

**RESOLUTION NO. 13-25**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT  
APPROVING THE FISCAL YEAR 2025-26 FINAL 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.
3. A brief summary of the District Investment Policy that was amended and restated with Resolution No. 16-24 has been included in the Final Budget document.
4. The District Reserves Policy amended and restated with Resolution No. 05-25 has been incorporated into the Final Budget document.

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 Fiscal Year 2025-26 Final Budget, as shown at **Exhibit A** attached hereto, is hereby approved and adopted by the Board of Directors of the Tehachapi-Cummings County Water District.
2. The Appropriations Limit for the District for Fiscal Year 2025-26 is \$19,025,458, per the calculation shown on Page 1-3 of the Final Budget.
3. The Secretary of the Board is hereby directed to file a copy of the Final Budget with the county auditor within 60 days after the beginning of the fiscal year in accordance with Government Code Section 53901.
4. The Secretary of the Board is hereby directed to file a copy of the Final Budget with US Bank upon adoption, by Covenants of the Trust Agreement relating to the 2023 Revenue Certificates of Participation, dated June 1, 2023.
  - a. The amounts budgeted for payment of the Installment Payments pertaining to the 2023 Revenue Certificates of Participation are fully adequate for the payment of all Installment Payments due for the fiscal year as shown on Page 1-14 of the Final Budget.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT this 20<sup>th</sup> day of August 2025.

  
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. 13-25 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 August 20, 2025. 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: Ables, Davis, Hall, Sasia, Schultz

NOES: None

ABSTAIN: None

ABSENT: None

ATTEST:



Catherine Adams, Board Secretary

(SEAL)

**EXHIBIT A**

**Tehachapi-Cummings County Water District**

**Fiscal Year 2025-26**

**Final Budget**

**Regular Board Meeting**

**August 20, 2025**



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

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

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

August 20, 2025

To the Citizens and Taxpayers of the Tehachapi-Cummings County Water District, including the Board of Directors:

I am pleased to present a balanced operating budget for the Tehachapi-Cummings County Water District (District) for the fiscal year 2025-26. The District's total budget reflects expenses exceeding revenues by nearly \$2.8 million. This is largely attributable to the \$3.26 million outlay of funds necessary to complete the final phase of the multi-year major capital improvement project to replace engines at two of the District's five pump plants. Excluding activity pertaining to the debt-financed capital project, district-wide net income is forecast to be \$487,250. It is forecast that 65% of general fund revenues will come from property taxes, approximately 32% will come from water sales and services, and the remaining 3% will come from other non-operating sources such as interest earnings.

The following are some highlights from the District's Fiscal Year 2025-26 Final Budget:

District-wide changes over the prior year:

- Total expenses are forecast to decrease by \$4,863,450 (21%). Without including the capital outlay budget, total expenses are forecast to decrease by \$837,450 (6%).
- Total revenues are forecast to decrease by \$258,600 (2%), primarily driven by:
  - a decrease in total operating revenues (i.e., water sales and services) of \$147,200 (4%).
  - a decrease in interest earnings of nearly \$204,000 (20%), due to the outlay of just over \$1.7 million to fund the completion of the final phase of the engine project combined with a decline in the District's yield to maturity (YTM) on its investment portfolio. For instance, as of June 30, 2025, the District's investment portfolio had a YTM of 4.63% compared to 4.81% as of June 30, 2024.
- The operations and maintenance budget is forecast to decrease by \$765,250 (8%).
- The capital outlay budget is forecast to decrease by \$4,026,000 (45%). Excluding the debt-financed engine replacement project, the capital outlay budget is forecast to decrease by \$286,000 (15%).
- Despite setting a reduced ad valorem tax rate to return previously collected taxes to taxpayers, revenues are anticipated to be greater than expenses in the state water payment fund due to interest earnings contributing \$328,000 to revenues, which will increase the reserve fund balance by \$59,000.

General fund changes over the prior year:

- The salaries & benefits budget is forecast to decrease by \$75,700 (2%), which is the net effect of a \$73,900 (3%) increase to salaries & wages and \$149,600 (13%) decrease to benefits.
  - The increase to salaries and wages expense includes the Board-approved a 1.9% cost-of-living adjustment.
  - The decrease to benefits expense was largely due to a \$229,000 (100%) decrease in payments to be made for pension liabilities and a \$47,800 (10%) increase to health insurance costs.
- Systems operations expense is forecast to decrease by \$280,000, which includes a natural gas pumping cost decrease of \$130,000 (6%) and electricity pumping cost decrease of \$191,000 (46%).
- Maintenance expense is forecast to increase by \$180,200 (18%).

## **Profile of the Tehachapi-Cummings County Water District**

The Tehachapi-Cummings County Water District was organized on March 10, 1965, under provisions of the County Water District Law (Sections 30000 et seq. of the Water Code of the State of California). The District is located in the Tehachapi Mountains east of the Southern San Joaquin Valley and encompasses approximately 266,000 acres. The District provides an imported water supply, groundwater resource management, and flood protection. The District imports State Water Project (SWP) water from the California Aqueduct and sells this imported water to municipal & industrial (M&I) and agricultural (Ag) customers. Approximately one-half to two-thirds of imported water sales are for agricultural customers in a typical year.

The local groundwater supply is located in three basins, which are the Brite, Cummings, and Tehachapi Basins. The District is the court-appointed Watermaster for these three adjudicated basins. As Watermaster, the District protects the groundwater resources within the basins by administering the judgments and providing annual reports to the Kern County Superior Court as required.

The District is governed by a five-person Board of Directors elected "from divisions" to four-year staggered terms. "From divisions" means election of directors who are residents of the division from which they are elected by the voters of the entire District. The divisions are roughly equal in acreage. The directors are responsible for policies and decisions which govern the operations of the District.

The District has operated under the council-manager form of government since its inception. Policy making and legislative authority are vested in the Board of Directors. The Board is responsible for adopting the budget; setting policy by ordinance, resolution, or minute order; and hiring the general manager, legal counsel, and auditor. The general manager is responsible for carrying out the policies of the Board, for overseeing the day-to-day operations of the District, and the hiring of all District employees. The District serves a population of approximately 37,000 residents, which is projected to increase to 53,000 by 2040 per the 2015 Tehachapi Regional Urban Water Management Plan.

**Mission.** The District's mission is to ensure the most reliable, cost-effective water supply for its customers through the importation of State Water Project water and management of groundwater basins and to operate and maintain certain flood control structures to protect customers' safety and property.

### **Development of the District's Budget**

The annual budget serves as the foundation for the District's financial planning and control. There are several key items that are considered in the development of the District's budget.

**Budget Process.** The annual budget serves as the foundation for the District's financial planning and control. All departments of the District are required to submit budget requests to the general manager on or before April 1 each year. The general manager, assistant general manager, administration manager, and accounting & finance specialist, together with an ad-hoc budget committee, prepare the draft budget. The Board holds meetings on and adopts a preliminary budget no later than June 30 and a final budget no later than September 1. Each January, a mid-year budget review is performed by the noted District staff and ad-hoc budget committee, and any necessary revisions are approved by the Board during the January Board meeting. To provide transparency to its ratepayers, the District maintains its funds in separate sub-accounts in a clearly identifiable manner. Thus, the budget is prepared by sub-accounts ("funds", e.g., general) and departments (e.g., administration). Department heads may transfer resources within a department as they see fit. Transfers between funds must be approved by resolution of the Board.

**Strategic Plan.** The District's Strategic Plan is a structured process that establishes long-term financial planning to guide operations and manage financial resources. The plan is updated biennially. The most recent update is being brought to the Board for approval at this, August 20, 2025, regular board meeting. Each biennial Strategic Plan includes a Capital Improvement Plan with short-term (1-2 years), mid-term (3-5 years), and long-term (6-10 years) goals. The Strategic Plan is considered while the District's annual budget is being developed due to its effect on capital reserve funds.

**Reserves.** Prior to the approval of the FY 2025-26 Preliminary Budget, the Board adopted an amended and restated Reserves Policy, which added a designated reserve fund and made several other revisions to the policy. The policy sets forth reserve targets and an approach for accumulating reserves over time. Per the policy, management is required to review reserve fund balances, at a minimum, on an annual basis to ensure compliance with the policy. At that time, full and interim reserve targets are calculated and progress toward achieving those targets is reported to the Board.

Accumulation of sufficient reserves in the flood control reserve funds is challenging due to the extensive size of the assets, their replacement cost, and their expected long lives. It is hoped that backstop funding from Federal Emergency Management Agency (FEMA) and California Office of Emergency Services (CalEMA) would be available if the District were to suffer catastrophic losses to its flood control facilities due to a declared disaster. Until the District is able to amass such large reserves for these needs, its short-term goal consists of ensuring funds are adequate for normal maintenance and replacement needs, emergency response to floods, and any required matching funds to qualify for FEMA assistance during disasters.

The budget for the current fiscal year shows that costs will be controlled, and sufficient revenues will be generated such that all designated reserve funds will continue to be funded in accordance with the District's Reserves Policy to meet the targets in the manner of priority set in the policy's General Provisions section.

As of June 30, 2025, all full reserve targets were satisfied, with the exception of the three flood control improvement districts. Further, the District attained its goal of retaining 90 days of operating expenses in the General Fund reserve, which it intends to maintain at this minimum funding level into perpetuity.

It is forecast that by June 30, 2026, the reserve funding level for the designated - capital reserve fund (i.e., Fund 83 - Equipment/Infrastructure – Replacement/Upgrade) will drop to just below its full reserve target but will still satisfy its interim reserve target. This anticipated change in reserve target level is due to a transfer to a restricted reserve fund (i.e., Fund 73 - Engine Project) to fund the completion of the engine replacement project at Pump Plants 2 and 3.

### **Information Useful in Developing the District's Budget**

Projections made in the budget are perhaps best understood when considered from the broader perspective of the specific environment within which the District operates.

**Tax Revenues.** Since the District receives no sales taxes, fuel taxes, or other taxes that are sensitive to the business cycle, nonoperating revenues tend to be stable. Tax revenues (i.e., general taxes, special taxes, and benefit assessments) are currently the District's greatest revenue source. Property taxes are the main source of nonoperating revenues. Although property taxes from income-producing properties can be impacted by the business cycle, generally, property taxes are more stable than revenues from other taxes. Kern County estimates that the District's tax base will increase by 2.77% in FY 2025-26. This follows an increase of only 0.5% in the District's tax base in FY 2024-25.

**Water Sales and Availability.** Early each calendar year, the Department of Water Resources (DWR) makes allocations of water resources from the State Water Project (SWP). A 100% Table A Allocation of SWP water amounts to 19,300 acre-feet (AF). The District is physically limited to 10,000 AF of importation capacity due to the size of existing pumping and pipeline infrastructure and customer demand and banking requirements are typically forecast using that threshold. In years when the District's allocation exceeds demand or storage capacity, water is banked inside the District within the Tehachapi and Cummings Basins to the benefit of the District's account and the basins as a whole as well as outside of the District in San Joaquin Valley water banking projects as necessary.

As storage and conveyance opportunities arise, the District considers entering into cooperative agreements with one or more Kern County Water Agency Member Units to bank water that it can't physically import into the District. Then, in years when the SWP allocation doesn't meet demand, banked water from within and outside of the District is utilized to supplement the allocated supplies.

For calendar year 2025, the SWP Table A Allocation is 50% (9,650 acre-feet), the same as calendar year 2024's 50% allocation. The District entered calendar year 2025 with no SWP carryover water in the system and no water banked in the San Joaquin Valley facilities. Due to delays in completion of the Engine Replacement Project at Pumping Plant 3, importation operations began in May, later than anticipated. Consequently, all surface water supplies have been delivered to customers and recharge operations have not yet commenced within the District. The District will commence recharge once surface delivery demand decreases later in the summer.

The District's second largest source of revenue, imported water sales, experienced an increase of 36% in the unaudited figures of FY 2024-25 compared to the audited figures of FY 2023-24. This increase was comprised of a 3% decrease in M&I water sales, offset by a 49% increase in Ag water sales. M&I water deliveries were 282 AF in calendar year 2024 and 140 AF in calendar year 2023. Ag water deliveries were 5,497 AF in calendar year 2024 and 3,859 AF in calendar year 2023. Water delivery records are kept on a calendar year basis. Revenue and expenditure records are kept on a fiscal year basis. Thus, these records are not directly comparable. These fluctuations are due to changes in customer class demand and availability. The impacts of the long-term drought are becoming more evident and impacting our ability to provide surface water to our customers.

**Water Rates.** Effective May 2014, agricultural water rates were set to match Term Municipal & Industrial rates. Then, in May 2016, new water rates were set using a methodology based on pumping costs for the District's three pressure zones. whereas the higher elevation pressure zones have higher pumping costs and, thus, higher rates. The rates continue to be reviewed annually. Although existing water rates remained unchanged when they were set in 2025, an over-extraction fee was published for pressure zone 1 pursuant to the Amended and Restated Judgment and Physical Solution for the Cummings Basin. During FY 2025-26, the District intends to hire a consultant to perform a water rate study to determine any rate changes necessary to recover pumping costs while providing its customers with the most reliable, cost-effective water supply.

**Energy Costs.** In the past, natural gas from domestic shale formations extraction methods were increased and market prices were stabilized for about a decade. This worked for the benefit of the District, as its water rates are driven by the price it pays for natural gas to power its pump plants. However, in recent years, political changes have increased the price of natural gas substantially. Due to the District practice of securing a portion of our supplies three years in advance, it has been able to maintain stable pricing until recently. However, there is a practical limit to how much natural gas can be purchased in advance because of the unreliability of the State water supply.

The District continues to seek opportunities to lock in long-term natural gas supplies at prices that will stabilize its water rates at consistent levels for several years to come, which includes locating additional sources for its

natural gas supplies. Under the current Federal administration, the supply of natural gas has increased; however, demand has also increased with the loosening of export restrictions. Natural gas prices are projected to increase in the immediate future (2026 – 2028).

In November 2024, the District was able to contract for 50% of its anticipated natural gas needs (based on 10,000 AF of importation) for 2025 at \$3.43 per MMBtu. As operations stabilized, the District contracted for additional natural gas to continue operations through October 2025 at a price of \$3.15 per MMBtu. With the uncertainty in the natural gas futures market, no purchases have been made beyond 2025. The District will continue to look for opportunities to procure future supplies at favorable costs. As of June 2024, the District entered into a contract with Twin Eagle Energy for natural gas to meet the District's needs in 2025 and beyond. The District has secured a secondary supplier to provide redundancy and an alternate supply.

**Workforce.** The District's workforce currently consists of 20 full-time positions. However, it is expected that during fiscal year 2025-26, the District will fill a vacant position and hire an additional employee to supplement our workforce. These additions are included in the FY 2025-26 budget.

**Pension Liability.** District employees are members of the California Public Employees' Retirement System (CalPERS). Due to the investment strategy utilized by CalPERS producing lower than expected investment returns, the District's three rate plans' unfunded accrued liabilities have continued to increase. To ensure solvency of the District's pension rate plans and save costs in terms of high amounts of interest expense to be incurred by making the minimum annual required contributions, the District has been actively managing its pension unfunded accrued liability (UAL) balances.

