<b>0</b>	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>2,082</b>	<b>9,200</b>	<b>9,200</b>	<b>9,100</b>	<b>(100)</b>	<b>-1%</b>
	<b>TOTAL EXPENSES</b>	<b>2,082</b>	<b>9,200</b>	<b>9,200</b>	<b>9,100</b>	<b>(100)</b>	<b>-1%</b>
	<b>NET INCOME (LOSS)</b>	<b>25,857</b>	<b>9,800</b>	<b>10,000</b>	<b>12,900</b>	<b>2,900</b>	

<b>RESERVES</b>						
	BEGINNING BALANCES	210,682	233,043	233,043	<b>242,843</b>	9,800
	TRANSFERS IN	0	0	0	<b>0</b>	0
	TRANSFERS OUT	0	0	0	<b>0</b>	0
	NET TO (FROM) RESERVES	25,857	9,800	10,000	<b>12,900</b>	2,900
	CHANGE IN NON-CASH ITEMS	(3,496)	0	0	<b>0</b>	0
	ENDING BALANCES	233,043	242,843	243,043	<b>255,743</b>	12,700

Tehachapi-Cummings County Water District  
Revenues & Expenses - State Payment (82)

		Audited		Amended	Requested	PY/CY Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Special Taxes</b>						
40211	Current Year State Payment Tax	4,453,424	3,318,400	3,318,400	<b>3,159,400</b>	(159,000)	-5%
40212	Prior Year State Payment Tax	10,469	49,000	50,000	<b>46,000</b>	(4,000)	-8%
40213	Homeowners Property Tax Relief	16,275	16,400	20,000	<b>20,000</b>	0	0%
40215	State Payment Tax - Penalties/Other	13,684	18,800	20,000	<b>20,000</b>	0	0%
	<b>Other Revenues</b>						
40231	Interest Earnings	434,262	358,300	408,100	<b>341,000</b>	(67,100)	-16%
40232	Unrealized Gain/(Loss)	251,130	0	0	<b>0</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>5,179,244</b>	<b>3,760,900</b>	<b>3,816,500</b>	<b>3,586,400</b>	<b>(230,100)</b>	<b>-6%</b>
	<b>TOTAL REVENUES</b>	<b>5,179,244</b>	<b>3,760,900</b>	<b>3,816,500</b>	<b>3,586,400</b>	<b>(230,100)</b>	<b>-6%</b>
<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Administrative/General</b>						
50208	County Collection Charges	11,152	11,500	8,300	<b>7,900</b>	(400)	-5%
50217	Audit - KCWA Agreement	0	3,000	3,000	<b>5,000</b>	2,000	67%
	<b>System Operations</b>						
50241	Source of Supply - KCWA Contract	2,579,281	4,743,100	4,172,100	<b>5,651,511</b>	1,479,411	35%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>2,590,433</b>	<b>4,757,600</b>	<b>4,183,400</b>	<b>5,664,411</b>	<b>1,481,011</b>	<b>35%</b>
	<b>TOTAL EXPENSES</b>	<b>2,590,433</b>	<b>4,757,600</b>	<b>4,183,400</b>	<b>5,664,411</b>	<b>1,481,011</b>	<b>35%</b>
	<b>NET INCOME (LOSS)</b>	<b>2,588,811</b>	<b>(996,700)</b>	<b>(366,900)</b>	<b>(2,078,011)</b>	<b>(1,711,111)</b>	
<b>RESERVES</b>							
	BEGINNING BALANCES	8,563,710	10,907,963	10,907,963	<b>9,911,263</b>	(996,700)	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	2,588,811	(996,700)	(366,900)	<b>(2,078,011)</b>	(1,711,111)	
	CHANGE IN NON-CASH ITEMS	(244,558)	0	0	<b>0</b>	0	
	ENDING BALANCES	10,907,963	9,911,263	10,541,063	<b>7,833,252</b>	(2,707,811)	

Tehachapi-Cummings County Water District  
 Revenues & Expenses - Benefit Assess. Zone No. 1 (86)

PY/CY

		Audited	Amended		Requested	Budget	
Acct. No.	Account Description	2024-25 Actual	2025-26 Estimate	2025-26 Budget	<b>2026-27 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
NON-OPERATING REVENUES							
<b>Benefit Assessments</b>							
40221	Current Year Benefit Assessments	99,696	97,900	106,000	<b>106,000</b>	0	0%
40222	Prior Year Benefit Assessments	4,690	3,500	6,000	<b>6,000</b>	0	0%
40224	Benefit Assessment - Penalties/Other	153	1,000	1,500	<b>1,500</b>	0	0%
<b>Other Revenues</b>							
40231	Interest Earnings	56,834	43,500	49,900	<b>49,000</b>	(900)	-2%
40232	Unrealized Gain/(Loss)	29,991	0	0	<b>0</b>	0	0%
<b>TOTAL NON-OPERATING REVENUES</b>		<b>191,364</b>	<b>145,900</b>	<b>163,400</b>	<b>162,500</b>	(900)	-1%
<b>TOTAL REVENUES</b>		<b>191,364</b>	<b>145,900</b>	<b>163,400</b>	<b>162,500</b>	(900)	-1%
<b>EXPENSES</b>							
OPERATIONS & MAINTENANCE							
<b>Administrative/General</b>							
50201	Public Information & Notices	1,698	1,700	2,000	<b>2,000</b>	0	0%
50203	Printing	220	300	300	<b>300</b>	0	0%
50208	County Collection Charges	366	400	400	<b>400</b>	0	0%
<b>Maintenance</b>							
50259	Maintenance - Flood Control Facilities	34,628	87,100	53,800	<b>102,800</b>	49,000	91%
<b>Services</b>							
50271	Outside Service	0	2,000	2,000	<b>2,000</b>	0	0%
50275	Engineering	0	2,000	2,000	<b>2,000</b>	0	0%
50279	Insurance & Bonds	23,032	25,400	26,000	<b>26,000</b>	0	0%
<b>Government &amp; Regulatory</b>							
50284	Regulatory Fees - Other	24,643	27,000	27,000	<b>27,000</b>	0	0%
<b>Non-Cash Expenses</b>							
50292	Depreciation	108	0	0	<b>0</b>	0	0%
<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>		<b>84,695</b>	<b>145,900</b>	<b>113,500</b>	<b>162,500</b>	49,000	43%
<b>TOTAL EXPENSES</b>		<b>84,695</b>	<b>145,900</b>	<b>113,500</b>	<b>162,500</b>	49,000	43%
<b>NET INCOME (LOSS)</b>		<b>106,669</b>	<b>0</b>	<b>49,900</b>	<b>0</b>	<b>(49,900)</b>	
<b>RESERVES</b>							
BEGINNING BALANCES		1,209,727	1,285,774	1,285,774	<b>1,285,774</b>	0	
TRANSFERS IN		905,141	0	0	<b>0</b>	0	
TRANSFERS OUT		0	0	0	<b>0</b>	0	
NET TO (FROM) RESERVES		1,011,810	0	49,900	<b>0</b>	(49,900)	
CHANGE IN NON-CASH ITEMS		(935,763)	0	0	<b>0</b>	0	
ENDING BALANCES		1,285,774	1,285,774	1,335,674	<b>1,285,774</b>	(49,900)	

