RESOLUTION NO. 11-26

A RESOLUTION OF THE BOARD OF DIRECTORS OF TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT APPROVING THE FISCAL YEAR 2026-27 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 included in 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. Each of the above recitals is true and correct and the Board of Directors so finds and determines.

2. The Fiscal Year 2026-27 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.

3. The Appropriations Limit for the District for Fiscal Year 2026-27 is $19,986,244, per the calculation shown on Page 1-3 of the Final Budget.

4. The District Reserves Policy, as shown on Page 1-4 through Page 1-9 of the Final Budget, is hereby approved.

5. 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.

6. 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 1-15 of the Final Budget.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT this 26th day of August 2026.

Robert W. Schultz

Robert W. Schultz, Board President

ATTEST:

Catherine Adams

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. 11-26 duly adopted at a regular meeting of the Board of Directors of the District duly and legally held at the regular meeting place thereof on August 26, 2026. All of the members of the Board of Directors received due notice of the meeting and a majority thereof was present. At the meeting the resolution was adopted by the following vote:

AYES: Ables, Davis, Hall, Schultz

NOES: None

ABSTAIN: None

ABSENT: None

ATTEST: Cathy Adams

Catherine Adams, Board Secretary

(SEAL)

Exhibit A

Tehachapi-Cummings County Water District

Fiscal Year 2026-27

Final Budget

Regular Board Meeting

August 26, 2026

August 26, 2026

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

I am pleased to present the Final Budget for the Tehachapi-Cummings County Water District (District) for the fiscal year 2026-27. The District's operating budget would be considered balanced if it were not for an intentional, strategic increase to the capital outlay budget, funded through a spend-down of reserve funds, to harden critical infrastructure assets to maintain a reliable water supply for our customers. To fund the increased capital outlay budget reported in the operating budget at General Fund (70), $300,000 will be transferred in from the Major Repairs and Overhaul Fund (81). After considering the transfer, the operating budget would show as $8,350 in revenues over expenses. The District's total budget reflects expenses exceeding revenues by nearly $650 thousand. Included in the District's total expenses is a nearly $1.2 million loss at State Payment Fund (82) purposefully generated through the adoption of a reduced ad valorem tax rate to return reserves to ratepayers. Excluding activity at Fund 82, district-wide revenues would exceed expenses by $542,950.

It is forecast that 63% of general fund revenues will come from property taxes, approximately 34% 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 2026-27 Final Budget:

<u>District-wide changes over the prior year:</u>

- Total expenses are forecast to decrease by $4,766,670 (23%). Without including the capital outlay budget, total expenses are forecast to decrease by $314,800 (2%).
- Total revenues are forecast to be nearly unchanged over the prior year with an increase of $48,400 (0.31%). Although there was practically no change to total revenues overall, the various components of revenue experienced the following changes:
  - Increase in total operating revenues (i.e., water sales and services) of $1,152,600 (33%).
  - Decrease in special tax revenue received for the current year of $1,098,400 (33%) due to setting a reduced ad valorem tax rate.
  - Decrease in general tax revenue of $96,100 (1%).
  - Interest earnings forecasts are expected to increase over the prior year by $80,500 (8%).
- The operations and maintenance budget is forecast to decrease by $713,000 (8%).
- The capital outlay budget is forecast to decrease by $4,451,870 (58%). Excluding the debt-financed engine replacement project that was completed in FY 2025-26, the capital outlay budget is forecast to increase by $1,588,850 (101%).
- Through setting a reduced ad valorem tax rate to return previously collected taxes to taxpayers, expenses are anticipated to be greater than revenues in the state water payment fund, which will decrease the reserve fund balance by $1,189,500.

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General fund changes over the prior year:

- The salaries and benefits budget is forecast to increase by $401,200 (13%). Of that increase, $284,200 (13%) is attributable to salaries & wages and the remaining $117,000 (12%) is attributable to benefits.
  - The increase in salaries & wages includes the Board-approved 3.3% cost-of-living adjustment and additional funds for personnel growth if desired.
  - The increase in health insurance costs is due to a 13% increase for Anthem medical plans and a 1.5% increase for Kaiser medical plans.
  - The District is in a surplus status for the funding of its three pension plans and other post-employment benefits (OPEB), which has resulted in another year where it does not need to budget for any minimum contribution annual payments or unfunded accrued liability payments.
- The operations and maintenance budget reported in the general fund is forecast to decrease by $558,000 (12%).
  - Legal costs are expected to decrease by $50,000 (20%).
  - Systems operations expense is forecast to decrease by $305,000 (14%), which includes a natural gas pumping cost decrease of $270,000 (17%) and electricity pumping cost decrease of $50,000 (22%).
  - Maintenance costs are expected to decrease by $140,000 (12%), mostly driven by a $75,000 decrease in maintenance costs at pump plants and another $75,000 decrease in customer meter purchases.
  - Government and regulatory fees are expected to have a net decrease by $52,000 (17%) due to a $100,000 reduction in governmental fees/taxes related to natural gas purchases, which were slightly offset by an increase in election costs of $30,000.
- The debt service budget increased by $1,051,750 (100%) because the debt service payments were reclassified from the Engine Project Fund (73) to the General Fund (70) due to a financial reporting requirement. While the project costs were being tracked at Fund 73, the debt service payments needed to be reported in the same fund as the assets under construction. Due to the completion of the Engine Project at the end of FY 2025-26, the capital assets were capitalized to General Fund (70) and the associated capital debt was also reclassified to General Fund (70) because of that same financial reporting requirement.

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 was approved by the Board at the regular board meeting held on August 20, 2025. 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. The Reserves 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. 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, 2026, all full reserve targets were satisfied, with the exception of the three flood control improvement districts and one designated reserve fund as follows:

- The designated - capital reserve fund (i.e., Fund 83 - Equipment/Infrastructure - Replacement/Upgrade) will be funded below the interim reserve target due to transferring $3,035,000 to a restricted reserve fund (i.e., Fund 73 - Engine Project) to fund the completion of the multi-year engine replacement project at Pump Plants 2 & 3.

As of June 30, 2027, it is forecast that all full reserve targets will be satisfied, with the exception of the three flood control improvement districts and two designated reserve funds as follows:

- A designated - liquidity reserve fund (i.e., Fund 81 – Major Repairs and Overhaul) will be funded below the full reserve target by approximately $128,000 due to transferring $300,000 to the General Fund (70) to fund an intentional, strategic increase to the capital outlay budget to harden critical infrastructure assets to maintain a reliable water supply for our customers.

- The designated - capital reserve fund (i.e., Fund 83 - Equipment/Infrastructure - Replacement/Upgrade) will remain funded below the interim reserve target due to the transfer to General Fund (70) at the end of FY 2025-26 with the adoption of the Preliminary Budget for FY 2026-27.

Transfers between reserve funds, including into funds that are below the full reserve target, will be considered during the mid-year budget review.

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 1.20% in FY 2026-27. This follows an increase of 2.77% in the District's tax base in FY 2025-26.

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) for the District. The District is physically limited to 10,000 AF of importation capacity due to the capacity 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.

As of December 31, 2025, the District imported 7,712 AF of SWP Table "A" water. As soon as surface delivery demands decreased, the District commenced water banking and recharged 2,268 AF.

For calendar year 2026, the SWP Table A Allocation is 45% (8,685 acre-feet), slightly less than 2025's 50% allocation. The District entered calendar year 2026 with 2,764 AF of SWP carryover water in San Luis Reservoir and no water banked in the San Joaquin Valley facilities. To avoid the possibility of spillage as predicted by DWR, the District entered into a banking agreement with Kern County Water District ID 4 under which ID 4 banked 1,800 AF of carryover water on behalf of TCCWD and retained the remainder for their own use. Importation operations began in April. All requested surface water supplies are being delivered to customers and recharge operations have commenced within the District.

The District's second largest source of revenue, imported water sales, experienced a decrease of 13% in the unaudited figures of FY 2025-26 over the audited figures of FY 2024-25. This decrease was comprised of an 8% increase in M&I water sales and a 17% decrease in Ag water sales. M&I water deliveries were 299 AF in calendar year 2025 and 282 AF in calendar year 2024. Ag water deliveries were 4,736 AF in calendar year 2025 and 5,497 AF in calendar year 2024. 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.

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 and were unchanged in 2026. During FY 2026-27, 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. The District's water rates are driven by the price it pays for natural gas to power its pump plants. Natural gas prices have increased substantially for the past several years. Due to the District's desired practice of securing a portion of its supplies three years in advance, it has been able to maintain stable pricing. Going forward, the District will continue its endeavor to locate additional sources and lock in long-term natural gas supplies at prices that will stabilize its water rates at consistent levels for several years to come. However, this is becoming more difficult.

The District purchased 100% of its natural gas needs for calendar year 2025 at the blended price of $3.54 per MMBtu. Prices decreased significantly in late 2024 and stayed reasonably low through 2025, allowing the District to purchase natural gas at lower prices than budgeted. The District purchased 80% of its total natural gas requirement for 2026 from a new supplier, ARM Energy Management, LLC ("ARM Energy") at a blended price of $3.43 per MMBtu.

Workforce. The District's workforce consists of 21 full-time positions and one to three temporary summer helpers. The FY 2026-27 Final Budget contains additional funds in case management decides to add another staff member to the pipeline department during the year.

Pension Liability. District employees are members of the California Public Employees' Retirement System (CalPERS). Over the past several fiscal years, the District has been actively managing its pension unfunded accrued liability (UAL) balances. Beginning with fiscal year 2021-22 and through fiscal year 2024-25, the District's

Board has approved making additional discretionary payments to pay-down the unfunded accrued liability (UAL) balances reported in the CalPERS actuarial valuations released at the beginning of each fiscal year.

Due to the District's proactive management of its Unfunded Accrued Liability (UAL) balances over the past several fiscal years and strong investment performance, the District has no UAL contribution due for FY 2026-27, which would have been due in July 2026. Per the June 30, 2025 actuarial valuation, the District's miscellaneous pool plans are in a surplus status. Therefore, the District will have a $0 annual UAL contribution amount due in July 2027 for FY 2027-28, which would have been included in the FY 2026-27 Final Budget.

Long-term Debt. The District continually replaces and upgrades its pumping infrastructure as necessary 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 just over $12,000,000 in total proceeds at 3.65% true interest cost over a 15-year term, providing $11,800,000 in project funds. The debt is scheduled to be paid in full in June of 2038.

Just before the end of fiscal year 2025-26, construction was completed on the multi-year engine replacement project at Pump Plants 2 & 3. As of now, the final tally on project costs are being accumulated as the District is closing its books June 30, 2026 and making its year-end adjustments. However, initial estimates are that the project cost just over $16 million dollars, which was substantially paid for with the $11,800,000 of project funds raised through bond financing, $3,035,000 from the designated - capital reserve fund (i.e., Fund 83 - Equipment/Infrastructure - Replacement/Upgrade), and the remaining amount yet to be determined (roughly $1.4 million) to be transferred from the General Fund (70) after Board approval of a resolution to be brought to the Board at the conclusion of the audit at the December regular board meeting. The expected amount of this transfer has been included in the FY 2025-26 actual figures (unaudited) and, therefore, once this transfer is recorded, it will be included in the FY 2025-26 year-end audit adjustments and is not part of the FY 2026-27 Final Budget.

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 2026-27, the tax rate is 0.036953%, a significant decrease of 0.015387% 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, Accounting & Finance Specialist Crystal Sampson at csampson@tccwd.com, or by telephone at (661) 822-5504.

