TRIUNFO
WATER & SANITATION DISTRICT

Fiscal Year 2026-2027

ADOPTED BUDGET




July 1, 2026 - June 30, 2027

2026 Board of Directors


Carl Jarecky
Chair


Jane Nye
Vice Chair


Leon Shapiro
Director


Raymond Tjulander
Director


James Wall
Director

Management Team

Mark Norris - General Manager - (805) 658-4621
Vickie Dragan - Director of Finance - (805) 658-4649
Dave Rydman - Operations Manager - (805) 658-4643
Tim Doyle - Engineering Program Manager - (805) 658-4606
Mike Castro - Administrative Program Manager - (805) 658-4614
Fidela Garcia - Clerk of the Board - (805) 658-4602

Legal Counsel

Dennis McNulty (Arnold LaRochelle Mathews VanConas & Zirbel LLP) - (805) 988-9886

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TRIUNFO
WATER & SANITATION DISTRICT

June 22, 2026

Members of the Board of Directors:

I am pleased to present the Triunfo Water & Sanitation District (District) Fiscal Year 2026-2027 Budget. The District's FY2027 Budget provides a spending plan for the administration, operation, maintenance, financing, and purchase of District services, facilities, and infrastructure. The District provides essential wastewater, potable water, and recycled water services to the residents and businesses within its service area.

Budget Overview

The FY2027 Budget anticipates *increases* in net assets (before capital expenses) of $13,265,267, with full funding of all reserves, operating expenses, depreciation and amortization, and non-operating revenues and expenses, as well as debt related to construction of the Oak Canyon Reservoir, Advanced Metering Infrastructure, and purchase of the Calleguas Recycled Water Pipeline.

Expenses in the Budget include planned infrastructure improvements and anticipated operations and maintenance costs for the District's (3) utilities, as well as JPA-related costs and purchases of potable and recycled water.

The total capital expenses for both the District and the District's portion of the Las Virgenes - Triunfo Joint Powers Authority (JPA) are estimated to total $54,262,106 for FY2027.

Wastewater revenue projections include the 7% rate adjustments scheduled to take effect in July 2026, in accordance with Ordinance No. TWSD-250.

Budgeted Potable Water revenue projections include 2% adjustments to both tiers ($9.68 per HCF and $10.70 per HCF), effective in July 2026, in accordance with Ordinance No. TWSD-350. A Calleguas Municipal Water District (CMWD) pass-through will increase the rates to $9.82 per HCF and $10.84 per HCF in January 2027. Budgeted potable water sales have been increased to 1,700 acre feet (AF), compared to the District's budgeted FY2026 sales of 1,600 AF.

During May 2017, the District purchased the CMWD Recycled Water Pipeline and related facilities. Based upon the acquisition, the District became the wholesaler of recycled water to California Water Company and Hidden Valley Municipal Water District. The agreed-upon wholesale rate continues to be 80% of CMWD's Tier 1 Potable Water rate, increasing from $1,646.40 to $1,694.40 in January 2027. The retail customer rate will increase, from $7.70 to $8.02 per HCF, effective in July 2026, in accordance with Ordinance No. TWSD-450. A CMWD-based pass-through increase, to $8.25 per HCF, will take effect in January 2027.

The Proposed FY2027 JPA Operating Budget is incorporated into the District's FY2027 Budget. The newest and most significant ongoing JPA capital project is the Pure Water Project, which began in January 2015. This project involves constructing an advanced water treatment plant to further purify the JPA's excess recycled water and augment the potable water supplies stored in the Las Virgenes Reservoir. The $47,373,396 funding included in the FY2027 Capital Improvement Plan (CIP) budget for this project will primarily be used for construction and will be paid via the District's loan funding structure. The other JPA CIP funds budgeted are earmarked for other projects to address TMDL compliance, SCADA improvements, pipeline rehabilitation, and lift station improvements.

The District's plan to transition to a more autonomous operation was completed during FY2024. FY2027 is the first year that the District has not budgeted for services from Ventura Regional Sanitation District (VRSD).

On the following page, Table I provides a forecast of District-wide revenues and expenses, as well as historical data.

Table I – TWSD Consolidated

Description	Actual FY 2023 Yearend	Actual FY 2024 Yearend	Actual FY 2025 Yearend	Adjusted FY 2026 Budget	Estimated FY 2026 Yearend	Adopted FY 2027 Budget
Operating revenues:						
Fees, sales	$ 22,044,685	$ 25,038,772	$ 28,431,316	$ 28,875,704	$ 29,160,257	$ 30,931,676
Service charges	$ 2,580,568	$ 2,687,930	$ 2,783,123	$ 3,059,753	$ 3,046,851	$ 3,110,986
Rental revenue - Cell Towers	$ 200,309	$ 200,309	$ 217,957	$ 227,678	$ 228,365	$ 234,615
Penalty revenue	$ 142,944	$ 121,659	$ 142,684	$ 121,000	$ 151,792	$ 170,000
Other revenue	$ 174,185	$ 153,088	$ 375,104	$ 122,000	$ 384,515	$ 175,000
Total operating revenues	**25,142,691**	**28,201,758**	**31,950,185**	**32,406,135**	**32,971,779**	**34,622,277**
Operating expenses:						
Salary & Employee Benefits	$ 3,086,778	$ 3,352,214	$ 3,953,591	$ 4,227,564	$ 4,012,941	$ 4,451,923
Wastewater treatment, Potable & R/W purchase	$ 9,502,584	$ 10,198,818	$ 11,899,622	$ 12,142,553	$ 11,880,097	$ 13,169,814
VRSD contract services - Operations	$ 564,093	$ 409,769	$ -	$ 25,000	$ -	$ -
VRSD contract services - Administration	$ -	$ -	$ -	$ -	$ -	$ -
Operating materials and supplies	$ 99,350	$ 29,859	$ 38,799	$ 37,000	$ 40,587	$ 191,550
Professional services	$ 507,066	$ 702,028	$ 628,293	$ 891,527	$ 418,223	$ 1,187,720
Insurance	$ 239,565	$ 492,903	$ 550,897	$ 728,711	$ 602,359	$ 796,044
Board member fees and reimbursable expenses	$ 51,678	$ 42,982	$ 39,480	$ 101,995	$ 44,829	$ 109,071
Membership and dues	$ 57,697	$ 62,026	$ 64,079	$ 72,715	$ 60,151	$ 73,970
Conference and seminars	$ 2,613	$ 12,862	$ 5,647	$ 12,200	$ 8,384	$ 24,200
Management and administrative	$ 320,891	$ 262,748	$ 362,510	$ 766,632	$ 336,721	$ 607,408
Utilities	$ 219,951	$ 276,402	$ 245,500	$ 270,500	$ 229,645	$ 295,950
Bank service charges	$ 69,634	$ -	$ -	$ -	$ -	$ -
Permits, licenses and fees	$ 372,214	$ 360,219	$ 342,849	$ 298,100	$ 385,544	$ 323,074
Total operating expenses	**15,094,114**	**16,202,830**	**18,131,266**	**19,574,497**	**18,019,481**	**21,230,725**
Operating income(loss) before depreciation	**10,048,576**	**11,998,928**	**13,818,919**	**12,831,638**	**14,952,298**	**13,391,552**
Depreciation and amortization	$ 1,625,929	$ 1,734,806	$ 1,878,071	$ 1,513,165	$ 1,877,107	$ 1,639,968
Operating income(loss)	**8,422,647**	**10,264,122**	**11,940,848**	**11,318,473**	**13,075,191**	**11,751,584**
Non-operating revenues(expenses):						
Interest and investment earnings	$ 715,390	$ 1,503,608	$ 2,187,097	$ 1,646,941	$ 2,250,951	$ 1,731,300
Gain(loss) on sales and/or disposals of assets	$ -	$ -	$ -	$ -	$ -	$ -
Debt service interest expense	$ (296,084)	$ (369,222)	$ (334,403)	$ (254,392)	$ (244,165)	$ (217,617)
O&M contributions to joint venture	$ -	$ 413,677	$ 76,560	$ -	$ -	$ -
Overhead cost allocation	$ -	$ -	$ -	$ -	$ -	$ (0)
Other, net	$ -	$ 17,092	$ (3,698)	$ (16,000)	$ (874)	$ -
Total non-operating revenues(expenses)	**419,306**	**1,565,156**	**1,925,556**	**1,376,549**	**2,005,912**	**1,513,683**
Change in net assets before capital expenses	**$ 8,841,953**	**$ 11,829,278**	**$ 13,866,404**	**$ 12,695,022**	**$ 15,081,104**	**$ 13,265,267**
Capital expenses	$ 2,246,244	$ 1,384,731	$ 191,172	$ 31,633,759	$ 4,639,308	$ 54,262,106
Capital expenses - contra	$ -	$ (141,493)	$ (514,282)	$ -	$ (409,995)	$ -
Capital expenses, net	**2,246,244**	**1,243,237**	**(323,109)**	**31,633,759**	**4,229,313**	**54,262,106**
Change in net assets	**$ 6,595,709**	**$ 10,586,040**	**$ 14,189,513**	**$ (18,938,737)**	**$ 10,851,791**	**$ (40,996,839)**

Budget Line Item Summary

Wastewater Treatment (JPA) – Triunfo's portion of the FY2027 JPA wastewater treatment budget totals $8,153,508, up from the FY2026 budget total of $7,305,776.

Potable Water Purchases – The budget assumes purchasing 1,734 AF of water, including anticipated water losses, with about 978 AF purchased at $2,058 per acre foot from July through December 2026, and about 756 AF purchased at $2,118 per acre foot from January through June 2027. Any additional increases to the wholesale rate will be addressed with rate modifications.

Recycled Water Purchases – Estimated FY2027 expenses from the JPA for recycled water purchases total $643,004, a decrease from $935,777 budgeted for FY2026.

VRSD Contract – There are no proposed VRSD Contract Services during FY2027, which is reflective of the District's transition to an autonomous operation.

Professional Services – The FY2027 expense total includes paving-related utility cover rehabilitation, various IT maintenance & software fees, emergency repairs, as-needed engineering and inspection consultants, attorney services, Searle Creative, CCTV, and auditors. A copy of the Professional Services detail is found on Page 48.

Insurance – The FY2027 budget includes increases to property insurance, liability insurance, and automobile coverage, with a budgeted decrease in workers' compensation.

Board Member Fees & Reimbursable Expenses – The estimates for FY2027 include 174 days of service for board meetings, committee meetings, and attendance at conferences and seminars. These expenses also include registration, lodging, transportation, and per diem, associated with conference and seminar attendance.