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
 REGULAR MEETING OF THE BOARD OF DIRECTORS  
 June 17, 2026

TOPIC: Adopt Resolution No. 06-26, For Transfer of Funds  
 ITEM FOR: Action  
 PURPOSE: Transfer funds consistent with Board policy and budget  
 IMPACT: Fiscal/Budget

SUBMITTED BY: Crystal Sampson

EXECUTIVE SUMMARY

Adoption of Resolution No. 06-26 will authorize the transfer of funds per the results of the Fiscal Year 2026-27 Preliminary Budget.

BACKGROUND

As part of the annual budget process, the Board reviews the Reserves Policy prior to adopting the Preliminary Budget each June. The Reserves Policy sets forth reserve targets for each fund and the formulas by which each reserve target is set. The reserve targets, reserve balances, and whether or not targets are met is depicted on the Reserve Targets page following the Reserves Policy in the budget document. Whenever changes to reserve targets occur, there is a potential need for inter-fund transfers to satisfy revised reserve target thresholds. The budget may also include inter-fund transfers deemed necessary to accomplish fiscal year goals as determined and approved by the Board. During the annual review performed of the Reserves Policy prior to its inclusion in the FY 2026-27 Preliminary Budget, it was determined that no revisions were necessary. The version included in the budget document was adopted at the May 2025 regular board meeting with Resolution No. 05-25.

On Friday, May 29<sup>th</sup>, 2026, the Ad-hoc Budget Committee (Directors Davis & Schultz) meeting was held to review and discuss the draft FY 2026-27 Preliminary Budget, Appropriations Limit, and Reserves Policy. Included in the meeting was a discussion of budget transfers that would be presented consistent with the FY 2026-27 Preliminary Budget document, as follows:

1. To conclude FY 2025-26,
  - a. The sum of \$110,000 from General Fund (70) to Tax Revenue Liability Fund (85)
    - i. Is needed to meet the full reserve target that increased during the FY 2025-26 mid-year budget review as a result of the increased Contingent Tax Liability per the Kern County Auditor report that was released around October 2025.
  - b. The sum of \$3,035,000 from Equipment/ Infrastructure – Replacement/ Upgrade Fund (83) to Engine Project Fund (73)
    - i. Is needed to fund the completion of the multi-year engine replacement project at Pump Plants 2 & 3. The amount of this transfer will leave just over \$100k in Fund 83.

It will be necessary to transfer funds from General Fund (70) to Engine Project Fund (73) to complete the project. The transfer of those funds will be made via resolution after the exact amount is determined as part of the year-end financial statement close and financial statement audit. It is expected that transfers that are necessary from General Fund (70) at the conclusion of the June 30, 2026, financial statement audit will be

brought to the Board at the December regular board meeting. Currently, it is estimated that the amount that will be needed from the General Fund to complete the project will be approximately \$1.25M, plus \$1,054,750 so that the debt service payment will be shown as being made from Fund 73 per reporting requirements.

The District received \$11.8M in project proceeds from the issuance of \$10,925,000 in 2023 Revenue Certificates of Participation. At this time, the expected total project cost is approximately \$16.2M.

It is forecast that as of June 30, 2026, all designated reserve fund full reserve targets will be met except for the Equipment/ Infrastructure – Replacement/ Upgrade Fund (83). Due to transferring nearly all funds from Fund 83 to Engine Project Fund (73), the interim reserve target for Fund 83 will be unmet. Transfers between reserve funds, including into Fund 83, will be considered prior to the adoption of the FY 2026-27 Final Budget and during the mid-year budget review. The only other reserve targets that will not be met for FY 2025-26 or FY 2026-27 are those set for the flood control improvement districts at Funds 76, 77, and 86.

**FISCAL IMPACT**

A transfer of \$110,000 from General Fund (70) to Tax Revenue Liability Fund (85) and a transfer of \$3,035,000 from Equipment/ Infrastructure – Replacement/ Upgrade Fund (83) to Engine Project Fund (73).

**COMMITTEE RECOMMENDATION**

The Ad-hoc Budget Committee recommends that the Board approve transfers between the above noted District reserve funds totaling \$3,145,000.

**RECOMMENDED MOTION**

***“I move for adoption of Resolution No. 06-26, For Transfer of Funds, as described.”***

**ATTACHMENT**

A - Resolution No. 06-26, For Transfer of Funds

RESOLUTION NO. 06-26

A RESOLUTION OF THE BOARD OF DIRECTORS OF  
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
FOR TRANSFER OF FUNDS

A. Recitals.

1. It is necessary to establish required and designated balances for reserve funds and to transfer funds between reserve funds to maintain targeted reserve fund balances and/or accomplish fiscal year goals as determined and approved by the Board.