Respectfully submitted,

Thomas P. Neisler
General Manager

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

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TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

FISCAL YEAR 2026-27 FINAL BUDGET

BOARD OF DIRECTORS

President	Robert W. Schultz
Vice-President	Jonathan Hall
Director	John M. Ables
Director	Gerald Davis
Director	Vacant

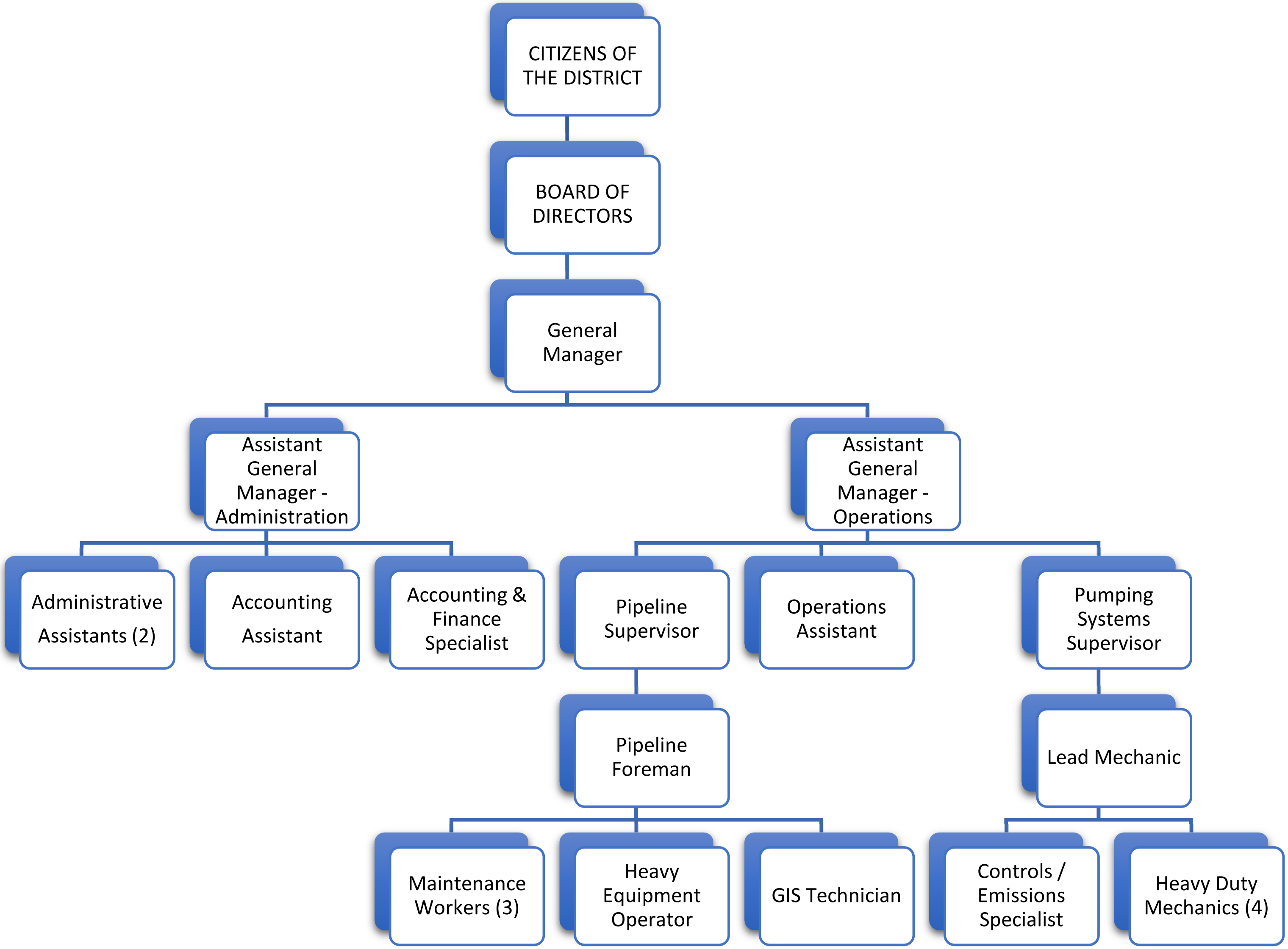
MANAGEMENT STAFF

General Manager	Thomas P. Neisler
Assistant General Manager - Operations	Jon Curry
Assistant General Manager - Administration	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. 20
Date: 07/01/26

INVESTMENT POLICY (SUMMARY)

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

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

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

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

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

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

2026-27 APPROPRIATIONS LIMIT

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

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

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 1st 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 6/30/2025	FY 2025-26 (Targets per Mid-Year Budget) Full Reserve Target	Interim Reserve Target	Actual Balance 6/30/2026	Reserve Target Met?		FY 2026-27 (Targets per Final Budget) Full Reserve Target	Interim Reserve Target	Forecast Balance 6/30/2027	Reserve Target Met?	
	DESIGNATED RESERVES												
70	General Fund												
	Working capital	90 days of general fund operating expenses (PY audit)	4,212,320	2,129,000	2,129,000	3,005,559	Full	Yes	2,214,000	2,214,000	2,979,909	Full	Yes
85	Tax Revenue Liability												
	Tax revenue liability reserve	50% of Kern County's liability estimate	1,733,462	1,887,000	943,500	1,889,672	Full	Yes	1,887,000	943,500	1,967,672	Full	Yes
71	Emergency												
	Emergency reserve	5% of general fund operating expenses (prior year audit)	447,356	432,000	216,000	459,393	Full	Yes	449,000	224,500	478,393	Full	Yes
81	Major Repairs & Overhaul												
	Asset maintenance / replacement reserve	5% of capital assets' book value (prior year audit)	1,900,882	1,824,000	912,000	1,952,084	Full	Yes	1,860,000	930,000	1,732,084	Interim	Yes
87	Rate Stabilization												
	Rate stabilization reserve	1% to 5% of general fund operating expenses (PY audit)	698,214	432,000	216,000	717,020	Full	Yes	449,000	224,500	747,020	Full	Yes
74	Unfunded Pension Liability												
	Unfunded pension liability reserve	Initial target of $250,000	N/A	250,000	125,000	261,447	Full	Yes	250,000	125,000	272,447	Full	Yes
72	Water banking reserve												
	Cost to replace or extract banked water	N/A	3,052,950	N/A	N/A	2,965,066	N/A	N/A	N/A	N/A	3,598,066	N/A	N/A
83	Equip./Infra. - Repl./Upgrade												
	Strategic planning capital improvements	20% mid-term CIP	2,887,279	1,588,000	794,000	94,031	Interim	No	1,688,000	844,000	96,031	Interim	No
	RESTRICTED RESERVES												
82	State Payment												
	Six-month operating reserve	50% of current year expenditure budget	10,064,963	2,092,000	2,092,000	12,347,789	Full	Yes	2,001,000	2,001,000	11,158,289	Full	Yes
	Tax revenue liability reserve	50% of Kern County's liability estimate	843,000	843,000	843,000	843,000	Full	Yes	843,000	843,000	843,000	Full	Yes
76	Improvement District No. 2												
	Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	5,545	312,000	312,000	5,551	Interim	No	323,000	323,000	5,551	Interim	No
77	Improvement District No. 3												
	Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	233,043	694,000	694,000	252,030	Interim	No	717,000	717,000	264,930	Interim	No
86	Benefit Assessment Zone No. 1												
	Asset maintenance / replacement reserve	50% of construction cost indexed for inflation	1,285,774	1,989,000	1,989,000	1,324,127	Interim	No	2,055,000	2,055,000	1,326,827	Interim	No
73	Engine Project												
	Certificates of Participation (COP) proceeds	N/A	879,791	N/A	N/A	-	N/A	N/A	N/A	N/A	-	N/A	N/A

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

RATE COVENANT
FORECAST FOR THE YEAR ENDED JUNE 30, 2027

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

The rate covenant formula is as follows:

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

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

Revenues	
Water Sales	$ 4,366,000
Water Services	86,750
Property Taxes	7,400,000
Interest & Penalties	1,035,000
Other (Operating & Nonoperating)	28,700
Total Revenues	$ 12,916,450
Operation and Maintenance Costs	
Source of Supply	$ 5,000
Pumping	3,897,900
Transmission & Distribution	1,489,100
Administrative and General	2,245,500
Total Operation and Maintenance Costs	$ 7,637,500
Net Revenues Prior to Transfers	$ 5,278,950
Transfers (to)/from Rate Stabilization Fund	-
Net Revenues (a)	$ 5,278,950
Debt Service	
2023 Revenue Certificates of Participation- Principal	$ 585,000
2023 Revenue Certificates of Participation- Interest	466,750
Total Debt Service (b)	$ 1,051,750
Rate Covenant Calculation (a)/(b):	5.02
Net Revenues Remaining After Debt Service	$ 4,227,200

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District Total - Summary

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

	Audited		Amended		PY/CY Budget	
Account Description	2024-25 Actual	2025-26 Actual	2025-26 Budget	**2026-27 Budget**	Amount Change	Pct Chg
Revenues						
Operating Revenues						
Water Sales - Imported	2,621,438	2,345,894	2,830,000	**3,370,000**	540,000	19%
Water Sales - Surplus	69,862	105,017	75,000	**100,000**	25,000	33%
Water Sales - Recycled	21,274	12,248	15,000	**15,000**	0	0%
Water Sales - Recharge BWRA	3,339	757,007	325,000	**870,000**	545,000	168%
BL Storage Fee	11,372	9,985	10,000	**10,000**	0	0%
Water Sales - Other	0	134	0	**0**	0	0%
Water Services	84,262	171,999	77,750	**77,750**	0	0%
Other Operating Revenues	128,115	163,538	155,400	**198,000**	42,600	27%
Total Operating Revenues	2,939,662	3,565,822	3,488,150	**4,640,750**	1,152,600	33%
Non-Operating Revenues						
General Taxes	7,350,278	7,390,951	7,514,100	**7,418,000**	(96,100)	-1%
Special Taxes	4,493,852	4,824,020	3,408,400	**2,306,000**	(1,102,400)	-32%
Benefit Assessments	104,539	106,670	113,500	**112,200**	(1,300)	-1%
Other Revenues	2,155,140	636,948	1,021,200	**1,126,800**	105,600	10%
Capital Contributions	9,850	5,400	20,000	**10,000**	(10,000)	-50%
Total Non-Operating Revenues	14,113,659	12,963,989	12,077,200	**10,973,000**	(1,104,200)	-9%
Total Revenues	17,053,321	16,529,811	15,565,350	**15,613,750**	48,400	0%
Expenses						
Salaries & Benefits						
Salaries & Wages	1,963,715	2,056,298	2,231,200	**2,515,400**	284,200	13%
Benefits	2,067,210	880,340	947,600	**1,064,600**	117,000	12%
Total Salaries & Benefits	4,030,925	2,936,638	3,178,800	**3,580,000**	401,200	13%
Operations & Maintenance						
Administrative/General	579,361	602,888	587,400	**544,500**	(42,900)	-7%
Utilities	68,382	75,915	70,000	**73,000**	3,000	4%
Automobiles & Equipment	152,615	172,910	201,000	**187,000**	(14,000)	-7%
System Operations	4,215,044	4,999,691	6,277,100	**5,792,000**	(485,100)	-8%
Maintenance	1,078,776	1,341,589	1,292,700	**1,201,700**	(91,000)	-7%
Services	288,414	370,874	393,500	**382,500**	(11,000)	-3%
Government & Regulatory	292,892	222,962	361,000	**289,000**	(72,000)	-20%
Non-Cash Expenses	1,070,964	0	0	**0**	0	0%
Total Operations & Maintenance	7,746,448	7,786,829	9,182,700	**8,469,700**	(713,000)	-8%

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

Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
Debt Service						
Principal Payments	530,000	560,000	560,000	**585,000**	25,000	4%
Interest Expense	443,202	494,750	494,750	**466,750**	(28,000)	-6%
Total Debt Service	973,202	1,054,750	1,054,750	**1,051,750**	(3,000)	0%
Capital Outlay						
Pumping Plants	10,258,542	6,244,377	6,340,720	**1,545,000**	(4,795,720)	-76%
Mainline Pipeline	0	0	20,000	**100,000**	80,000	400%
Dams & Reservoir	6,052	0	20,000	**20,000**	0	0%
Transmission System	98,901	237,703	444,000	**378,850**	(65,150)	-15%
General Office, Shop & Equipment	208,511	582,552	786,000	**1,015,000**	229,000	29%
Water Reclamation	93,740	0	0	**100,000**	100,000	100%
Total Capital Outlay	10,665,746	7,064,632	7,610,720	**3,158,850**	(4,451,870)	-58%
Total Expenses	23,416,321	18,842,849	21,026,970	**16,260,300**	(4,766,670)	-23%
Net Income (Loss) Before Transfers	*(6,363,000)*	*(2,313,038)*	*(5,461,620)*	***(646,550)***	*4,815,070*	
Reserves						
Beginning Balances	33,567,696	28,244,579	28,244,579	**26,116,769**	(2,127,810)	
Working Capital Conversion to Cash	0	760,978	786,493	**0**	(786,493)	
Transfers In	2,022,572	5,734,641	5,697,640	**334,000**	(5,363,640)	
Transfers Out	(2,022,572)	(5,734,641)	(5,697,640)	**(334,000)**	5,363,640	
Net Transfers	0	0	0	**0**	0	
Net To (From) Reserves	(6,363,000)	(2,313,038)	(5,461,620)	**(646,550)**	4,815,070	
Change in Non-Cash Items	1,039,883	0	0	**0**	0	
Ending Balances	28,244,579	26,692,519	23,569,452	**25,470,219**	1,900,767	

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District Total - Account Detail