Over the past several years, the District has actively managed its UAL balances through several balance payoffs. In FY 2024-25, the District paid off the remaining \$229,000 UAL balance that was reported in the June 30, 2023, actuarial valuation. However, during FY 2025-26, the District does not need to budget for any additional payments to CalPERS for either a pension annual lump sum payment or unfunded accrued liability (UAL) payment. Per balance estimates provided to the District by CalPERS ahead of them reporting the results of the June 30, 2024 actuarial valuation, it was projected that the District has a combined surplus of just over \$203,000 and, as a result, will be credited with interest earnings.

**Long-term Debt.** The District continually endeavors to replace and upgrade its pumping infrastructure to ensure a reliable, cost-effective water supply while complying with tightening air quality regulations. In June 2023, the District completed bond financing with US Bank for its Pump Plants 2 and 3 engine replacement project. The financing closed with \$11,800,000 in proceeds available for the project at a 3.65% true interest cost over a 15-year term. The debt is scheduled to be paid in full in June of 2038.

During fiscal year 2024-25, the District made \$1,051,250 in principal and interest payments and included \$1,054,750 in its budget for fiscal year 2025-26. As of the fiscal year ended June 30, 2025, the District spent \$10,257,774 of the bond proceeds. For FY 2025-26, the District has budgeted to spend the remaining \$1,542,226 of the bond proceeds, plus just over \$1.7 million from reserves to complete the final phase of the project at a cost of \$3.26 million. Construction is expected to be completed near the end of fiscal year 2025-26.

**State Water Payment Tax.** The District levies a tax each year to pay for its obligations under the two water supply contracts with the Kern County Water Agency for State Water Project water. For FY 2025-26, the tax rate is 0.052340%, a slight decrease of 0.000808% compared to the prior fiscal year.

Any questions or concerns pertaining to the District's annual budget may be addressed to General Manager Tom Neisler at [tneisler@tccwd.com](mailto:tneisler@tccwd.com), Accounting & Finance Specialist Crystal Sampson at [csampson@tccwd.com](mailto:csampson@tccwd.com), or by telephone at (661) 822-5504.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'T. Neisler', written in a cursive style.

Thomas P. Neisler  
General Manager

# TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

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**TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT**

**FISCAL YEAR 2025-26 FINAL 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**

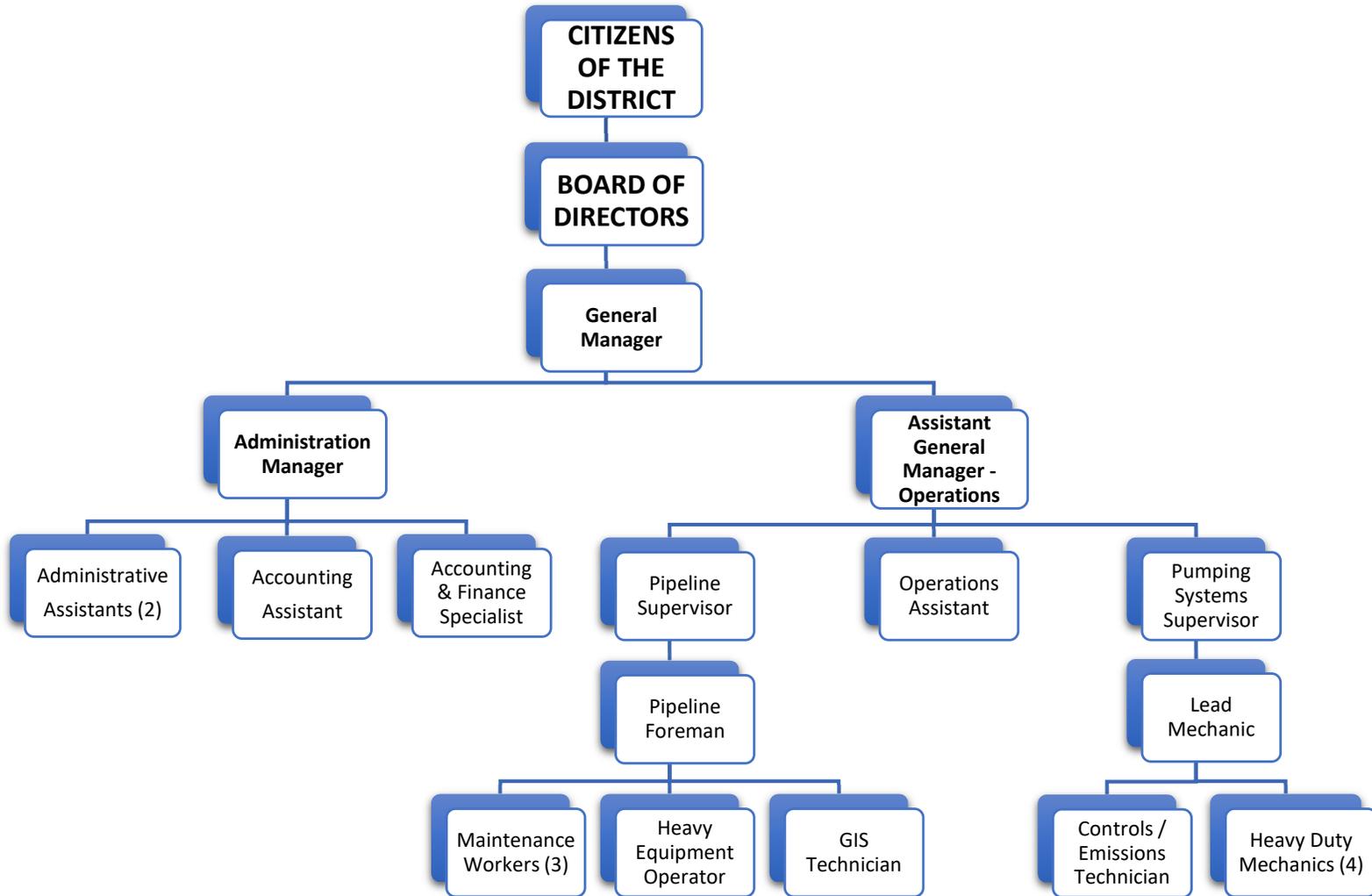
General Manager	Thomas P. Neisler
Assistant General Manager	Jon Curry
Administration Manager	Catherine Adams

**APPOINTED OFFICIALS**

Board Secretary	Catherine Adams
Treasurer	Crystal Sampson

# TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

## ORGANIZATION CHART



Tehachapi-Cummings  
County Water District

*Our Water • Our Future*

Revision No. 18

Date: 08/13/25

## 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 Financial Information section of their website at: <https://www.tccwd.com/resources/>.

**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.

## 2025-26 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 2025-26 calculated pursuant to State guidelines and with data provided by the California Department of Finance is \$19,025,458.

1.	2024-25 Appropriations Limit	\$17,742,663
2.	California Per-Capita Personal Income	6.44%
3.	Population Change (Kern County)	0.74%
4.	Combined Growth Factor	7.23%
5.	2025-26 Appropriations Limit	\$19,025,458

# TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

## 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

## RESERVE TARGETS

Reserve Funds & Descriptions	Reserve Formula	Audited Actual Balance 6/30/2024	FY 2024-25 (Targets per Mid-Year Budget)					FY 2025-26 (Targets per Final Budget)				
			Full Reserve Target	Interim Reserve Target	Actual Balance 6/30/2025	Reserve Target Met?	Full Reserve Target	Interim Reserve Target	Forecast Balance 6/30/2026	Reserve Target Met?		
<b>DESIGNATED RESERVES</b>												
<b>70 General Fund</b>												
Working capital	90 days of general fund operating expenses (PY audit)	2,679,951	2,069,000	2,069,000	3,266,610	Full	Yes	2,129,000	2,129,000	2,981,960	Full	Yes
<b>85 Tax Revenue Liability</b>												
Tax revenue liability reserve	50% of Kern County's liability estimate	1,341,445	1,703,000	851,500	1,705,000	Full	Yes	1,703,000	851,500	1,764,000	Full	Yes
<b>71 Emergency</b>												
Emergency reserve	5% of general fund operating expenses (prior year audit)	426,949	420,000	210,000	440,773	Full	Yes	432,000	216,000	455,773	Full	Yes
<b>81 Major Repairs &amp; Overhaul</b>												
Asset maintenance / replacement reserve	5% of capital assets' book value (prior year audit)	1,814,148	1,750,000	875,000	1,872,963	Full	Yes	1,824,000	912,000	1,937,963	Full	Yes
<b>87 Rate Stabilization</b>												
Rate stabilization reserve	1% to 5% of general fund operating expenses (PY audit)	666,364	420,000	210,000	687,958	Full	Yes	432,000	216,000	711,958	Full	Yes
<b>74 Unfunded Pension Liability</b>												
Unfunded pension liability reserve	Initial target of \$250,000	N/A	N/A	N/A	N/A	N/A	N/A	250,000	125,000	259,000	Full	Yes
<b>83 Equip./Infra. - Repl./Upgrade</b>												
Strategic planning capital improvements	20% mid-term CIP	2,915,713	2,134,000	1,067,000	3,008,246	Full	Yes	1,588,000	794,000	1,305,472	Interim	Yes
<b>72 Water banking reserve</b>												
Cost to replace or extract banked water	N/A	2,760,190	N/A	N/A	2,843,792	N/A	N/A	N/A	N/A	3,042,792	N/A	N/A
<b>RESTRICTED RESERVES</b>												
<b>82 State Payment</b>												
Six-month operating reserve	50% of current year expenditure budget	7,981,510	2,020,600	2,020,600	9,965,089	Full	Yes	1,839,000	1,839,000	10,024,089	Full	Yes
Tax revenue liability reserve	50% of Kern County's liability estimate	582,200	780,000	780,000	780,000	Full	Yes	780,000	780,000	780,000	Full	Yes
<b>76 Improvement District No. 2</b>												
Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	31	306,000	306,000	25	Interim	No	312,000	312,000	25	Interim	No
<b>77 Improvement District No. 3</b>												
Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	210,682	681,000	681,000	228,943	Interim	No	694,000	694,000	237,843	Interim	No
<b>86 Benefit Assessment District No. 1</b>												
Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	1,209,727	1,952,000	1,952,000	1,267,385	Interim	No	1,989,000	1,989,000	1,310,385	Interim	No
<b>73 Engine Project</b>												
Certificates of Participation (COP) proceeds	N/A	10,978,786	N/A	N/A	1,542,226	N/A	N/A	N/A	N/A	-	N/A	N/A

# TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

## 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 2025-26:

Revenues	
Water Sales	\$ 3,516,000
Water Services	95,000
Property Taxes	7,200,000
Interest & Penalties	771,000
Other (Operating & Nonoperating)	<u>1,600</u>
Total Revenues	\$ 11,583,600
Operation and Maintenance Costs	
Source of Supply	\$ 50,000
Pumping	4,494,500
Transmission & Distribution	1,655,300
Administrative and General	<u>1,974,700</u>
Total Operation and Maintenance Costs	\$ 8,174,500
Net Revenues Prior to Transfers	\$ 3,409,100
Transfers (to)/from Rate Stabilization Fund	<u>-</u>
Net Revenues (a)	<u>\$ 3,409,100</u>
Debt Service	
2023 Revenue Certificates of Participation- Principal	\$ 560,000
2023 Revenue Certificates of Participation- Interest	<u>494,750</u>
Total Debt Service (b)	<u>\$ 1,054,750</u>
Rate Covenant Calculation (a)/(b):	<u>3.23</u>
Net Revenues Remaining After Debt Service	<u>\$ 2,354,350</u>

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# District Total - Summary

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

Account Description	Audited		Amended		PY/CY Budget	
	2023-24	2024-25	2024-25	2025-26	Amount	Pct
	Actual	Actual	Budget	Budget	Change	Chg
<b>Revenues</b>						
<b>Operating Revenues</b>						
Water Sales - Imported	1,934,143	2,621,438	3,335,000	<b>3,075,000</b>	(260,000)	-8%
Water Sales - Surplus	11,020	69,862	65,000	<b>75,000</b>	10,000	15%
Water Sales - Recycled	25,560	21,274	35,000	<b>30,000</b>	(5,000)	-14%
Water Sales - Recharge BWRA	644,855	3,339	225,000	<b>325,000</b>	100,000	44%
BL Storage Fee	13,114	11,372	10,000	<b>10,000</b>	0	0%
Water Sales - Other	5,559	0	0	<b>0</b>	0	0%
Water Services	84,522	84,262	76,000	<b>76,000</b>	0	0%
Other Operating Revenues	135,559	128,315	147,600	<b>155,400</b>	7,800	5%
<b>Total Operating Revenues</b>	<b>2,854,332</b>	<b>2,939,862</b>	<b>3,893,600</b>	<b>3,746,400</b>	<b>(147,200)</b>	<b>-4%</b>
<b>Non-Operating Revenues</b>						
General Taxes	7,210,208	7,109,311	7,213,000	<b>7,214,100</b>	1,100	0%
Special Taxes	4,417,901	4,480,136	3,321,500	<b>3,408,400</b>	86,900	3%
Benefit Assessments	105,871	103,950	109,000	<b>113,500</b>	4,500	4%
Other Revenues	1,223,195	1,589,527	1,027,600	<b>823,700</b>	(203,900)	-20%
Capital Contributions	8,100	9,850	20,000	<b>20,000</b>	0	0%
<b>Total Non-Operating Revenues</b>	<b>12,965,275</b>	<b>13,292,774</b>	<b>11,691,100</b>	<b>11,579,700</b>	<b>(111,400)</b>	<b>-1%</b>
<b>Total Revenues</b>	<b>15,819,607</b>	<b>16,232,636</b>	<b>15,584,700</b>	<b>15,326,100</b>	<b>(258,600)</b>	<b>-2%</b>
<b>Expenses</b>						
<b>Salaries &amp; Benefits</b>						
Salaries & Wages	2,058,488	1,960,247	2,124,500	<b>2,198,400</b>	73,900	3%
Benefits	1,630,668	1,051,127	1,148,100	<b>998,500</b>	(149,600)	-13%
<b>Total Salaries &amp; Benefits</b>	<b>3,689,156</b>	<b>3,011,374</b>	<b>3,272,600</b>	<b>3,196,900</b>	<b>(75,700)</b>	<b>-2%</b>
<b>Operations &amp; Maintenance</b>						
Administrative/General	811,778	581,267	569,450	<b>577,200</b>	7,750	1%
Utilities	51,202	68,382	62,000	<b>65,000</b>	3,000	5%
Automobiles & Equipment	177,950	152,615	205,000	<b>201,000</b>	(4,000)	-2%
System Operations	5,674,797	4,215,044	6,830,000	<b>6,186,100</b>	(643,900)	-9%
Maintenance	889,828	1,205,177	1,100,700	<b>1,281,400</b>	180,700	16%
Services	389,252	289,389	606,000	<b>326,500</b>	(279,500)	-46%
Government & Regulatory	114,476	294,011	390,300	<b>361,000</b>	(29,300)	-8%
Non-Cash Expenses	1,037,971	0	0	<b>0</b>	0	0%
<b>Total Operations &amp; Maintenance</b>	<b>9,147,254</b>	<b>6,805,885</b>	<b>9,763,450</b>	<b>8,998,200</b>	<b>(765,250)</b>	<b>-8%</b>
<b>Debt Service</b>						
Principal Payments	500,000	530,000	530,000	<b>560,000</b>	30,000	6%
Interest Expense	464,850	521,250	521,250	<b>494,750</b>	(26,500)	-5%
Debt Service Fees	5,000	0	0	<b>0</b>	0	0%
<b>Total Debt Service</b>	<b>969,850</b>	<b>1,051,250</b>	<b>1,051,250</b>	<b>1,054,750</b>	<b>3,500</b>	<b>0%</b>