2. To satisfy various purposes, all District funds are held as reserve funds that are separately accumulated, managed, maintained, and transferred in accordance with the most recent version of the Reserves Policy adopted with Resolution No. 05-25.

B. Resolutions.

NOW, THEREFORE, BE IT FOUND, DETERMINED, AND RESOLVED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT as follows:

1. Each of the above recitals is true and correct and the Board so finds and determines.
2. District Treasurer is authorized and directed to make the following reserve fund transfers:
  - a. Prior to June 30, 2026 (FY 2025-26):
    - i. The sum of \$110,000 from General Fund (70) to Tax Revenue Liability Fund (85).
    - ii. The sum of \$3,035,000 from Equipment/Infrastructure – Replacement Upgrade Fund (83) to Engine Project Fund (73).

PASSED, APPROVED, AND ADOPTED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT this 17<sup>th</sup> day of June 2026.

\_\_\_\_\_  
Robert W. Schultz, Board President

ATTEST:

\_\_\_\_\_  
Catherine Adams, Board Secretary

SECRETARY'S CERTIFICATE

I, CATHERINE ADAMS, Secretary of the Board of Directors of Tehachapi-Cummings County Water District, hereby certify as follows:

The foregoing is a full, true, and correct copy of Resolution No. 06-26 duly adopted at a regular meeting of the Board of Directors of the District duly and legally held at the regular meeting place thereof on June 17, 2026. All of the members of the Board of Directors received due notice of the meeting and a majority thereof was present. At the meeting, the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: \_\_\_\_\_  
Catherine Adams, Board Secretary

(SEAL)

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
 REGULAR MEETING OF THE BOARD OF DIRECTORS  
 June 17, 2026

TOPIC: Adopt Resolution 07-26, Setting Water Rates for 2026  
 ITEM FOR: Action  
 PURPOSE: Set water rates for 2026  
 IMPACT: Fiscal/Budget

SUBMITTED BY: Crystal Sampson

**EXECUTIVE SUMMARY**

Approval of this item will maintain water rates at their current levels.

**BACKGROUND**

The calculation for the Regular M&I rate yields a 5-year average cost of \$2,232 per acre-foot (full price to import water from SWP) as is shown in Table 4.



Tehachapi-Cummings  
 County Water District  
*Our Water • Our Future*

**TABLE 4**  
**Regular M&I Cost Calculation**

Water Operation Expenses	Fiscal Year					
	2020-21	2021-22	2022-23	2023-24	2024-25	5-yr Average
Operating Expenses (General Fund)	\$ 8,044,512	\$ 7,116,250	\$ 8,390,375	\$ 8,633,795	\$ 8,978,350	\$ 8,232,656
Debt Service (General Fund)- 2015 Engine Project	766,284	766,284	766,284	330,020	-	525,774
Debt Service (General Fund)- 2023 Engine Project	-	-	-	1,037,146	1,051,250	417,679
KCWA Charges for SWP Water (Water Payment Fund 82)	2,434,838	2,633,523	3,681,552	3,220,641	2,579,281	2,909,967
Benefit Liabilities	396,005	403,019	283,862	-	-	216,577
<b>Total Water Operation Expenses</b>	<b>\$ 11,641,639</b>	<b>\$ 10,919,076</b>	<b>\$ 13,122,073</b>	<b>\$ 13,221,602</b>	<b>\$ 12,608,881</b>	<b>\$ 11,709,824</b>

SWP Water Imported	Calendar Year					5-yr Average
	2020	2021	2022	2023	2024	
SWP Water Imported in Calendar Year (Acre Feet) (Net of Losses)	6,361	3,199	887	8,887	6,898	5,246
<b>Total Cost per Acre Foot</b>	<b>\$ 1,830</b>	<b>\$ 3,414</b>	<b>\$ 14,793</b>	<b>\$ 1,488</b>	<b>\$ 1,828</b>	<b>\$ 2,232</b>

The current Regular M&I rate is \$1,385/AF; however, management is not recommending an increase. A rate increase requires a Prop. 218 protest hearing process. Given the fact that the District sold only 17 AF in 2024 and 12 AF in 2025 at this rate, the cost of a Prop. 218 process does not seem warranted. The recommendation is to leave the Regular M&I rate at \$1,385/AF. The actual cost per AF of water for calendar year 2024 was \$1,828/AF. The 5-year rolling average is \$2,232/AF.

The attached tables prepared by the General Manager and the Accounting & Finance Specialist detail the information considered. The “Historical Analytics Method” (Table 5) details an analytical model of multipliers and ratios that were used to perform a calculation of model water rates for the purpose of forecasting future water rates, based on the price of natural gas (Table 2). Pre-purchased natural gas contract rates and estimated natural gas contract price rates are detailed in Table 5. The model calculation method is:

1. Pressure Zone 1: Natural gas price [(\$/MMBTU) x 80 (MMBTU/AF)] = Term M&I rate (\$/AF)
2. Pressure Zone 1 (Over-Extraction Fee): PZ1 Term M&I rate + 30%
3. Pressure Zone 2: PZ1 Term M&I rate + 20%
4. Pressure Zone 3: PZ2 Term M&I rate + \$300

Per the Historical Analytics Method (Table 5), 2026 model rates are practically unchanged over the 2025 model rates with Pressure Zone 1 costing \$1.38/AF less, Pressure Zone 1 (Over-Extraction Fee) costing \$1.80/AF less, and Pressure Zones 2 and 3 costing \$1.66/AF less. The model rates are calculated using estimated natural gas costs. The slight decrease in the 2026 model rate over the 2025 model rate is due to an estimated natural gas cost decrease of \$0.02 per MMBTU for 2026 purchases at a blended rate of \$3.83/ MMBTU. The Rates to Debt Service Ratio Analysis (Table 3) shows projected costs greater than revenues for all years presented despite years with increased SWP supply, primarily due to increased debt service obligations coupled with decreasing spreads between the current and model rates.