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	OPERATING REVENUES						
	Water Sales						
40101	Water Sales - Agriculture	2,090,100	1,726,232	2,400,000	**2,700,000**	300,000	13%
40102	Water Sales - Term M & I	465,022	502,042	300,000	**500,000**	200,000	67%
40103	Water Sales - Regular M & I	22,495	22,391	60,000	**70,000**	10,000	17%
40104	Water Sales - Wheeled Water	43,821	95,229	70,000	**100,000**	30,000	43%
40105	Water Sales - Surplus	69,862	105,017	75,000	**100,000**	25,000	33%
40106	Water Sales - Recycled Water	21,274	12,248	15,000	**15,000**	0	0%
40107	Water Sales - Recharge BWRA	3,339	757,007	325,000	**870,000**	545,000	168%
40108	BL Storage Fee	11,372	9,985	10,000	**10,000**	0	0%
40110	Water Sales - Other	0	134	0	**0**	0	0%
	Water Services						
40111	Recurring Service Charges	10,327	10,368	9,300	**9,300**	0	0%
40112	Recharge Surcharge - Cummings	13,255	46,181	8,500	**8,500**	0	0%
40113	Recharge Surcharge - Tehachapi	1,163	1,254	1,000	**1,000**	0	0%
40114	Standby Fees	41,213	42,944	42,950	**42,950**	0	0%
40115	Connection Fees	585	140	2,000	**2,000**	0	0%
40116	Delinquent Charges	(3,738)	1,137	1,000	**1,000**	0	0%
40117	Spreading Loss Surcharge-Cummings	19,436	67,359	12,000	**12,000**	0	0%
40118	Spreading Loss Surcharge-Tehachapi	2,021	2,616	1,000	**1,000**	0	0%
	Other Operating Revenues						
40122	Reimbursement - Health Insurance	17,139	23,354	25,600	**24,200**	(1,400)	-5%
40123	Reimbursement - Flood Control Maint.	77,695	88,192	102,800	**151,800**	49,000	48%
40125	Reimbursement - Insurance Claims	10,769	23,697	0	**0**	0	0%
40126	Reimbursement - Other Operating	20,476	28,295	25,000	**20,000**	(5,000)	-20%
40127	Other Operating Revenue	2,036	0	2,000	**2,000**	0	0%
	TOTAL OPERATING REVENUES	2,939,662	3,565,822	3,488,150	**4,640,750**	1,152,600	33%
	NON-OPERATING REVENUES						
	General Taxes						
40201	Current Year Property Taxes	7,012,904	7,080,077	7,238,700	**7,121,000**	(117,700)	-2%
40202	Prior Year Property Taxes	16,902	27,009	36,000	**35,000**	(1,000)	-3%
40203	Homeowners Property Tax Relief	30,858	34,650	35,000	**25,000**	(10,000)	-29%
40204	Redevelopment Agency Pass-through	285,251	241,817	201,400	**232,000**	30,600	15%
40205	Property Tax - Penalties/Other	4,363	7,398	3,000	**5,000**	2,000	67%
	Special Taxes						
40211	Current Year State Payment Tax	4,453,424	4,747,390	3,318,400	**2,220,000**	(1,098,400)	-33%
40212	Prior Year State Payment Tax	10,469	39,752	50,000	**46,000**	(4,000)	-8%
40213	Homeowners Property Tax Relief	16,275	18,309	20,000	**20,000**	0	0%
40215	State Payment Tax - Penalties/Other	13,684	18,569	20,000	**20,000**	0	0%
	Benefit Assessments						
40221	Current Year Benefit Assessments	99,696	101,163	106,000	**106,000**	0	0%
40222	Prior Year Benefit Assessments	4,690	4,265	6,000	**5,000**	(1,000)	-17%
40224	Benefit Assessment - Penalties/Other	153	1,242	1,500	**1,200**	(300)	-20%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	Other Revenues						
40231	Interest Earnings	1,566,318	762,228	1,019,600	**1,100,100**	80,500	8%
40232	Unrealized Gain/(Loss)	599,600	(185,228)	0	**0**	0	0%
40234	Rents and Royalties	2,491	1,653	1,600	**1,700**	100	6%
40239	Other Non-Operating Revenue	1,835	58,295	0	**0**	0	0%
40299	Gain/(Loss) on Sale of Asset	(15,104)	0	0	**25,000**	25,000	100%
	Capital Contributions						
40244	Reimbursement - New Connections	9,850	5,400	20,000	**10,000**	(10,000)	-50%
	TOTAL NON-OPERATING REVENUES	14,113,659	12,963,989	12,077,200	**10,973,000**	(1,104,200)	-9%
	TOTAL REVENUES	17,053,321	16,529,811	15,565,350	**15,613,750**	48,400	0%

EXPENSES							
	SALARIES & BENEFITS						
	Salaries & Wages						
50112	Salaries & Wages	1,921,336	2,003,060	2,181,000	**2,467,900**	286,900	13%
50114	Overtime & Holiday	42,361	53,238	50,200	**47,500**	(2,700)	-5%
50119	Compensated Absence Adjustment	18	0	0	**0**	0	0%
	Benefits						
50121	FICA/MEDI	149,717	155,860	171,000	**193,000**	22,000	13%
50122	Workers Compensation	30,442	31,152	31,800	**33,200**	1,400	4%
50124	Health Insurance	442,751	495,523	512,500	**587,600**	75,100	15%
50125	Health Insurance - Reimbursable	14,921	25,896	25,600	**24,200**	(1,400)	-5%
50127	Retirement	191,728	171,856	205,200	**224,600**	19,400	9%
50128	Tuition Reimbursements	0	0	1,500	**2,000**	500	33%
50131	Retiree Medical Contribution	0	0	0	**0**	0	0%
50132	Retirement - Annual Lump Sum & UAL	229,061	0	0	**0**	0	0%
	TOTAL SALARIES & BENEFITS	4,030,925	2,936,638	3,178,800	**3,580,000**	401,200	13%

	OPERATIONS & MAINTENANCE						
	Administrative/General						
50201	Public Information & Notices	3,654	7,641	5,200	**7,500**	2,300	44%
50202	Books/Periodicals/Subscriptions	60	93	200	**200**	0	0%
50203	Printing	1,894	2,470	2,800	**2,800**	0	0%
50204	Postage & Shipping	2,987	5,099	5,000	**5,000**	0	0%
50205	Office Supplies	11,254	9,886	14,000	**11,000**	(3,000)	-21%
50206	Office Computer & Machinery	41,666	70,946	55,000	**65,000**	10,000	18%
50207	Bank & Administrative Services	3,585	4,055	2,200	**4,000**	1,800	82%
50208	County Collection Charges	73,805	67,909	77,000	**74,100**	(2,900)	-4%
50209	Memberships	34,771	36,610	40,000	**40,000**	0	0%
50210	Directors' Fees	8,800	10,740	16,000	**16,800**	800	5%
50211	Training & Travel	36,361	35,706	44,700	**56,000**	11,300	25%
50213	Recruitment	864	2,676	1,500	**1,500**	0	0%
50214	Awards & Recognition	6,771	3,913	5,000	**8,000**	3,000	60%
50215	Safety Program & Supplies	16,666	23,100	23,600	**18,600**	(5,000)	-21%
50216	Legal	310,874	291,719	250,000	**200,000**	(50,000)	-20%
50217	Audit	25,349	30,325	44,200	**33,000**	(11,200)	-25%
50219	Water Conservation Program	0	0	1,000	**1,000**	0	0%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	Utilities						
50221	Electricity - Office/Shops	24,023	23,098	24,000	**24,000**	0	0%
50222	Natural Gas - Office/Shops	2,168	7,076	5,000	**6,000**	1,000	20%
50226	Phone - Internet & Communications	42,191	45,741	41,000	**43,000**	2,000	5%
	Automobiles & Equipment						
50231	Auto/Equipment - Gas & Oil	86,871	91,747	112,000	**101,000**	(11,000)	-10%
50232	Automobile Repair	52,320	49,735	58,500	**58,500**	0	0%
50233	Equipment Repairs	9,689	29,581	23,000	**20,000**	(3,000)	-13%
50234	Equipment Rentals	2,144	1,686	5,000	**5,000**	0	0%
50238	Shop Supplies	1,591	161	2,500	**2,500**	0	0%
	System Operations						
50241	Source of Supply - KCWA Contract	2,579,281	2,850,866	4,172,100	**3,992,000**	(180,100)	-4%
50242	Natural Gas - Pumping	1,163,627	1,603,369	1,600,000	**1,330,000**	(270,000)	-17%
50243	Engine Oil & Fluids- Pumping	163,279	269,588	200,000	**200,000**	0	0%
50244	Electricity - Pumping	199,780	159,476	225,000	**175,000**	(50,000)	-22%
50245	Electricity - Pipeline	70,050	91,421	55,000	**55,000**	0	0%
50247	Operation of Joint Turnout	0	0	5,000	**5,000**	0	0%
50248	Cross Valley Canal O & M	12,583	5,383	15,000	**30,000**	15,000	100%
50249	Source of Supply - Recycled & Other	26,444	19,588	5,000	**5,000**	0	0%
	Maintenance						
50251	Maintenance - Pump Plants	503,352	639,803	600,000	**525,000**	(75,000)	-13%
50252	Maintenance - Natural Gas Pipeline	37,996	0	40,000	**60,000**	20,000	50%
50253	Maintenance - Pipeline	128,999	107,504	150,000	**150,000**	0	0%
50254	Maintenance - Reservoir	27,958	39,312	25,000	**20,000**	(5,000)	-20%
50255	Maintenance - Access Roads	0	0	15,000	**15,000**	0	0%
50256	Maintenance - Control System	67,470	91,543	90,000	**90,000**	0	0%
50257	Maintenance - Cogeneration Plant	0	0	1,000	**1,000**	0	0%
50258	Maintenance - System Wells & Boosters	16,784	297,406	24,000	**24,000**	0	0%
50259	Maintenance - Flood Control Facilities	85,445	98,121	107,800	**156,800**	49,000	45%
50260	Maintenance - Recharge Facilities	12,539	4,874	15,000	**15,000**	0	0%
50261	Maintenance - Office & Grounds	34,730	31,967	35,000	**30,000**	(5,000)	-14%
50262	Maintenance - Public Water System	0	742	5,000	**5,000**	0	0%
50264	Customer Meters	98,951	14,878	125,000	**50,000**	(75,000)	-60%
50266	Welding Supplies	825	1,846	5,500	**5,500**	0	0%
50267	Pipeline Materials	48,441	0	40,000	**40,000**	0	0%
50268	Small Tools - Pumping	9,882	10,546	10,000	**10,000**	0	0%
50269	Small Tools - Pipeline	5,404	3,047	4,400	**4,400**	0	0%
	Services						
50271	Outside Service	12,019	12,520	17,500	**16,500**	(1,000)	-6%
50275	Engineering	0	0	9,500	**9,500**	0	0%
50276	Consulting	79,675	57,039	63,000	**63,000**	0	0%
50277	Uniforms	16,188	13,626	17,000	**17,000**	0	0%
50278	Lab Analysis	3,027	2,048	3,500	**3,500**	0	0%
50279	Insurance & Bonds	163,700	230,352	221,000	**203,000**	(18,000)	-8%

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	Government & Regulatory						
50281	Emissions Compliance	76,984	34,102	65,000	**45,000**	(20,000)	-31%
50282	Government Fees/Taxes - Pumping	168,798	109,707	225,000	**125,000**	(100,000)	-44%
50284	Regulatory Fees - Other	46,715	78,200	70,000	**88,000**	18,000	26%
50285	Certification Fees	395	953	1,000	**1,000**	0	0%
50286	Elections	0	0	0	**30,000**	30,000	100%
	Non-Cash Expenses						
50292	Depreciation	1,070,964	0	0	**0**	0	0%
	TOTAL OPERATIONS & MAINTENANCE	7,746,448	7,786,829	9,182,700	**8,469,700**	(713,000)	-8%

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	DEBT SERVICE						
	Principal Payments						
50303	Principal - Engine Replacement Financing	530,000	560,000	560,000	**585,000**	25,000	4%
	Interest Expense						
50313	Interest - Engine Replacement Financing	443,202	494,750	494,750	**466,750**	(28,000)	-6%
	TOTAL DEBT SERVICE	973,202	1,054,750	1,054,750	**1,051,750**	(3,000)	0%

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	CAPITAL OUTLAY						
	Pumping Plants						
50411	Replacement Pumps	167,318	0	0	**120,000**	120,000	100%
50412	Pump Plant Improvements	19,800	35,071	90,000	**905,000**	815,000	906%
50413	Control System Improvements	32,345	15,105	15,000	**175,000**	160,000	1067%
50414	Replacement Engines	9,921,998	5,928,633	6,040,720	**0**	(6,040,720)	-100%
50415	Engine Overhauls	0	94,579	75,000	**225,000**	150,000	200%
50416	Pump Overhauls	117,081	170,989	120,000	**120,000**	0	0%
	Mainline Pipeline						
50421	Cathodic Protection	0	0	20,000	**100,000**	80,000	400%
50422	Land Improvements	0	0	0	**0**	0	0%
	Dams & Reservoir						
50431	Road Repair	6,052	0	20,000	**20,000**	0	0%
	Transmission System						
50445	Transmission System Meters	0	0	0	**50,000**	50,000	100%
50448	Upgrade/R&M/Rebuild Wells & Tanks	70,000	154,000	154,000	**78,850**	(75,150)	-49%
50449	Pipeline Replacement/Rehabilitation	28,901	83,703	290,000	**250,000**	(40,000)	-14%
	General Office, Shop & Equipment						
50451	Vehicles	14,638	0	0	**290,000**	290,000	100%
50452	Storage Facility Construction	1,000	177,293	355,000	**300,000**	(55,000)	-15%
50453	Building Remodel	4,353	111,003	80,000	**0**	(80,000)	-100%
50454	Roof Replacement	0	0	0	**75,000**	75,000	100%
50455	Equipment	187,020	288,040	326,000	**0**	(326,000)	-100%
50456	Building Improvements	0	6,216	25,000	**155,000**	130,000	520%
50458	CMMS Software	0	0	0	**25,000**	25,000	100%
50460	Intangible Assets	1,500	0	0	**120,000**	120,000	100%
50466	Engineering - Consulting	0	0	0	**50,000**	50,000	100%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	Water Reclamation & Recovery						
50485	Recovery Well Improvements	93,740	0	0	**100,000**	100,000	100%
	TOTAL CAPITAL OUTLAY	10,665,746	7,064,632	7,610,720	**3,158,850**	(4,451,870)	-58%
	TOTAL EXPENSES	23,416,321	18,842,849	21,026,970	**16,260,300**	(4,766,670)	-23%
	NET INCOME (LOSS)	*(6,363,000)*	*(2,313,038)*	*(5,461,620)*	***(646,550)***	*4,815,070*	