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

Account Description	Audited		Amended		PY/CY Budget	
	2023-24	2024-25	2024-25	2025-26	Amount	Pct
	Actual	Actual	Budget	Budget	Change	Chg
<b>Capital Outlay</b>						
Pumping Plants	564,162	10,246,503	7,380,000	<b>3,560,000</b>	(3,820,000)	-52%
Mainline Pipeline	0	0	0	<b>20,000</b>	20,000	100%
Dams & Reservoir	0	6,052	20,000	<b>20,000</b>	0	0%
Transmission System	178,076	168,901	90,000	<b>444,000</b>	354,000	393%
General Office, Shop & Equipment	654,759	208,011	710,000	<b>830,000</b>	120,000	17%
Water Reclamation	241,624	93,740	700,000	<b>0</b>	(700,000)	-100%
Total Capital Outlay	<u>1,638,621</u>	<u>10,723,207</u>	<u>8,900,000</u>	<u><b>4,874,000</b></u>	<u>(4,026,000)</u>	<u>-45%</u>
Total Expenses	<u>15,444,881</u>	<u>21,591,716</u>	<u>22,987,300</u>	<u><b>18,123,850</b></u>	<u>(4,863,450)</u>	<u>-21%</u>
<i>Net Income (Loss) Before Transfers</i>	<u><i>374,726</i></u>	<u><i>(5,359,080)</i></u>	<u><i>(7,402,600)</i></u>	<u><i><b>(2,797,750)</b></i></u>	<u><i>4,604,850</i></u>	
<b>Reserves</b>						
Beginning Balances	<u>33,192,970</u>	<u>33,567,696</u>	<u>33,567,696</u>	<u><b>27,609,010</b></u>	<u>(5,958,686)</u>	
Transfers In	<u>4,213,530</u>	<u>351,910</u>	<u>346,400</u>	<u><b>2,028,774</b></u>	<u>1,682,374</u>	
Transfers Out	<u>(4,213,530)</u>	<u>(351,910)</u>	<u>(346,400)</u>	<u><b>(2,028,774)</b></u>	<u>(1,682,374)</u>	
Net To (From) Reserves	<u>374,726</u>	<u>(5,359,080)</u>	<u>(7,402,600)</u>	<u><b>(2,797,750)</b></u>	<u>4,604,850</u>	
Ending Balances	<u><u>33,567,696</u></u>	<u><u>28,208,616</u></u>	<u><u>26,165,096</u></u>	<u><u><b>24,811,260</b></u></u>	<u><u>(1,353,836)</u></u>	

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## District Total - Account Detail

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
OPERATING REVENUES							
<b>Water Sales</b>							
40101	Water Sales - Agriculture	1,398,397	2,090,100	2,625,000	2,400,000	(225,000)	-9%
40102	Water Sales - Term M & I	464,408	465,022	550,000	500,000	(50,000)	-9%
40103	Water Sales - Regular M & I	36,432	22,495	125,000	125,000	0	0%
40104	Water Sales - Wheeled Water	34,906	43,821	35,000	50,000	15,000	43%
40105	Water Sales - Surplus	11,020	69,862	65,000	75,000	10,000	15%
40106	Water Sales - Recycled Water	25,560	21,274	35,000	30,000	(5,000)	-14%
40107	Water Sales - Recharge BWRA	644,855	3,339	225,000	325,000	100,000	44%
40108	BL Storage Fee	13,114	11,372	10,000	10,000	0	0%
40110	Water Sales - Other	5,559	0	0	0	0	0%
<b>Water Services</b>							
40111	Recurring Service Charges	9,954	10,327	9,300	9,300	0	0%
40112	Recharge Surcharge - Cummings	13,544	13,255	8,500	8,500	0	0%
40113	Recharge Surcharge - Tehachapi	505	1,163	1,000	1,000	0	0%
40114	Standby Fees	34,749	41,213	41,200	41,200	0	0%
40115	Connection Fees	580	585	2,000	2,000	0	0%
40116	Delinquent Charges	4,454	(3,738)	1,000	1,000	0	0%
40117	Spreading Loss Surcharge-Cummings	19,891	19,436	12,000	12,000	0	0%
40118	Spreading Loss Surcharge-Tehachapi	845	2,021	1,000	1,000	0	0%
<b>Other Operating Revenues</b>							
40122	Reimbursement - Health Insurance	25,254	17,139	18,300	25,600	7,300	40%
40123	Reimbursement - Flood Control Maint.	76,194	77,695	102,300	102,800	500	0%
40125	Reimbursement - Insurance Claims	0	10,769	0	0	0	0%
40126	Reimbursement - Other Operating	19,034	20,476	25,000	25,000	0	0%
40127	Other Operating Revenue	15,077	2,236	2,000	2,000	0	0%
<b>TOTAL OPERATING REVENUES</b>		<b>2,854,332</b>	<b>2,939,862</b>	<b>3,893,600</b>	<b>3,746,400</b>	<b>(147,200)</b>	<b>-4%</b>
NON-OPERATING REVENUES							
<b>General Taxes</b>							
40201	Current Year Property Taxes	6,814,098	6,870,144	6,972,900	6,938,700	(34,200)	0%
40202	Prior Year Property Taxes	29,084	16,902	36,000	36,000	0	0%
40203	Homeowners Property Tax Relief	36,895	30,839	35,000	35,000	0	0%
40204	Redevelopment Agency Pass-through	325,332	187,063	166,100	201,400	35,300	21%
40205	Property Tax - Penalties/Other	4,799	4,363	3,000	3,000	0	0%
<b>Special Taxes</b>							
40211	Current Year State Payment Tax	4,321,166	4,441,235	3,279,500	3,318,400	38,900	1%
40212	Prior Year State Payment Tax	57,275	9,501	10,000	50,000	40,000	400%
40213	Homeowners Property Tax Relief	19,691	16,268	18,000	20,000	2,000	11%
40215	State Payment Tax - Penalties/Other	19,769	13,132	14,000	20,000	6,000	43%
<b>Benefit Assessments</b>							
40221	Current Year Benefit Assessments	99,162	99,203	103,000	106,000	3,000	3%
40222	Prior Year Benefit Assessments	5,404	4,625	4,000	6,000	2,000	50%
40224	Benefit Assessment - Penalties/Other	1,305	122	2,000	1,500	(500)	-25%

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
	<b>Other Revenues</b>						
40231	Interest Earnings	1,103,560	1,109,451	1,026,000	<b>822,100</b>	(203,900)	-20%
40232	Unrealized Gain/(Loss)	100,296	475,750	0	<b>0</b>	0	0%
40234	Rents and Royalties	1,559	2,491	1,600	<b>1,600</b>	0	0%
40239	Other Non-Operating Revenue	280	1,835	0	<b>0</b>	0	0%
40299	Gain/(Loss) on Sale of Asset	17,500	0	0	<b>0</b>	0	0%
	<b>Capital Contributions</b>						
40244	Reimbursement - New Connections	8,100	9,850	20,000	<b>20,000</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>12,965,275</b>	<b>13,292,774</b>	<b>11,691,100</b>	<b>11,579,700</b>	<b>(111,400)</b>	<b>-1%</b>
	<b>TOTAL REVENUES</b>	<b>15,819,607</b>	<b>16,232,636</b>	<b>15,584,700</b>	<b>15,326,100</b>	<b>(258,600)</b>	<b>-2%</b>

<b>EXPENSES</b>							
	<b>SALARIES &amp; BENEFITS</b>						
	<b>Salaries &amp; Wages</b>						
50112	Salaries & Wages	2,004,506	1,918,418	2,070,000	<b>2,148,200</b>	78,200	4%
50114	Overtime & Holiday	51,758	41,829	54,500	<b>50,200</b>	(4,300)	-8%
50119	Compensated Absence Adjustment	2,224	0	0	<b>0</b>	0	0%
	<b>Benefits</b>						
50121	FICA/MEDI	155,915	149,452	163,000	<b>168,000</b>	5,000	3%
50122	Workers Compensation	36,156	30,442	33,000	<b>31,800</b>	(1,200)	-4%
50124	Health Insurance	459,208	442,751	502,800	<b>550,600</b>	47,800	10%
50125	Health Insurance - Reimbursable	25,351	14,921	18,300	<b>25,600</b>	7,300	40%
50127	Retirement	184,360	184,500	200,000	<b>220,500</b>	20,500	10%
50128	Tuition Reimbursements	0	0	2,000	<b>2,000</b>	0	0%
50131	Retiree Medical Contribution	7,743	0	0	<b>0</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	1,153,700	229,061	229,000	<b>0</b>	(229,000)	-100%
	<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>3,689,156</b>	<b>3,011,374</b>	<b>3,272,600</b>	<b>3,196,900</b>	<b>(75,700)</b>	<b>-2%</b>

<b>OPERATIONS &amp; MAINTENANCE</b>							
	<b>Administrative/General</b>						
50201	Public Information & Notices	4,812	3,654	4,500	<b>5,200</b>	700	16%
50202	Books/Periodicals/Subscriptions	58	60	500	<b>200</b>	(300)	-60%
50203	Printing	3,731	1,894	2,800	<b>2,800</b>	0	0%
50204	Postage & Shipping	4,382	2,987	4,000	<b>4,000</b>	0	0%
50205	Office Supplies	9,310	11,254	13,000	<b>11,000</b>	(2,000)	-15%
50206	Office Computer & Machinery	47,402	42,525	47,000	<b>50,000</b>	3,000	6%
50207	Bank & Administrative Services	705	3,585	2,000	<b>2,200</b>	200	10%
50208	County Collection Charges	71,399	73,804	77,000	<b>77,000</b>	0	0%
50209	Memberships	34,117	35,819	36,000	<b>40,000</b>	4,000	11%
50210	Directors' Fees	11,159	8,800	16,000	<b>16,000</b>	0	0%
50211	Training & Travel	26,865	36,361	52,000	<b>42,000</b>	(10,000)	-19%
50213	Recruitment	888	864	3,000	<b>3,000</b>	0	0%
50214	Awards & Recognition	13,506	6,771	5,000	<b>5,000</b>	0	0%
50215	Safety Program & Supplies	21,282	16,666	23,600	<b>23,600</b>	0	0%
50216	Legal	531,086	310,874	250,050	<b>250,000</b>	(50)	0%
50217	Audit	30,251	25,349	32,000	<b>44,200</b>	12,200	38%
50219	Water Conservation Program	825	0	1,000	<b>1,000</b>	0	0%

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
	<b>Utilities</b>						
50221	Electricity - Office/Shops	21,886	24,023	24,000	<b>24,000</b>	0	0%
50222	Natural Gas - Office/Shops	4,411	2,168	8,000	<b>5,000</b>	(3,000)	-38%
50226	Phone - Internet & Communications	24,905	42,191	30,000	<b>36,000</b>	6,000	20%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	99,609	86,871	116,000	<b>112,000</b>	(4,000)	-3%
50232	Automobile Repair	59,354	52,320	58,500	<b>58,500</b>	0	0%
50233	Equipment Repairs	15,946	9,689	23,000	<b>23,000</b>	0	0%
50234	Equipment Rentals	2,237	2,144	5,000	<b>5,000</b>	0	0%
50238	Shop Supplies	804	1,591	2,500	<b>2,500</b>	0	0%
	<b>System Operations</b>						
50241	Source of Supply - KCWA Contract	3,220,641	2,579,281	4,030,000	<b>3,666,100</b>	(363,900)	-9%
50242	Natural Gas - Pumping	2,032,948	1,163,627	2,100,000	<b>1,970,000</b>	(130,000)	-6%
50243	Engine Oil & Fluids- Pumping	220,753	163,279	200,000	<b>200,000</b>	0	0%
50244	Electricity - Pumping	135,475	199,780	416,000	<b>225,000</b>	(191,000)	-46%
50245	Electricity - Pipeline	2,709	70,050	55,000	<b>55,000</b>	0	0%
50247	Operation of Joint Turnout	4,741	0	5,000	<b>5,000</b>	0	0%
50248	Cross Valley Canal O & M	9,170	12,583	19,000	<b>15,000</b>	(4,000)	-21%
50249	Source of Supply - Recycled & Other	48,360	26,444	0	<b>50,000</b>	50,000	100%
50250	Delta Conveyance (f.k.a. CA Water Fix)	0	0	5,000	<b>0</b>	(5,000)	-100%
	<b>Maintenance</b>						
50251	Maintenance - Pump Plants	463,879	590,956	500,000	<b>600,000</b>	100,000	20%
50252	Maintenance - Natural Gas Pipeline	38,268	37,996	50,000	<b>30,000</b>	(20,000)	-40%
50253	Maintenance - Pipeline	24,539	145,138	75,000	<b>150,000</b>	75,000	100%
50254	Maintenance - Reservoir	36,333	27,958	25,000	<b>25,000</b>	0	0%
50255	Maintenance - Access Roads	13,609	0	15,000	<b>15,000</b>	0	0%
50256	Maintenance - Control System	74,477	83,861	80,000	<b>90,000</b>	10,000	13%
50257	Maintenance - Cogeneration Plant	0	0	1,000	<b>1,000</b>	0	0%
50258	Maintenance - System Wells & Boosters	5,968	16,784	24,000	<b>24,000</b>	0	0%
50259	Maintenance - Flood Control Facilities	82,204	85,445	107,300	<b>107,800</b>	500	0%
50260	Maintenance - Recharge Facilities	8,529	12,539	15,000	<b>15,000</b>	0	0%
50261	Maintenance - Office & Grounds	37,471	40,997	38,000	<b>35,000</b>	(3,000)	-8%
50262	Maintenance - Public Water System	3,140	0	5,000	<b>5,000</b>	0	0%
50264	Customer Meters	73,481	98,951	125,000	<b>125,000</b>	0	0%
50266	Welding Supplies	2,816	825	6,000	<b>4,200</b>	(1,800)	-30%
50267	Pipeline Materials	9,614	48,441	18,000	<b>40,000</b>	22,000	122%
50268	Small Tools - Pumping	10,480	9,882	12,000	<b>10,000</b>	(2,000)	-17%
50269	Small Tools - Pipeline	5,020	5,404	4,400	<b>4,400</b>	0	0%
	<b>Services</b>						
50271	Outside Service	12,670	12,019	22,500	<b>17,500</b>	(5,000)	-22%
50275	Engineering	0	0	9,500	<b>9,500</b>	0	0%
50276	Consulting	200,665	79,674	353,000	<b>63,000</b>	(290,000)	-82%
50277	Uniforms	15,587	16,188	17,000	<b>17,000</b>	0	0%
50278	Lab Analysis	2,368	2,473	5,000	<b>3,500</b>	(1,500)	-30%
50279	Insurance & Bonds	141,649	165,230	174,000	<b>191,000</b>	17,000	10%