Membership, Dues, Conferences, & Seminars – These expenses are estimated to total $98,170 in FY2027, including membership and dues, as well as registration, lodging, transportation, and per diem, associated with staff training, conference, and seminar, attendance.

Management & Administrative – This category includes the administrative building lease, equipment repairs and maintenance, printing and postage, the November 2026 election, and Tax Collector fees. A detailed list is found on Page 52.

Utilities – Utilities include electricity, trash collection, water from the County of Ventura, and telephone and communications services.

Permits, Licenses and Fees – Payments to the City of Los Angeles and Los Angeles County Public Works for fees related to wastewater disposal, conveyance, and treatment services, along with the State Water Resources Control Board and LAFCO, are the primary components of this category.

Depreciation – This Budget includes full depreciation for both water and wastewater facilities.

Debt Service Interest Expense – A debt service schedule is included on Page 41. For FY2027, the combined interest expense for all loans is $217,617.

Acknowledgement

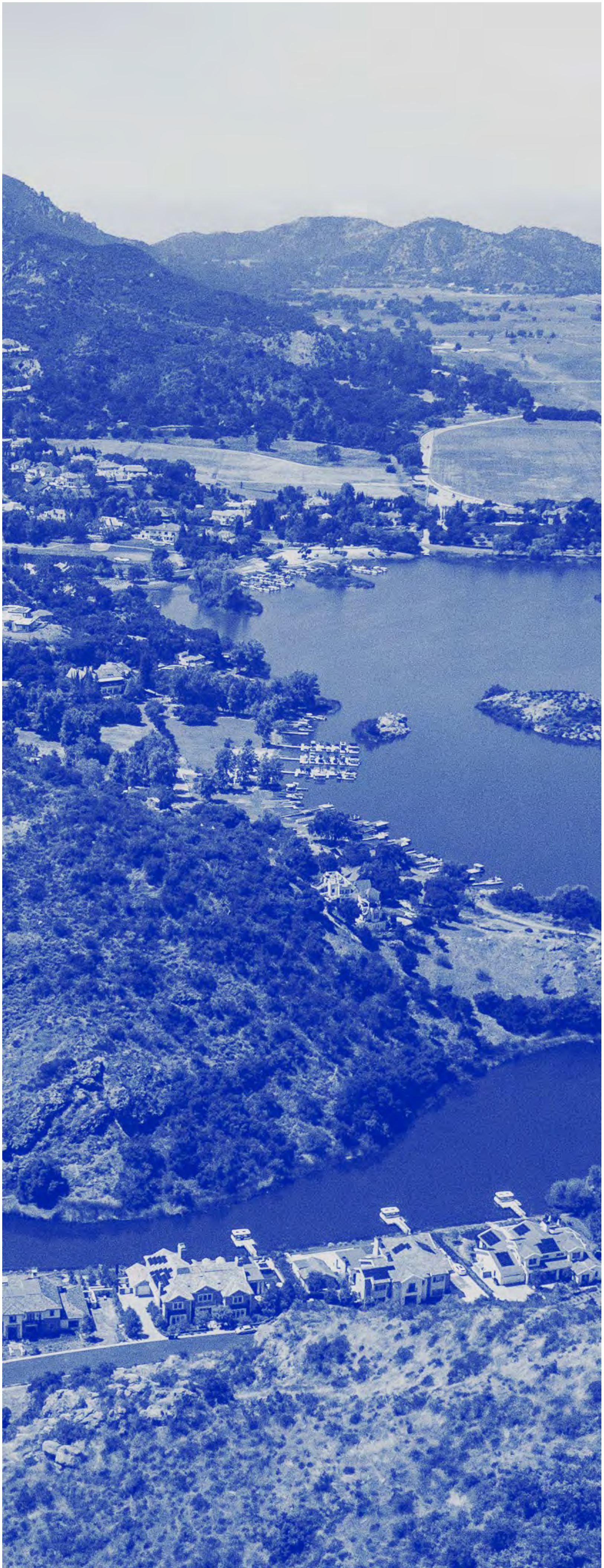
I appreciate the Board of Directors' continued support in providing the vision and resources necessary to improve the District's financial outlook, maintain exceptional customer service, and respond to the various challenges facing the District, including the transition to a more conventional district.

The completion of this budget document is attributable to both the dedication and hard work of the TWSD staff, to whom I would like to acknowledge and express my sincere appreciation. I would also like to take this opportunity to thank Las Virgenes Municipal Water District staff for their hard work in developing the Proposed Las Virgenes - Triunfo Joint Powers Authority FY2026-2028 Biennial Budget.

Staff is committed in its ongoing efforts to work with the Triunfo Water & Sanitation District Board of Directors to develop future opportunities and address future challenges.

Respectfully Submitted,

Mark Norris
General Manager



BUDGET SUMMARY

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TRIUNFO
WATER & SANITATION DISTRICT

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

CONSOLIDATED

Description	Actual FY 2023 Yearend	Actual FY 2024 Yearend	Actual FY 2025 Yearend	Adjusted FY 2026 Budget	Estimated FY 2026 Yearend	Adopted FY 2027 Budget	
Operating revenues:							
Fees, sales	$ 22,044,685	$ 25,038,772	$ 28,431,316	$ 28,875,704	$ 29,160,257	$ 30,931,676	
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Rental revenue - Cell Towers	$ 200,309	$ 200,309	$ 217,957	$ 227,678	$ 228,365	$ 234,615	
Penalty revenue	$ 142,944	$ 121,659	$ 142,684	$ 121,000	$ 151,792	$ 170,000	
Other revenue	$ 174,185	$ 153,088	$ 375,104	$ 122,000	$ 384,515	$ 175,000	
Total operating revenues	**25,142,691**	**28,201,758**	**31,950,185**	**32,406,135**	**32,971,779**	**34,622,277**	[1]
Operating expenses:							
Salary & Employee Benefits	$ 3,086,778	$ 3,352,214	$ 3,953,591	$ 4,227,564	$ 4,012,941	$ 4,451,923	[2]
Wastewater treatment, Potable & R/W purchase	$ 9,502,584	$ 10,198,818	$ 11,899,622	$ 12,142,553	$ 11,880,097	$ 13,169,814	[3]
VRSD contract services - Operations	$ 564,093	$ 409,769	$ -	$ 25,000	$ -	$ -	[4]
VRSD contract services - Administration	$ -	$ -	$ -	$ -	$ -	$ -	
Operating materials and supplies	$ 99,350	$ 29,859	$ 38,799	$ 37,000	$ 40,587	$ 191,550	[5]
Professional services	$ 507,066	$ 702,028	$ 628,293	$ 891,527	$ 418,223	$ 1,187,720	[6]
Insurance	$ 239,565	$ 492,903	$ 550,897	$ 728,711	$ 602,359	$ 796,044	[7]
Board member fees and reimbursable expenses	$ 51,678	$ 42,982	$ 39,480	$ 101,995	$ 44,829	$ 109,071	[8]
Membership and dues	$ 57,697	$ 62,026	$ 64,079	$ 72,715	$ 60,151	$ 73,970	[9]
Conference and seminars	$ 2,613	$ 12,862	$ 5,647	$ 12,200	$ 8,384	$ 24,200	[10]
Management and administrative	$ 320,891	$ 262,748	$ 362,510	$ 766,632	$ 336,721	$ 607,408	[11]
Utilities	$ 219,951	$ 276,402	$ 245,500	$ 270,500	$ 229,645	$ 295,950	[12]
Bank service charges	$ 69,634	$ -	$ -	$ -	$ -	$ -	
Permits, licenses and fees	$ 372,214	$ 360,219	$ 342,849	$ 298,100	$ 385,544	$ 323,074	[13]
Total operating expenses	**15,094,114**	**16,202,830**	**18,131,266**	**19,574,497**	**18,019,481**	**21,230,725**	
Operating income(loss) before depreciation	**10,048,576**	**11,998,928**	**13,818,919**	**12,831,638**	**14,952,298**	**13,391,552**	
Depreciation and amortization	$ 1,625,929	$ 1,734,806	$ 1,878,071	$ 1,513,165	$ 1,877,107	$ 1,639,968	
Operating income(loss)	**8,422,647**	**10,264,122**	**11,940,848**	**11,318,473**	**13,075,191**	**11,751,584**	
Non-operating revenues(expenses):							
Interest and investment earnings	$ 715,390	$ 1,503,608	$ 2,187,097	$ 1,646,941	$ 2,250,951	$ 1,731,300	
Gain(loss) on sales and/or disposals of assets	$ -	$ -	$ -	$ -	$ -	$ -	
Debt service interest expense	$ (296,084)	$ (369,222)	$ (334,403)	$ (254,392)	$ (244,165)	$ (217,617)	[14]
O&M contributions to joint venture	$ -	$ 413,677	$ 76,560	$ -	$ -	$ -	
Overhead cost allocation	$ -	$ -	$ -	$ -	$ -	$ (0)	
Other, net	$ -	$ 17,092	$ (3,698)	$ (16,000)	$ (874)	$ -	
Total non-operating revenues(expenses)	**419,306**	**1,565,156**	**1,925,556**	**1,376,549**	**2,005,912**	**1,513,683**	
Change in net assets before capital expenses	**$ 8,841,953**	**$ 11,829,278**	**$ 13,866,404**	**$ 12,695,022**	**$ 15,081,104**	**$ 13,265,267**	[15]
Capital expenses	$ 2,246,244	$ 1,384,731	$ 191,172	$ 31,633,759	$ 4,639,308	$ 54,262,106	[16]
Capital expenses - contra	$ -	$ (141,493)	$ (514,282)	$ -	$ (409,995)	$ -	
Capital expenses, net	**2,246,244**	**1,243,237**	**(323,109)**	**31,633,759**	**4,229,313**	**54,262,106**	
Change in net assets	**$ 6,595,709**	**$ 10,586,040**	**$ 14,189,513**	**$ (18,938,737)**	**$ 10,851,791**	**$ (40,996,839)**	

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

CONSOLIDATED

COMMENTS

The Consolidated budget summarizes the planned activities for Administration, Wastewater, Potable Water, and Recycled Water, including Capital Projects, for FY2027.

[1] Estimated FY2027 Operating Revenues include approximately $21.02M in Wastewater, $10.78M in Potable Water, and $2.83M in Recycled Water. For a detailed breakdown of Operating Revenue within each segment, see Pages 16-17, 20-21, and 24-25.