RESERVES						
	BEGINNING BALANCES	33,567,696	28,244,579	28,244,579	**26,116,769**	(2,127,810)
	WORKING CAPITAL CONVERSION TO CASH	0	0	786,493	**0**	(786,493)
	TRANSFERS IN	2,022,572	5,734,641	5,697,640	**334,000**	(5,363,640)
	TRANSFERS OUT	(2,022,572)	(5,734,641)	(5,697,640)	**(334,000)**	5,363,640
	NET TO (FROM) RESERVES	(6,363,000)	(2,313,038)	(5,461,620)	**(646,550)**	4,815,070
	CHANGE IN NON-CASH ITEMS	1,039,883	0	0	**0**	0
	ENDING BALANCES	28,244,579	25,931,541	23,569,452	**25,470,219**	1,900,767

Capital Expenditure Budget

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

CAPITAL EXPENDITURE BUDGET

Fund / Dept.	Account Number	Preliminary Budget	Change	Final Budget	Purpose of Capital Expenditure
General / Administration (70-01)					
	50452-01	$ 300,000	$ -	$ 300,000	Storage Facility (carryover)
	50455-03	10,000	(10,000)	-	Director Devices
	50455-04	90,000	(90,000)	-	Electric Forklift
	50456-08	50,000	-	50,000	Bathroom Septic/ Lift Station for PP/PL Office
	50456-09	70,000	-	70,000	Slurry Seal/ Restripe Parking Lot
	50458-01	25,000	-	25,000	Computerized Maintenance Management System (CMMS)
	50460-01	100,000	-	100,000	Water Rate Study (carryover)
	50460-02	20,000	-	20,000	Record Digitization (carryover)
Subtotal		$ 665,000	$ (100,000)	$ 565,000	
General / Pipeline (70-02)					
	50421-01	$ 100,000	$ -	$ 100,000	Cathodic Protection Survey/Study and Installation (carryover)
	50422-04	60,000	(60,000)	-	Perimeter Fencing PP3
	50431-01	20,000	-	20,000	Lake Road Repairs (annual)
	50445-01	50,000	-	50,000	Mag Meter/ SCADA at PP5 Well
	50449-06	50,000	-	50,000	CV Pressure Relief 8" CLA-VAL
	50449-05	200,000	-	200,000	Pipeline Inspection
	50449-06	50,000	(50,000)	-	Engineering For Standardized Pipeline Repair
	50451-04	110,000	-	110,000	Service Truck
	50451-05	60,000	-	60,000	New GIS Vehicle
	50456-02	10,000	-	10,000	New Road/Construction Signage and Delineation
	50485-06	80,000	-	80,000	Nunes Well Rehabilitation
	50485-07	150,000	(150,000)	-	Benz Well Rehabilitation
	50485-08	20,000	-	20,000	Tehachapi Wells Inspections
Subtotal		$ 960,000	$ (260,000)	$ 700,000	
General / Pumping (70-03)					
	50411-03	$ 120,000	$ -	$ 120,000	New 7-stage Pump
	50412-06	20,000	-	20,000	PP Road Base (annual)
	50412-08	150,000	-	150,000	High Pressure Discharge Valve Repl (4/yr x 3 yrs)
	50412-09	20,000	-	20,000	Sand Media Filter Replacement PP4
	50412-10	50,000	-	50,000	Air Receiver Tanks PPs 2 & 3
	50412-11	25,000	-	25,000	Swamp Coolers PP1
	50412-12	40,000	-	40,000	Rebuild 2 Heat Exchangers at PPs 1, 2, and 4
	50412-13	-	600,000	600,000	PP1 New Style Gearheads (4)
	50413-06	200,000	(25,000)	175,000	SCADA Platform Upgrade (Ignition)
	50413-07	25,000	(25,000)	-	PLC & Engine Control Upgrade PP1
	50415-04	150,000	-	150,000	Catalyst Elements PP1
	50415-06	75,000	-	75,000	Spare 1706 Parts for PP4
	50416-01	90,000	-	90,000	Pump Repairs (annual)
	50416-04	30,000	-	30,000	Right Angle Gear Box Repairs (annual)
	50448-01	78,850	-	78,850	STS Maintenance (annual)
	50451-03	120,000	-	120,000	New Half-Ton Pickups
	50454-01	75,000	-	75,000	Roof Replacement at 1 of 4 PPs
	50456-05	25,000	-	25,000	Drainage Improvements PP4
	50466-01	50,000	-	50,000	Engine Replacement Engineering PP4
Subtotal		$ 1,343,850	$ 550,000	$ 1,893,850	
General Fund (70) Total		$ 2,968,850	$ 190,000	$ 3,158,850	
District Total		$ 2,968,850	$ 190,000	$ 3,158,850	

Forecast of Reserves, Revenues & Expenses - Designated

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

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

	General Fund (70)	Emergency (71)	Water Banking (72)	Unfunded Pension Liability (74)	Major Repairs & Overhaul (81)	Equip./Infra. Repl./Upgrade (83)	Tax Revenue Liability (85)	Rate Stabilization (87)	Total Designated Reserves
BEGINNING BALANCE ON JULY 1, 2026	$3,005,559	$ 459,393	$2,965,066	$ 261,447	$1,952,084	$ 94,031	$1,889,672	$ 717,020	$ 11,344,272
REVENUES									
Operating Revenues									
Water Sales	3,865,000	-	500,000	-	-	-	-	-	4,365,000
Water Services	77,750	-	-	-	-	-	-	-	77,750
Other Operating Revenue	198,000	-	-	-	-	-	-	-	198,000
Total Operating Revenues	4,140,750	-	500,000	-	-	-	-	-	4,640,750
Non-Operating Revenues									
General Taxes	7,400,000	-	-	-	-	-	-	-	7,400,000
Special Taxes	-	-	-	-	-	-	-	-	-
Benefit Assessments	-	-	-	11,000	-	-	-	-	11,000
Other Revenue	201,700	19,000	133,000	-	80,000	2,000	78,000	30,000	543,700
Capital Contributions	10,000	-	-	-	-	-	-	-	10,000
Total Non-Operating Revenues	7,611,700	19,000	133,000	11,000	80,000	2,000	78,000	30,000	7,964,700
TOTAL REVENUES	11,752,450	19,000	633,000	11,000	80,000	2,000	78,000	30,000	12,605,450
TRANSFERS FROM OTHER FUNDS									
From Designated Reserve Funds	300,000	-	-	-	-	-	-	-	300,000
From Restricted Reserve Funds	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS IN	300,000	-	-	-	-	-	-	-	300,000
TOTAL AVAILABLE DURING BUDGET YEAR	15,058,009	478,393	3,598,066	272,447	2,032,084	96,031	1,967,672	747,020	24,249,722
EXPENSES									
Salaries & Benefits	3,580,000	-	-	-	-	-	-	-	3,580,000
Operations & Maintenance	4,253,500	-	-	-	-	-	-	-	4,253,500
Debt Service	1,051,750	-	-	-	-	-	-	-	1,051,750
Capital Outlay	3,158,850	-	-	-	-	-	-	-	3,158,850
TOTAL EXPENSES	12,044,100	-	-	-	-	-	-	-	12,044,100
TRANSFERS TO OTHER FUNDS									
To Designated Reserve Funds	-	-	-	-	300,000	-	-	-	300,000
To Restricted Reserve Funds	34,000	-	-	-	-	-	-	-	34,000
TOTAL TRANSFERS OUT	34,000	-	-	-	300,000	-	-	-	334,000
TOTAL EXPENSES AND TRANSFERS OUT	12,078,100	-	-	-	300,000	-	-	-	12,378,100
ENDING BALANCE ON JUNE 30, 2027	$2,979,909	$ 478,393	$3,598,066	$ 272,447	$1,732,084	$ 96,031	$1,967,672	$ 747,020	$ 11,871,622
DESIGNATIONS									
Minimum of 90 days Working Capital	$2,214,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,214,000
Capital Improvement	-	-	-	-	-	1,688,000	-	-	1,688,000
Asset Replacement	-	-	-	-	1,860,000	-	-	-	1,860,000
Rate Stabilization	-	-	-	-	-	-	-	449,000	449,000
Unfunded Pension Liability	-	-	-	250,000	-	-	-	-	250,000
Water Banking Contingency	-	-	N/A	-	-	-	-	-	-
Tax Revenue Liability	-	-	-	-	-	-	1,887,000	-	1,887,000
Emergency	-	449,000	-	-	-	-	-	-	449,000
Total Designated	2,214,000	449,000	-	250,000	1,860,000	1,688,000	1,887,000	449,000	8,797,000
BALANCE	$ 765,909	$ 29,393	$3,598,066	$ 22,447	$ (127,916)	$(1,591,969)	$ 80,672	$ 298,020	$ 3,074,622

General Fund (70) - Summary

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

Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
Revenues						
Operating Revenues						
Water Sales - Imported	2,621,438	2,345,894	2,830,000	**3,370,000**	540,000	19%
Water Sales - Surplus	69,862	105,017	75,000	**100,000**	25,000	33%
Water Sales - Recycled	21,274	12,248	15,000	**15,000**	0	0%
Water Sales - Recharge BWRA	3,339	757,007	225,000	**370,000**	145,000	64%
BL Storage Fee	11,372	9,985	10,000	**10,000**	0	0%
Water Sales - Other	0	134	0	**0**	0	0%
Water Services	88,238	171,999	77,750	**77,750**	0	0%
Other Operating Revenues	128,115	163,538	155,400	**198,000**	42,600	27%
Total Operating Revenues	2,943,638	3,565,822	3,388,150	**4,140,750**	752,600	22%
Non-Operating Revenues						
General Taxes	7,327,388	7,373,064	7,500,000	**7,400,000**	(100,000)	-1%
Other Revenues	385,396	158,660	160,700	**201,700**	41,000	26%
Capital Contributions	9,850	5,400	20,000	**10,000**	(10,000)	-50%
Total Non-Operating Revenues	7,722,634	7,537,124	7,680,700	**7,611,700**	(69,000)	-1%
Total Revenues	10,666,272	11,102,946	11,068,850	**11,752,450**	683,600	6%
Expenses						
Salaries & Benefits						
Salaries & Wages	1,963,715	2,056,298	2,231,200	**2,515,400**	284,200	13%
Benefits	2,067,210	880,340	947,600	**1,064,600**	117,000	12%
Total Salaries & Benefits	4,030,925	2,936,638	3,178,800	**3,580,000**	401,200	13%
Operations & Maintenance						
Administrative/General	565,791	585,889	573,100	**531,100**	(42,000)	-7%
Utilities	68,382	75,915	70,000	**73,000**	3,000	4%
Automobiles & Equipment	152,615	172,910	201,000	**187,000**	(14,000)	-7%
System Operations	1,635,763	2,148,825	2,105,000	**1,800,000**	(305,000)	-14%
Maintenance	997,194	1,243,468	1,189,900	**1,049,900**	(140,000)	-12%
Services	230,884	338,085	358,500	**350,500**	(8,000)	-2%
Government & Regulatory	255,319	197,486	314,000	**262,000**	(52,000)	-17%
Non-Cash Expenses	1,068,804	0	0	**0**	0	0%
Total Operations & Maintenance	4,974,752	4,762,578	4,811,500	**4,253,500**	(558,000)	-12%

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

Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
Debt Service						
Principal Payments	0	0	0	**585,000**	585,000	100%
Interest Expense	0	0	0	**466,750**	466,750	100%
Total Debt Service	0	0	0	**1,051,750**	1,051,750	100%
Capital Outlay						
Pumping Plants	336,544	315,744	300,000	**1,545,000**	1,245,000	415%
Mainline Pipeline	0	0	20,000	**100,000**	80,000	400%
Dams & Reservoir	6,052	0	20,000	**20,000**	0	0%
Transmission System	98,901	237,703	444,000	**378,850**	(65,150)	-15%
General Office, Shop & Equipment	208,511	582,552	786,000	**1,015,000**	229,000	29%
Water Reclamation & Recovery	93,740	0	0	**100,000**	100,000	100%
Total Capital Outlay	743,748	1,135,999	1,570,000	**3,158,850**	1,588,850	101%
Total Expenses	9,749,425	8,835,215	9,560,300	**12,044,100**	2,483,800	26%
Net Income (Loss) Before Transfers	*916,847*	*2,267,731*	*1,508,550*	***(291,650)***	*(1,800,200)*	
Reserves						
Beginning Balances	2,679,951	4,212,320	4,212,320	**3,005,559**	(1,206,761)	
Transfers In	0	0	0	**300,000**	300,000	
Transfers Out	(2,022,572)	(2,710,774)	(2,662,636)	**(34,000)**	2,628,636	
Net Transfers	(2,022,572)	(2,710,774)	(2,662,636)	**266,000**	2,928,636	
Net To (From) Reserves	(1,105,725)	(443,043)	(1,154,086)	**(25,650)**	1,128,436	
Change in Non-Cash Items	2,638,094	0	0	**0**	0	
Ending Balances	4,212,320	3,769,277	3,058,234	**2,979,909**	(78,325)	