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>Government &amp; Regulatory</b>							
50281	Emissions Compliance	67,141	76,663	85,000	<b>85,000</b>	0	0%
50282	Government Fees/Taxes - Pumping	0	168,798	225,000	<b>225,000</b>	0	0%
50283	CA Use Tax	2,459	0	5,000	<b>0</b>	(5,000)	-100%
50284	Regulatory Fees - Other	44,256	48,155	48,000	<b>50,000</b>	2,000	4%
50285	Certification Fees	620	395	1,300	<b>1,000</b>	(300)	-23%
50286	Elections	0	0	26,000	<b>0</b>	(26,000)	-100%
<b>Non-Cash Expenses</b>							
50292	Depreciation	1,037,971	0	0	<b>0</b>	0	0%
<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>		<b>9,147,254</b>	<b>6,805,885</b>	<b>9,763,450</b>	<b>8,998,200</b>	<b>(765,250)</b>	<b>-8%</b>
<b>DEBT SERVICE</b>							
<b>Principal Payments</b>							
50303	Principal - Engine Replacement Financing	500,000	530,000	530,000	<b>560,000</b>	30,000	6%
<b>Interest Expense</b>							
50313	Interest - Engine Replacement Financing	464,850	521,250	521,250	<b>494,750</b>	(26,500)	-5%
<b>Debt Service Fees</b>							
50322	Cost of Issuance	1,250	0	0	<b>0</b>	0	0%
50323	US Bank Admin Charges & Fees	3,750	0	0	<b>0</b>	0	0%
<b>TOTAL DEBT SERVICE</b>		<b>969,850</b>	<b>1,051,250</b>	<b>1,051,250</b>	<b>1,054,750</b>	<b>3,500</b>	<b>0%</b>
<b>CAPITAL OUTLAY</b>							
<b>Pumping Plants</b>							
50411	Replacement Pumps	0	155,279	180,000	<b>0</b>	(180,000)	-100%
50412	Pump Plant Improvements	26,131	19,800	20,000	<b>90,000</b>	70,000	350%
50413	Control System Improvements	43,798	32,345	30,000	<b>15,000</b>	(15,000)	-50%
50414	Replacement Engines	105,778	9,921,998	7,000,000	<b>3,260,000</b>	(3,740,000)	-53%
50415	Engine Overhauls	149,744	0	0	<b>75,000</b>	75,000	100%
50416	Pump Overhauls	238,711	117,081	150,000	<b>120,000</b>	(30,000)	-20%
<b>Mainline Pipeline</b>							
50421	Cathodic Protection	0	0	0	<b>20,000</b>	20,000	100%
<b>Dams &amp; Reservoir</b>							
50431	Road Repair	0	6,052	20,000	<b>20,000</b>	0	0%
<b>Transmission System</b>							
50448	Upgrade/R&M/Rebuild Wells & Tanks	101,851	140,000	70,000	<b>154,000</b>	84,000	120%
50449	Pipeline Replacement/Rehabilitation	76,225	28,901	20,000	<b>290,000</b>	270,000	1350%
<b>General Office, Shop &amp; Equipment</b>							
50451	Vehicles	285,796	14,638	20,000	<b>0</b>	(20,000)	-100%
50452	Storage Facility Construction	0	500	300,000	<b>300,000</b>	0	0%
50453	Building Remodel	0	4,353	50,000	<b>50,000</b>	0	0%
50455	Equipment	286,660	187,020	180,000	<b>335,000</b>	155,000	86%
50456	Building Improvements	82,303	0	25,000	<b>25,000</b>	0	0%
50460	Intangible Assets	0	1,500	135,000	<b>120,000</b>	(15,000)	-11%

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>Water Reclamation</b>							
50485	Recovery Well Improvements	241,624	93,740	100,000	0	(100,000)	-100%
50488	Cummings Valley Extraction Well	0	0	600,000	0	(600,000)	-100%
	TOTAL CAPITAL OUTLAY	1,638,621	10,723,207	8,900,000	<b>4,874,000</b>	(4,026,000)	-45%
	TOTAL EXPENSES	15,444,881	21,591,716	22,987,300	<b>18,123,850</b>	(4,863,450)	-21%
	<i>NET INCOME (LOSS)</i>	<i>374,726</i>	<i>(5,359,080)</i>	<i>(7,402,600)</i>	<b><i>(2,797,750)</i></b>	<i>4,604,850</i>	
<b>RESERVES</b>							
	BEGINNING BALANCES	33,192,970	33,567,696	33,567,696	<b>27,609,010</b>	(5,958,686)	
	TRANSFERS IN	4,213,530	351,910	346,400	<b>2,028,774</b>	1,682,374	
	TRANSFERS OUT	(4,213,530)	(351,910)	(346,400)	<b>(2,028,774)</b>	(1,682,374)	
	NET TO (FROM) RESERVES	374,726	(5,359,080)	(7,402,600)	<b>(2,797,750)</b>	4,604,850	
	ENDING BALANCES	33,567,696	28,208,616	26,165,096	<b>24,811,260</b>	(1,353,836)	

# Capital Expenditure Budget

# TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

## CAPITAL EXPENDITURE BUDGET

Fund / Dept.	Account Number	Preliminary Budget	Change	Final Budget	Purpose of Capital Expenditure
<u>General / Administration (70-01)</u>					
	50452-01	\$ 300,000	\$ -	\$ 300,000	Storage Facility (carryover)
	50453-01	50,000	-	50,000	Remodel Small Shop for Office Space (carryover)
	50460-01	100,000	-	100,000	Water Rate Study (carryover)
	50460-02	20,000	-	20,000	Record Digitization (carryover)
	Subtotal	<u>\$ 470,000</u>	<u>\$ -</u>	<u>\$ 470,000</u>	
<u>General / Pipeline (70-02)</u>					
	50421-00	\$ 20,000	\$ -	\$ 20,000	Cathodic Protection Survey/Study and Installation
	50431-01	20,000	-	20,000	Lake Road Repairs (annual)
	50449-04	90,000	-	90,000	Bulk Purchase of 8" Backflows (Qty 6)
	50449-05	200,000	-	200,000	Pipeline Inspection
	50455-06	300,000	-	300,000	Backhoe - P-Tier - Extendable Boom - 116HP+
	Subtotal	<u>\$ 630,000</u>	<u>\$ -</u>	<u>\$ 630,000</u>	
<u>General / Pumping (70-03)</u>					
	50412-06	\$ 20,000	\$ -	\$ 20,000	PP Road Base (annual)
	50412-08	50,000	-	50,000	High Pressure Discharge Valve Repl (4/yr x 3 yrs)
	50412-09	20,000	-	20,000	PP1 Sand Media Filter Replacement
	50413-05	-	15,000	15,000	Replacement Emissions Analyzer
	50415-06	75,000	-	75,000	Spare 1706 Parts for Pump Plant 4
	50416-01	90,000	-	90,000	Pump Repairs (annual)
	50416-04	30,000	-	30,000	Right Angle Gear Box Repairs (annual)
	50448-01	154,000	-	154,000	STS Maintenance (annual)
	50455-07	20,000	-	20,000	PP4 Generator and Transfer Switch Repl (install)
	50455-08	15,000	-	15,000	New Hub Puller
	50456-05	25,000	-	25,000	PP4 Drainage Improvements (carryover)
	Subtotal	<u>\$ 499,000</u>	<u>\$ 15,000</u>	<u>\$ 514,000</u>	
General Fund (70) Total		<u>\$ 1,599,000</u>	<u>\$ 15,000</u>	<u>\$ 1,614,000</u>	
<u>Engine Project (73)</u>					
	50414-00	\$ 3,260,000	\$ -	\$ 3,260,000	New Engines for PP2 and PP3 (carryover)
Engine Project (73) Total		<u>\$ 3,260,000</u>	<u>\$ -</u>	<u>\$ 3,260,000</u>	
District Total		<u>\$ 4,859,000</u>	<u>\$ 15,000</u>	<u>\$ 4,874,000</u>	

## Forecast of Reserves, Revenues & Expenses - Designated

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

Forecast of Reserves, Revenues & Expenses - Designated  
July 1, 2025 to June 30, 2026

	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, 2025	\$ 3,266,610	\$ 440,773	\$ 2,843,792	\$ -	\$ 1,872,963	\$ 3,008,246	\$ 1,705,000	\$ 687,958	\$ 13,825,342
<b>REVENUES</b>									
Operating Revenues									
Water Sales	3,415,000	-	100,000	-	-	-	-	-	3,515,000
Water Services	76,000	-	-	-	-	-	-	-	76,000
Other Operating Revenue	155,400	-	-	-	-	-	-	-	155,400
Total Operating Revenues	<u>3,646,400</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,746,400</u>
Non-Operating Revenues									
General Taxes	7,200,000	-	-	-	-	-	-	-	7,200,000
Special Taxes	-	-	-	-	-	-	-	-	-
Benefit Assessments	-	-	-	9,000	-	-	-	-	9,000
Other Revenue	133,600	15,000	99,000	-	65,000	40,000	59,000	24,000	435,600
Capital Contributions	20,000	-	-	-	-	-	-	-	20,000
Total Non-Operating Revenues	<u>7,353,600</u>	<u>15,000</u>	<u>99,000</u>	<u>9,000</u>	<u>65,000</u>	<u>40,000</u>	<u>59,000</u>	<u>24,000</u>	<u>7,664,600</u>
TOTAL REVENUES	<u>11,000,000</u>	<u>15,000</u>	<u>199,000</u>	<u>9,000</u>	<u>65,000</u>	<u>40,000</u>	<u>59,000</u>	<u>24,000</u>	<u>11,411,000</u>
<b>TRANSFERS FROM OTHER FUNDS</b>									
From Designated Reserve Funds	-	-	-	250,000	-	-	-	-	250,000
From Restricted Reserve Funds	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS IN	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
TOTAL AVAILABLE DURING BUDGET YEAR	<u>14,266,610</u>	<u>455,773</u>	<u>3,042,792</u>	<u>259,000</u>	<u>1,937,963</u>	<u>3,048,246</u>	<u>1,764,000</u>	<u>711,958</u>	<u>25,486,342</u>
<b>EXPENSES</b>									
Salaries & Benefits	3,196,900	-	-	-	-	-	-	-	3,196,900
Operations & Maintenance	5,133,000	-	-	-	-	-	-	-	5,133,000
Debt Service	1,054,750	-	-	-	-	-	-	-	1,054,750
Capital Outlay	1,614,000	-	-	-	-	-	-	-	1,614,000
TOTAL EXPENSES	<u>10,998,650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,998,650</u>
<b>TRANSFERS TO OTHER FUNDS</b>									
To Designated Reserve Funds	250,000	-	-	-	-	-	-	-	250,000
To Restricted Reserve Funds	36,000	-	-	-	-	1,742,774	-	-	1,778,774
TOTAL TRANSFERS OUT	<u>286,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,742,774</u>	<u>-</u>	<u>-</u>	<u>2,028,774</u>
TOTAL EXPENSES AND TRANSFERS OUT	<u>11,284,650</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,742,774</u>	<u>-</u>	<u>-</u>	<u>13,027,424</u>
ENDING BALANCE ON JUNE 30, 2026	<u>\$ 2,981,960</u>	<u>\$ 455,773</u>	<u>\$ 3,042,792</u>	<u>\$ 259,000</u>	<u>\$ 1,937,963</u>	<u>\$ 1,305,472</u>	<u>\$ 1,764,000</u>	<u>\$ 711,958</u>	<u>\$ 12,458,918</u>
<b>DESIGNATIONS</b>									
Minimum of 90 days Working Capital	\$ 2,129,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,129,000
Capital Improvement	-	-	-	-	-	1,588,000	-	-	1,588,000
Asset Replacement	-	-	-	-	1,824,000	-	-	-	1,824,000
Rate Stabilization	-	-	-	-	-	-	-	432,000	432,000
Unfunded Pension Liability	-	-	-	250,000	-	-	-	-	250,000
Water Banking Contingency	-	-	N/A	-	-	-	-	-	-
Tax Revenue Liability	-	-	-	-	-	-	1,703,000	-	1,703,000
Emergency	-	432,000	-	-	-	-	-	-	432,000
Total Designated	<u>2,129,000</u>	<u>432,000</u>	<u>-</u>	<u>250,000</u>	<u>1,824,000</u>	<u>1,588,000</u>	<u>1,703,000</u>	<u>432,000</u>	<u>8,358,000</u>
BALANCE	<u>\$ 852,960</u>	<u>\$ 23,773</u>	<u>\$ 3,042,792</u>	<u>\$ 9,000</u>	<u>\$ 113,963</u>	<u>\$ (282,528)</u>	<u>\$ 61,000</u>	<u>\$ 279,958</u>	<u>\$ 4,100,918</u>

## General Fund (70) - Summary

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

Account Description	Audited		Amended		PY/CY Budget	
	2023-24	2024-25	2024-25	2025-26	Amount	Pct
	Actual	Actual	Budget	Budget	Change	Chg
<b>Revenues</b>						
<b>Operating Revenues</b>						
Water Sales - Imported	1,934,143	2,621,438	3,335,000	<b>3,075,000</b>	(260,000)	-8%
Water Sales - Surplus	11,020	69,862	65,000	<b>75,000</b>	10,000	15%
Water Sales - Recycled	25,560	21,274	35,000	<b>30,000</b>	(5,000)	-14%
Water Sales - Recharge BWRA	242,539	3,339	225,000	<b>225,000</b>	0	0%
BL Storage Fee	13,114	11,372	10,000	<b>10,000</b>	0	0%
Water Sales - Other	5,559	0	0	<b>0</b>	0	0%
Water Services	80,546	88,238	76,000	<b>76,000</b>	0	0%
Other Operating Revenues	135,559	128,315	147,600	<b>155,400</b>	7,800	5%
<b>Total Operating Revenues</b>	<b>2,448,040</b>	<b>2,943,838</b>	<b>3,893,600</b>	<b>3,646,400</b>	<b>(247,200)</b>	<b>-6%</b>
<b>Non-Operating Revenues</b>						
General Taxes	7,194,224	7,092,802	7,200,000	<b>7,200,000</b>	0	0%
Other Revenues	180,223	373,726	358,000	<b>133,600</b>	(224,400)	-63%
Capital Contributions	8,100	9,850	20,000	<b>20,000</b>	0	0%
<b>Total Non-Operating Revenues</b>	<b>7,382,547</b>	<b>7,476,378</b>	<b>7,578,000</b>	<b>7,353,600</b>	<b>(224,400)</b>	<b>-3%</b>
<b>Total Revenues</b>	<b>9,830,587</b>	<b>10,420,216</b>	<b>11,471,600</b>	<b>11,000,000</b>	<b>(471,600)</b>	<b>-4%</b>
<b>Expenses</b>						
<b>Salaries &amp; Benefits</b>						
Salaries & Wages	2,058,488	1,960,247	2,124,500	<b>2,198,400</b>	73,900	3%
Benefits	1,630,668	1,051,127	1,148,100	<b>998,500</b>	(149,600)	-13%
<b>Total Salaries &amp; Benefits</b>	<b>3,689,156</b>	<b>3,011,374</b>	<b>3,272,600</b>	<b>3,196,900</b>	<b>(75,700)</b>	<b>-2%</b>
<b>Operations &amp; Maintenance</b>						
Administrative/General	793,059	567,698	555,100	<b>562,900</b>	7,800	1%
Utilities	51,202	68,382	62,000	<b>65,000</b>	3,000	5%
Automobiles & Equipment	177,950	152,615	205,000	<b>201,000</b>	(4,000)	-2%
System Operations	2,454,156	1,635,763	2,800,000	<b>2,520,000</b>	(280,000)	-10%
Maintenance	807,769	1,123,595	998,400	<b>1,178,600</b>	180,200	18%
Services	200,091	231,761	278,000	<b>291,500</b>	13,500	5%
Government & Regulatory	76,511	256,011	345,300	<b>314,000</b>	(31,300)	-9%
Non-Cash Expenses	1,037,971	0	0	<b>0</b>	0	0%
<b>Total Operations &amp; Maintenance</b>	<b>5,598,709</b>	<b>4,035,825</b>	<b>5,243,800</b>	<b>5,133,000</b>	<b>(110,800)</b>	<b>-2%</b>