[2] Salary & Employee Benefits estimated for FY2027 include $2.35M for Administration, $0.83M in Wastewater, $1.13M Potable Water, and $0.15M in Recycled Water. For a detailed breakdown, see Page 45.

[3] Estimated FY2027 expenses include approximately $8.15M for wastewater treatment, $4.37M for the purchase of potable water, and $0.64M for the purchase of recycled water. For a detailed breakdown within each segment, see Page 46.

[4] There are no VRSD Contract Services budgeted in FY2027.

[5] FY2027 Operating Materials and Supplies are primarily comprised of Paymentus credit/debit card fees ($70K), non-meter supplies ($50K), fuel ($29.5K), and water quality analysis ($21K)

[6] FY2027 Professional Services are primarily comprised of paving-related utility cover rehabilitation ($400K), various IT maintenance and software fees ($263K), emergency repairs $155K), as-needed engineering and inspection consultants ($75K), attorney services ($70K), Searle Creative ($60K), CCTV ($50K), and auditors ($40K). For a detailed breakdown within each segment, see Page 48.

[7] FY2027 budgeted items include property insurance ($465K), liability insurance ($232K), workers' compensation coverage ($92K), and automobile coverage ($7K).

[8] This includes days of service for board meetings, committee meetings, and attendance at conferences and seminars. These expenses also include registration, lodging, transportation, and per diem, associated with conference and seminar attendance.

[9] For a detailed breakdown of Memberships and Dues, see Page 50.

[10] Conferences and Seminars include human resources, risk management, and other training sessions, for staff.

[11] FY2027 management and administrative expenses are primarily comprised of the administrative office lease ($228.7K), equipment repairs and maintenance ($113.6K), printing and postage ($89.5K), the November 2026 election ($80K), tax collector fees to collect sewer fees through the tax rolls ($57.1K).

[12] Utilities are comprised of electricity, trash, water (County of Ventura), and telephone and communications services, including a toll-free 800 telephone number.

[13] FY2027 expenses are largely composed of capacity reservation charges and capacity rights obligations to the City of Los Angeles for use of the Tillman treatment plant ($193.2K), Los Angeles County Public Works for sewage disposal ($49.8K), the State Water Resources Control Board ($42K), and LAFCO ($23.5K).

[14] For a detailed breakdown of debt service, see Page 41.

[15] On a consolidated basis, it is estimated that Triunfo Water & Sanitation District FY2027 revenues will exceed expenses by approximately $13.27M before capital.

[16] For a list of all capital projects, see Page 30. For descriptions of Triunfo Water & Sanitation District capital projects, see Pages 31-40. Joint Powers Authority related capital improvement projects are identified in the attached *Las Virgenes - Triunfo JPA FY 2026-27 & 2027-28 Proposed Capital Improvement Program* (Page 63).

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

ADMINISTRATION

Description	Actual FY 2023 Yearend	Actual FY 2024 Yearend	Actual FY 2025 Yearend	Adjusted FY 2026 Budget	Estimated FY 2026 Yearend	Adopted FY 2027 Budget	
Operating revenues:							
Fees, sales	$ -	$ -	$ -	$ -	$ -	$ -	
Service charges	-	-	-	-	-	-	
Rental revenue - Cell Towers	-	-	-	-	-	-	
Penalty revenue	-	-	-	-	-	-	
Other revenue	-	-	-	-	-	-	
Total operating revenues	**-**	**-**	**-**	**-**	**-**	**-**	
Operating expenses:							
Salary & Employee Benefits	2,015,621	2,203,159	2,159,827	2,231,485	2,493,270	2,350,174	[1]
Wastewater treatment, Potable & R/W purchase	-	-	-	-	-	-	
VRSD contract services -Operations	-	-	-	-	-	-	
VRSD contract services -Administration	-	-	-	-	-	-	
Operating materials and supplies	3,097	4,787	6,287	7,500	5,678	12,300	[2]
Contract services	-	-	-	-	-	-	
Professional services	256,065	265,707	140,664	267,073	138,067	352,550	[3]
Insurance	149,395	190,208	154,258	303,711	189,297	330,970	[4]
Board member fees and reimbursable expenses	16,760	20,832	18,458	41,494	9,824	39,606	[5]
Membership and dues	15,656	15,893	16,098	21,160	20,561	20,350	[6]
Conference and seminars (Staff)	2,613	2,880	2,423	8,200	2,668	6,200	[7]
Management and administrative	90,452	62,573	110,649	366,332	126,038	339,778	[8]
Utilities	16,777	17,721	18,837	11,000	17,903	18,500	[9]
Bank service charges	5,669	-	-	-	-	-	
Permits, licenses and fees	15,542	16,686	19,910	23,000	25,602	27,005	[10]
Total operating expenses	**2,587,647**	**2,800,445**	**2,647,411**	**3,280,955**	**3,028,906**	**3,497,433**	
Operating income(loss) before depreciation	**(2,587,647)**	**(2,800,445)**	**(2,647,411)**	**(3,280,955)**	**(3,028,906)**	**(3,497,433)**	
Depreciation and amortization	147,235	186,393	191,262	-	191,262	-	
Operating income(loss)	**(2,734,883)**	**(2,986,839)**	**(2,838,673)**	**(3,280,955)**	**(3,220,168)**	**(3,497,433)**	
Non-operating revenues(expenses):							
Interest and investment earnings	-	-	-	-	-	-	
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	-	
Debt service interest expense	42,532	(44,448)	(47,967)	-	(36,050)	-	
O&M contributions to joint venture	-	-	-	-	-	-	
Overhead cost allocation	2,776,261	3,032,038	2,885,873	3,532,155	3,532,155	3,497,433	[11]
Other, net	-	(752)	767	-	2,297	-	
Total non-operating revenues(expenses)	**2,818,793**	**2,986,839**	**2,838,673**	**3,532,155**	**3,498,402**	**3,497,433**	
Change in net assets before capital expenses	**$ 83,910**	**$ -**	**$ -**	**$ 251,200**	**$ 278,235**	**$ -**	
Capital expenses	-	141,493	-	251,200	63,959	-	[12]
Capital expenses - contra	-	(141,493)	-	-	-	-	
Capital expenses, net	**-**	**-**	**-**	**251,200**	**63,959**	**-**	
Change in net assets	**$ 83,910**	**$ -**	**$ -**	**$ (0)**	**$ 214,276**	**$ -**	

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

ADMINISTRATION

COMMENTS

[1] Salary & Employee Benefits represent the TWSD labor necessary to perform District functions that are not directly allocable to any specific water or sanitation operation or facility. For a detailed breakdown, see Page 45.

[2] FY2027 Operating Materials and Supplies are primarily comprised of US Bank Fees ($7K) and Automated External Defibrillators ($4K).

[3] FY2027 Professional Services are primarily comprised of various IT maintenance and software fees ($155.7K), attorney services ($70K), Searle Creative ($60K), auditors ($40K), and a videographer for Board Meetings ($14.4K).

[4] Liability ($231.7K), workers' compensation ($92K), and automobile ($7.3K) insurance costs.

[5] Board Member fees and expenses include days of service for TWSD Board Members, primarily comprised of TWSD Board Meetings, JPA Board Meetings, committee meetings, training, and conference and seminar attendance. Additionally, these expenses include registration, lodging, transportation, and per diem, associated with conference and seminar attendance.

[6] Membership and Dues include CSDA, VCSDA, the Greater Conejo Chamber of Commerce, and the Liebert Cassidy Whitmore Consortium. For a detailed breakdown of FY2027, please see Page 50.

[7] Conferences and Seminars include human resources, risk management, and other training sessions, for staff.

[8] FY2027 management and administrative expenses are comprised primarily of the administrative office lease ($228.7K), the November 2026 election ($80K), and lease of the postage meter and copy machines ($7.7K).

[9] Utilities include the District's telephone system and monthly fees for cell phones and iPads, including devices provided to Board Members.

[10] FY2027 Permits, Licenses, & Fees includes the following estimates: $23.5K in LAFCO fees, $0.5K in ACFR application fees, and $3K in other miscellaneous permit fees.

[11] Overhead cost allocation represents the transfer IN from Wastewater ($2.12M), Potable Water ($1.09M), and Recycled Water ($0.29M), to pay for TWSD's administrative and capital overhead.

[12] There are no capital projects planned for Administration during FY2027.

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

WASTEWATER

Description	Actual FY 2023 Yearend	Actual FY 2024 Yearend	Actual FY 2025 Yearend	Adjusted FY 2026 Budget	Estimated FY 2026 Yearend	Adopted FY 2027 Budget	
Operating revenues:							
Fees, sales	$ 14,714,934	$ 16,859,832	$ 18,164,158	$ 19,381,672	$ 19,539,703	$ 20,781,264	[1]
Service charges	-	-	-	-	-	$ -	
Rental revenue - Cell Towers	-	-	-	-	-	$ -	
Penalty revenue	18,106	18,355	33,369	5,000	24,090	$ 50,000	[2]
Other revenue	169,045	144,048	363,579	113,000	383,962	$ 185,000	[2]
Total operating revenues	**14,902,085**	**17,022,234**	**18,561,106**	**19,499,672**	**19,947,754**	**21,016,264**	
Operating expenses:							
Salary & Employee Benefits	415,800	531,914	877,069	954,092	723,239	826,053	[3]
Wastewater treatment	6,045,004	6,309,925	7,082,526	7,305,776	6,947,260	8,153,508	[4]
VRSD contract services - Operations	413,795	269,571	-	25,000	-	-	
VRSD contract services -Administration	-	-	-	-	-	-	
Operating materials and supplies	36,788	14,291	19,508	16,950	21,030	43,350	[5]
Professional services	70,607	173,919	252,453	381,217	84,372	452,900	[6]
Insurance	6,089	34,105	31,105	29,750	33,743	32,555	[7]
Board member fees and reimbursable expenses	16,006	12,706	13,681	42,420	16,031	49,643	[8]
Membership and dues	15,481	15,907	16,807	19,000	1,382	19,000	[9]
Conference and seminars (Staff)	-	4,252	1,726	2,700	2,765	4,000	[10]
Management and administrative	97,217	108,761	122,876	126,100	115,312	103,530	[11]
Utilities	42,028	53,689	50,389	63,100	44,977	59,730	[12]
Bank service charges	-	-	-	-	-	-	
Permits, licenses and fees	298,127	218,883	193,459	167,600	235,309	252,469	[13]
Total operating expenses	**7,456,943**	**7,747,923**	**8,661,597**	**9,133,705**	**8,225,420**	**9,996,738**	
Operating income(loss) before depreciation	**7,445,142**	**9,274,311**	**9,899,510**	**10,365,967**	**11,722,334**	**11,019,526**	
Depreciation and amortization	373,788	363,596	457,916	415,140	423,896	439,167	
Operating income(loss)	**7,071,354**	**8,910,715**	**9,441,594**	**9,950,827**	**11,298,438**	**10,580,358**	
Non-operating revenues(expenses):							
Interest and investment earnings	307,475	733,944	1,119,664	872,878	1,202,051	960,600	
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	-	
Debt service interest expense	-	-	-	-	-	-	
O&M contributions to joint venture	-	413,677	76,560	-	-	-	
Overhead cost allocation	(1,554,707)	(1,725,971)	(1,841,153)	(2,126,446)	(2,126,446)	(2,122,997)	[14]
Other, net	-	21,075	7,513	-	6,991	-	
Total non-operating revenues(expenses)	**(1,247,232)**	**(557,275)**	**(637,417)**	**(1,253,568)**	**(917,404)**	**(1,162,397)**	
Change in net assets before capital expenses	**$ 5,824,122**	**$ 8,353,440**	**$ 8,804,177**	**$ 8,697,259**	**$ 10,381,034**	**$ 9,417,962**	
Capital expenses	2,246,244	890,292	(122,483)	28,398,047	4,185,191	51,667,279	[15]
Capital expenses - contra	-	-	(200,626)	-	(48,511)	-	
Capital expenses, net	**2,246,244**	**890,292**	**(323,109)**	**28,398,047**	**4,136,680**	**51,667,279**	
Change in net assets	**$ 3,577,879**	**$ 7,463,148**	**$ 9,127,286**	**$ (19,700,788)**	**$ 6,244,354**	**$ (42,249,317)**	