Although Staff is not recommending the Board change the current water rate structure at this time, these analyses indicate the need to conduct a water rate study. It is Staff’s intention to hire a consultant early enough in FY 2026-27 that a change to the water rate structure could be considered prior to setting 2027 water rates.

Agricultural rates have been equal to Term M&I rates since 2014. Historically, Staff and the Ad-hoc Water Rate Committee has recommended that any difference in revenues generated from this modeled rate structure be used to offset and/or meet the debt service obligation(s) for the engine replacement project, with any excess revenues designated to Equipment/Infrastructure – Replacement/Upgrade reserves. Per Table 3, no reserve designations will be possible this year.

#### FISCAL IMPACT

A \$684,389 deficit in costs to revenues is projected for FY 2025-26. The projections for FY 2026-27 and FY 2027-28 suggest deficits in costs to revenues of \$560,179 and \$598,500, respectively (Table 3).

#### COMMITTEE RECOMMENDATION

No Ad-hoc Water Rate Committee meetings were held.

#### RECOMMENDED MOTION

***“I move that the Board adopt Resolution 07-26, Setting Water Rates for 2026.”***

#### ATTACHMENTS

- Table 1 – Estimated Supply and Demand Forecast - 2026
- Table 2 – Estimated Natural Gas Costs
- Table 3 – Analysis of Engine Project Debt Service Repayment
- Table 4 – Regular M&I Cost Calculation
- Table 5 – Calculated Water Rates for 2026, Historical Analytics Method
- A - Resolution 07-26, Setting Water Rates for 2026

**TABLE 1**



**SWP WATER SUPPLY AND DEMAND ANALYSIS  
ESTIMATED SUPPLY & DEMAND FORECAST - 2026**

Rev: 04  
Date: 02/13/26

DESCRIPTION	30%	35%	45%	50%	2026 Rqst.		
<b>SUPPLY</b>							
2026 Table "A" Allocation	5,790			9,650			
2026 Article 21 (Estimate to Date)	0			0			
2025 Table "A" Carryover	3,839			3,839			
<b>Total Surface Water Available</b>	9,629			13,489			
ID4 - LKR	0			0			
ID4 - SWP	0			0			
<b>Total SJV Banked Available</b>	0			0			
Cummings Banked - EOY 2025 EST.	8,191			8,191			
Tehachapi Banked - EOY 2025 EST.	9,650			9,650			
<b>Total In-District Banked</b>	17841			17,841			
<b>DEMAND</b>							
Cummings Regular M&I	1			1	1		
Tehachapi Regular M&I	55			55	55		
Brite Regular M&I	-			-	-		
<b>Total Regular M&amp;I</b>	56			56	56		
Cummings Term M&I	7			7	7		
Tehachapi Term M&I	363			363	363		
Brite Term M&I	0			0	-		
<b>Total Term M&amp;I</b>	370			370	370		
<b>Wheeled Water</b>	656			656	656		
Cummings Ag	4553			4553	4,553		
Tehachapi Ag	1592			1,592	1,592		
Brite Ag	517			517	517		
<b>Total Ag</b>	6662			6662	6,662		
100%							
<b>Total Delivery to Customers</b>	7744			7744	7,744		
<b>Required Recharge Conj Use</b>							
BVCSD Current Year	781			781	781		
SSCSD Current Year	230			230	230		
CCI Current Year	-			-	-		
Tehachapi Water Supply Agrmts	50			50	50		
Cummings Pumpers	106			106	106		
BVCSD BWRA	1,015			1,015	1,015		
SSCSD BWRA	35			35	35		
<b>Total Req'd Recharge Conj Use</b>	2,217			2,217	2,217		
<b>Recharge Available</b>							
% of Req'd Avail							
<b>Voluntary Recharge Conj Use</b>							
City of Tehachapi				-	500		
Golden Hills CSD				-	-		
Chanac Creek MUD				-	10		
Grimmway					250		
Revol Farms Recharge (Overextract)				-	-		
<b>Total Voluntary Recharge Conj Use</b>					760		
<b>Total Recharge</b>	2,217	-		2,217	2,977		
<b>Total Delivery</b>	9961	-	-	9,961	10,721		
<b>System Losses (10%)</b>	996	-	-	996	1,072		
<b>Total Demand</b>	10,957	0	0	10957	11,793		
<b>SJV Withdrawal Required</b>	0	0	0	0			
<b>In-Dist Withdrawal from Banked</b>	1,328	0	0	-2531.6			
<b>Net SJV Banking Withdrawal</b>	0	0	0	0			
<b>Deficit Incurred In-District</b>	1,328	0	0	0			
<b>Banked In-District Remaining</b>	16,513	0	0	20,373			
<b>SJV Banked Remaining</b>	0	0	0	0			

TABLE 2



ESTIMATED NATURAL GAS COSTS

Rev: 10  
Date: 06/10/26

DESCRIPTION	2025 Actual	%	\$/MMBTU	2026 Est.	%	\$/MMBTU	2027 Est.	%	\$/MMBTU
<b>Purchased</b>									
Kern River Delivery	331,170	100%	3.54	298,900	82%	3.83	-	0%	3.50
SoCal Gas Delivery	16,603	100%	3.46	-	0%	-	-	0%	3.50
Combined Totals	347,773	100%	3.54	298,900	79%	3.83	-	0%	3.50
<b>Remaining to be Purchased</b>									
Kern River Delivery	-	0%	-	65,600	18%	4.00	450,000	100%	4.00
SoCal Gas Delivery	-	0%	-	13,500	100%	3.00	25,000	100%	3.50
Combined Totals	-	0%	-	79,100	21%	3.83	475,000	100%	3.97
<b>Total Estimates</b>									
Kern River Delivery	331,170		3.54	364,500		3.86	450,000		4.00
SoCal Gas Delivery	16,603		3.46	13,500		3.00	25,000		3.50
Combined Totals	347,773		3.54	378,000		3.83	475,000		3.97