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

Account Description	Audited		Amended		PY/CY Budget	
	2023-24	2024-25	2024-25	2025-26	Amount	Pct
	Actual	Actual	Budget	Budget	Change	Chg
<b>Debt Service</b>						
Principal Payments	0	530,000	530,000	<b>560,000</b>	30,000	6%
Interest Expense	464,850	521,250	521,250	<b>494,750</b>	(26,500)	-5%
Debt Service Fees	5,000	0	0	<b>0</b>	0	0%
<b>Total Debt Service</b>	<b>469,850</b>	<b>1,051,250</b>	<b>1,051,250</b>	<b>1,054,750</b>	<b>3,500</b>	<b>0%</b>
<b>Capital Outlay</b>						
Pumping Plants	458,384	324,505	380,000	<b>300,000</b>	(80,000)	-21%
Mainline Pipeline	0	0	0	<b>20,000</b>	20,000	100%
Dams & Reservoir	0	6,052	20,000	<b>20,000</b>	0	0%
Transmission System	178,076	168,901	90,000	<b>444,000</b>	354,000	393%
General Office, Shop & Equipment	654,759	208,011	710,000	<b>830,000</b>	120,000	17%
Water Reclamation & Recovery	241,624	93,740	700,000	<b>0</b>	(700,000)	-100%
<b>Total Capital Outlay</b>	<b>1,532,843</b>	<b>801,209</b>	<b>1,900,000</b>	<b>1,614,000</b>	<b>(286,000)</b>	<b>-15%</b>
<b>Total Expenses</b>	<b>11,290,558</b>	<b>8,899,658</b>	<b>11,467,650</b>	<b>10,998,650</b>	<b>(469,000)</b>	<b>-4%</b>
<i>Net Income (Loss) Before Transfers</i>	<i>(1,459,971)</i>	<i>1,520,558</i>	<i>3,950</i>	<i><b>1,350</b></i>	<i>(2,600)</i>	
<b>Reserves</b>						
Beginning Balances	4,553,452	2,679,951	2,679,951	<b>3,266,610</b>	586,659	
Transfers In	1,900,000	0	0	<b>0</b>	0	
Transfers Out	(2,313,530)	(351,910)	(346,400)	<b>(286,000)</b>	60,400	
Net To (From) Reserves	(1,873,501)	1,168,648	(342,450)	<b>(284,650)</b>	57,800	
Ending Balances	2,679,951	3,848,599	2,337,501	<b>2,981,960</b>	644,459	

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## General Fund (70) - Account Detail

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	<b>OPERATING REVENUES</b>						
	<b>Water Sales</b>						
40101	Water Sales - Agriculture	1,398,397	2,090,100	2,625,000	<b>2,400,000</b>	(225,000)	-9%
40102	Water Sales - Term M & I	464,408	465,022	550,000	<b>500,000</b>	(50,000)	-9%
40103	Water Sales - Regular M & I	36,432	22,495	125,000	<b>125,000</b>	0	0%
40104	Water Sales - Wheeled Water	34,906	43,821	35,000	<b>50,000</b>	15,000	43%
40105	Water Sales - Surplus	11,020	69,862	65,000	<b>75,000</b>	10,000	15%
40106	Water Sales - Recycled Water	25,560	21,274	35,000	<b>30,000</b>	(5,000)	-14%
40107	Water Sales - Recharge BWRA	242,539	3,339	225,000	<b>225,000</b>	0	0%
40108	BL Storage Fee	13,114	11,372	10,000	<b>10,000</b>	0	0%
40110	Water Sales - Other	5,559	0	0	<b>0</b>	0	0%
	<b>Water Services</b>						
40111	Recurring Service Charges	9,954	10,327	9,300	<b>9,300</b>	0	0%
40112	Recharge Surcharge - Cummings	13,544	13,255	8,500	<b>8,500</b>	0	0%
40113	Recharge Surcharge - Tehachapi	505	1,163	1,000	<b>1,000</b>	0	0%
40114	Standby Fees	34,749	41,213	41,200	<b>41,200</b>	0	0%
40115	Connection Fees	580	585	2,000	<b>2,000</b>	0	0%
40116	Delinquent Charges	478	238	1,000	<b>1,000</b>	0	0%
40117	Spreading Loss Surcharge-Cummings	19,891	19,436	12,000	<b>12,000</b>	0	0%
40118	Spreading Loss Surcharge-Tehachapi	845	2,021	1,000	<b>1,000</b>	0	0%
	<b>Other Operating Revenues</b>						
40122	Reimbursement - Health Insurance	25,254	17,139	18,300	<b>25,600</b>	7,300	40%
40123	Reimbursement - Flood Control Maint.	76,194	77,695	102,300	<b>102,800</b>	500	0%
40125	Reimbursement - Insurance Claims	0	10,769	0	<b>0</b>	0	0%
40126	Reimbursement - Other Operating	19,034	20,476	25,000	<b>25,000</b>	0	0%
40127	Other Operating Revenue	15,077	2,236	2,000	<b>2,000</b>	0	0%
	<b>TOTAL OPERATING REVENUES</b>	<b>2,448,040</b>	<b>2,943,838</b>	<b>3,893,600</b>	<b>3,646,400</b>	<b>(247,200)</b>	<b>-6%</b>
	<b>NON-OPERATING REVENUES</b>						
	<b>General Taxes</b>						
40201	Current Year Property Taxes	6,800,529	6,855,074	6,961,000	<b>6,926,000</b>	(35,000)	-1%
40202	Prior Year Property Taxes	29,084	16,902	36,000	<b>36,000</b>	0	0%
40203	Homeowners Property Tax Relief	36,895	30,839	35,000	<b>35,000</b>	0	0%
40204	Redevelopment Agency Pass-through	322,917	185,624	165,000	<b>200,000</b>	35,000	21%
40205	Property Tax - Penalties/Other	4,799	4,363	3,000	<b>3,000</b>	0	0%
	<b>Other Revenues</b>						
40231	Interest Earnings	147,966	336,231	356,400	<b>132,000</b>	(224,400)	-63%
40232	Unrealized Gain/(Loss)	12,918	33,169	0	<b>0</b>	0	0%
40234	Rents and Royalties	1,559	2,491	1,600	<b>1,600</b>	0	0%
40239	Other Non-Operating Revenue	280	1,835	0	<b>0</b>	0	0%
40299	Gain/(Loss) on Sale of Asset	17,500	0	0	<b>0</b>	0	0%
	<b>Capital Contributions</b>						
40244	Reimbursement - New Connections	8,100	9,850	20,000	<b>20,000</b>	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>7,382,547</b>	<b>7,476,378</b>	<b>7,578,000</b>	<b>7,353,600</b>	<b>(224,400)</b>	<b>-3%</b>
	<b>TOTAL REVENUES</b>	<b>9,830,587</b>	<b>10,420,216</b>	<b>11,471,600</b>	<b>11,000,000</b>	<b>(471,600)</b>	<b>-4%</b>

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>EXPENSES</b>							
	<b>SALARIES &amp; BENEFITS</b>						
	<b>Salaries &amp; Wages</b>						
50112	Salaries & Wages	2,004,506	1,918,418	2,070,000	<b>2,148,200</b>	78,200	4%
50114	Overtime & Holiday	51,758	41,829	54,500	<b>50,200</b>	(4,300)	-8%
50119	Compensated Absence Adjustment	2,224	0	0	<b>0</b>	0	0%
	<b>Benefits</b>						
50121	FICA/MEDI	155,915	149,452	163,000	<b>168,000</b>	5,000	3%
50122	Workers Compensation	36,156	30,442	33,000	<b>31,800</b>	(1,200)	-4%
50124	Health Insurance	459,208	442,751	502,800	<b>550,600</b>	47,800	10%
50125	Health Insurance - Reimbursable	25,351	14,921	18,300	<b>25,600</b>	7,300	40%
50127	Retirement	184,360	184,500	200,000	<b>220,500</b>	20,500	10%
50128	Tuition Reimbursements	0	0	2,000	<b>2,000</b>	0	0%
50129	GASB 68 Pension Expense Adjustment	(348,039)	0	0	<b>0</b>	0	0%
50130	GASB 75 OPEB Expense Adjustment	(43,726)	0	0	<b>0</b>	0	0%
50131	Retiree Medical Contribution	7,743	0	0	<b>0</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	1,153,700	229,061	229,000	<b>0</b>	(229,000)	-100%
	<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>3,689,156</b>	<b>3,011,374</b>	<b>3,272,600</b>	<b>3,196,900</b>	<b>(75,700)</b>	<b>-2%</b>

	<b>OPERATIONS &amp; MAINTENANCE</b>						
	<b>Administrative/General</b>						
50201	Public Information & Notices	3,114	1,956	2,500	<b>3,200</b>	700	28%
50202	Books/Periodicals/Subscriptions	58	60	500	<b>200</b>	(300)	-60%
50203	Printing	3,511	1,674	2,500	<b>2,500</b>	0	0%
50204	Postage & Shipping	4,382	2,987	4,000	<b>4,000</b>	0	0%
50205	Office Supplies	9,310	11,254	13,000	<b>11,000</b>	(2,000)	-15%
50206	Office Computer & Machinery	47,402	42,525	47,000	<b>50,000</b>	3,000	6%
50207	Bank & Administrative Services	705	3,585	2,000	<b>2,200</b>	200	10%
50208	County Collection Charges	60,584	62,153	68,000	<b>68,000</b>	0	0%
50209	Memberships	34,117	35,819	36,000	<b>40,000</b>	4,000	11%
50210	Directors' Fees	11,159	8,800	16,000	<b>16,000</b>	0	0%
50211	Training & Travel	26,865	36,361	52,000	<b>42,000</b>	(10,000)	-19%
50213	Recruitment	888	864	3,000	<b>3,000</b>	0	0%
50214	Awards & Recognition	13,506	6,771	5,000	<b>5,000</b>	0	0%
50215	Safety Program & Supplies	21,282	16,666	23,600	<b>23,600</b>	0	0%
50216	Legal	531,036	310,874	250,000	<b>250,000</b>	0	0%
50217	Audit	24,315	25,349	29,000	<b>41,200</b>	12,200	42%
50219	Water Conservation Program	825	0	1,000	<b>1,000</b>	0	0%
	<b>Utilities</b>						
50221	Electricity - Office/Shops	21,886	24,023	24,000	<b>24,000</b>	0	0%
50222	Natural Gas - Office/Shops	4,411	2,168	8,000	<b>5,000</b>	(3,000)	-38%
50226	Phone - Internet & Communications	24,905	42,191	30,000	<b>36,000</b>	6,000	20%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	99,609	86,871	116,000	<b>112,000</b>	(4,000)	-3%
50232	Automobile Repair	59,354	52,320	58,500	<b>58,500</b>	0	0%
50233	Equipment Repairs	15,946	9,689	23,000	<b>23,000</b>	0	0%
50234	Equipment Rentals	2,237	2,144	5,000	<b>5,000</b>	0	0%
50238	Shop Supplies	804	1,591	2,500	<b>2,500</b>	0	0%

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
	<b>System Operations</b>						
50242	Natural Gas - Pumping	2,032,948	1,163,627	2,100,000	<b>1,970,000</b>	(130,000)	-6%
50243	Engine Oil & Fluids- Pumping	220,753	163,279	200,000	<b>200,000</b>	0	0%
50244	Electricity - Pumping	135,475	199,780	416,000	<b>225,000</b>	(191,000)	-46%
50245	Electricity - Pipeline	2,709	70,050	55,000	<b>55,000</b>	0	0%
50247	Operation of Joint Turnout	4,741	0	5,000	<b>5,000</b>	0	0%
50248	Cross Valley Canal O & M	9,170	12,583	19,000	<b>15,000</b>	(4,000)	-21%
50249	Source of Supply - Recycled & Other	48,360	26,444	0	<b>50,000</b>	50,000	100%
50250	Delta Conveyance (f.k.a. CA Water Fix)	0	0	5,000	<b>0</b>	(5,000)	-100%
	<b>Maintenance</b>						
50251	Maintenance - Pump Plants	463,879	590,956	500,000	<b>600,000</b>	100,000	20%
50252	Maintenance - Natural Gas Pipeline	38,268	37,996	50,000	<b>30,000</b>	(20,000)	-40%
50253	Maintenance - Pipeline	24,539	145,138	75,000	<b>150,000</b>	75,000	100%
50254	Maintenance - Reservoir	36,333	27,958	25,000	<b>25,000</b>	0	0%
50255	Maintenance - Access Roads	13,609	0	15,000	<b>15,000</b>	0	0%
50256	Maintenance - Control System	74,477	83,861	80,000	<b>90,000</b>	10,000	13%
50257	Maintenance - Cogeneration Plant	0	0	1,000	<b>1,000</b>	0	0%
50258	Maintenance - Wells & Boosters	5,968	16,784	24,000	<b>24,000</b>	0	0%
50259	Maintenance - Flood Control Facilities	145	3,863	5,000	<b>5,000</b>	0	0%
50260	Maintenance - Recharge Facilities	8,529	12,539	15,000	<b>15,000</b>	0	0%
50261	Maintenance - Office & Grounds	37,471	40,997	38,000	<b>35,000</b>	(3,000)	-8%
50262	Maintenance - Public Water System	3,140	0	5,000	<b>5,000</b>	0	0%
50264	Customer Meters	73,481	98,951	125,000	<b>125,000</b>	0	0%
50266	Welding Supplies	2,816	825	6,000	<b>4,200</b>	(1,800)	-30%
50267	Pipeline Materials	9,614	48,441	18,000	<b>40,000</b>	22,000	122%
50268	Small Tools - Pumping	10,480	9,882	12,000	<b>10,000</b>	(2,000)	-17%
50269	Small Tools - Pipeline	5,020	5,404	4,400	<b>4,400</b>	0	0%
	<b>Services</b>						
50271	Outside Service	12,670	12,019	20,500	<b>15,500</b>	(5,000)	-24%
50272	GIS System and Service	16,313	13,805	25,000	<b>25,000</b>	0	0%
50275	Engineering	0	0	7,500	<b>7,500</b>	0	0%
50276	Consulting	32,265	45,177	53,000	<b>58,000</b>	5,000	9%
50277	Uniforms	15,587	16,188	17,000	<b>17,000</b>	0	0%
50278	Lab Analysis	2,368	2,473	5,000	<b>3,500</b>	(1,500)	-30%
50279	Insurance & Bonds	120,888	142,099	150,000	<b>165,000</b>	15,000	10%
	<b>Government &amp; Regulatory</b>						
50281	Emissions Compliance	52,971	63,733	65,000	<b>65,000</b>	0	0%
50282	Government Fees/Taxes - Pumping	0	168,798	225,000	<b>225,000</b>	0	0%
50283	CA Use Tax	2,459	0	5,000	<b>0</b>	(5,000)	-100%
50284	Regulatory Fees - Other	20,461	23,085	23,000	<b>23,000</b>	0	0%
50285	Certification Fees	620	395	1,300	<b>1,000</b>	(300)	-23%
50286	Elections	0	0	26,000	<b>0</b>	(26,000)	-100%
	<b>Non-Cash Expenses</b>						
50292	Depreciation	1,037,971	0	0	<b>0</b>	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>5,598,709</b>	<b>4,035,825</b>	<b>5,243,800</b>	<b>5,133,000</b>	<b>(110,800)</b>	<b>-2%</b>