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

WASTEWATER

COMMENTS

[1] Wastewater revenue includes the following estimated sewer service fees, scheduled to go into effect on July 1, 2026, in accordance with Ordinance No. TWSD-250:

Description	Total ERUs	Monthly Rate per ERU	Annual Fees
Apartments	1,216.750	$126.23	$1,843,084.23
Single Family	8,246.928	$126.23	$12,492,116.66
Multi-Family	2,425.377	$126.23	$3,673,864.06
Commercial	620.220	$126.23	$939,484.45
Recreation	40.000	$126.23	$60,590.40
Recreation Public Agency	18.000	$126.23	$27,265.68
Public Agency	1.000	$63.12	$757.44
School	258.000	$126.23	$390,808.08
Fire Service	2.000	$126.23	$3,029.52
Utility	2.000	$126.23	$3,029.52
Shopping Center	102.000	$224.16	$274,371.84
Restaurant	167.000	$290.38	$581,921.52
Markets	38.000	$290.38	$132,413.28
Water Flow - Low	233.340	$117.97	$330,325.44
Water Flow - High	8.660	$271.38	$28,201.81
FY2025 Total	**13,379.275**		**$20,781,263.93**

[2] Penalty and Other Revenue includes the following estimates: $100K from permit applications, audit inspections, and plan checks; $85K from connection fees, including Bell Canyon; and $50K from penalties and late fees.

[3] Salary & Employee Benefits represent the TWSD labor necessary to perform the District 's Wastewater functions, within both Administration and Operations. For a detailed breakdown, see Page 45.

[4] Wastewater Treatment includes TWSD's share of the JPA's operating expenses. For a detailed breakdown, see Page 61.

[5] Non-meter supplies ($18K), fuel ($17K), uniforms ($4.2K), water quality analysis ($3K), and safety boots ($1.2K)

[6] Professional Services include paving-related utility cover rehabilitation ($320K), as-needed engineering and inspection consultants ($75K), CCTV ($50K), and odor control ($13K).

[7] Property Insurance

[8] Days of service for TWSD Board members to attend CASA events and lobbying efforts in Washington DC. Additionally, these expenses include registration, lodging, transportation, and per diem, associated with conference and seminar attendance.

[9] CASA ($18K) and other miscellaneous membership dues

[10] Conference and Seminars include training sessions for Operations staff.

[11] Tax Collector Fees to collect sewer service fees through tax rolls ($57.1K), equipment repairs and maintenance ($44K), and rental equipment ($2.5K)

[12] Utilities are comprised of electricity, trash, telephone and communications services, and water (County of Ventura).

[13] Amalgamated System Sewerage System Charges from the City of Los Angeles for use of the Tillman treatment plant ($193.2K), Los Angeles County Public Works for sewage disposal ($49.8K), State Water Resources Control Board ($5K), and APCD ($4.5K)

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

WASTEWATER

COMMENTS

[14] Overhead cost allocation is the Wastewater Division's share of TWSD's own administrative overhead.

[15]

Summary of FY 2027 Capital Projects	
Description	**Wastewater**
Triunfo Water & Sanitation District	
Deerhill Operations Center Upgrades	$273,600
Stationary Generators	$100,000
Wastewater Conveyance/Collection System Pipeline Rehabilitation	$2,100,000
Triunfo Water & Sanitation District Subtotal	***$2,473,600***
Triunfo Water & Sanitation District's Share of Joint Powers Authority	
Bar Screen Design for Replacement	$41,643
Discharge Point Rehabilitation	$188,748
Fire Hardening - JPA Facilities	$41,643
Forklift (Rancho)	$35,280
Forklift (Tapia)	$35,280
IT Capital Purchases (JPA)	$16,657
Multi Site Security Assessment and Improvement	$124,929
Pure Water Project	$47,373,396
Rancho Centrate Blower Replacement	$151,997
Rancho Las Virgenes New Flare	$243,138
Rancho Reliability Improvements	$83,286
SCADA System Communication Upgrades	$92,316
Tapia Air Line Repair	$97,020
Tapia Generator Replacement	$44,100
Tapia Primary Wet Well Mixing Pipe Replacement	$187,394
Tapia Process Pipe/Tank Painting	$58,800
Tapia Sulzer Blower Check Valve Replacement	$70,854
Tapia Water Reclamation Facility Improvements	$38,808
Trunk Sewer System Improvements	$184,479
Water Quality Laboratory Biological Safety Cabinet	$10,411
Water Quality Laboratory Instrumentation	$73,500
Triunfo Water & Sanitation District's Share of Joint Powers Authority Subtotal	***$49,193,679***
FY 2027 Capital Appropriations Total	**$51,667,279**

For descriptions of Triunfo Water & Sanitation District capital projects, see Pages 31-40. Joint Powers Authority related capital improvement projects are identified in the attached *Las Virgenes - Triunfo JPA FY 2026-27 & 2027-28 Proposed Capital Improvement Program* (Page 63).

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TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

POTABLE WATER

Description	Actual FY 2023 Yearend	Actual FY 2024 Yearend	Actual FY 2025 Yearend	Adjusted FY 2026 Budget	Estimated FY 2026 Yearend	Adopted FY 2027 Budget	
Operating revenues:							
Fees, sales	$ 5,060,089	$ 6,289,654	$ 7,817,369	$ 6,865,806	$ 7,345,261	$ 7,643,400	[1]
Service charges	2,314,811	2,416,849	2,506,616	2,742,391	2,730,998	2,789,961	[2]
Rental revenue - Cell Towers	200,309	200,309	217,957	227,678	228,365	234,615	[3]
Penalty revenue	112,406	102,147	98,092	105,000	127,817	120,000	[4]
Other revenue	5,139	9,015	11,525	9,000	16,158	(10,000)	[4]
Total operating revenues	**7,692,755**	**9,017,973**	**10,651,560**	**9,949,875**	**10,448,600**	**10,777,976**	
Operating expenses:							
Salary & Employee Benefits	531,260	503,891	803,256	924,211	683,041	1,129,140	[5]
Potable water purchase	2,770,670	3,363,343	4,013,819	3,901,000	4,149,801	4,373,302	[6]
VRSD contract services - Operations	139,430	140,198	-	-	-	-	
VRSD contract services -Administration	-	-	-	-	-	-	
Operating materials and supplies	52,112	8,274	10,079	9,900	10,757	118,020	[7]
Professional services	172,531	236,217	223,363	224,841	168,504	370,100	[8]
Insurance	53,396	221,985	302,512	327,250	313,442	358,107	[9]
Board member fees and reimbursable expenses	18,417	7,369	5,275	18,081	8,551	19,822	[10]
Membership and dues	25,247	28,698	29,482	30,855	36,233	32,720	[11]
Conference and seminars (Staff)	-	5,190	1,149	1,300	2,411	13,500	[12]
Management and administrative	122,288	82,801	117,892	256,300	89,801	139,100	[13]
Utilities	109,275	135,983	115,359	139,200	118,169	135,530	[14]
Bank service charges	63,965	-	-	-	-	-	
Permits, licenses and fees	58,272	124,601	128,889	107,500	123,359	43,600	[15]
Total operating expenses	**4,116,863**	**4,858,550**	**5,751,074**	**5,940,438**	**5,704,067**	**6,732,941**	
Operating income(loss) before depreciation	**3,575,892**	**4,159,424**	**4,900,485**	**4,009,437**	**4,744,532**	**4,045,034**	
Depreciation and amortization	706,102	774,556	799,060	686,135	842,873	779,125	
Operating income(loss)	**2,869,791**	**3,384,868**	**4,101,425**	**3,323,302**	**3,901,659**	**3,265,910**	
Non-operating revenues(expenses):							
Interest and investment earnings	296,701	596,409	813,924	576,430	818,099	588,700	
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	-	
Debt service interest expense	(101,130)	(100,641)	(86,412)	(69,608)	(72,396)	(56,895)	[16]
O&M contributions to joint venture	-	-	-	-	-	-	
Overhead cost allocation	(860,641)	(1,010,294)	(796,367)	(1,083,292)	(1,083,292)	(1,088,757)	[17]
Other, net	-	(3,349)	(14,829)	(16,000)	(12,043)	-	
Total non-operating revenues(expenses)	**(665,070)**	**(517,875)**	**(83,683)**	**(592,470)**	**(349,632)**	**(556,952)**	
Change in net assets before capital expenses	**$ 2,204,721**	**$ 2,866,993**	**$ 4,017,742**	**$ 2,730,831**	**$ 3,552,028**	**$ 2,708,958**	
Capital expenses	-	20,491	295,597	2,153,591	262,841	2,016,360	[18]
Capital expenses - contra	-	-	(295,597)	-	(234,903)	-	
Capital expenses, net	**-**	**20,491**	**-**	**2,153,591**	**27,937**	**2,016,360**	
Change in net assets	**$ 2,204,721**	**$ 2,846,502**	**$ 4,017,742**	**$ 577,240**	**$ 3,524,090**	**$ 692,598**	