Target Importation

Assumptions	AF	MMBTU
Total Import	10,000	475,000
Kern River Import @ 45 MMBTU	10,000	450,000
SoCal Gas Import @ 5 MMBTU	5,000	25,000
		<u>475,000</u>

2026 Importation

Assumptions	AF	MMBTU
Total Import	8,100	378,000
Kern River Import @ 45 MMBTU	8,100	364,500
SoCal Gas Import @ 5 MMBTU	2,700	13,500
		<u>378,000</u>

**TABLE 3**



**Rates to Debt Service Ratio Analysis**

Using Term M&I Actual Rates versus Model Rates per Acre Foot (AF) Compared to Annual Debt Service

<b>Debt Service Payments (Principal &amp; Interest)</b>							
		<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>
2015 Engine Project							
	December 30	\$ 383,099.58	\$ 330,020.40	\$ -	\$ -	\$ -	\$ -
	June 30	383,184.58	-	-	-	-	-
2023 Engine Project							
	December 01	-	264,020.83	260,625.00	247,375.00	233,375.00	218,750.00
	June 01	-	773,125.00	790,625.00	807,375.00	818,375.00	833,750.00
<b>Total Annual Debt Service Payments</b>		<b>\$ 766,284.16</b>	<b>\$ 1,367,166.23</b>	<b>\$ 1,051,250.00</b>	<b>\$ 1,054,750.00</b>	<b>\$ 1,051,750.00</b>	<b>\$ 1,052,500.00</b>
<b>Current Rate/Model Rate - Cost/AF Difference</b>							
		<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Current Rate/AF		\$ 363.00	\$ 363.00	\$ 363.00	\$ 363.00	\$ 363.00	\$ 363.00
Model Rate/AF		222.40	310.40	281.60	307.78	306.40	317.60
<b>Cost/AF Difference</b>		<b>\$ 140.60</b>	<b>\$ 52.60</b>	<b>\$ 81.40</b>	<b>\$ 55.22</b>	<b>\$ 56.60</b>	<b>\$ 45.40</b>
Output in AF (Actual and Estimated)		1,205	9,556	7,498	6,707	8,685	10,000
Revenue/(Expense) from Rate Difference		\$ 169,423.00	\$ 502,645.60	\$ 610,337.20	\$ 370,360.54	\$ 491,571.00	\$ 454,000.00
Annual Debt Service Payments		(766,284.16)	(1,367,166.23)	(1,051,250.00)	(1,054,750.00)	(1,051,750.00)	(1,052,500.00)
<b>\$ Difference</b>		<b>\$ (596,861.16)</b>	<b>\$ (864,520.63)</b>	<b>\$ (440,912.80)</b>	<b>\$ (684,389.46)</b>	<b>\$ (560,179.00)</b>	<b>\$ (598,500.00)</b>

TABLE 4



Regular M&I Cost Calculation

Water Operation Expenses	Fiscal Year					
	2020-21	2021-22	2022-23	2023-24	2024-25	5-yr Average
Operating Expenses (General Fund)	\$ 8,044,512	\$ 7,116,250	\$ 8,390,375	\$ 8,633,795	\$ 8,978,350	\$ 8,232,656
Debt Service (General Fund)- 2015 Engine Project	766,284	766,284	766,284	330,020	-	525,774
Debt Service (General Fund)- 2023 Engine Project	-	-	-	1,037,146	1,051,250	417,679
KCWA Charges for SWP Water (Water Payment Fund 82)	2,434,838	2,633,523	3,681,552	3,220,641	2,579,281	2,909,967
Benefit Liabilities	396,005	403,019	283,862	-	-	216,577
<b>Total Water Operation Expenses</b>	<b>\$ 11,641,639</b>	<b>\$ 10,919,076</b>	<b>\$ 13,122,073</b>	<b>\$ 13,221,602</b>	<b>\$ 12,608,881</b>	<b>\$ 11,709,824</b>

SWP Water Imported	Calendar Year					
	2020	2021	2022	2023	2024	5-yr Average
SWP Water Imported in Calendar Year (Acre Feet) (Net of Losses)	6,361	3,199	887	8,887	6,898	5,246
<b>Total Cost per Acre Foot</b>	<b>\$ 1,830</b>	<b>\$ 3,414</b>	<b>\$ 14,793</b>	<b>\$ 1,488</b>	<b>\$ 1,828</b>	<b>\$ 2,232</b>

**TABLE 5**



**Historical Analytics Method  
Model Water Rates**

**Natural Gas Costs Per Acre Foot**

Method	Agricultural				Term Municipal and Industrial (M&I)			
	Pressure Zone 1	Over-Extraction Fee		Pressure Zone 3	Pressure Zone 1	Over-Extraction Fee		Pressure Zone 3
		Pressure Zone 1	Pressure Zone 2			Pressure Zone 1	Pressure Zone 2	
Current Rates	\$ 363.00	\$ 472.00	\$ 436.00	\$ 676.00	\$ 363.00	\$ 472.00	\$ 436.00	\$ 676.00
Model Rates 2026	306.40 <sup>1</sup>	398.32 <sup>1</sup>	367.68 <sup>1</sup>	667.68 <sup>1</sup>	306.40 <sup>2</sup>	398.32	367.68	667.68
Futures Rates 2027	317.60 <sup>1</sup>	412.88 <sup>1</sup>	381.00 <sup>1</sup>	681.00 <sup>1</sup>	317.60 <sup>3</sup>	412.88	381.00	681.00

<sup>1</sup> 2026 - 2027 Model and Future Rates assume Agricultural rate = 100% Term M&I rate.