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General Fund (70) - Account Detail

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	OPERATING REVENUES						
	Water Sales						
40101	Water Sales - Agriculture	2,090,100	1,726,232	2,400,000	**2,700,000**	300,000	13%
40102	Water Sales - Term M & I	465,022	502,042	300,000	**500,000**	200,000	67%
40103	Water Sales - Regular M & I	22,495	22,391	60,000	**70,000**	10,000	17%
40104	Water Sales - Wheeled Water	43,821	95,229	70,000	**100,000**	30,000	43%
40105	Water Sales - Surplus	69,862	105,017	75,000	**100,000**	25,000	33%
40106	Water Sales - Recycled Water	21,274	12,248	15,000	**15,000**	0	0%
40107	Water Sales - Recharge BWRA	3,339	757,007	225,000	**370,000**	145,000	64%
40108	BL Storage Fee	11,372	9,985	10,000	**10,000**	0	0%
40110	Water Sales - Other	0	134	0	**0**	0	0%
	Water Services						
40111	Recurring Service Charges	10,327	10,368	9,300	**9,300**	0	0%
40112	Recharge Surcharge - Cummings	13,255	46,181	8,500	**8,500**	0	0%
40113	Recharge Surcharge - Tehachapi	1,163	1,254	1,000	**1,000**	0	0%
40114	Standby Fees	41,213	42,944	42,950	**42,950**	0	0%
40115	Connection Fees	585	140	2,000	**2,000**	0	0%
40116	Delinquent Charges	238	1,137	1,000	**1,000**	0	0%
40117	Spreading Loss Surcharge-Cummings	19,436	67,359	12,000	**12,000**	0	0%
40118	Spreading Loss Surcharge-Tehachapi	2,021	2,616	1,000	**1,000**	0	0%
	Other Operating Revenues						
40122	Reimbursement - Health Insurance	17,139	23,354	25,600	**24,200**	(1,400)	-5%
40123	Reimbursement - Flood Control Maint.	77,695	88,192	102,800	**151,800**	49,000	48%
40125	Reimbursement - Insurance Claims	10,769	23,697	0	**0**	0	0%
40126	Reimbursement - Other Operating	20,476	28,295	25,000	**20,000**	(5,000)	-20%
40127	Other Operating Revenue	2,036	0	2,000	**2,000**	0	0%
	TOTAL OPERATING REVENUES	2,943,638	3,565,822	3,388,150	**4,140,750**	752,600	22%
	NON-OPERATING REVENUES						
	General Taxes						
40201	Current Year Property Taxes	6,992,105	7,064,070	7,226,000	**7,105,000**	(121,000)	-2%
40202	Prior Year Property Taxes	16,902	27,009	36,000	**35,000**	(1,000)	-3%
40203	Homeowners Property Tax Relief	30,858	34,650	35,000	**25,000**	(10,000)	-29%
40204	Redevelopment Agency Pass-through	283,160	239,937	200,000	**230,000**	30,000	15%
40205	Property Tax - Penalties/Other	4,363	7,398	3,000	**5,000**	2,000	67%
	Other Revenues						
40231	Interest Earnings	352,679	129,605	159,100	**175,000**	15,900	10%
40232	Unrealized Gain/(Loss)	43,495	(30,893)	0	**0**	0	0%
40234	Rents and Royalties	2,491	1,653	1,600	**1,700**	100	6%
40239	Other Non-Operating Revenue	1,835	58,295	0	**0**	0	0%
40299	Gain/(Loss) on Sale of Asset	(15,104)	0	0	**25,000**	25,000	100%
	Capital Contributions						
40244	Reimbursement - New Connections	9,850	5,400	20,000	**10,000**	(10,000)	-50%
	TOTAL NON-OPERATING REVENUES	7,722,634	7,537,124	7,680,700	**7,611,700**	(69,000)	-1%
	TOTAL REVENUES	10,666,272	11,102,946	11,068,850	**11,752,450**	683,600	6%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
EXPENSES							
	SALARIES & BENEFITS						
	Salaries & Wages						
50112	Salaries & Wages	1,921,336	2,003,060	2,181,000	**2,467,900**	286,900	13%
50114	Overtime & Holiday	42,361	53,238	50,200	**47,500**	(2,700)	-5%
50119	Compensated Absence Adjustment	18	0	0	**0**	0	0%
	Benefits		0				
50121	FICA/MEDI	149,717	155,860	171,000	**193,000**	22,000	13%
50122	Workers Compensation	30,442	31,152	31,800	**33,200**	1,400	4%
50123	Unemployment	0	53	0	**0**	0	0%
50124	Health Insurance	442,751	495,523	512,500	**587,600**	75,100	15%
50125	Health Insurance - Reimbursable	14,921	25,896	25,600	**24,200**	(1,400)	-5%
50127	Retirement	191,728	171,856	205,200	**224,600**	19,400	9%
50128	Tuition Reimbursements	0	0	1,500	**2,000**	500	33%
50129	GASB 68 Pension Expense Adjustment	1,024,211	0	0	**0**	0	0%
50130	GASB 75 OPEB Expense Adjustment	(15,621)	0	0	**0**	0	0%
50131	Retiree Medical Contribution	0	0	0	**0**	0	0%
50132	Retirement - Annual Lump Sum & UAL	229,061	0	0	**0**	0	0%
	TOTAL SALARIES & BENEFITS	4,030,925	2,936,638	3,178,800	**3,580,000**	401,200	13%

	OPERATIONS & MAINTENANCE						
	Administrative/General						
50201	Public Information & Notices	1,956	5,943	3,200	**5,500**	2,300	72%
50202	Books/Periodicals/Subscriptions	60	93	200	**200**	0	0%
50203	Printing	1,674	2,250	2,500	**2,500**	0	0%
50204	Postage & Shipping	2,987	5,099	5,000	**5,000**	0	0%
50205	Office Supplies	11,254	9,886	14,000	**11,000**	(3,000)	-21%
50206	Office Computer & Machinery	41,666	70,946	55,000	**65,000**	10,000	18%
50207	Bank & Administrative Services	3,585	4,055	2,200	**4,000**	1,800	82%
50208	County Collection Charges	62,153	55,867	68,000	**68,000**	0	0%
50209	Memberships	34,771	36,610	40,000	**40,000**	0	0%
50210	Directors' Fees	8,800	10,740	16,000	**16,800**	800	5%
50211	Training & Travel	36,361	35,706	44,700	**56,000**	11,300	25%
50213	Recruitment	864	2,676	1,500	**1,500**	0	0%
50214	Awards & Recognition	6,771	3,913	5,000	**8,000**	3,000	60%
50215	Safety Program & Supplies	16,666	23,100	23,600	**18,600**	(5,000)	-21%
50216	Legal	310,874	291,719	250,000	**200,000**	(50,000)	-20%
50217	Audit	25,349	27,286	41,200	**28,000**	(13,200)	-32%
50219	Water Conservation Program	0	0	1,000	**1,000**	0	0%
	Utilities						
50221	Electricity - Office/Shops	24,023	23,098	24,000	**24,000**	0	0%
50222	Natural Gas - Office/Shops	2,168	7,076	5,000	**6,000**	1,000	20%
50226	Phone - Internet & Communications	42,191	45,741	41,000	**43,000**	2,000	5%
	Automobiles & Equipment						
50231	Auto/Equipment - Gas & Oil	86,871	91,747	112,000	**101,000**	(11,000)	-10%
50232	Automobile Repair	52,320	49,735	58,500	**58,500**	0	0%
50233	Equipment Repairs	9,689	29,581	23,000	**20,000**	(3,000)	-13%
50234	Equipment Rentals	2,144	1,686	5,000	**5,000**	0	0%
50238	Shop Supplies	1,591	161	2,500	**2,500**	0	0%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	System Operations						
50242	Natural Gas - Pumping	1,163,627	1,603,369	1,600,000	**1,330,000**	(270,000)	-17%
50243	Engine Oil & Fluids- Pumping	163,279	269,588	200,000	**200,000**	0	0%
50244	Electricity - Pumping	199,780	159,476	225,000	**175,000**	(50,000)	-22%
50245	Electricity - Pipeline	70,050	91,421	55,000	**55,000**	0	0%
50247	Operation of Joint Turnout	0	0	5,000	**5,000**	0	0%
50248	Cross Valley Canal O & M	12,583	5,383	15,000	**30,000**	15,000	100%
50249	Source of Supply - Recycled & Other	26,444	19,588	5,000	**5,000**	0	0%
	Maintenance						
50251	Maintenance - Pump Plants	503,352	639,803	600,000	**525,000**	(75,000)	-13%
50252	Maintenance - Natural Gas Pipeline	37,996	0	40,000	**60,000**	20,000	50%
50253	Maintenance - Pipeline	128,999	107,504	150,000	**150,000**	0	0%
50254	Maintenance - Reservoir	27,958	39,312	25,000	**20,000**	(5,000)	-20%
50255	Maintenance - Access Roads	0	0	15,000	**15,000**	0	0%
50256	Maintenance - Control System	67,470	91,543	90,000	**90,000**	0	0%
50257	Maintenance - Cogeneration Plant	0	0	1,000	**1,000**	0	0%
50258	Maintenance - Wells & Boosters	16,784	297,406	24,000	**24,000**	0	0%
50259	Maintenance - Flood Control Facilities	3,863	0	5,000	**5,000**	0	0%
50260	Maintenance - Recharge Facilities	12,539	4,874	15,000	**15,000**	0	0%
50261	Maintenance - Office & Grounds	34,730	31,967	35,000	**30,000**	(5,000)	-14%
50262	Maintenance - Public Water System	0	742	5,000	**5,000**	0	0%
50264	Customer Meters	98,951	14,878	125,000	**50,000**	(75,000)	-60%
50266	Welding Supplies	825	1,846	5,500	**5,500**	0	0%
50267	Pipeline Materials	48,441	0	40,000	**40,000**	0	0%
50268	Small Tools - Pumping	9,882	10,546	10,000	**10,000**	0	0%
50269	Small Tools - Pipeline	5,404	3,047	4,400	**4,400**	0	0%
	Services						
50271	Outside Service	12,019	12,520	15,500	**14,500**	(1,000)	-6%
50272	GIS System and Service	13,805	55,289	62,000	**70,000**	8,000	13%
50275	Engineering	0	0	7,500	**7,500**	0	0%
50276	Consulting	45,177	49,652	58,000	**63,000**	5,000	9%
50277	Uniforms	16,188	13,626	17,000	**17,000**	0	0%
50278	Lab Analysis	3,027	2,048	3,500	**3,500**	0	0%
50279	Insurance & Bonds	140,668	204,950	195,000	**175,000**	(20,000)	-10%
	Government & Regulatory						
50281	Emissions Compliance	64,054	33,696	45,000	**45,000**	0	0%
50282	Government Fees/Taxes - Pumping	168,798	109,707	225,000	**125,000**	(100,000)	-44%
50284	Regulatory Fees - Other	22,072	53,130	43,000	**61,000**	18,000	42%
50285	Certification Fees	395	953	1,000	**1,000**	0	0%
50286	Elections	0	0	0	**30,000**	30,000	100%
	Non-Cash Expenses						
50292	Depreciation	1,068,804	0	0	**0**	0	0%
	TOTAL OPERATIONS & MAINTENANCE	4,974,752	4,762,578	4,811,500	**4,253,500**	(558,000)	-12%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	DEBT SERVICE						
	Principal Payments						
50303	Principal - Engine Replacement Financing	0	0	0	**585,000**	585,000	100%
	Interest Expense						
50313	Interest - Engine Replacement Financing	0	0	0	**466,750**	466,750	100%
	TOTAL DEBT SERVICE	0	0	0	**1,051,750**	1,051,750	100%
	CAPITAL OUTLAY						
	Pumping Plants						
50411	Replacement Pumps	167,318	0	0	**120,000**	120,000	100%
50412	Pump Plant Improvements	19,800	35,071	90,000	**905,000**	815,000	906%
50413	Control System Improvements	32,345	15,105	15,000	**175,000**	160,000	1067%
50415	Engine Overhauls	0	94,579	75,000	**225,000**	150,000	200%
50416	Pump Overhauls	117,081	170,989	120,000	**120,000**	0	0%
	Mainline Pipeline						
50421	Cathodic Protection	0	0	20,000	**100,000**	80,000	400%
50422	Land Improvements	0	0	0	**0**	0	0%
	Dams & Reservoir						
50431	Road Repair	6,052	0	20,000	**20,000**	0	0%
	Transmission System						
50445	Transmission System Meters	0	0	0	**50,000**	50,000	100%
50448	Upgrade/R&M/Rebuild Wells & Tanks	70,000	154,000	154,000	**78,850**	(75,150)	-49%
50449	Pipeline Replacement/Rehabilitation	28,901	83,703	290,000	**250,000**	(40,000)	-14%
	General Office, Shop & Equipment						
50451	Vehicles	14,638	0	0	**290,000**	290,000	100%
50452	Storage Facility Construction	1,000	177,293	355,000	**300,000**	(55,000)	-15%
50453	Building Remodel	4,353	111,003	80,000	**0**	(80,000)	-100%
50454	Roof Replacement	0	0	0	**75,000**	75,000	100%
50455	Equipment	187,020	288,040	326,000	**0**	(326,000)	-100%
50456	Building Improvements	0	6,216	25,000	**155,000**	130,000	520%
50458	CMMS Software	0	0	0	**25,000**	25,000	100%
50460	Intangible Assets	1,500	0	0	**120,000**	120,000	100%
50466	Engineering - Consulting	0	0	0	**50,000**	50,000	100%
	Water Reclamation & Recovery						
50485	Recovery Well Improvements	93,740	0	0	**100,000**	100,000	100%
	TOTAL CAPITAL OUTLAY	743,748	1,135,999	1,570,000	**3,158,850**	1,588,850	101%
	TOTAL EXPENSES	9,749,425	8,835,215	9,560,300	**12,044,100**	2,483,800	26%
	NET INCOME (LOSS)	*916,847*	*2,267,731*	*1,508,550*	***(291,650)***	*(1,800,200)*	