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
	<b>DEBT SERVICE</b>						
	<b>Principal Payments</b>						
50303	Principal - Engine Replacement Financing	0	530,000	530,000	<b>560,000</b>	30,000	6%
	<b>Interest Expense</b>						
50313	Interest - Engine Replacement Financing	464,850	521,250	521,250	<b>494,750</b>	(26,500)	-5%
	<b>Debt Service Fees</b>						
50322	Cost of Issuance	1,250	0	0	<b>0</b>	0	0%
50323	US Bank Admin Charges & Fees	3,750	0	0	<b>0</b>	0	0%
	<b>TOTAL DEBT SERVICE</b>	<b>469,850</b>	<b>1,051,250</b>	<b>1,051,250</b>	<b>1,054,750</b>	<b>3,500</b>	<b>0%</b>

	<b>CAPITAL OUTLAY</b>						
	<b>Pumping Plants</b>						
50411	Replacement Pumps	0	155,279	180,000	<b>0</b>	(180,000)	-100%
50412	Pump Plant Improvements	26,131	19,800	20,000	<b>90,000</b>	70,000	350%
50413	Control System Improvements	43,798	32,345	30,000	<b>15,000</b>	(15,000)	-50%
50415	Engine Overhauls	149,744	0	0	<b>75,000</b>	75,000	100%
50416	Pump Overhauls	238,711	117,081	150,000	<b>120,000</b>	(30,000)	-20%
	<b>Mainline Pipeline</b>						
50421	Cathodic Protection	0	0	0	<b>20,000</b>	20,000	100%
	<b>Dams &amp; Reservoir</b>						
50431	Road Repair	0	6,052	20,000	<b>20,000</b>	0	0%
	<b>Transmission System</b>						
50448	Upgrade/R&M/Rebuild Wells & Tanks	101,851	140,000	70,000	<b>154,000</b>	84,000	120%
50449	Pipeline Replacement/Rehabilitation	76,225	28,901	20,000	<b>290,000</b>	270,000	1350%
	<b>General Office, Shop &amp; Equipment</b>						
50451	Vehicles	285,796	14,638	20,000	<b>0</b>	(20,000)	-100%
50452	Storage Facility Construction	0	500	300,000	<b>300,000</b>	0	0%
50453	Building Remodel	0	4,353	50,000	<b>50,000</b>	0	0%
50455	Equipment	286,660	187,020	180,000	<b>335,000</b>	155,000	86%
50456	Building Improvements	82,303	0	25,000	<b>25,000</b>	0	0%
50460	Intangible Assets	0	1,500	135,000	<b>120,000</b>	(15,000)	-11%
	<b>Water Reclamation &amp; Recovery</b>						
50485	Recovery Well Improvements	241,624	93,740	100,000	<b>0</b>	(100,000)	-100%
50488	Cummings Valley Extraction Well	0	0	600,000	<b>0</b>	(600,000)	-100%
	<b>TOTAL CAPITAL OUTLAY</b>	<b>1,532,843</b>	<b>801,209</b>	<b>1,900,000</b>	<b>1,614,000</b>	<b>(286,000)</b>	<b>-15%</b>
	<b>TOTAL EXPENSES</b>	<b>11,290,558</b>	<b>8,899,658</b>	<b>11,467,650</b>	<b>10,998,650</b>	<b>(469,000)</b>	<b>-4%</b>
	<b>NET INCOME (LOSS)</b>	<b>(1,459,971)</b>	<b>1,520,558</b>	<b>3,950</b>	<b>1,350</b>	<b>(2,600)</b>	

<b>RESERVES</b>							
	BEGINNING BALANCES	4,553,452	2,679,951	2,679,951	<b>3,266,610</b>	586,659	
	TRANSFERS IN	1,900,000	0	0	<b>0</b>	0	
	TRANSFERS OUT	(2,313,530)	(351,910)	(346,400)	<b>(286,000)</b>	60,400	
	NET TO (FROM) RESERVES	(1,873,501)	1,168,648	(342,450)	<b>(284,650)</b>	57,800	
	ENDING BALANCES	2,679,951	3,848,599	2,337,501	<b>2,981,960</b>	644,459	

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## Administration Department (70-01)

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>EXPENSES</b>							
	<b>SALARIES &amp; BENEFITS</b>						
	<b>Salaries &amp; Wages</b>						
50112	Salaries & Wages	787,496	762,073	778,000	<b>818,400</b>	40,400	5%
50114	Overtime & Holiday	294	676	1,500	<b>1,300</b>	(200)	-13%
50119	Compensated Absence Adjustment	4,458	0	0	<b>0</b>	0	0%
	<b>Benefits</b>						
50121	FICA/MEDI	58,877	57,844	60,000	<b>63,000</b>	3,000	5%
50122	Workers Compensation	4,144	3,597	3,500	<b>3,500</b>	0	0%
50124	Health Insurance	164,238	169,876	187,800	<b>208,500</b>	20,700	11%
50125	Health Insurance - Reimbursable	25,351	14,921	18,300	<b>9,900</b>	(8,400)	-46%
50127	Retirement	64,576	65,020	70,000	<b>79,700</b>	9,700	14%
50128	Tuition Reimbursements	0	0	1,000	<b>1,000</b>	0	0%
50129	GASB 68 Pension Expense Adjustment	(348,039)	0	0	<b>0</b>	0	0%
50130	GASB 75 OPEB Expense Adjustment	(43,726)	0	0	<b>0</b>	0	0%
50131	Retiree Medical Contribution	7,743	0	0	<b>0</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	439,591	52,923	53,000	<b>0</b>	(53,000)	-100%
	<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>1,165,003</b>	<b>1,126,930</b>	<b>1,173,100</b>	<b>1,185,300</b>	<b>12,200</b>	<b>1%</b>
	<b>OPERATIONS &amp; MAINTENANCE</b>						
	<b>Administrative/General</b>						
50201	Public Information & Notices	3,114	1,956	2,500	<b>3,200</b>	700	28%
50202	Books/Periodicals/Subscriptions	58	60	500	<b>200</b>	(300)	-60%
50203	Printing	3,511	1,674	2,500	<b>2,500</b>	0	0%
50204	Postage & Shipping	4,382	2,987	4,000	<b>4,000</b>	0	0%
50205	Office Supplies	9,310	11,254	13,000	<b>11,000</b>	(2,000)	-15%
50206	Office Computer & Machinery	47,402	42,525	47,000	<b>50,000</b>	3,000	6%
50207	Bank & Administrative Services	705	3,585	2,000	<b>2,200</b>	200	10%
50208	County Collection Charges	60,584	62,153	68,000	<b>68,000</b>	0	0%
50209	Memberships	34,117	35,819	36,000	<b>40,000</b>	4,000	11%
50210	Directors' Fees	11,159	8,800	16,000	<b>16,000</b>	0	0%
50211	Training & Travel	24,050	16,258	30,000	<b>30,000</b>	0	0%
50213	Recruitment	552	0	2,000	<b>2,000</b>	0	0%
50214	Awards & Recognition	13,506	6,771	5,000	<b>5,000</b>	0	0%
50215	Safety Program & Supplies	18,118	13,956	20,000	<b>20,000</b>	0	0%
50216	Legal	531,036	310,874	250,000	<b>250,000</b>	0	0%
50217	Audit	24,315	25,349	29,000	<b>41,200</b>	12,200	42%
50219	Water Conservation Program	825	0	1,000	<b>1,000</b>	0	0%
	<b>Utilities</b>						
50221	Electricity - Office/Shops	21,886	24,023	24,000	<b>24,000</b>	0	0%
50222	Natural Gas - Office/Shops	4,411	2,168	8,000	<b>5,000</b>	(3,000)	-38%
50226	Phone - Internet & Communications	24,905	42,191	30,000	<b>36,000</b>	6,000	20%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	4,502	2,861	10,000	<b>6,000</b>	(4,000)	-40%
50232	Automobile Repair	2,349	2,645	3,500	<b>3,500</b>	0	0%
50234	Equipment Rentals	0	0	500	<b>500</b>	0	0%

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
	<b>System Operations</b>						
50248	Cross Valley Canal O & M	9,170	12,583	19,000	15,000	(4,000)	-21%
50249	Source of Supply - Recycled & Other	48,360	26,444	0	50,000	50,000	100%
50250	Delta Conveyance (f.k.a. CA Water Fix)	0	0	5,000	0	(5,000)	-100%
	<b>Maintenance</b>						
50261	Maintenance - Office & Grounds	37,471	40,997	38,000	35,000	(3,000)	-8%
	<b>Services</b>						
50271	Outside Service	2,535	1,944	8,000	3,000	(5,000)	-63%
50272	GIS System and Service	16,313	13,805	25,000	25,000	0	0%
50275	Engineering	0	0	2,500	2,500	0	0%
50276	Consulting	32,265	45,177	50,000	55,000	5,000	10%
50279	Insurance & Bonds	120,888	142,099	150,000	165,000	15,000	10%
	<b>Government &amp; Regulatory</b>						
50283	CA Use Tax	2,459	0	5,000	0	(5,000)	-100%
50284	Regulatory Fees - Other	20,461	23,085	22,000	22,000	0	0%
50285	Certification Fees	620	395	1,300	1,000	(300)	-23%
50286	Elections	0	0	26,000	0	(26,000)	-100%
	<b>Non-Cash Expenses</b>						
50292	Depreciation	1,037,971	0	0	0	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>2,173,310</b>	<b>924,438</b>	<b>956,300</b>	<b>994,800</b>	<b>38,500</b>	<b>4%</b>
	<b>DEBT SERVICE</b>						
	<b>Principal Payments</b>						
50303	Principal - Engine Replacement Financing	0	530,000	530,000	560,000	30,000	6%
	<b>Interest Expense</b>						
50313	Interest - Engine Replacement Financing	464,850	521,250	521,250	494,750	(26,500)	-5%
	<b>Debt Service Fees</b>						
50322	Cost of Issuance	1,250	0	0	0	0	0%
50323	US Bank Admin Charges & Fees	3,750	0	0	0	0	0%
	<b>TOTAL DEBT SERVICE</b>	<b>469,850</b>	<b>1,051,250</b>	<b>1,051,250</b>	<b>1,054,750</b>	<b>3,500</b>	<b>0%</b>
	<b>CAPITAL OUTLAY</b>						
	<b>General Office, Shop &amp; Equipment</b>						
50452	Storage Facility Construction	0	500	300,000	300,000	0	0%
50453	Building Remodel	0	4,353	50,000	50,000	0	0%
50455	Equipment	164,884	18,684	20,000	0	(20,000)	-100%
50456	Building Improvements	47,664	0	0	0	0	0%
50460	Intangible Assets	0	1,500	135,000	120,000	(15,000)	-11%
	<b>TOTAL CAPITAL OUTLAY</b>	<b>212,548</b>	<b>25,037</b>	<b>505,000</b>	<b>470,000</b>	<b>(35,000)</b>	<b>-7%</b>
	<b>TOTAL EXPENSES</b>	<b>4,020,711</b>	<b>3,127,655</b>	<b>3,685,650</b>	<b>3,704,850</b>	<b>19,200</b>	<b>1%</b>

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## Pipeline Department (70-02)

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>EXPENSES</b>							
<b>SALARIES &amp; BENEFITS</b>							
<b>Salaries &amp; Wages</b>							
50112	Salaries & Wages	501,650	542,961	580,000	<b>704,700</b>	124,700	22%
50114	Overtime & Holiday	18,364	19,787	21,000	<b>18,500</b>	(2,500)	-12%
50119	Compensated Absence Adjustment	(2,348)	0	0	<b>0</b>	0	0%
<b>Benefits</b>							
50121	FICA/MEDI	39,781	43,050	46,000	<b>55,000</b>	9,000	20%
50122	Workers Compensation	14,782	13,144	13,800	<b>14,000</b>	200	1%
50124	Health Insurance	106,417	113,508	135,500	<b>190,200</b>	54,700	40%
50125	Health Insurance - Reimbursable	0	0	0	<b>15,700</b>	15,700	100%
50127	Retirement	50,966	53,814	60,000	<b>67,600</b>	7,600	13%
50128	Tuition Reimbursements	0	0	500	<b>500</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	288,924	88,371	88,000	<b>0</b>	(88,000)	-100%
<b>TOTAL SALARIES &amp; BENEFITS</b>		<b>1,018,536</b>	<b>874,635</b>	<b>944,800</b>	<b>1,066,200</b>	<b>121,400</b>	<b>11%</b>
<b>OPERATIONS &amp; MAINTENANCE</b>							
<b>Administrative/General</b>							
50211	Training & Travel	50	83	2,000	<b>2,000</b>	0	0%
50213	Recruitment	336	624	500	<b>500</b>	0	0%
50215	Safety Program & Supplies	1,736	923	2,000	<b>2,000</b>	0	0%
<b>Automobiles &amp; Equipment</b>							
50231	Auto/Equipment - Gas & Oil	47,925	42,399	60,000	<b>60,000</b>	0	0%
50232	Automobile Repair	28,815	16,777	20,000	<b>20,000</b>	0	0%
50233	Equipment Repairs	13,964	5,900	20,000	<b>20,000</b>	0	0%
50234	Equipment Rentals	0	77	1,500	<b>1,500</b>	0	0%
50238	Shop Supplies	0	38	1,500	<b>1,500</b>	0	0%
<b>System Operations</b>							
50245	Electricity - Pipeline	2,709	70,050	55,000	<b>55,000</b>	0	0%
50247	Operation of Joint Turnout	4,741	0	5,000	<b>5,000</b>	0	0%
<b>Maintenance</b>							
50253	Maintenance - Pipeline	24,539	145,138	75,000	<b>150,000</b>	75,000	100%
50254	Maintenance - Reservoir	36,333	27,958	25,000	<b>25,000</b>	0	0%
50255	Maintenance - Access Roads	13,609	0	15,000	<b>15,000</b>	0	0%
50257	Maintenance - Cogeneration Plant	0	0	1,000	<b>1,000</b>	0	0%
50258	Maintenance - System Wells & Boosters	5,968	16,784	24,000	<b>24,000</b>	0	0%
50259	Maintenance - Flood Control Facilities	145	3,863	5,000	<b>5,000</b>	0	0%
50260	Maintenance - Recharge Facilities	8,529	12,539	15,000	<b>15,000</b>	0	0%
50262	Maintenance - Public Water System	3,140	0	5,000	<b>5,000</b>	0	0%
50264	Customer Meters	73,481	98,951	125,000	<b>125,000</b>	0	0%
50266	Welding Supplies	2,654	423	3,200	<b>3,200</b>	0	0%
50267	Pipeline Materials	9,614	48,441	18,000	<b>40,000</b>	22,000	122%
50269	Small Tools - Pipeline	5,020	5,404	4,400	<b>4,400</b>	0	0%