<sup>2</sup> 2026 Model Rates are based upon 100% natural gas at the blended price of \$3.83 with 79% of 2026 purchases completed.

<sup>3</sup> 2027 Future Rates are based upon 100% natural gas at the estimated blended price of \$3.97 with 0% of 2027 purchases completed.

RESOLUTION NO. 07-26

RESOLUTION OF THE BOARD OF DIRECTORS OF  
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
SETTING WATER RATES FOR 2026

A. Recitals.

1. Water Code section 31007 authorizes the board of directors of a county water district to fix rates and charges in an amount sufficient to (a) pay the operating expenses of the district, (b) provide for repairs and depreciation of works owned or operated by the district, (c) pay the principal and interest on any bonded debt; and
2. The Board of Directors has adopted Resolution 25-16, as amended, setting forth the rules and regulations for water service within the District and the general policies governing rate setting; and
3. Management reviewed current water rates and District costs intended to be funded by revenues from water rates and has provided a recommendation to the Board of Directors regarding revising water rates; and
4. The rates contained herein are consistent with the policies governing rate setting set forth in Resolution 25-16, as amended; and
5. The rates contained herein are no greater than rates currently charged by the District.

B. Resolutions.

NOW, THEREFORE, BE IT FOUND, DETERMINED, AND RESOLVED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT as follows:

1. Each of the above recitals are true and correct and the Board of Directors so finds and determines.
2. Pressure Zones. Three pressure zones (PZ) are hereby established in the District as follows:
  - a. Pressure Zone 1 - Area served by pipeline prior to reaching Pump Plant 4 (generally, Cummings Basin).
  - b. Pressure Zone 2 - Area served by pipeline between Pump Plant 4 and Pump Plant 5 (generally, Brite Basin and Tehachapi Basin).
  - c. Pressure Zone 3 - Area served by pipeline beyond Pump Plant 5 (generally, the Oak Creek area).

3. Agricultural Water. The rates for agricultural water, other than as provided in Section 7 below, are:

Rates Per Acre Foot of Water - Ag	Pressure Zone 1	Pressure Zone 2	Pressure Zone 3
Non-Potable Water	\$ 363	\$ 436	\$ 676
Non-Potable Water, Over-Extraction Fee	\$ 472	N/A	N/A
Recharge Surcharge (if applicable)	\$ 15	\$ 15	\$ 15
Spreading Loss Surcharge (if applicable)	\$ 22	\$ 26	\$ 26

The over-extraction fee is imposed pursuant to Paragraph 13 of the Amended and Restated Judgment and Physical Solution pertaining to the Cummings Basin (located within Pressure Zone 1). This fee is prescribed as a consequence for extracting in any year more than the approved annual allocation and is only applicable to Pressure Zone 1 based on the location covered in the judgment. The recharge surcharge is imposed to recoup maintenance and operation costs of recharge facilities and amortized capital costs of constructing recharge facilities in Tehachapi and Cummings Basins. The spreading loss surcharge is imposed pursuant to Section 1 of Part B of Resolution 25-16, as amended, to recover the cost of imported water lost on account of evaporation, phreatophyte consumption and any other losses incurred in the transportation and spreading of recharge water, the loss rate which the Board hereby finds and determines to be 6%. Thus, the spreading loss surcharge is equal to 6% of the applicable base rate, except PZ 3 which was previously determined by the Board to be set equal to PZ 2. These surcharges are applicable only to customers receiving water for groundwater banking (i.e., artificial recharge).

4. Term M&I Water. The rates for water delivered pursuant to a Term M&I Agreement, other than as provided in Section 7 below, are:

Rates Per Acre Foot of Water - Term M&I	Pressure Zone 1	Pressure Zone 2	Pressure Zone 3
Non-Potable Water	\$ 363	\$ 436	\$ 676
Non-Potable Water, Over-Extraction Fee	\$ 472	N/A	N/A
Recharge Surcharge (if applicable)	\$ 15	\$ 15	\$ 15
Spreading Loss Surcharge (if applicable)	\$ 22	\$ 26	\$ 26

The over-extraction fee is imposed pursuant to Paragraph 13 of the Amended and Restated Judgment and Physical Solution pertaining to the Cummings Basin (located within Pressure Zone 1). This fee is prescribed as a consequence for extracting in any year more than the approved annual allocation and is only applicable to Pressure Zone 1 based on the location covered in the judgment. The recharge surcharge is imposed to recoup maintenance and operation costs of recharge facilities and amortized capital costs of constructing recharge facilities in Tehachapi and Cummings Basin. The spreading loss surcharge is imposed pursuant to Section 1 of Part B of Resolution 25-16, as amended, to recover the cost of imported water lost on account of evaporation, phreatophyte consumption and any other losses incurred in the transportation and spreading of recharge water, the loss rate which the Board hereby finds and determines to be 6%. Thus, the spreading loss surcharge is equal to 6% of the applicable base rate, except PZ 3 which was previously determined by the Board to be set equal to PZ 2. These surcharges are applicable only to customers receiving water for groundwater banking (i.e., artificial recharge).

5. Regular M&I Water. The rate for normal M&I water (i.e., M&I water not delivered pursuant to a Term M&I Agreement), other than as provided in Section 8 below, is \$1,385 per acre foot.

6. Monthly Administrative Charge. Each customer shall pay an administrative charge of \$4.50 per month regardless of how much water is delivered, to partially recoup District clerical and administrative expenses to maintain and bill customers' accounts.

7. Special Rates. The above rates do not apply to:
- a. Water for ultimate use outside the District’s boundaries, rates for which shall be determined by the Board of Directors when and if the Board approves such use.
  - b. Water used in violation of the District’s Rules and Regulations, in which event the rate specified in Section 4 of Part J of Resolution 25-16, as amended, shall apply.