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

POTABLE WATER

COMMENTS

[1] Estimated potable water sales for FY2027 include increases scheduled to go into effect on July 1, 2026, in accordance with Ordinance No. TWSD-350, and pass through increases set to go into effect on January 1, 2027, in accordance with potable water purchase rate increases from Calleguas Municipal Water District:

FY2027 Adopted Budget

July to December				
Tier	Acre Feet	HCF	$/HCF	Extension
Tier 1	371.69	161,906	$9.68	$ 1,567,255
Tier 2	587.20	255,786	$10.70	$ 2,736,912
Total	958.89	417,693		$ 4,304,167

January to June				
Tier	Acre Feet	HCF	$/HCF	Extension
Tier 1	360.59	157,074	$9.82	$ 1,542,463
Tier 2	380.52	165,754	$10.84	$ 1,796,771
Total	741.11	322,827		$ 3,339,233

FY2026 Adopted Budget

July to December				
Tier	Acre Feet	HCF	$/HCF	Extension
Tier 1	346.32	150,859	$9.12	$ 1,375,831
Tier 2	589.03	256,583	$10.12	$ 2,596,621
Total	935.36	407,442		$ 3,972,452

January to June				
Tier	Acre Feet	HCF	$/HCF	Extension
Tier 1	329.87	143,693	$9.49	$ 1,363,643
Tier 2	334.77	145,826	$10.49	$ 1,529,711
Total	664.64	289,518		$ 2,893,353

[2] Potable water meter service charges are summarized in the following table:

	Adopted FY2027 Budget			Adopted FY2026 Budget		
Meter Size	*Monthly Charge*	*Number of Meters*	*Extension*	*Monthly Charge*	*Number of Meters*	*Extension*
3/4"	$ 42.66	4323	$ 2,213,030.16	$ 41.82	4316	$ 2,165,941.44
1"	$ 66.72	67	$ 53,642.88	$ 65.41	68	$ 53,374.56
1.5"	$ 126.89	18	$ 27,408.24	$ 124.40	18	$ 26,870.40
2"	$ 199.08	187	$ 446,735.52	$ 195.17	187	$ 437,961.48
3"	$ 427.69	6	$ 30,793.68	$ 419.30	8	$ 40,252.80
4"	$ 764.59	2	$ 18,350.16	$ 749.59	2	$ 17,990.16
		4603	$ 2,789,960.64		4599	$ 2,742,390.84

[3] Revenue from cellular tower leases

[4] Penalty and Other Revenue includes the following estimates: $140K from late fees, door hanger fees, and shut off fees; $10K from NSF fees; and -$10K from low income reductions.

[5] Salary & Employee Benefits represent the TWSD labor necessary to perform the District 's Potable Water functions, within both Administration and Operations. For a detailed breakdown, see Page 45.

[6] Estimated water purchase from Calleguas Municipal Water District:

	Adopted FY 2027 Budget				Adopted FY 2026 Budget			
Item	Quantity **		Cost	Extension	Quantity **		Cost	Extension
Water purchased (July-Dec)	978.07	acre feet	$ 2,058	$ 2,012,868	954.06	acre feet	$ 1,895	$ 1,807,944
Water purchased (Jan-June)	755.93	acre feet	$ 2,118	$ 1,601,060	677.94	acre feet	$ 2,058	$ 1,395,201
Pumping charges	12	months	$ 26,000	$ 312,000	12	months	$ 26,000	$ 312,000
Capacity Reservation Charge (July-Dec)	978.07	acre feet	$ 100.00	$ 97,807	954.06	acre feet	$ 109.00	$ 103,993
Capacity Reservation Charge (Jan-June)	755.93	acre feet	$ 119.00	$ 89,956	677.94	acre feet	$ 100.00	$ 67,794
Ready to Serve Charge (July-Dec)	978.07	acre feet	$ 131.00	$ 128,127	954.06	acre feet	$ 125.00	$ 119,258
Ready to Serve Charge (Jan-June)	755.93	acre feet	$ 166.00	$ 125,484	677.94	acre feet	$ 131.00	$ 88,810
Flow penalties	12	months	$ 500	$ 6,000	12	months	$ 500	$ 6,000
Total				$ 4,373,302				$ 3,900,997

** Quantities are Calculated at 2% More than Quantities Sold

[7] Paymentus credit/debit card fees ($70K), water quality analysis ($18K), non-meter supplies ($18K), fuel ($9K), and uniforms and safety boots ($3K)

Conversion Chart - Water Equivalents
1 unit = 100 cubic feet [CF] = 1 HCF = 748.05 gallons
1 acre feet [AF] = 435.60 units = 325,851 gallons

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

POTABLE WATER

COMMENTS

[8] FY2027 Professional Services are primarily comprised of $150K for emergency repairs, $90K for Aqua-Metric, $75K for paving-related utility cover rehabilitation, and $25K for an as-needed engineering consultant.

[9] Property Insurance

[10] Days of service, registration, lodging, transportation, and per diem, associated with ACWA Conference attendance by TWSD Board Members.

[11] ACWA, AWA, and other miscellaneous membership dues

[12] Conference and Seminars include training sessions for Operations staff.

[13] $77.5K for bill printing and postage, $53.1K for equipment repairs and maintenance, $5K for public notices, $2K for rental equipment, and $1.5K for water conservation rebates.

[14] Utilities are comprised of electricity, trash, and telephone and communications services.

[15] $37K for the State Water Resources Control Board, $5K to the County of Ventura for temporary construction, and $1.6K for the Air Pollution Control District

[16] For a detailed breakdown of debt service, see Page 41.

[17] Overhead cost allocation is the Potable Water Division's share of TWSD's own administrative overhead.

[18]

Summary of FY 2027 Capital Projects	
Description	**Potable Water**
Deerhill Operations Center Upgrades	$141,360
iPERL Meter Replacements	$34,000
Portable/Mobile Generators	$75,000
Potable Water Pipeline Rehabilitation	$1,516,000
Potable Water Reservoir Recoating (Design and Construction)	$200,000
Pump Station Upgrades & Replacements	$25,000
Pure Water Project - Intertie Pumping System	$25,000
FY 2027 Capital Appropriations Total	**$2,016,360**

For descriptions of capital projects, see Pages 31-40.

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TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

RECYCLED WATER

Description	Actual FY 2023 Yearend	Actual FY 2024 Yearend	Actual FY 2025 Yearend	Adjusted FY 2026 Budget	Estimated FY 2026 Yearend	Adopted FY 2027 Budget	
Operating revenues:							
Fees, sales	$ 2,269,662	$ 1,889,286	$ 2,449,788	$ 2,628,226	$ 2,275,293	$ 2,507,012	[1]
Service charges	265,757	271,081	276,507	317,362	315,852	321,025	[2]
Rental revenue - Cell Towers	-	-	-	-	-	-	
Penalty revenue	12,432	1,158	11,223	11,000	(115)	-	
Other revenue	-	25	-	-	(15,605)	-	
Total operating revenues	**2,547,851**	**2,161,550**	**2,737,518**	**2,956,588**	**2,575,425**	**2,828,037**	
Operating expenses:							
Salary & Employee Benefits	124,096	113,250	113,440	117,776	113,391	146,556	[3]
Recycled water purchase	686,911	525,550	803,277	935,777	783,035	643,004	[4]
VRSD contract services - Operations	10,868	-	-	-	-	-	
VRSD contract services -Administration	-	-	-	-	-	-	
Operating materials and supplies	7,352	2,507	2,926	2,650	3,123	17,880	[5]
Professional services	7,864	26,185	11,813	18,395	27,280	12,170	[6]
Insurance	30,685	46,605	63,021	68,000	65,877	74,412	[7]
Board member fees and reimbursable expenses	496	2,075	2,066	-	10,424	-	
Membership and dues	1,313	1,528	1,692	1,700	1,975	1,900	[8]
Conference and seminars (Staff)	-	540	348	-	541	500	[9]
Management and administrative	10,934	8,613	11,093	17,900	5,571	25,000	[10]
Utilities	51,871	69,009	60,915	57,200	48,595	82,190	[11]
Bank service charges	-	-	-	-	-	-	
Permits, licenses and fees	272	49	592	-	1,275	-	
Total operating expenses	**932,661**	**795,912**	**1,071,183**	**1,219,399**	**1,061,088**	**1,003,612**	
Operating income(loss) before depreciation	**1,615,189**	**1,365,638**	**1,666,335**	**1,737,190**	**1,514,337**	**1,824,425**	
Depreciation and amortization	398,804	410,261	429,832	411,890	419,075	421,676	
Operating income(loss)	**1,216,385**	**955,378**	**1,236,503**	**1,325,300**	**1,095,262**	**1,402,749**	
Non-operating revenues(expenses):							
Interest and investment earnings	111,214	173,255	253,509	197,633	230,801	182,000	
Gain(loss) on sales and/or disposals of assets	-	-	-	-	-	-	
Debt service interest expense	(237,486)	(224,133)	(200,024)	(184,784)	(135,719)	(160,722)	[12]
O&M contributions to joint venture	-	-	-	-	-	-	
Overhead cost allocation	(360,914)	(295,773)	(248,353)	(322,417)	(322,417)	(285,679)	[13]
Other, net	-	118	2,852	-	1,880	-	
Total non-operating revenues(expenses)	**(487,185)**	**(346,533)**	**(192,017)**	**(309,568)**	**(225,455)**	**(264,401)**	
Change in net assets before capital expenses	**$ 729,200**	**$ 608,845**	**$ 1,044,486**	**$ 1,015,732**	**$ 869,807**	**$ 1,138,348**	
Capital expenses	-	332,454	18,059	830,921	127,318	578,467	[14]
Capital expenses - contra	-	-	(18,059)	-	(126,581)	-	
Capital expenses, net	**-**	**332,454**	**-**	**830,921**	**737**	**578,467**	
Change in net assets	**$ 729,200**	**$ 276,391**	**$ 1,044,486**	**$ 184,811**	**$ 869,071**	**$ 559,881**	

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

RECYCLED WATER

COMMENTS

[1] Estimated recycled water sales for FY2027 include increases scheduled to go into effect on July 1, 2026, in accordance with Ordinance No. TSD-450, and increases set to go into effect on January 1, 2027, in accordance with percentage increase to the Calleguas Municipal Water District's wholesale supply rate for potable water:

Estimated TWSD Wholesale Sales in Acre Feet [AF]								
	Adopted FY 2027 Budget				Adopted FY 2026 Budget			
Wholesale	*AF*	*HCF*	*$/AF*	*Extension*	*AF*	*HCF*	*$/AF*	*Extension*
Jul-Dec	216.943	94,500	$1,646.40	$357,174	291.323	126,900	$1,516.00	$441,646
Jan-Jun	143.207	62,381	$1,694.40	$242,650	95.469	41,586	$1,646.40	$157,180
Total	360.15	156,881		$599,824	386.79	168,487		$598,826

Estimated TWSD Retail Sales [HCF] to Oak Park and Lake Sherwood								
	Adopted FY 2027 Budget				Adopted FY 2026 Budget			
Retail	*AF*	*HCF*	*$/HCF*	*Extension*	*AF*	*HCF*	*$/HCF*	*Extension*
Jul-Dec	328.11	142,925	$8.02	$1,146,259	418.59	182,338	$7.09	$1,292,778
Jan-Jun	211.74	92,234	$8.25	$760,928	219.62	95,665	$7.70	$736,622
Total	539.85	235,159		$1,907,188	638.21	278,003		$2,029,400

[2] Recycled Water Meter Service Charges:

	Adopted FY2027 Budget			Adopted FY2026 Budget		
Meter Size	*Monthly Charge*	*Number of Meters*	*Extension*	*Monthly Charge*	*Number of Meters*	*Extension*
2"	$ 180.12	98	$ 211,821.12	$ 172.36	99	$ 204,763.68
3"	$ 392.30	2	$ 9,415.20	$ 375.41	2	$ 9,009.84
4"	$ 704.98	3	$ 25,379.28	$ 674.63	4	$ 32,382.24
6"	$ 1,509.04	1	$ 18,108.48	$ 1,444.08	1	$ 17,328.96
10"	$ 4,691.77	1	$ 56,301.24	$ 4,489.80	1	$ 53,877.60
		105	$ 321,025.32		107	$ 317,362.32

[3] Salary & Employee Benefits represent the TWSD labor necessary to perform the District 's Recycled Water functions, within both Administration and Operations. For a detailed breakdown, see Page 45.

[4] Recycled Water Purchase:

Estimated Acre Feet (AF) Purchase from JPA						
	Adopted FY 2027 Budget			Adopted FY 2026 Budget		
	AF	*$/AF*	*Extension*	*AF*	*$/AF*	*Extension*
Jul-Dec	561.41	$693.64	$389,413.00	616.55	$873.47	$538,535.30
Jan-Jun	365.59	$693.64	$253,591.28	454.79	$873.47	$397,241.90
Total (AF)	927.00		$643,004.28	1,071.33		$935,777.20

[5] Non-meter supplies ($14K), fuel ($3K), and uniforms and safety boots ($0.9K)

[6] FY2027 Professional Services are primarily comprised of $5K for paving-related utility cover rehabilitation, $3K for weed abatement, and $2.8K for various IT maintenance and software fees.

[7] Property Insurance.

[8] Memberships and Dues includes WateReuse.

[9] Classes/Workshops for Operations staff

[10] $13K for equipment repairs and maintenance, $11.5K for printing and postage, and $0.5K for rental equipment

[11] Utilities are comprised of electricity and telephone and communications services.

Conversion Chart - Water Equivalents
1 unit = 100 cubic feet [CF] = 1 HCF = 748.05 gallons
1 acre feet [AF] = 435.60 units = 325,851 gallons

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

RECYCLED WATER

COMMENTS

[12] For a detailed breakdown of debt service, see Page 41.

[13] Overhead cost allocation is the Recycled Water Division's share of TWSD's own administrative overhead.

[14]

Summary of FY 2027 Capital Projects	
Description	**Recycled Water**
Triunfo Water & Sanitation District	
Deerhill Operations Center Upgrades	$41,040
Recycled Water Reservoir Security Improvements (Savoy)	$136,896
Recycled Water Storage & Distribution System	$100,000
Triunfo Water & Sanitation District Subtotal	***$277,936***
Triunfo Water & Sanitation District's Share of Joint Powers Authority	
Reclaimed Valve Box Raising and Repairs	$14,700
RW Pipeline Replacement	$208,215
Upgrade Wireless Communications Backhaul System	$77,616
Triunfo Water & Sanitation District's Share of Joint Powers Authority Subtotal	***$300,531***
FY 2027 Capital Appropriations Total	**$578,467**

For descriptions of Triunfo Water & Sanitation District capital projects, see Pages 31-40. Joint Powers Authority related capital improvement projects are identified in the attached *Las Virgenes - Triunfo JPA FY 2026-27 & 2027-28 Proposed Capital Improvement Program* (Page 63).

TRIUNFO WATER & SANITATION DISTRICT

FISCAL YEAR 2027 BUDGET SUMMARY

RESERVE ANALYSIS

Description	Actual FY 2024 Yearend	Actual FY 2025 Budget	Adjusted FY 2026 Budget	Estimated FY 2026 Yearend	Adopted FY 2027 Budget	
WASTEWATER DIVISION						
Restricted reserves:						
Customer Deposits Fund	692,550	707,050	707,050	707,050	639,200	[1]
Total restricted reserves	692,550	707,050	707,050	707,050	639,200	
Designated reserves:						
Capital Improvement and Capital Replacement Reserves Fund	9,949,009	12,552,947	13,315,988	15,097,071	13,476,097	[1] [2]
PWP Pay-Go	-	-	6,000,000	6,000,000	10,000,000	[2]
Operating Fund	4,460,591	3,728,472	3,044,569	2,741,807	3,332,246	[3]
Rate Stabilization	5,680,195	7,450,955	6,460,557	6,513,234	6,927,088	[3]
Total assigned reserves	20,089,795	23,732,373	28,821,114	30,352,112	33,735,431	
Total reserve level balance	$ 20,782,345	$ 24,439,423	$ 29,528,164	$ 31,059,162	$ 34,374,631	
POTABLE WATER DIVISION						
Restricted reserves:						
Debt Service Reserve Funds	-	-	-	-	-	
Customer Deposits Fund	52,315	61,904	61,904	61,904	61,525	[1]
Total restricted reserves	52,315	61,904	61,904	61,904	61,525	
Designated reserves:						
Capital Improvement and Capital Replacement Reserves Fund	6,494,934	8,950,496	14,577,780	15,177,031	15,545,182	[1] [5]
Operating Fund	2,425,807	2,744,576	2,970,219	2,852,034	3,366,471	[4]
Debt Service Reserve Fund	743,768	740,249	740,805	740,805	740,250	[1]
Rate Stabilization	4,558,860	4,997,284	4,804,098	5,038,130	5,216,680	[4]
Total assigned reserves	14,223,369	17,432,605	23,092,902	23,808,000	24,868,583	
Total reserve level balance	$ 14,275,684	$ 17,494,509	$ 23,154,806	$ 23,869,904	$ 24,930,108	
RECYCLED WATER DIVISION						
Designated reserves:						
Capital Improvement and Capital Replacement Reserves Fund	2,482,517	2,688,500	2,324,727	3,271,794	3,565,960	[1] [5]
Operating Fund	397,123	466,331	609,700	530,544	501,806	[4]
Debt Service Reserve Fund	991,122	996,142	995,349	995,349	991,499	[1]
Rate Stabilization	1,081,352	1,273,926	1,314,113	1,137,647	1,253,506	[4]
Total assigned reserves	4,952,114	5,424,899	5,243,889	5,935,334	6,312,771	
Total reserve level balance	$ 4,952,114	$ 5,424,899	$ 5,243,889	$ 5,935,334	$ 6,312,771	
CONSOLIDATED						
Restricted reserves:						
Debt Service Reserve Funds	-	-	-	-	-	
Customer Deposits Fund	744,865	768,954	768,954	768,954	700,725	
Total restricted reserves	744,865	768,954	768,954	768,954	700,725	
Designated reserves:						
Capital Improvement and Capital Replacement Reserves Fund	18,926,460	24,191,943	30,218,495	33,545,896	32,587,239	
PWP Pay-Go	-	-	6,000,000	6,000,000	10,000,000	
Operating Fund	7,283,521	6,939,379	6,624,488	6,124,385	7,200,523	
Debt Service Reserve Fund	1,734,890	1,736,391	1,736,154	1,736,154	1,731,749	
Rate Stabilization	11,320,407	13,722,165	12,578,768	12,689,011	13,397,274	
Total assigned reserves	39,265,278	46,589,878	57,157,905	60,095,446	64,916,785	
Total reserve level balance	$ 40,010,143	$ 47,358,832	$ 57,926,859	$ 60,864,400	$ 65,617,510	

[1] Meets Recommended Reserve FY2027.
[2] Capital Improvement Funds include TWSD, JPA and PWP PayGo. (Pure Water Project grants and loans are not included.)
[3] ~ 3-5 Months in Reserves for FY2027, respectively; Recommended 3 to 6 Months
[4] ~6-8 Months in Reserves for FY2027; Recommended 3 to 6 Months
[5] Additional funds were designated for future CIPs.