RESERVES						
	BEGINNING BALANCES	2,679,951	4,212,320	4,212,320	**3,005,559**	(1,206,761)
	TRANSFERS IN	0	0	0	**300,000**	300,000
	TRANSFERS OUT	(2,022,572)	(2,710,774)	(2,662,636)	**(34,000)**	2,628,636
	NET TO (FROM) RESERVES	(1,105,725)	(443,043)	(1,154,086)	**(25,650)**	1,128,436
	CHANGE IN NON-CASH ITEMS	2,638,094	0	0	**0**	0
	ENDING BALANCES	4,212,320	3,769,277	3,058,234	**2,979,909**	(78,325)

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Administration Department (70-01)

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
EXPENSES							
	SALARIES & BENEFITS						
	Salaries & Wages						
50112	Salaries & Wages	766,154	825,193	839,700	**999,300**	159,600	19%
50114	Overtime & Holiday	686	511	1,300	**1,100**	(200)	-15%
50119	Compensated Absence Adjustment	(3,918)	0	0	**0**	0	0%
	Benefits						
50121	FICA/MEDI	58,157	61,720	64,000	**77,000**	13,000	20%
50122	Workers Compensation	3,597	3,864	3,500	**4,200**	700	20%
50124	Health Insurance	169,876	188,039	186,200	**219,200**	33,000	18%
50125	Health Insurance - Reimbursable	14,921	25,896	25,600	**24,200**	(1,400)	-5%
50127	Retirement	67,860	67,977	74,900	**81,500**	6,600	9%
50128	Tuition Reimbursements	0	0	1,000	**1,000**	0	0%
50129	GASB 68 Pension Expense Adjustment	358,474	0	0	**0**	0	0%
50130	GASB 75 OPEB Expense Adjustment	(5,639)	0	0	**0**	0	0%
50131	Retiree Medical Contribution	0	0	0	**0**	0	0%
50132	Retirement - Annual Lump Sum & UAL	52,923	0	0	**0**	0	0%
	TOTAL SALARIES & BENEFITS	1,483,091	1,173,200	1,196,200	**1,407,500**	211,300	18%
	OPERATIONS & MAINTENANCE						
	Administrative/General						
50201	Public Information & Notices	1,956	5,943	3,200	**5,500**	2,300	72%
50202	Books/Periodicals/Subscriptions	60	93	200	**200**	0	0%
50203	Printing	1,674	2,250	2,500	**2,500**	0	0%
50204	Postage & Shipping	2,987	5,099	5,000	**5,000**	0	0%
50205	Office Supplies	11,254	9,886	14,000	**11,000**	(3,000)	-21%
50206	Office Computer & Machinery	41,666	70,946	55,000	**65,000**	10,000	18%
50207	Bank & Administrative Services	3,585	4,055	2,200	**4,000**	1,800	82%
50208	County Collection Charges	62,153	55,867	68,000	**68,000**	0	0%
50209	Memberships	34,771	36,610	40,000	**40,000**	0	0%
50210	Directors' Fees	8,800	10,740	16,000	**16,800**	800	5%
50211	Training & Travel	16,258	19,185	30,000	**40,000**	10,000	33%
50213	Recruitment	0	348	500	**500**	0	0%
50214	Awards & Recognition	6,771	3,913	5,000	**8,000**	3,000	60%
50215	Safety Program & Supplies	13,956	19,086	20,000	**15,000**	(5,000)	-25%
50216	Legal	310,874	291,719	250,000	**200,000**	(50,000)	-20%
50217	Audit	25,349	27,286	41,200	**28,000**	(13,200)	-32%
50219	Water Conservation Program	0	0	1,000	**1,000**	0	0%
	Utilities						
50221	Electricity - Office/Shops	24,023	23,098	24,000	**24,000**	0	0%
50222	Natural Gas - Office/Shops	2,168	7,076	5,000	**6,000**	1,000	20%
50226	Phone - Internet & Communications	42,191	45,741	41,000	**43,000**	2,000	5%
	Automobiles & Equipment						
50231	Auto/Equipment - Gas & Oil	2,861	2,949	6,000	**5,000**	(1,000)	-17%
50232	Automobile Repair	2,645	2,870	3,500	**3,500**	0	0%
50234	Equipment Rentals	0	0	500	**500**	0	0%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	System Operations						
50248	Cross Valley Canal O & M	12,583	5,383	15,000	**30,000**	15,000	100%
50249	Source of Supply - Recycled & Other	26,444	19,588	5,000	**5,000**	0	0%
50250	Delta Conveyance (f.k.a. CA Water Fix)	0	0	0	**0**	0	0%
	Maintenance						
50261	Maintenance - Office & Grounds	34,730	31,967	35,000	**30,000**	(5,000)	-14%
	Services						
50271	Outside Service	1,944	2,263	3,000	**3,000**	0	0%
50272	GIS System and Service	13,805	55,289	62,000	**70,000**	8,000	13%
50275	Engineering	0	0	2,500	**2,500**	0	0%
50276	Consulting	45,177	49,652	55,000	**60,000**	5,000	9%
50279	Insurance & Bonds	140,668	204,950	195,000	**175,000**	(20,000)	-10%
	Government & Regulatory						
50284	Regulatory Fees - Other	22,072	32,135	22,000	**40,000**	18,000	82%
50285	Certification Fees	395	893	1,000	**1,000**	0	0%
50286	Elections	0	0	0	**30,000**	30,000	100%
	Non-Cash Expenses						
50292	Depreciation	1,068,804	0	0	**0**	0	0%
	TOTAL OPERATIONS & MAINTENANCE	1,982,624	1,046,880	1,029,300	**1,039,000**	9,700	1%
	DEBT SERVICE						
	Principal Payments						
50303	Principal - Engine Replacement Financing	0	0	0	**585,000**	585,000	100%
	Interest Expense					0	0%
50313	Interest - Engine Replacement Financing	0	0	0	**466,750**	466,750	100%
	TOTAL DEBT SERVICE	0	0	0	**1,051,750**	1,051,750	100%
	CAPITAL OUTLAY						
	General Office, Shop & Equipment						
50452	Storage Facility Construction	1,000	177,293	355,000	**300,000**	(55,000)	-15%
50453	Building Remodel	4,353	111,003	80,000	**0**	(80,000)	-100%
50455	Equipment	18,684	0	0	**0**	0	0%
50456	Building Improvements	0	0	0	**120,000**	120,000	100%
50458	CMMS Software	0	0	0	**25,000**	25,000	100%
50460	Intangible Assets	1,500	0	0	**120,000**	120,000	100%
	TOTAL CAPITAL OUTLAY	25,537	288,296	435,000	**565,000**	130,000	30%
	TOTAL EXPENSES	3,491,252	2,508,376	2,660,500	**4,063,250**	1,402,750	53%

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Pipeline Department (70-02)

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
EXPENSES							
	SALARIES & BENEFITS						
	Salaries & Wages						
50112	Salaries & Wages	542,913	515,921	645,800	**685,900**	40,100	6%
50114	Overtime & Holiday	20,048	17,444	18,500	**18,600**	100	1%
50119	Compensated Absence Adjustment	(3,357)	0	0	**0**	0	0%
	Benefits						
50121	FICA/MEDI	43,067	40,802	51,000	**54,000**	3,000	6%
50122	Workers Compensation	13,144	11,840	14,000	**12,000**	(2,000)	-14%
50124	Health Insurance	113,508	131,424	165,000	**157,800**	(7,200)	-4%
50127	Retirement	55,454	37,812	57,400	**63,200**	5,800	10%
50128	Tuition Reimbursements	0	0	0	**500**	500	100%
50129	GASB 68 Pension Expense Adjustment	297,021	0	0	**0**	0	0%
50130	GASB 75 OPEB Expense Adjustment	(4,796)	0	0	**0**	0	0%
50131	Retiree Medical Contribution	0	0	0	**0**	0	0%
50132	Retirement - Annual Lump Sum & UAL	88,371	0	0	**0**	0	0%
	TOTAL SALARIES & BENEFITS	1,165,373	755,243	951,700	**992,000**	40,300	4%

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	OPERATIONS & MAINTENANCE						
	Administrative/General						
50211	Training & Travel	83	8,689	4,700	**6,000**	1,300	28%
50213	Recruitment	624	483	500	**500**	0	0%
50215	Safety Program & Supplies	923	1,887	2,000	**2,000**	0	0%
	Automobiles & Equipment						
50231	Auto/Equipment - Gas & Oil	42,399	47,541	60,000	**50,000**	(10,000)	-17%
50232	Automobile Repair	16,777	15,219	20,000	**20,000**	0	0%
50233	Equipment Repairs	5,900	23,115	20,000	**15,000**	(5,000)	-25%
50234	Equipment Rentals	77	0	1,500	**1,500**	0	0%
50238	Shop Supplies	38	0	1,500	**1,500**	0	0%
	System Operations						
50245	Electricity - Pipeline	70,050	91,421	55,000	**55,000**	0	0%
50247	Operation of Joint Turnout	0	0	5,000	**5,000**	0	0%
	Maintenance						
50253	Maintenance - Pipeline	128,999	107,504	150,000	**150,000**	0	0%
50254	Maintenance - Reservoir	27,958	39,312	25,000	**20,000**	(5,000)	-20%
50255	Maintenance - Access Roads	0	0	15,000	**15,000**	0	0%
50257	Maintenance - Cogeneration Plant	0	0	1,000	**1,000**	0	0%
50258	Maintenance - System Wells & Boosters	16,784	297,406	24,000	**24,000**	0	0%
50259	Maintenance - Flood Control Facilities	3,863	0	5,000	**5,000**	0	0%
50260	Maintenance - Recharge Facilities	12,539	4,874	15,000	**15,000**	0	0%
50262	Maintenance - Public Water System	0	742	5,000	**5,000**	0	0%
50264	Customer Meters	98,951	14,878	125,000	**50,000**	(75,000)	-60%
50266	Welding Supplies	423	109	3,200	**3,200**	0	0%
50267	Pipeline Materials	48,441	0	40,000	**40,000**	0	0%
50269	Small Tools - Pipeline	5,404	3,047	4,400	**4,400**	0	0%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	Services						
50271	Outside Service	0	0	1,500	**500**	(1,000)	-67%
50276	Consulting	0	0	1,000	**1,000**	0	0%
50277	Uniforms	2,105	3,297	3,000	**3,000**	0	0%
50278	Lab Analysis	3,027	2,048	3,500	**3,500**	0	0%
	Government & Regulatory						
50285	Certification Fees	0	60	0	**0**	0	0%
	TOTAL OPERATIONS & MAINTENANCE	485,365	661,632	591,800	**497,100**	(94,700)	-16%

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	CAPITAL OUTLAY						
	Mainline Pipeline						
50421	Cathodic Protection	0	0	20,000	**100,000**	80,000	400%
50422	Land Improvements	0	0	0	**0**	0	0%
	Dams & Reservoir						
50431	Road Repair	6,052	0	20,000	**20,000**	0	0%
	Transmission System						
50445	Transmission System Meters	0	0	0	**50,000**	50,000	100%
50449	Pipeline Replacement/Rehabilitation	28,901	83,703	290,000	**250,000**	(40,000)	-14%
	General Office, Shop & Equipment						
50451	Vehicles	14,638	0	0	**170,000**	170,000	100%
50455	Equipment	76,641	238,520	291,000	**0**	(291,000)	-100%
50456	Building Improvements	0	0	0	**10,000**	10,000	100%
	Water Reclamation & Recovery						
50485	Recovery Well Improvements	93,740	0	0	**100,000**	100,000	100%
	TOTAL CAPITAL OUTLAY	219,972	322,223	621,000	**700,000**	79,000	13%
	TOTAL EXPENSES	1,870,710	1,739,098	2,164,500	**2,189,100**	24,600	1%