8. California Environmental Quality Act. The Board of Directors finds, determines and declares that the rates for water authorized hereby are to recover the actual costs of operating expenses, purchasing and leasing supplies, equipment and materials, meeting financial reserve needs and requirements and constructing capital projects necessary to maintain service. Therefore, the District’s setting of rates for water pursuant to this Resolution is not a “project” requiring review under the California Environmental Quality Act (CEQA), pursuant to Public Resources Code section 20180(b)(8) and section 15273(c) of the State CEQA Guidelines (14 CA Code of Regs., § 15273(c)).

9. Compliance with Proposition 218. The Board of Directors finds, determines and declares that the rates for water authorized herein comply with the requirements of Article 13D, Section 6, of the California Constitution (Proposition 218) in that:

- a. Revenues derived from water rates and charges do not exceed the funds required to provide the service, including the accumulation of prudent reserves.
- b. Revenues derived from water rates and charges will not be used for any purpose other than to provide water services to residents, property owners and customers of the District.
- c. The amount of the water rates and charges does not exceed the proportional cost of providing the service to any individual customer, lot or parcel.
- d. Water rates and charges will be levied only on properties for which water service has been requested, therefore, the service is deemed to be actually used by, or immediately available to, the customer requesting the water.
- e. The water service provided is not a general governmental service and is not available to the public at large in substantially the same manner as it is to persons requesting water service.

10. Effective Date. This Resolution is effective for billings made after August 1, 2026. This Resolution shall be posted in at least three public places in the District for at least thirty (30) days.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT this 17<sup>th</sup> day of June 2026.

\_\_\_\_\_  
Robert W. Schultz, Board President

ATTEST:

\_\_\_\_\_  
Catherine Adams, Board Secretary

SECRETARY'S CERTIFICATE

I, CATHERINE ADAMS, Secretary of the Board of Directors of Tehachapi-Cummings County Water District, hereby certify as follows:

The foregoing is a full, true and correct copy of Resolution No. 07-26 duly adopted at a regular meeting of the Board of Directors of the District duly and legally held at the regular meeting place thereof on June 17, 2026. All of the members of the Board of Directors received due notice of the meeting and a majority thereof was present. At the meeting, the resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: \_\_\_\_\_  
Catherine Adams, Board Secretary

(SEAL)

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
June 17, 2026

TOPIC: Schedule Ad-hoc Audit Committee Meeting  
ITEM FOR: Discussion  
PURPOSE: Schedule Required Meeting  
IMPACT: Fiscal/Budget, Administration

---

SUBMITTED BY: Crystal Sampson

---

EXECUTIVE SUMMARY

Allow the Board to provide staff with directions as to the desired date and time to hold an Ad-Hoc Audit Committee meeting with the District’s auditors for the purpose of initiating the Financial Statement Audit for the Fiscal Year Ended June 30, 2026.

BACKGROUND

Commencing in August 2026, the District’s auditors, Brown Armstrong Accountancy Corporation, will be onsite to start the Financial Statement Audit for the Fiscal Year Ended June 30, 2026. Therefore, it is appropriate to schedule a meeting between the Ad-hoc Audit Committee Members (Directors Ables & Schultz) and the auditors to facilitate an introduction and provide an opportunity for the Committee Members to have private access to the auditors (i.e., without the presence of staff) so they may be able to receive information about the audit process, discuss any questions or concerns, etc. Staff will be available, should the Committee members wish, to answer questions or provide information.

A meeting date and time has been proposed to occur immediately preceding the July regular board meeting on Wednesday, July 15, 2026, at 2:15 pm.

The Financial Statement Audit of the Fiscal Year Ended June 30, 2026, will be completed in time for the Annual Comprehensive Financial Report (ACFR) and audit reports to be presented at the December 2026 regular board meeting.

FISCAL IMPACT

\$105 per Director per day of service. These funds are included in the Fiscal Year 2026-27 Preliminary Budget.

COMMITTEE RECOMMENDATION

None.

RECOMMENDED MOTION

***N/A - No motion needed because this item is for discussion.***

ATTACHMENT

A - Ad-hoc Committee Assignments – 2026



**Tehachapi-Cummings  
County Water District**

*Our Water • Our Future*

**Directors:**  
John M. Ables  
Gerald Davis  
Jonathan Hall  
Robert W. Schultz

**Officers:**  
Robert W. Schultz, *President*  
Jonathan Hall, *Vice President*  
Thomas P. Neisler, *General Manager*  
Catherine Adams, *Secretary*  
Crystal Sampson, *Treasurer*

**AD-HOC COMMITTEE ASSIGNMENTS – 2026**

Audit Committee  
Appointed 05/20/2026  
Ables, Schultz

Budget Committee  
Appointed 05/20/2026  
Davis, Schultz

Water Rate Committee  
Appointed 01/21/2026  
Ables, Hall

Tehachapi Basin Committee  
Appointed 01/21/2026  
Davis, Schultz

Delta Conveyance Project Committee  
Appointed 01/21/2026  
Davis, Hall

**OTHER BOARD-APPOINTED COMMITTEES**

South Valley Water Resources Authority (Fish Friendly Diversion) Board of Directors  
Appointed 01/21/2026  
Member: Tom Neisler                      Alternate: Jon Curry

Joint Agencies Agreement Technical Advisory Committee  
Appointed 01/21/2026  
Members: Tom Neisler, Jon Curry

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
JUNE 17, 2026

TOPIC: Authorize Staff to Solicit Bids for District Vehicles  
ITEM FOR: Action  
PURPOSE: Board of Directors to Authorize Staff to Solicit Bids for District Vehicles  
IMPACT: Capital Improvement/Budget

---

SUBMITTED BY: Jon Curry

---

EXECUTIVE SUMMARY

Staff has identified four district vehicles that are in need replacement or reassignment from their current roles in District operations. TCCWD Board of Directors to consider authorizing staff to solicit bids for the purchase of four vehicles for the Operations Department.