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CAPITAL IMPROVEMENT PLAN

PAGES 29-41

TRIUNFO
WATER & SANITATION DISTRICT

TRIUNFO WATER & SANITATION DISTRICT

Capital Improvement Projects Summary
Fiscal Year 2026-2027

Summary of FY 2027 Capital Projects				
Description	**Administration**	**Wastewater**	**Potable Water**	**Recycled Water**
Triunfo Water & Sanitation District				
Deerhill Operations Center Upgrades		$273,600	$141,360	$41,040
iPERL Meter Replacements			$34,000	
Portable/Mobile Generators			$75,000	
Potable Water Pipeline Rehabilitation			$1,516,000	
Potable Water Reservoir Recoating (Design and Construction)			$200,000	
Pump Station Upgrades & Replacements			$25,000	
Pure Water Project - Intertie Pumping System			$25,000	
Recycled Water Reservoir Security Improvements (Savoy)				$136,896
Recycled Water Storage & Distribution System				$100,000
Stationary Generators		$100,000		
Wastewater Conveyance/Collection System Pipeline Rehabilitation		$2,100,000		
Triunfo Water & Sanitation District Subtotal	***$0***	***$2,473,600***	***$2,016,360***	***$277,936***
Triunfo Water & Sanitation District's Share of Joint Powers Authority				
Bar Screen Design for Replacement		$41,643		
Discharge Point Rehabilitation		$188,748		
Fire Hardening - JPA Facilities		$41,643		
Forklift (Rancho)		$35,280		
Forklift (Tapia)		$35,280		
IT Capital Purchases (JPA)		$16,657		
Multi Site Security Assessment and Improvement		$124,929		
Pure Water Project		$47,373,396		
Rancho Centrate Blower Replacement		$151,997		
Rancho Las Virgenes New Flare		$243,138		
Rancho Reliability Improvements		$83,286		
Reclaimed Valve Box Raising and Repairs				$14,700
RW Pipeline Replacement				$208,215
SCADA System Communication Upgrades		$92,316		
Tapia Air Line Repair		$97,020		
Tapia Generator Replacement		$44,100		
Tapia Primary Wet Well Mixing Pipe Replacement		$187,394		
Tapia Process Pipe/Tank Painting		$58,800		
Tapia Sulzer Blower Check Valve Replacement		$70,854		
Tapia Water Reclamation Facility Improvements		$38,808		
Trunk Sewer System Improvements		$184,479		
Upgrade Wireless Communications Backhaul System				$77,616
Water Quality Laboratory Biological Safety Cabinet		$10,411		
Water Quality Laboratory Instrumentation		$73,500		
Triunfo Water & Sanitation District's Share of Joint Powers Authority Subtotal	***$0***	***$49,193,679***	***$0***	***$300,531***
FY 2027 Capital Appropriations Total	**$0**	**$51,667,279**	**$2,016,360**	**$578,467**

Project 002: Deerhill Operations Center Upgrades

Project Description:

This project includes the land purchase, design, and construction, of the expanded operations center's facilities on Bishopswood Lane in Oak Park.

This work will be conducted in several phases, beginning with the purchase and tranfer of the land from the Rancho Simi Recreation and Park District to TWSD in FY 2027. Design will begin in FY 2027 and construction of the first phase is expected to begin in FY 2029.

Completion of construction is expected in FY 2030.

Project Status:

Purchase and transfer of the land to TWSD is expected to be completed by the end of CY 2026.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater	271,467	273,600	1,469,086						2,016,733
Potable Water	137,771	141,360	759,028						1,041,979
Recycled Water	40,720	41,040	220,363						302,510
	449,958	456,000	2,448,477						3,361,222

Project 003: New District Administration Office Complex

Project Description:

This project includes a long-term plan for the District's Administration office.

Future budgeting plans are as follows:

- FY2031: $2,448,477
- FY2032: $2,448,477
- FY2033: $3,672,714

Project Status:

This project is expected to begin during FY2031.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration						2,448,477	2,448,477	3,672,714	8,569,668
Wastewater									
Potable Water									
Recycled Water									
						2,448,477	2,448,477	3,672,714	8,569,668

Project 004: Financial and Customer Billing Software

Project Description:

This project is for the replacement of the District's current financial and customer billing software.

Project Status:

This project has not started.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	FY2024-2044
Administration	200,000								200,000
Wastewater									
Potable Water									
Recycled Water									
	200,000								200,000

Project 009: Miscellaneous Administration Projects

Project Description:

Future budgeting plans are as follows for FY2029 - FY2044:

- FY2028 - FY2032: $20,000 per Year
- FY2033 - FY2037: $25,000 per Year
- FY2038 - FY2042: $30,000 per Year
- FY2043 - FY2044: $35,000 per Year

Funding of this project will be paused if the available funds reach $150,000.

Project Status:

This is an ongoing project, with no work planned in FY2027.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	FY2024-2044
Administration			20,000	20,000	20,000	20,000	20,000	345,000	445,000
Wastewater									
Potable Water									
Recycled Water									
			20,000	20,000	20,000	20,000	20,000	345,000	445,000

Project 010: Fleet Purchases

Project Description:

This project includes purchases of vehicles for both Operations and Administration.

During FY2024, a 2023 Chevrolet Traverse was purchased for $39,253.
During FY2024, a 2023 Chevrolet Silverado 2500 was purchased for $66,559.
During FY2024, a 2024 International HV607 Vactor was purchased for $646,984.
During FY2026, a 2026 Chevrolet Silverado 2500 was purchased for $67,376.

The next vehicle purchase is anticipated to take place during FY2028.

Project Status:

This is an ongoing project to maintain a correctly sized and appropriately equipped fleet.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									39,253
Wastewater			40,800		42,600		45,000	37,200	890,948
Potable Water			21,080		22,010		23,250	19,220	128,411
Recycled Water			6,120		6,390		6,750	5,580	37,560
			68,000		71,000		75,000	62,000	1,096,172

Project 011: iPERL Meter Replacements

Project Description:

This project includes replacement of the 3/4-inch and 1-inch potable water meters. Per Sensus, the meters have a 20-year life. They were originally installed in 2015, but some began reaching the end of their battery life in 2025. Rather than waiting to replace all meters in 2025, this project anticipates a need to replace 10% of all meters each year from 2025-2035.

Project Status:

Replacement of the meters began during FY 2025 and will continue as meters need to be replaced.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water	12,833	34,000	34,000	34,000	34,000	34,000	34,000	102,000	340,000
Recycled Water									
	12,833	34,000	34,000	34,000	34,000	34,000	34,000	102,000	340,000

Project 012: OMNI Meter Replacement

Project Description:

This project included replacement of all 1-inch and larger OMNI potable water meters. These meters were installed in 2015 and had a 10-year lifetime. All meters have been replaced. The next replacement will occur in 2035.

Orders for meters budgeted during FY2026 began at the end of FY2025.

Project Status:

The first round of meter replacement was completed during FY2026. These meters will not need replacing again until 2035.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water								325,000	525,654
Recycled Water								167,000	235,482
								492,000	761,136

Project 014: Stationary Generators

Project Description:

This project includes funding to replace the stationary generator at Polo Lift Station.

Project Status:

The purchase of this generator is planned for FY 2027

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater		100,000						175,000	275,000
Potable Water									
Recycled Water									
		100,000						175,000	275,000

Project 015: Portable/Mobile Generators

Project Description:

This project is for the procurement and storage of the right-sized portable generators needed for the District's potable water pumping facilties. This may include wastewater facilities in the future, for the lift stations.

Project Status:

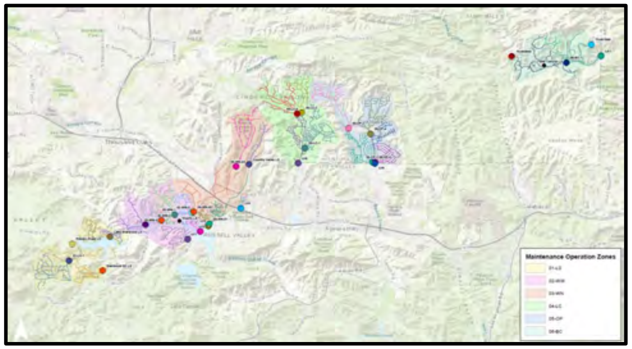
This is an ongoing project. The specifications for the first generator have been assembled and vendors are being identified.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water		75,000							75,000
Recycled Water									
		75,000							75,000

Project 016: Wastewater Hydraulic Model

Project Description:

This is for the development of a system-wide wastewater hydraulic model In order to better assess the impacts of proposed new connections and current flow conditions of the District's system. The model will enhance the District's ability to ensure that the existing system has capacity to serve new customers and identify any specific deficiencies that may require future improvements or rehabilitation. $350,000 was originally budgeted for this project during FY2025.



Project Status:

The hydraulic model is currently in final testing and calibration is expected to be completed in CY2026.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater	64,180								310,000
Potable Water									
Recycled Water									
	64,180								310,000

Project 019: Wastewater Conveyance/Collection System Pipeline Rehabilitation

Project Description:

This project includes wastewater pipeline replacement and repair for deficiencies identified during field investigations. Based upon age related life spans, Bell Canyon, Tracts 1921-1 & 1972-1 are primary areas of future work.

Future budgeting plans are as follows for FY2031 - FY2044:

- FY2031 - FY2035: $1,168,000 per Year
- FY2036 - FY2040: $867,000 per Year

Project Status:

This is an ongoing project.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater	2,216,376	2,100,000				1,168,000	1,168,000	7,839,000	14,578,646
Potable Water									
Recycled Water									
	2,216,376	2,100,000				1,168,000	1,168,000	7,839,000	14,578,646

Project 020: Design & Construction of Improvements for Bell Canyon Lift System

Project Description:

The TWSD Capital Improvement Plan contemplated rehabilitating or reconstructing the Bell Canyon Lift Station.

Project Status:

Operations staff continues to perform preventative maintenance on this lift station to extend its useful life. During FY 2026, the cover for the wet well was replaced as part of ongoing maintenance of the station.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater					387,563	710,532	193,781		1,291,876
Potable Water									
Recycled Water									
								0	1,291,876

Project 021: Pure Water Project - Intertie Pumping Sytem

Project Description:

This project is a placeholder for additional infrastructure necessary to move water produced by the Pure Water Project into TWSD's service area. Preliminary hydraulic analysis performed in FY2025 determined significant additional pipelines, including a freeway crossing, would be necessary to move the volume of water directly from Las Virgenes's system into TWSD's system. TWSD is coordinating with Las Virgenes and Calleguas to consider other alternatives to constructing new conveyance infrastructure.

PURE WATER PROJECT
LAS VIRGENES-TRIUNFO
Bringing Our Water Full Circle

Project Status:

Preliminary hydraulic analysis completed.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water		25,000							25,000
Recycled Water									
		25,000							25,000

Project 022: Potable Water Pipeline Rehabilitation

Project Description:

This project includes ongoing potable water pipeline replacement and repair for deficiencies identified during field investigations. Based upon age related life spans, several Tracts are included in the primary future rehabilitation work and reflected in the CIP allocations.

Future budgeting plans are as follows for FY2027 - FY2044:

- FY2029 - FY2035: $1,516,000 per Year
- FY2036 - FY2044: $1,290,000 per Year

Project Status:

This is an ongoing project.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water	1,516,000	1,516,000	1,516,000	1,516,000	1,516,000	1,516,000	1,516,000	16,158,000	26,770,000
Recycled Water									
	1,516,000	1,516,000	1,516,000	1,516,000	1,516,000	1,516,000	1,516,000	16,158,000	26,770,000

Project 023: Pump Station Upgrades & Replacements

Project Description:

Funds for minor rehabiltation or improvements to potable water pump station facilities. $25,000 is budgeted for this project during FY2027, FY2029, FY2031, and FY2033.