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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 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
EXPENSES							
	SALARIES & BENEFITS						
	Salaries & Wages						
50112	Salaries & Wages	612,269	661,946	695,500	**782,700**	87,200	13%
50114	Overtime & Holiday	21,627	35,283	30,400	**27,800**	(2,600)	-9%
50119	Compensated Absence Adjustment	7,293	0	0	**0**	0	0%
	Benefits						
50121	FICA/MEDI	48,493	53,338	56,000	**62,000**	6,000	11%
50122	Workers Compensation	13,701	15,448	14,300	**17,000**	2,700	19%
50123	Unemployment	0	53	0	**0**	0	0%
50124	Health Insurance	159,367	176,060	161,300	**210,600**	49,300	31%
50127	Retirement	68,414	66,067	72,900	**79,900**	7,000	10%
50128	Tuition Reimbursements	0	0	500	**500**	0	0%
50129	GASB 68 Pension Expense Adjustment	368,716	0	0	**0**	0	0%
50130	GASB 75 OPEB Expense Adjustment	(5,186)	0	0	**0**	0	0%
50131	Retiree Medical Contribution	0	0	0	**0**	0	0%
50132	Retirement - Annual Lump Sum & UAL	87,767	0	0	**0**	0	0%
	TOTAL SALARIES & BENEFITS	1,382,461	1,008,195	1,030,900	**1,180,500**	149,600	15%

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	OPERATIONS & MAINTENANCE						
	Administrative/General						
50211	Training & Travel	20,020	7,832	10,000	**10,000**	0	0%
50213	Recruitment	240	1,845	500	**500**	0	0%
50215	Safety Program & Supplies	1,787	2,127	1,600	**1,600**	0	0%
	Automobiles & Equipment						
50231	Auto/Equipment - Gas & Oil	41,611	41,257	46,000	**46,000**	0	0%
50232	Automobile Repair	32,898	31,646	35,000	**35,000**	0	0%
50233	Equipment Repairs	3,789	6,466	3,000	**5,000**	2,000	67%
50234	Equipment Rentals	2,067	1,686	3,000	**3,000**	0	0%
50238	Shop Supplies	1,553	161	1,000	**1,000**	0	0%
	System Operations						
50242	Natural Gas - Pumping	1,163,627	1,603,369	1,600,000	**1,330,000**	(270,000)	-17%
50243	Engine Oil & Fluids- Pumping	163,279	269,588	200,000	**200,000**	0	0%
50244	Electricity - Pumping	199,780	159,476	225,000	**175,000**	(50,000)	-22%
	Maintenance						
50251	Maintenance - Pump Plants	503,352	639,803	600,000	**525,000**	(75,000)	-13%
50252	Maintenance - Natural Gas Pipeline	37,996	0	40,000	**60,000**	20,000	50%
50256	Maintenance - Control System	67,470	91,543	90,000	**90,000**	0	0%
50266	Welding Supplies	402	1,737	2,300	**2,300**	0	0%
50268	Small Tools - Pumping	9,882	10,546	10,000	**10,000**	0	0%
	Services						
50271	Outside Service	10,075	10,257	11,000	**11,000**	0	0%
50275	Engineering	0	0	5,000	**5,000**	0	0%
50276	Consulting	0	0	2,000	**2,000**	0	0%
50277	Uniforms	14,083	10,329	14,000	**14,000**	0	0%

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
	Government & Regulatory						
50281	Emissions Compliance	64,054	33,696	45,000	**45,000**	0	0%
50282	Government Fees/Taxes - Pumping	168,798	109,707	225,000	**125,000**	(100,000)	-44%
50284	Regulatory Fees - Other	0	20,995	21,000	**21,000**	0	0%
	TOTAL OPERATIONS & MAINTENANCE	2,506,763	3,054,066	3,190,400	**2,717,400**	(473,000)	-15%
	CAPITAL OUTLAY						
	Pumping Plants						
50411	Replacement Pumps	167,318	0	0	**120,000**	120,000	100%
50412	Pump Plant Improvements	19,800	35,071	90,000	**905,000**	815,000	906%
50413	Control System Improvements	32,345	15,105	15,000	**175,000**	160,000	1067%
50415	Engine Overhauls	0	94,579	75,000	**225,000**	150,000	200%
50416	Pump Overhauls	117,081	170,989	120,000	**120,000**	0	0%
	Transmission System						
50448	Upgrade/R&M/Rebuild Wells & Tanks	70,000	154,000	154,000	**78,850**	(75,150)	-49%
	General Office, Shop & Equipment						
50451	Vehicles	0	0	0	**120,000**	120,000	100%
50454	Roof Replacement - PPs	0	0	0	**75,000**	75,000	100%
50455	Equipment	91,695	49,520	35,000	**0**	(35,000)	-100%
50456	Building Improvements	0	6,216	25,000	**25,000**	0	0%
50466	Engineering - Consulting	0	0	0	**50,000**	50,000	100%
	TOTAL CAPITAL OUTLAY	498,239	525,480	514,000	**1,893,850**	1,379,850	268%
	TOTAL EXPENSES	4,387,463	4,587,741	4,735,300	**5,791,750**	1,056,450	22%

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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 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Other Revenues						
40231	Interest Earnings	20,539	11,525	17,400	**19,000**	1,600	9%
40232	Unrealized Gain/(Loss)	11,034	(3,291)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	31,573	8,234	17,400	**19,000**	1,600	9%
	TOTAL REVENUES	31,573	8,234	17,400	**19,000**	1,600	9%

EXPENSES							
	TOTAL EXPENSES	0	0	0	**0**	0	0%
	NET INCOME (LOSS)	*31,573*	*8,234*	*17,400*	***19,000***	*1,600*	

RESERVES						
	BEGINNING BALANCES	426,949	447,356	447,356	**459,393**	12,037
	TRANSFERS IN	0	0	0	**0**	0
	TRANSFERS OUT	0	0	0	**0**	0
	NET TO (FROM) RESERVES	31,573	8,234	17,400	**19,000**	1,600
	CHANGE IN NON-CASH ITEMS	(11,166)	0	0	**0**	0
	ENDING BALANCES	447,356	455,590	464,756	**478,393**	13,637

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	OPERATING REVENUES						
	Water Sales						
40107	Water Sales - Recharge BWRA	0	0	100,000	**500,000**	400,000	400%
	Water Services						
40116	Delinquent Charges	(3,976)	0	0	**0**	0	0%
	TOTAL OPERATING REVENUES	(3,976)	0	100,000	**500,000**	400,000	400%
	NON-OPERATING REVENUES						
	Other Revenues						
40231	Interest Earnings	129,912	74,483	114,100	**133,000**	18,900	17%
40232	Unrealized Gain/(Loss)	73,169	(21,227)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	203,081	53,256	114,100	**133,000**	18,900	17%
	TOTAL REVENUES	199,105	53,256	214,100	**633,000**	418,900	196%
EXPENSES							
	TOTAL EXPENSES	0	0	0	0	0	0%
	NET INCOME (LOSS)	*199,105*	*53,256*	*214,100*	***633,000***	*418,900*	
RESERVES							
	BEGINNING BALANCES	2,760,190	2,887,279	2,887,279	**2,965,066**	77,787	
	TRANSFERS IN	0	0	0	**0**	0	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	199,105	53,256	214,100	**633,000**	418,900	
	CHANGE IN NON-CASH ITEMS	(72,016)	0	0	**0**	0	
	ENDING BALANCES	2,887,279	2,940,535	3,101,379	**3,598,066**	496,687	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Other Revenues						
40231	Interest Earnings	0	17,123	9,900	**11,000**	1,100	11%
40232	Unrealized Gain/(Loss)	0	(1,753)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	0	15,370	9,900	**11,000**	1,100	11%
	TOTAL REVENUES	0	15,370	9,900	**11,000**	1,100	11%
EXPENSES							
	TOTAL EXPENSES	0	0	0	**0**	0	0%
	NET INCOME (LOSS)	*0*	*15,370*	*9,900*	***11,000***	*1,100*	
RESERVES							
	BEGINNING BALANCES	0	0	0	**261,447**	261,447	
	TRANSFERS IN	0	250,000	250,000	**0**	(250,000)	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	0	265,370	259,900	**11,000**	(248,900)	
	CHANGE IN NON-CASH ITEMS	0	0	0	**0**	0	
	ENDING BALANCES	0	265,370	259,900	**272,447**	12,547	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Other Revenues						
40231	Interest Earnings	87,339	49,028	73,800	**80,000**	6,200	8%
40232	Unrealized Gain/(Loss)	46,775	(13,965)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	134,114	35,063	73,800	**80,000**	6,200	8%
	TOTAL REVENUES	134,114	35,063	73,800	**80,000**	6,200	8%
EXPENSES							
	TOTAL EXPENSES	0	0	0	**0**	0	0%
	NET INCOME (LOSS)	*134,114*	*35,063*	*73,800*	***80,000***	*6,200*	
RESERVES							
	BEGINNING BALANCES	1,814,148	1,900,882	1,900,882	**1,952,084**	51,202	
	TRANSFERS IN	0	0	0	**0**	0	
	TRANSFERS OUT	0	0	0	**(300,000)**	(300,000)	
	NET TO (FROM) RESERVES	134,114	35,063	73,800	**(220,000)**	(293,800)	
	CHANGE IN NON-CASH ITEMS	(47,380)	0	0	**0**	0	
	ENDING BALANCES	1,900,882	1,935,945	1,974,682	**1,732,084**	(242,598)	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Other Revenues						
40231	Interest Earnings	139,356	0	59,100	**2,000**	(57,100)	-97%
40232	Unrealized Gain/(Loss)	73,962	0	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	213,318	0	59,100	**2,000**	(57,100)	-97%
	TOTAL REVENUES	213,318	0	59,100	**2,000**	(57,100)	-97%
EXPENSES							
	TOTAL EXPENSES	0	0	0	**0**	0	0%
	NET INCOME (LOSS)	*213,318*	*0*	*59,100*	***2,000***	*(57,100)*	
RESERVES							
	BEGINNING BALANCES	2,915,713	3,052,950	3,052,950	**94,031**	(2,958,919)	
	WORKING CAPITAL CONVERSION TO CASH	0	0	(17,946)	**0**	17,946	
	TRANSFERS IN	0	0	0	**0**	0	
	TRANSFERS OUT	0	(3,035,000)	(3,035,004)	**0**	3,035,004	
	NET TO (FROM) RESERVES	213,318	(3,035,000)	(2,975,904)	**2,000**	2,977,904	
	CHANGE IN NON-CASH ITEMS	(76,081)	0	0	**0**	0	
	ENDING BALANCES	3,052,950	17,950	59,100	**96,031**	36,931	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Other Revenues						
40231	Interest Earnings	80,245	47,695	67,300	**78,000**	10,700	16%
40232	Unrealized Gain/(Loss)	47,422	(14,561)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	127,667	33,134	67,300	**78,000**	10,700	16%
	TOTAL REVENUES	127,667	33,134	67,300	**78,000**	10,700	16%
EXPENSES							
	TOTAL EXPENSES	0	0	0	**0**	0	0%
	NET INCOME (LOSS)	*127,667*	*33,134*	*67,300*	***78,000***	*10,700*	
RESERVES							
	BEGINNING BALANCES	1,341,445	1,733,462	1,733,462	**1,889,672**	156,210	
	TRANSFERS IN	310,000	110,000	0	**0**	0	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	437,667	143,134	67,300	**78,000**	10,700	
	CHANGE IN NON-CASH ITEMS	(45,650)	0	0	**0**	0	
	ENDING BALANCES	1,733,462	1,876,596	1,800,762	**1,967,672**	166,910	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Other Revenues						
40231	Interest Earnings	32,070	18,009	27,100	**30,000**	2,900	11%
40232	Unrealized Gain/(Loss)	17,183	(5,129)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	49,253	12,880	27,100	**30,000**	2,900	11%
	TOTAL REVENUES	49,253	12,880	27,100	**30,000**	2,900	11%
EXPENSES							
	TOTAL EXPENSES	0	0	0	**0**	0	0%
	NET INCOME (LOSS)	*49,253*	*12,880*	*27,100*	***30,000***	*2,900*	
RESERVES							
	BEGINNING BALANCES	666,364	698,214	698,214	**717,020**	18,806	
	TRANSFERS IN	0	0	0	**0**	0	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	49,253	12,880	27,100	**30,000**	2,900	
	CHANGE IN NON-CASH ITEMS	(17,403)	0	0	**0**	0	
	ENDING BALANCES	698,214	711,094	725,314	**747,020**	21,706	