BACKGROUND

The Operations Department has identified four vehicles that need replacement or reassignment based on their current uses:

- 2014 Ford F250 (PL16) – 137,000 miles
- 2014 Ford F150 (PP35) – 179,000 miles
- 2018 GMC 1500 (PP37) – 113,000 miles
- 2013 Chevrolet 2500 (PL15) – 205,000 miles

The desire of Staff is to retain and re purpose these vehicles for other duties within the Operations Department. PL15 and PP35 would become spare trucks and be used for purposes such as Summer Interns or other short term uses such as vehicle maintenance periods when needed.

There would be two additional vehicles that would be offered as trade in vehicles with these purchases or sold via surplus auction.

- PL16 – 2014 Ford F250
- PP37 – 2018 GMC 1500 (this truck is currently non-operational)

Staff is asking for authorization to solicit bids for the following vehicles:

- Three (3) half ton pickups - Controls/Emissions Specialist, Operations Assistant and GIS Technician uses.
- One (1) one ton cab/chassis w/service bed – Pipeline Maintenance.

Vehicle vendors will be sent solicitations on June 18, 2026, with a bid deadline of July 8, 2026, at 3:00pm. The bids would be presented to the board at the July 15, 2026, Regular Board Meeting.

FISCAL IMPACT

The FY 2026-2027 CIP Budget includes a total of \$290,000 for these purchases.

COMMITTEE RECOMMENDATION

None

RECOMMENDED MOTION

**“I move that the Board Authorize Staff to Solicit Bids for the Purchase of Four Vehicles for the Operations Department as listed in the Staff Report.”**

ATTACHMENTS

Attachment “A” - Notices Inviting Bids



**Tehachapi-Cummings  
County Water District**

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John M. Ables  
Gerald Davis  
Jonathan Hall  
Robert W. Schultz

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Thomas P. Neisler, *General Manager*  
Catherine Adams, *Secretary*  
Crystal Sampson, *Treasurer*

June 17, 2026

**NOTICE INVITING BIDS  
BID SPECIFICATIONS**

TCCWD requests that you please consider providing a bid for the following vehicles:

**Three (3) Half Ton Pickups**

The vehicle (base bid) must include, but is not limited to, the following items:

- 2026 or newer model year
- Exterior color: white
- Interior finish: Black, tan, or gray
- Tier 1 trim level (Pro, LS, XL, Tradesman, etc.)
- Extended cab minimum
- 6 ft. (or approx..) fleet side bed
- Four-wheel drive
- Automatic transmission
- Air conditioning
- AM/FM radio, cruise control, power windows
- Bluetooth capability
- Full size spare tire
- Spray-on bedliner
- Tow Package
- Tires - Goodyear All-Terrain Adventure or Equivalent
- Gasoline engine
- Rubber floor mats
- Off road suspension
- Installed running boards
- Back up camera
- Outside heated mirrors
- Back three windows tinted
- Front vertical recovery hooks
- Front and Rear molded splash guards

The district has two vehicles to trade in with this purchase:

- 2014 – Ford F250 Long Bed pickup truck – 137,000 miles.
- 2018 – GMC Sierra 1500 pickup truck - 113,000 miles (this truck is currently non-operational).

Trade-ins can be viewed and inspected at our district office (location information below). Please notify the contact below to schedule an appointment for inspections.

All bids must include all costs, including tax, license, etc. Vehicle will have "EXEMPT" government plates. **All bids must include a delivery date within 180 days of award. List total price for Base Bid, Service Bed Alternate and Trade-In Value for vehicles separately.**

Bids will be received until July 8, 2026, at 3:00pm pm. Bids may be delivered via US mail, fax, direct delivery, or email. The Board of Directors will consider bids during their regular meeting on July 15, 2026. The district reserves the right to reject any or all bids, either partially or in their entirety.

Please address bids, comments, and questions to:

Jon Curry  
Assistant General Manager-Operations  
TCCWD  
22901 Banducci Rd. Tehachapi, Ca. 93561  
PO Box 326 Tehachapi, Ca. 93581  
Direct 661.771.1119  
Main 661.822.5504  
Cell 661.750-1161  
[jcurry@tccwd.com](mailto:jcurry@tccwd.com)



# Tehachapi-Cummings County Water District

*Our Water • Our Future*

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June 17, 2026

## NOTICE INVITING BIDS BID SPECIFICATIONS

TCCWD requests that you please consider providing a bid for the following vehicle:

**ONE (1) CLASS 3 (1-TON) HEAVY DUTY SERVICE BODY TRUCK**  
**BASE BID: HEAVY DUTY EXTENDED CAB and CHASSIS**  
**ALTERNATE: SERVICE BED**

The vehicle (base bid) must include, but is not limited to, the following items:

- 2026 or newer model year
- Cab and chassis only
- Exterior color: white
- Interior finish: tan or gray
- Tier 1 trim level (Pro, LS, XL, Tradesman, etc.)
- Extended cab (minimum)
- Four-wheel drive
- Single rear wheels
- Automatic transmission
- Air conditioning
- AM/FM radio, cruise control, power windows
- Bluetooth capability
- Backup camera
- Full size spare tire
- Tow Package
- Tires - Goodyear All-Terrain Adventure or Equivalent
- Heavy duty brakes
- Diesel engine
- Programmable engine idle shutdown
- Rubber floor mats
- Upfitter/auxiliary switches integrated in dash controls

TCCWD is also soliciting bids for an optional service bed to be installed by bidder on the above vehicle. Bids may be provided for either the cab & chassis, service bed or both items. If both items are bid, indicate bid prices (all inclusive) separately.

Service bed shall be configured as follows (or equivalent to satisfaction of TCCWD):

- 9' length (approx.)
- 33" height (approx.)
- Top boxes both sides
- Front, left compartment tool drawers
- Rear work platform (flat)

- Cross body storage in rear work platform
- Steel bumper
- Receiver hitch (up to 2 ½” hitch)
- Access to spare tire
- Color: white
- Spray-on bedliner
- Tie downs in bed

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