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
	<b>Services</b>						
50271	Outside Service	0	0	1,500	<b>1,500</b>	0	0%
50276	Consulting	0	0	1,000	<b>1,000</b>	0	0%
50277	Uniforms	2,026	2,105	3,000	<b>3,000</b>	0	0%
50278	Lab Analysis	2,368	2,473	5,000	<b>3,500</b>	(1,500)	-30%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>287,702</b>	<b>500,950</b>	<b>493,600</b>	<b>589,100</b>	<b>95,500</b>	<b>19%</b>
	<b>CAPITAL OUTLAY</b>						
	<b>Mainline Pipeline</b>						
50421	Cathodic Protection	0	0	0	<b>20,000</b>	20,000	100%
	<b>Dams &amp; Reservoir</b>						
50431	Road Repair	0	6,052	20,000	<b>20,000</b>	0	0%
	<b>Transmission System</b>						
50449	Pipeline Replacement/Rehabilitation	76,225	28,901	20,000	<b>290,000</b>	270,000	1350%
	<b>General Office, Shop &amp; Equipment</b>						
50451	Vehicles	97,398	14,638	20,000	<b>0</b>	(20,000)	-100%
50455	Equipment	7,349	76,641	80,000	<b>300,000</b>	220,000	275%
	<b>Water Reclamation</b>						
50485	Recovery Well Improvements	241,624	93,740	100,000	<b>0</b>	(100,000)	-100%
50488	Cummings Valley Extraction Well	0	0	600,000	<b>0</b>	(600,000)	-100%
	<b>TOTAL CAPITAL OUTLAY</b>	<b>422,596</b>	<b>219,972</b>	<b>840,000</b>	<b>630,000</b>	<b>(210,000)</b>	<b>-25%</b>
	<b>TOTAL EXPENSES</b>	<b>1,728,834</b>	<b>1,595,557</b>	<b>2,278,400</b>	<b>2,285,300</b>	<b>6,900</b>	<b>0%</b>

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# Pumping Department (70-03)

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>EXPENSES</b>							
	<b>SALARIES &amp; BENEFITS</b>						
	<b>Salaries &amp; Wages</b>						
50112	Salaries & Wages	715,360	613,384	712,000	<b>625,100</b>	(86,900)	-12%
50114	Overtime & Holiday	33,100	21,366	32,000	<b>30,400</b>	(1,600)	-5%
50119	Compensated Absence Adjustment	114	0	0	<b>0</b>	0	0%
	<b>Benefits</b>						
50121	FICA/MEDI	57,257	48,558	57,000	<b>50,000</b>	(7,000)	-12%
50122	Workers Compensation	17,230	13,701	15,700	<b>14,300</b>	(1,400)	-9%
50124	Health Insurance	188,553	159,367	179,500	<b>151,900</b>	(27,600)	-15%
50127	Retirement	68,818	65,666	70,000	<b>73,200</b>	3,200	5%
50128	Tuition Reimbursements	0	0	500	<b>500</b>	0	0%
50132	Retirement - Annual Lump Sum & UAL	425,185	87,767	88,000	<b>0</b>	(88,000)	-100%
	<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>1,505,617</b>	<b>1,009,809</b>	<b>1,154,700</b>	<b>945,400</b>	<b>(209,300)</b>	<b>-18%</b>
	<b>OPERATIONS &amp; MAINTENANCE</b>						
	<b>Administrative/General</b>						
50211	Training & Travel	2,765	20,020	20,000	<b>10,000</b>	(10,000)	-50%
50213	Recruitment		240	500	<b>500</b>	0	0%
50215	Safety Program & Supplies	1,428	1,787	1,600	<b>1,600</b>	0	0%
	<b>Automobiles &amp; Equipment</b>						
50231	Auto/Equipment - Gas & Oil	47,182	41,611	46,000	<b>46,000</b>	0	0%
50232	Automobile Repair	28,190	32,898	35,000	<b>35,000</b>	0	0%
50233	Equipment Repairs	1,982	3,789	3,000	<b>3,000</b>	0	0%
50234	Equipment Rentals	2,237	2,067	3,000	<b>3,000</b>	0	0%
50238	Shop Supplies	804	1,553	1,000	<b>1,000</b>	0	0%
	<b>System Operations</b>						
50242	Natural Gas - Pumping	2,032,948	1,163,627	2,100,000	<b>1,970,000</b>	(130,000)	-6%
50243	Engine Oil & Fluids- Pumping	220,753	163,279	200,000	<b>200,000</b>	0	0%
50244	Electricity - Pumping	135,475	199,780	416,000	<b>225,000</b>	(191,000)	-46%
	<b>Maintenance</b>						
50251	Maintenance - Pump Plants	463,879	590,956	500,000	<b>600,000</b>	100,000	20%
50252	Maintenance - Natural Gas Pipeline	38,268	37,996	50,000	<b>30,000</b>	(20,000)	-40%
50256	Maintenance - Control System	74,477	83,861	80,000	<b>90,000</b>	10,000	13%
50266	Welding Supplies	162	402	2,800	<b>1,000</b>	(1,800)	-64%
50268	Small Tools - Pumping	10,480	9,882	12,000	<b>10,000</b>	(2,000)	-17%
	<b>Services</b>						
50271	Outside Service	10,135	10,075	11,000	<b>11,000</b>	0	0%
50275	Engineering	0	0	5,000	<b>5,000</b>	0	0%
50276	Consulting	0	0	2,000	<b>2,000</b>	0	0%
50277	Uniforms	13,561	14,083	14,000	<b>14,000</b>	0	0%
	<b>Government &amp; Regulatory</b>						
50281	Emissions Compliance	52,971	63,733	65,000	<b>65,000</b>	0	0%
50282	Government Fees/Taxes - Pumping	0	168,798	225,000	<b>225,000</b>	0	0%
50284	Regulatory Fees - Other	0	0	1,000	<b>1,000</b>	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>3,137,697</b>	<b>2,610,437</b>	<b>3,793,900</b>	<b>3,549,100</b>	<b>(244,800)</b>	<b>-6%</b>

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
	<b>CAPITAL OUTLAY</b>						
	<b>Pumping Plants</b>						
50411	Replacement Pumps	0	155,279	180,000	0	(180,000)	-100%
50412	Pump Plant Improvements	26,131	19,800	20,000	90,000	70,000	350%
50413	Control System Improvements	43,798	32,345	30,000	15,000	(15,000)	-50%
50415	Engine Overhauls	149,744	0	0	75,000	75,000	100%
50416	Pump Overhauls	238,711	117,081	150,000	120,000	(30,000)	-20%
	<b>Transmission System</b>						
50448	Upgrade/R&M/Rebuild Wells & Tanks	101,851	140,000	70,000	154,000	84,000	120%
	<b>General Office, Shop &amp; Equipment</b>						
50451	Vehicles	188,398	0	0	0	0	0%
50455	Equipment	114,427	91,695	80,000	35,000	(45,000)	-56%
50456	Building Improvements	34,639	0	25,000	25,000	0	0%
	<b>TOTAL CAPITAL OUTLAY</b>	897,699	556,200	555,000	514,000	(41,000)	-7%
	<b>TOTAL EXPENSES</b>	5,541,013	4,176,446	5,503,600	5,008,500	(495,100)	-9%

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## Other Board-designated Reserve Funds - Account Detail

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	12,077	16,264	17,000	<b>15,000</b>	(2,000)	-12%
40232	Unrealized Gain/(Loss)	1,976	8,727	0	<b>0</b>	0	0%
	TOTAL NON-OPERATING REVENUES	14,053	24,991	17,000	<b>15,000</b>	(2,000)	-12%
	TOTAL REVENUES	14,053	24,991	17,000	<b>15,000</b>	(2,000)	-12%
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	NET INCOME (LOSS)	14,053	24,991	17,000	<b>15,000</b>	(2,000)	
<b>RESERVES</b>							
	BEGINNING BALANCES	412,896	426,949	426,949	<b>440,773</b>	13,824	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	14,053	24,991	17,000	<b>15,000</b>	(2,000)	
	ENDING BALANCES	426,949	451,940	443,949	<b>455,773</b>	11,824	

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	OPERATING REVENUES						
	<b>Water Sales</b>						
40107	Water Sales - Recharge BWRA	402,316	0	0	100,000	100,000	100%
	<b>Water Services</b>						
40116	Delinquent Charges	3,976	(3,976)	0	0	0	0%
	<b>TOTAL OPERATING REVENUES</b>	<b>406,292</b>	<b>(3,976)</b>	<b>0</b>	<b>100,000</b>	<b>100,000</b>	<b>100%</b>
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	67,036	101,300	103,000	99,000	(4,000)	-4%
40232	Unrealized Gain/(Loss)	11,113	58,294	0	0	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>78,149</b>	<b>159,594</b>	<b>103,000</b>	<b>99,000</b>	<b>(4,000)</b>	<b>-4%</b>
	<b>TOTAL REVENUES</b>	<b>484,441</b>	<b>155,618</b>	<b>103,000</b>	<b>199,000</b>	<b>96,000</b>	<b>93%</b>
<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Administrative/General</b>						
50216	Legal	50	0	50	0	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>50</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0%</b>
	<b>TOTAL EXPENSES</b>	<b>50</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>0%</b>
	<b>NET INCOME (LOSS)</b>	<b>484,391</b>	<b>155,618</b>	<b>102,950</b>	<b>199,000</b>	<b>96,000</b>	
<b>RESERVES</b>							
	BEGINNING BALANCES	2,275,799	2,760,190	2,760,190	2,843,792	83,602	
	TRANSFERS IN	0	0	0	0	0	
	TRANSFERS OUT	0	0	0	0	0	
	<b>NET TO (FROM) RESERVES</b>	<b>484,391</b>	<b>155,618</b>	<b>102,950</b>	<b>199,000</b>	<b>96,050</b>	
	<b>ENDING BALANCES</b>	<b>2,760,190</b>	<b>2,915,808</b>	<b>2,863,140</b>	<b>3,042,792</b>	<b>179,652</b>	

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	0	0	0	9,000	9,000	100%
40232	Unrealized Gain/(Loss)	0	0	0	0	0	0%
	TOTAL NON-OPERATING REVENUES	0	0	0	9,000	9,000	100%
	TOTAL REVENUES	0	0	0	9,000	9,000	100%
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	0	0	0%
	NET INCOME (LOSS)	0	0	0	9,000	9,000	
<b>RESERVES</b>							
	BEGINNING BALANCES	0	0	0	0	0	
	TRANSFERS IN	0	0	0	250,000	250,000	
	TRANSFERS OUT	0	0	0	0	0	
	NET TO (FROM) RESERVES	0	0	0	259,000	259,000	
	ENDING BALANCES	0	0	0	259,000	259,000	

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	<b>2025-26 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	51,160	69,207	72,000	<b>65,000</b>	(7,000)	-10%
40232	Unrealized Gain/(Loss)	8,415	36,988	0	<b>0</b>	0	0%
	TOTAL NON-OPERATING REVENUES	59,575	106,195	72,000	<b>65,000</b>	(7,000)	-10%
	TOTAL REVENUES	59,575	106,195	72,000	<b>65,000</b>	(7,000)	-10%
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	NET INCOME (LOSS)	59,575	106,195	72,000	<b>65,000</b>	(7,000)	
<b>RESERVES</b>							
	BEGINNING BALANCES	1,754,573	1,814,148	1,814,148	<b>1,872,963</b>	58,815	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	59,575	106,195	72,000	<b>65,000</b>	(7,000)	
	ENDING BALANCES	1,814,148	1,920,343	1,886,148	<b>1,937,963</b>	51,815	

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	89,778	110,368	115,800	40,000	(75,800)	-65%
40232	Unrealized Gain/(Loss)	14,443	58,247	0	0	0	0%
	TOTAL NON-OPERATING REVENUES	104,221	168,615	115,800	40,000	(75,800)	-65%
	TOTAL REVENUES	104,221	168,615	115,800	40,000	(75,800)	-65%
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	0	0	0%
	NET INCOME (LOSS)	104,221	168,615	115,800	40,000	(75,800)	
<b>RESERVES</b>							
	BEGINNING BALANCES	2,711,492	2,915,713	2,915,713	3,008,246	92,533	
	TRANSFERS IN	2,000,000	0	0	0	0	
	TRANSFERS OUT	(1,900,000)	0	0	(1,742,774)	(1,742,774)	
	NET TO (FROM) RESERVES	204,221	168,615	115,800	(1,702,774)	(1,818,574)	
	ENDING BALANCES	2,915,713	3,084,328	3,031,513	1,305,472	(1,726,041)	

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	<b>2025-26 Budget</b>	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	35,264	61,247	53,300	<b>59,000</b>	5,700	11%
40232	Unrealized Gain/(Loss)	6,228	37,959	0	<b>0</b>	0	0%
	TOTAL NON-OPERATING REVENUES	41,492	99,206	53,300	<b>59,000</b>	5,700	11%
	TOTAL REVENUES	41,492	99,206	53,300	<b>59,000</b>	5,700	11%
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	NET INCOME (LOSS)	41,492	99,206	53,300	<b>59,000</b>	5,700	
<b>RESERVES</b>							
	BEGINNING BALANCES	1,299,953	1,341,445	1,341,445	<b>1,705,000</b>	363,555	
	TRANSFERS IN	0	310,000	310,000	<b>0</b>	(310,000)	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	41,492	409,206	363,300	<b>59,000</b>	(304,300)	
	ENDING BALANCES	1,341,445	1,750,651	1,704,745	<b>1,764,000</b>	59,255	