Forecast of Reserves, Revenues & Expenses - Restricted

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT

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

	Engine Project (73)	Improvement District No. 2 (76)	Improvement District No. 3 (77)	State Payment (82)	Benefit Assess. Zone No. 1 (86)	Total Restricted Reserves
BEGINNING BALANCE ON JULY 1, 2026	$ -	$ 5,551	$ 252,030	$13,190,789	$ 1,324,127	$ 14,772,497
REVENUES						
Operating Revenues						
Water Sales	-	-	-	-	-	-
Water Services	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Total Operating Revenues	-	-	-	-	-	-
Non-Operating Revenues						
General Taxes	-	6,000	12,000	-	-	18,000
Special Taxes	-	-	-	2,306,000	-	2,306,000
Benefit Assessments	-	-	-	-	112,200	112,200
Other Revenue	-	100	10,000	507,000	55,000	572,100
Capital Contributions	-	-	-	-	-	-
Total Non-Operating Revenues	-	6,100	22,000	2,813,000	167,200	3,008,300
TOTAL REVENUES	-	6,100	22,000	2,813,000	167,200	3,008,300
TRANSFERS FROM OTHER FUNDS						
From Designated Reserve Funds	-	34,000	-	-	-	34,000
From Restricted Reserve Funds	-	-	-	-	-	-
TOTAL TRANSFERS IN	-	34,000	-	-	-	34,000
TOTAL AVAILABLE DURING BUDGET YEAR	-	45,651	274,030	16,003,789	1,491,327	17,814,797
EXPENSES						
Salaries & Benefits	-	-	-	-	-	-
Operations & Maintenance	-	40,100	9,100	4,002,500	164,500	4,216,200
Debt Service	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
TOTAL EXPENSES	-	40,100	9,100	4,002,500	164,500	4,216,200
TRANSFERS TO OTHER FUNDS						
To Designated Reserve Funds	-	-	-	-	-	-
To Restricted Reserve Funds	-	-	-	-	-	-
TOTAL TRANSFERS OUT	-	-	-	-	-	-
TOTAL EXPENSES AND TRANSFERS OUT	-	40,100	9,100	4,002,500	164,500	4,216,200
ENDING BALANCE ON JUNE 30, 2027	$ -	$ 5,551	$ 264,930	$12,001,289	$ 1,326,827	$ 13,598,597
RESTRICTIONS						
State Water Contract Obligations	$ -	$ -	$ -	$ 2,844,000	$ -	$ 2,844,000
Engine Project Costs	N/A	-	-	-	-	-
Flood Control Maintenance	-	323,000	717,000	-	2,055,000	3,095,000
Total Restricted	-	323,000	717,000	2,844,000	2,055,000	5,939,000
BALANCE	$ -	$ (317,449)	$ (452,070)	$ 9,157,289	$ (728,173)	$ 7,659,597

Restricted Reserve Funds - Account Detail

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Other Revenues						
40231	Interest Earnings	222,857	24,265	24,600	**0**	(24,600)	-100%
	TOTAL NON-OPERATING REVENUES	222,857	24,265	24,600	**0**	(24,600)	-100%
	TOTAL REVENUES	222,857	24,265	24,600	**0**	(24,600)	-100%
EXPENSES							
	OPERATIONS & MAINTENANCE						
	Services						
50276	Consulting	34,498	7,387	5,000	**0**	(5,000)	-100%
	Government & Regulatory						
50281	Emissions Compliance	12,930	406	20,000	**0**	(20,000)	-100%
	TOTAL OPERATIONS & MAINTENANCE	47,428	7,793	25,000	**0**	(25,000)	-100%
	DEBT SERVICE						
	Principal Payments						
50303	Principal - Engine Replacement Financing	530,000	560,000	560,000	**0**	(560,000)	-100%
	Interest Expense						
50313	Interest - Engine Replacement Financing	443,202	494,750	494,750	**0**	(494,750)	-100%
	TOTAL DEBT SERVICE	973,202	1,054,750	1,054,750	**0**	(1,054,750)	-100%
	CAPITAL OUTLAY						
	Pumping Plants						
50414	Replacement Engines	9,921,998	5,928,633	6,040,720	**0**	(6,040,720)	-100%
	TOTAL CAPITAL OUTLAY	9,921,998	5,928,633	6,040,720	**0**	(6,040,720)	-100%
	TOTAL EXPENSES	10,942,628	6,991,176	7,120,470	**0**	(7,120,470)	-100%
	NET INCOME (LOSS)	*(10,719,771)*	*(6,966,911)*	*(7,095,870)*	***0***	*7,095,870*	
RESERVES							
	BEGINNING BALANCES	10,978,786	879,791	879,791	**0**	(879,791)	
	WORKING CAPITAL CONVERSION TO CASH	0	0	804,439	**0**	(804,439)	
	TRANSFERS IN	726,616	5,703,390	5,411,640	**0**	(5,411,640)	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	(9,993,155)	(1,263,521)	(1,684,230)	**0**	1,684,230	
	CHANGE IN NON-CASH ITEMS	(105,840)	0	0	**0**	0	
	ENDING BALANCES	879,791	(383,730)	0	**0**	0	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	General Taxes						
40201	Current Year Property Taxes	10,559	5,270	4,000	**6,000**	2,000	50%
	Other Revenues						
40231	Interest Earnings	62	9	100	**100**	0	0%
40232	Unrealized Gain/(Loss)	(6)	0	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	10,615	5,279	4,100	**6,100**	2,000	49%
	TOTAL REVENUES	10,615	5,279	4,100	**6,100**	2,000	49%
EXPENSES							
	OPERATIONS & MAINTENANCE						
	Administrative/General						
50208	County Collection Charges	44	41	100	**100**	0	0%
	Maintenance						
50259	Maintenance - Flood Control Facilities	46,954	47,622	40,000	**40,000**	0	0%
	Non-Cash Expenses						
50292	Depreciation	60	0	0	**0**	0	0%
	TOTAL OPERATIONS & MAINTENANCE	47,058	47,663	40,100	**40,100**	0	0%
	TOTAL EXPENSES	47,058	47,663	40,100	**40,100**	0	0%
	NET INCOME (LOSS)	*(36,443)*	*(42,384)*	*(36,000)*	***(34,000)***	*2,000*	
RESERVES							
	BEGINNING BALANCES	31	5,545	5,545	**5,551**	6	
	TRANSFERS IN	80,815	42,384	36,000	**34,000**	(2,000)	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	44,372	0	0	**0**	0	
	CHANGE IN NON-CASH ITEMS	(38,858)	0	0	**0**	0	
	ENDING BALANCES	5,545	5,545	5,545	**5,551**	6	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	General Taxes						
40201	Current Year Property Taxes	10,240	10,737	8,700	**10,000**	1,300	15%
40204	Redevelopment Agency Pass-through	2,091	1,880	1,400	**2,000**	600	43%
	Other Revenues						
40231	Interest Earnings	10,163	6,500	9,100	**10,000**	900	10%
40232	Unrealized Gain/(Loss)	5,445	(1,709)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	27,939	17,408	19,200	**22,000**	2,800	15%
	TOTAL REVENUES	27,939	17,408	19,200	**22,000**	2,800	15%
EXPENSES							
	OPERATIONS & MAINTENANCE						
	Administrative/General						
50208	County Collection Charges	90	86	200	**100**	(100)	-50%
	Maintenance						
50259	Maintenance - Flood Control Facilities	0	0	9,000	**9,000**	0	0%
	Non-Cash Expenses						
50292	Depreciation	1,992	0	0	**0**	0	0%
	TOTAL OPERATIONS & MAINTENANCE	2,082	86	9,200	**9,100**	(100)	-1%
	TOTAL EXPENSES	2,082	86	9,200	**9,100**	(100)	-1%
	NET INCOME (LOSS)	*25,857*	*17,322*	*10,000*	***12,900***	*2,900*	
RESERVES							
	BEGINNING BALANCES	210,682	233,043	233,043	**252,030**	18,987	
	TRANSFERS IN	0	0	0	**0**	0	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	25,857	17,322	10,000	**12,900**	2,900	
	CHANGE IN NON-CASH ITEMS	(3,496)	0	0	**0**	0	
	ENDING BALANCES	233,043	250,365	243,043	**264,930**	21,887	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Special Taxes						
40211	Current Year State Payment Tax	4,453,424	4,747,390	3,318,400	**2,220,000**	(1,098,400)	-33%
40212	Prior Year State Payment Tax	10,469	39,752	50,000	**46,000**	(4,000)	-8%
40213	Homeowners Property Tax Relief	16,275	18,309	20,000	**20,000**	0	0%
40215	State Payment Tax - Penalties/Other	13,684	18,569	20,000	**20,000**	0	0%
	Other Revenues						
40231	Interest Earnings	434,262	350,099	408,100	**507,000**	98,900	24%
40232	Unrealized Gain/(Loss)	251,130	(83,531)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	5,179,244	5,090,588	3,816,500	**2,813,000**	(1,003,500)	-26%
	TOTAL REVENUES	5,179,244	5,090,588	3,816,500	**2,813,000**	(1,003,500)	-26%
EXPENSES							
	OPERATIONS & MAINTENANCE						
	Administrative/General						
50208	County Collection Charges	11,152	11,549	8,300	**5,500**	(2,800)	-34%
50217	Audit - KCWA Agreement	0	3,039	3,000	**5,000**	2,000	67%
	System Operations						
50241	Source of Supply - KCWA Contract	2,579,281	2,850,866	4,172,100	**3,992,000**	(180,100)	-4%
	TOTAL OPERATIONS & MAINTENANCE	2,590,433	2,865,454	4,183,400	**4,002,500**	(180,900)	-4%
	TOTAL EXPENSES	2,590,433	2,865,454	4,183,400	**4,002,500**	(180,900)	-4%
	NET INCOME (LOSS)	*2,588,811*	*2,225,134*	*(366,900)*	***(1,189,500)***	*(822,600)*	
RESERVES							
	BEGINNING BALANCES	8,563,710	10,907,963	10,907,963	**13,190,789**	2,282,826	
	TRANSFERS IN	0	0	0	**0**	0	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	2,588,811	2,225,134	(366,900)	**(1,189,500)**	(822,600)	
	CHANGE IN NON-CASH ITEMS	(244,558)	0	0	**0**	0	
	ENDING BALANCES	10,907,963	13,133,097	10,541,063	**12,001,289**	1,460,226	

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

Acct. No.	Account Description	Audited 2024-25 Actual	2025-26 Actual	Amended 2025-26 Budget	**2026-27 Budget**	PY/CY Budget Amount Change	Pct Chg
REVENUES							
	NON-OPERATING REVENUES						
	Benefit Assessments						
40221	Current Year Benefit Assessments	99,696	101,163	106,000	**106,000**	0	0%
40222	Prior Year Benefit Assessments	4,690	4,265	6,000	**5,000**	(1,000)	-17%
40224	Benefit Assessment - Penalties/Other	153	1,242	1,500	**1,200**	(300)	-20%
	Other Revenues						
40231	Interest Earnings	56,834	33,887	49,900	**55,000**	5,100	10%
40232	Unrealized Gain/(Loss)	29,991	(9,169)	0	**0**	0	0%
	TOTAL NON-OPERATING REVENUES	191,364	131,388	163,400	**167,200**	3,800	2%
	TOTAL REVENUES	191,364	131,388	163,400	**167,200**	3,800	2%
EXPENSES							
	OPERATIONS & MAINTENANCE						
	Administrative/General						
50201	Public Information & Notices	1,698	1,698	2,000	**2,000**	0	0%
50203	Printing	220	220	300	**300**	0	0%
50208	County Collection Charges	366	366	400	**400**	0	0%
	Maintenance						
50259	Maintenance - Flood Control Facilities	34,628	50,499	53,800	**102,800**	49,000	91%
	Services						
50271	Outside Service	0	0	2,000	**2,000**	0	0%
50275	Engineering	0	0	2,000	**2,000**	0	0%
50279	Insurance & Bonds	23,032	25,402	26,000	**28,000**	2,000	8%
	Government & Regulatory						
50284	Regulatory Fees - Other	24,643	25,070	27,000	**27,000**	0	0%
	Non-Cash Expenses						
50292	Depreciation	108	0	0	**0**	0	0%
	TOTAL OPERATIONS & MAINTENANCE	84,695	103,255	113,500	**164,500**	51,000	45%
	TOTAL EXPENSES	84,695	103,255	113,500	**164,500**	51,000	45%
	NET INCOME (LOSS)	*106,669*	*28,133*	*49,900*	***2,700***	*(47,200)*	
RESERVES							
	BEGINNING BALANCES	1,209,727	1,285,774	1,285,774	**1,324,127**	38,353	
	TRANSFERS IN	905,141	0	0	**0**	0	
	TRANSFERS OUT	0	0	0	**0**	0	
	NET TO (FROM) RESERVES	1,011,810	28,133	49,900	**2,700**	(47,200)	
	CHANGE IN NON-CASH ITEMS	(935,763)	0	0	**0**	0	
	ENDING BALANCES	1,285,774	1,313,907	1,335,674	**1,326,827**	(8,847)	