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	18,632	25,409	26,500	<b>24,000</b>	(2,500)	-9%
40232	Unrealized Gain/(Loss)	3,089	13,588	0	<b>0</b>	0	0%
	TOTAL NON-OPERATING REVENUES	21,721	38,997	26,500	<b>24,000</b>	(2,500)	-9%
	TOTAL REVENUES	21,721	38,997	26,500	<b>24,000</b>	(2,500)	-9%
<b>EXPENSES</b>							
	TOTAL EXPENSES	0	0	0	<b>0</b>	0	0%
	NET INCOME (LOSS)	21,721	38,997	26,500	<b>24,000</b>	(2,500)	
<b>RESERVES</b>							
	BEGINNING BALANCES	644,643	666,364	666,364	<b>687,958</b>	21,594	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	21,721	38,997	26,500	<b>24,000</b>	(2,500)	
	ENDING BALANCES	666,364	705,361	692,864	<b>711,958</b>	19,094	

# Forecast of Reserves, Revenues & Expenses - Restricted

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

Forecast of Reserves, Revenues & Expenses - Restricted  
July 1, 2025 to June 30, 2026

	Engine Project (73)	Improvement District No. 2 (76)	Improvement District No. 3 (77)	State Payment (82)	Benefit Assess. District No. 1 (86)	Total Restricted Reserves
BEGINNING BALANCE ON JULY 1, 2025	\$ 1,542,226	\$ 25	\$ 228,943	\$ 10,745,089	\$ 1,267,385	\$ 13,783,668
<b>REVENUES</b>						
Operating Revenues						
Water Sales	-	-	-	-	-	-
Water Services	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Total Operating Revenues	-	-	-	-	-	-
Non-Operating Revenues						
General Taxes	-	4,000	10,100	-	-	14,100
Special Taxes	-	-	-	3,408,400	-	3,408,400
Benefit Assessments	-	-	-	-	113,500	113,500
Other Revenue	-	100	8,000	328,000	43,000	379,100
Capital Contributions	-	-	-	-	-	-
Total Non-Operating Revenues	-	4,100	18,100	3,736,400	156,500	3,915,100
<b>TOTAL REVENUES</b>	-	4,100	18,100	3,736,400	156,500	3,915,100
<b>TRANSFERS FROM OTHER FUNDS</b>						
From Designated Reserve Funds	1,742,774	36,000	-	-	-	1,778,774
From Restricted Reserve Funds	-	-	-	-	-	-
<b>TOTAL TRANSFERS IN</b>	1,742,774	36,000	-	-	-	1,778,774
<b>TOTAL AVAILABLE DURING BUDGET YEAR</b>	3,285,000	40,125	247,043	14,481,489	1,423,885	19,477,542
<b>EXPENSES</b>						
Salaries & Benefits	-	-	-	-	-	-
Operations & Maintenance	25,000	40,100	9,200	3,677,400	113,500	3,865,200
Debt Service	-	-	-	-	-	-
Capital Outlay	3,260,000	-	-	-	-	3,260,000
<b>TOTAL EXPENSES</b>	3,285,000	40,100	9,200	3,677,400	113,500	7,125,200
<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>	3,285,000	40,100	9,200	3,677,400	113,500	7,125,200
<b>ENDING BALANCE ON JUNE 30, 2026</b>	\$ -	\$ 25	\$ 237,843	\$ 10,804,089	\$ 1,310,385	\$ 12,352,342
<b>RESTRICTIONS</b>						
State Water Contract Obligations	\$ -	\$ -	\$ -	\$ 2,619,000	\$ -	\$ 2,619,000
Engine Project Costs	N/A	-	-	-	-	-
Flood Control Maintenance	-	312,000	694,000	-	1,989,000	2,995,000
<b>Total Restricted</b>	-	312,000	694,000	2,619,000	1,989,000	5,614,000
<b>BALANCE</b>	\$ -	\$ (311,975)	\$ (456,157)	\$ 8,185,089	\$ (678,615)	\$ 6,738,342

## Restricted Reserve Funds - Account Detail

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

Acct. No.	Account Description	Audited		Amended		PY/CY Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Other Revenues</b>						
40231	Interest Earnings	419,280	0	0	0	0	0%
	TOTAL NON-OPERATING REVENUES	419,280	0	0	0	0	0%
	TOTAL REVENUES	419,280	0	0	0	0	0%
<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Services</b>						
50276	Consulting	168,400	34,497	300,000	5,000	(295,000)	-98%
	<b>Government &amp; Regulatory</b>						
50281	Emissions Compliance	14,170	12,930	20,000	20,000	0	0%
	TOTAL OPERATIONS & MAINTENANCE	182,570	47,427	320,000	25,000	(295,000)	-92%
	DEBT SERVICE						
	<b>Principal Payments</b>						
50303	Principal - Engine Replacement	500,000	0	0	0	0	0%
	<b>Interest Expense</b>						
50313	Interest - Engine Replacement	0	0	0	0	0	0%
	TOTAL DEBT SERVICE	500,000	0	0	0	0	0%
	CAPITAL OUTLAY						
	<b>Pumping Plants</b>						
50414	Replacement Engines	105,778	9,921,998	7,000,000	3,260,000	(3,740,000)	-53%
	TOTAL CAPITAL OUTLAY	105,778	9,921,998	7,000,000	3,260,000	(3,740,000)	-53%
	TOTAL EXPENSES	788,348	9,969,425	7,320,000	3,285,000	(4,035,000)	-55%
	NET INCOME (LOSS)	(369,068)	(9,969,425)	(7,320,000)	(3,285,000)	4,035,000	
<b>RESERVES</b>							
	BEGINNING BALANCES	11,073,690	10,978,786	10,978,786	1,542,226	(9,436,560)	
	TRANSFERS IN	274,164	0	0	1,742,774	1,742,774	
	TRANSFERS OUT	0	0	0	0	0	
	NET TO (FROM) RESERVES	(94,904)	(9,969,425)	(7,320,000)	(1,542,226)	5,777,774	
	ENDING BALANCES	10,978,786	1,009,361	3,658,786	0	(3,658,786)	

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

PY/CY

Acct. No.	Account Description	Audited		Amended		Budget	
		2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>General Taxes</b>						
40201	Current Year Property Taxes	4,327	5,030	3,700	4,000	300	8%
	<b>Other Revenues</b>						
40231	Interest Earnings	41	63	100	100	0	0%
40232	Unrealized Gain/(Loss)	10	(6)	0	0	0	0%
	<b>TOTAL NON-OPERATING REVENUES</b>	<b>4,378</b>	<b>5,087</b>	<b>3,800</b>	<b>4,100</b>	<b>300</b>	<b>8%</b>
	<b>TOTAL REVENUES</b>	<b>4,378</b>	<b>5,087</b>	<b>3,800</b>	<b>4,100</b>	<b>300</b>	<b>8%</b>
<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Administrative/General</b>						
50208	County Collection Charges	40	43	200	100	(100)	-50%
	<b>Maintenance</b>						
50259	Maintenance - Flood Control Facilities	43,688	46,954	40,000	40,000	0	0%
	<b>TOTAL OPERATIONS &amp; MAINTENANCE</b>	<b>43,728</b>	<b>46,997</b>	<b>40,200</b>	<b>40,100</b>	<b>(100)</b>	<b>0%</b>
	<b>TOTAL EXPENSES</b>	<b>43,728</b>	<b>46,997</b>	<b>40,200</b>	<b>40,100</b>	<b>(100)</b>	<b>0%</b>
	<b>NET INCOME (LOSS)</b>	<b>(39,350)</b>	<b>(41,910)</b>	<b>(36,400)</b>	<b>(36,000)</b>	<b>400</b>	
<b>RESERVES</b>							
	BEGINNING BALANCES	15	31	31	25	(6)	
	TRANSFERS IN	39,366	41,910	36,400	36,000	(400)	
	TRANSFERS OUT	0	0	0	0	0	
	NET TO (FROM) RESERVES	16	0	0	0	0	
	ENDING BALANCES	31	31	31	25	(6)	

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>General Taxes</b>						
40201	Current Year Property Taxes	9,242	10,040	8,200	<b>8,700</b>	500	6%
40204	Redevelopment Agency Pass-through	2,415	1,439	1,100	<b>1,400</b>	300	27%
	<b>Other Revenues</b>						
40231	Interest Earnings	5,694	8,048	8,500	<b>8,000</b>	(500)	-6%
40232	Unrealized Gain/(Loss)	953	4,312	0	<b>0</b>	0	0%
	TOTAL NON-OPERATING REVENUES	18,304	23,839	17,800	<b>18,100</b>	300	2%
	TOTAL REVENUES	18,304	23,839	17,800	<b>18,100</b>	300	2%
<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Administrative/General</b>						
50208	County Collection Charges	82	90	200	<b>200</b>	0	0%
	<b>Maintenance</b>						
50259	Maintenance - Flood Control Facilities	0	0	9,000	<b>9,000</b>	0	0%
	TOTAL OPERATIONS & MAINTENANCE	82	90	9,200	<b>9,200</b>	0	0%
	TOTAL EXPENSES	82	90	9,200	<b>9,200</b>	0	0%
	NET INCOME (LOSS)	18,222	23,749	8,600	<b>8,900</b>	300	
<b>RESERVES</b>							
	BEGINNING BALANCES	192,460	210,682	210,682	<b>228,943</b>	18,261	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	18,222	23,749	8,600	<b>8,900</b>	300	
	ENDING BALANCES	210,682	234,431	219,282	<b>237,843</b>	18,561	

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
	NON-OPERATING REVENUES						
	<b>Special Taxes</b>						
40211	Current Year State Payment Tax	4,321,166	4,441,235	3,279,500	<b>3,318,400</b>	38,900	1%
40212	Prior Year State Payment Tax	57,275	9,501	10,000	<b>50,000</b>	40,000	400%
40213	Homeowners Property Tax Relief	19,691	16,268	18,000	<b>20,000</b>	2,000	11%
40215	State Payment Tax - Penalties/Other	19,769	13,132	14,000	<b>20,000</b>	6,000	43%
	<b>Other Revenues</b>						
40231	Interest Earnings	222,910	335,619	226,600	<b>328,000</b>	101,400	45%
40232	Unrealized Gain/(Loss)	35,585	200,615	0	<b>0</b>	0	0%
	TOTAL NON-OPERATING REVENUES	4,676,396	5,016,370	3,548,100	<b>3,736,400</b>	188,300	5%
	TOTAL REVENUES	4,676,396	5,016,370	3,548,100	<b>3,736,400</b>	188,300	5%
<b>EXPENSES</b>							
	OPERATIONS & MAINTENANCE						
	<b>Administrative/General</b>						
50208	County Collection Charges	10,297	11,152	8,200	<b>8,300</b>	100	1%
50217	Audit - KCWA Agreement	5,936	0	3,000	<b>3,000</b>	0	0%
	<b>System Operations</b>						
50241	Source of Supply - KCWA Contract	3,220,641	2,579,281	4,030,000	<b>3,666,100</b>	(363,900)	-9%
	TOTAL OPERATIONS & MAINTENANCE	3,236,874	2,590,433	4,041,200	<b>3,677,400</b>	(363,800)	-9%
	TOTAL EXPENSES	3,236,874	2,590,433	4,041,200	<b>3,677,400</b>	(363,800)	-9%
	NET INCOME (LOSS)	1,439,522	2,425,937	(493,100)	<b>59,000</b>	552,100	
<b>RESERVES</b>							
	BEGINNING BALANCES	7,124,188	8,563,710	8,563,710	<b>10,745,089</b>	2,181,379	
	TRANSFERS IN	0	0	0	<b>0</b>	0	
	TRANSFERS OUT	0	0	0	<b>0</b>	0	
	NET TO (FROM) RESERVES	1,439,522	2,425,937	(493,100)	<b>59,000</b>	552,100	
	ENDING BALANCES	8,563,710	10,989,647	8,070,610	<b>10,804,089</b>	2,733,479	

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

		Audited		Amended		PY/CY Budget	
Acct. No.	Account Description	2023-24 Actual	2024-25 Actual	2024-25 Budget	2025-26 Budget	Amount Change	Pct Chg
<b>REVENUES</b>							
NON-OPERATING REVENUES							
<b>Benefit Assessments</b>							
40221	Current Year Benefit Assessments	99,162	99,203	103,000	<b>106,000</b>	3,000	3%
40222	Prior Year Benefit Assessments	5,404	4,625	4,000	<b>6,000</b>	2,000	50%
40224	Benefit Assessment - Penalties/Other	1,305	122	2,000	<b>1,500</b>	(500)	-25%
<b>Other Revenues</b>							
40231	Interest Earnings	33,722	45,695	46,800	<b>43,000</b>	(3,800)	-8%
40232	Unrealized Gain/(Loss)	5,566	23,857	0	<b>0</b>	0	0%
TOTAL NON-OPERATING REVENUES		145,159	173,502	155,800	<b>156,500</b>	700	0%
TOTAL REVENUES		145,159	173,502	155,800	<b>156,500</b>	700	0%
<b>EXPENSES</b>							
OPERATIONS & MAINTENANCE							
<b>Administrative/General</b>							
50201	Public Information & Notices	1,698	1,698	2,000	<b>2,000</b>	0	0%
50203	Printing	220	220	300	<b>300</b>	0	0%
50208	County Collection Charges	396	366	400	<b>400</b>	0	0%
<b>Maintenance</b>							
50259	Maintenance - Flood Control Facilities	38,371	34,628	53,300	<b>53,800</b>	500	1%
<b>Services</b>							
50271	Outside Service	0	0	2,000	<b>2,000</b>	0	0%
50275	Engineering	0	0	2,000	<b>2,000</b>	0	0%
50279	Insurance & Bonds	20,761	23,131	24,000	<b>26,000</b>	2,000	8%
<b>Government &amp; Regulatory</b>							
50284	Regulatory Fees - Other	23,795	25,070	25,000	<b>27,000</b>	2,000	8%
TOTAL OPERATIONS & MAINTENANCE		85,241	85,113	109,000	<b>113,500</b>	4,500	4%
TOTAL EXPENSES		85,241	85,113	109,000	<b>113,500</b>	4,500	4%
<b>NET INCOME (LOSS)</b>		<b>59,918</b>	<b>88,389</b>	<b>46,800</b>	<b>43,000</b>	<b>(3,800)</b>	
<b>RESERVES</b>							
BEGINNING BALANCES		1,149,809	1,209,727	1,209,727	<b>1,267,385</b>	57,658	
TRANSFERS IN		0	0	0	<b>0</b>	0	
TRANSFERS OUT		0	0	0	<b>0</b>	0	
NET TO (FROM) RESERVES		59,918	88,389	46,800	<b>43,000</b>	(3,800)	
ENDING BALANCES		1,209,727	1,298,116	1,256,527	<b>1,310,385</b>	53,858	