Project Status:

This is an ongoing project.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water		25,000		25,000		25,000		25,000	**100,000**
Recycled Water									
		25,000		**25,000**		**25,000**		**25,000**	**100,000**

Project 024: Potable Water Reservoir Recoating

Project Description:

$200,000 per year is budgeted for this project during FY2026 through FY2033 for recoating the Kilburn and Savoy reservoirs.

Project Status:

This is an ongoing project

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	**1,600,000**
Recycled Water									
	200,000	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**1,600,000**

Project 026: Recycled Water Pipeline Rehabilitation

Project Description:

This project includes ongoing recycled water pipeline replacement and repair of lines specific to Lake Sherwood and Oak Park.

Future funding is scheduled at $884,000 per year for FY2030 through FY2037.

Project Status:

This is an ongoing project.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water									
Recycled Water					884,000	884,000	884,000	4,420,000	7,072,000
					884,000	884,000	884,000	4,420,000	7,072,000

Project 027: Recycled Water Storage & Distribution System

Project Description:

This project includes ongoing recycled water pipeline replacement and repair for deficiencies identified during field investigations for the remaining distribution system and Savoy storage facility. The District's lines traverse through a number of residentail and commercial areas. $100,000 is budgeted per year for FY2026 through FY2035.

Project Status:

This is an ongoing project.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water									
Recycled Water	52,301	100,000	100,000	100,000	100,000	100,000	100,000	300,000	1,000,000
	52,301	100,000	100,000	100,000	100,000	100,000	100,000	300,000	1,000,000

Project 029: Recycled Water Reservoir Security Improvements (Savoy)

Project Description:

Funding to improve security features at the Savoy recycled water resorvoir with lighting, cameras, and fencing.

Project Status:

The required enhancements have been identified and work on appropriate design and installation are in progress.

Department	Estimated Carry to FY 2027	FY2027 Budget	Estimated Future Budgets						Estimated Total FY2024-2044
			FY2028	FY2029	FY2030	FY2031	FY2032	FY2033-2044	
Administration									
Wastewater									
Potable Water									
Recycled Water	58,670	136,896							195,566
	58,670	136,896							195,566

TRIUNFO WATER & SANITATION DISTRICT

Debt Service

Fiscal Year 2026-2027

	Potable Water *Loan #2222906*	Potable Water (97.73%) *Loan #2222906*	Recycled Water (2.27%) *Loan #2222906*	Recycled Water *Loan #5670425917*	Recycled Water (Taxable) *Loan #5670426117*	Combined Loan Amount
Original Loan Amount	$4,925,000	$1,493,314	$34,686	$5,569,000	$3,249,000	$15,271,000
Interest Rate	1.96%	1.70%	1.70%	2.55%	3.95%	n/a
Due Dates	Nov and May	Nov and May	Nov and May	Aug and Feb	Aug and Feb	n/a
Lender	[1]	[1]	[1]	[2]	[2]	
Balance Due as of June 30, 2026	$2,563,000	$581,493	$13,508	$3,317,000	$2,059,000	$8,534,001
Principal Payment through June 30, 2027	492,000	$190,574	$4,427	518,000	313,000	$1,518,000
Interest Payment through June 30, 2027	$47,824	$9,071	$211	$82,281	$78,230	$217,617
Balance Due as of June 30, 2027	$2,071,000	$390,920	$9,082	$2,799,000	$1,746,000	$7,016,001

Notes:

[1] Lender: Bank of America

[2] Lender: Pacific Premier Bank

Additional Information

Loan #2222906	Description:	Construction of Conifer Tank
	Original Loan Amount:	$4,925,000.00
	Description:	Acquisition and installation of Advanced Metering Infrastructure
	Original Loan Amount:	$1,528,000.00
	Term:	November 2021- November 2030
	Total	$6,453,000.00
	Description:	Purchase of Recycled Water System from CMWD
Loan #5670425917	Original Loan Amount:	$5,569,000.00 (Tax Exempt)
Loan #5670426117	Original Loan Amount:	$3,249,000.00 (Taxable)
	Term:	February 2022 to February 2032
	Original Loan Amount:	$8,818,000.00

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SUPPLEMENTAL INFORMATION

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TRIUNFO
WATER & SANITATION DISTRICT

TRIUNFO WATER & SANITATION DISTRICT

Board Member Fees & Expenses

Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
ACWA (6 Days of Service)			$1,350		**$1,350**
CASA Attendance (24 Days of Service)		$5,400			**$5,400**
CSDA Attendance (6 Days of Service)	$1,350				**$1,350**
Days of Service for Committees and Training (10 Days of Service)	$2,250				**$2,250**
DC Lobbying (6 Days of Service)		$1,350			**$1,350**
Elected (Regular Monthly TWSD & JPA Board Meetings)	$27,000				**$27,000**
Water Re-Use Attendance (2 Days of Service)	$450				**$450**
Board Member Days of Service Total	**$31,050**	**$6,750**	**$1,350**		**$39,150**
ACWA Conference Registration: 3 Members x 2 Events @ $1,100/Event			$6,600		**$6,600**
ACWA Extra Event: 3 Members x 1 Event @ $200/Event			$600		**$600**
ACWA Lodging: 3 Members x 2 Events x 3 Nights @ $350/Night			$6,300		**$6,300**
ACWA Mileage: 3 Members x 2 Events			$2,500		**$2,500**
ACWA Per Diem: 3 Members x 2 Events x 4 Days @ $80/Day + 15% Gratuity + $5/Day			$2,328		**$2,328**
CASA Lodging: 3 Members x 3 Events x 3 Nights @ $450/Night		$12,150			**$12,150**
CASA Mileage: 3 Members x Events		$1,500			**$1,500**
CASA Per Diem: 3 Members x 3 Events x 4 Days @ $80/Day + 15% Gratuity + $5/Day		$3,492			**$3,492**
CASA Registration: 3 Members x 3 Events @ $925/Event		$8,325			**$8,325**
CSDA Conference Registration: 2 Members x 1 Event @ $890/Member	$1,780				**$1,780**
CSDA Lodging: 2 Members x 1 Event x 3 Nights @ $300/Night	$1,800				**$1,800**
CSDA Mileage: 2 Members x 1 Event	$1,200				**$1,200**
CSDA Per Diem: 2 Members x 1 Event x 4 Days @ $80/Day + 15% Gratuity + $5/Day	$776				**$776**
DC Lobbying Lodging: 3 Members & GM x 5 Nights @ $500/Night		$10,000			**$10,000**
DC Lobbying Per Diem: 3 Members & GM x 5 Days @ $80/Day + 15% Gratuity + $5/Day		$1,940			**$1,940**
DC Lobbying Transportation: 3 Members & GM		$4,800			**$4,800**
Conference and Seminar Expenses Total	**$5,556**	**$42,207**	**$18,328**		**$66,091**
Elected benefit cost/medicare/fica deferred - Board Meetings - TWSD & JPA	$2,100				**$2,100**
Elected benefit cost/medicare/fica deferred (ACWA)			$104		**$104**
Elected benefit cost/medicare/fica deferred (CASA)		$420			**$420**
Elected benefit cost/medicare/fica deferred (CSDA)		$104			**$104**
Elected benefit cost/medicare/fica deferred (DC)		$122			**$122**
Elected benefit cost/medicare/fica deferred (Trainings & Commitees)	$200				**$200**
Elected benefit cost/medicare/fica deferred (Water Re-Use)			$80		**$80**
FICA/Medicare Total	**$2,300**	**$646**	**$184**		**$3,130**
Misc. Board Member Expense	$700				**$700**
Misc Board Member Expenes Total	**$700**				**$700**
Grand Total	**$39,606**	**$49,603**	**$19,862**		**$109,071**

TRIUNFO WATER & SANITATION DISTRICT

Salaries & Employee Benefits Summary

Fiscal Year 2026-2027

Position	Wages	FICA/ Medicare	STD/ LTD	Life Insurance	Cafeteria Plan	401(a) Retirement Plan	EAP	Standby	Overtime	Annual Leave Buyout	Annual Leave Accrual	Longevity Pay	Total
Accountant	$129,523	$12,626	$895	$265	$26,400	$21,371	$40						$191,120
Accounting Technician	$376,899	$32,622	$3,581	$1,062	$105,600	$62,188	$160						$582,112
Administrative Program Manager	$193,497	$14,509	$895	$265	$26,400	$35,797	$40						$271,403
Clerk of the Board	$132,246	$10,568	$895	$265	$26,400	$21,821	$40						$192,235
Director of Finance	$266,474	$15,652	$895	$265	$26,400	$54,098	$40						$363,824
Engineering Program Manager	$233,890	$16,881	$895	$265	$26,400	$48,070	$40						$326,441
Environmental Resources Analyst	$135,999	$11,872	$895	$264	$26,400	$22,441	$40						$197,911
General Manager	$340,096	$20,619	$895	$265	$26,400	$67,718	$40						$456,033
Operations Manager	$230,191	$15,512	$895	$264	$26,400	$42,585	$40						$315,887
Public Information Officer	$137,770	$11,088	$895	$265	$26,400	$22,732	$40						$199,190
Sr. Electrical/Instrumentation Tech	$122,935	$9,739	$895	$264	$26,400	$20,284	$40						$180,557
WWW Operations Supervisor	$157,436	$14,128	$895	$264	$26,400	$25,976	$40						$225,139
WWW Worker	$499,301	$48,608	$4,411	$1,320	$132,000	$82,386	$200						$768,226
Operations Employees								$25,297	$12,393				$37,690
All Employees										$90,155	$50,000	$4,000	$144,155
Total	**$2,956,257**	**$234,424**	**$17,837**	**$5,293**	**$528,000**	**$527,467**	**$800**	**$25,297**	**$12,393**	**$90,155**	**$50,000**	**$4,000**	**$4,451,923**

TRIUNFO WATER & SANITATION DISTRICT

Wastewater Treatment and Potable and Recycled Water Purchases

Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
Capacity Reservation Charge (Jan-June)			$89,956		**$89,956**
Capacity Reservation Charge (July-Dec)			$97,807		**$97,807**
Flow penalties			$6,000		**$6,000**
Pumping Charges			$312,000		**$312,000**
Ready to Serve Charge (Jan-June)			$125,484		**$125,484**
Ready to Serve Charge (July-Dec)			$128,127		**$128,127**
Water Purchase (Jan-June)			$1,601,060		**$1,601,060**
Water Purchase (July-Dec)			$2,012,868		**$2,012,868**
Potable Water Purchases Total			**$4,373,302**		**$4,373,302**
Purchase from JPA (Jan-June)				$253,591	**$253,591**
Purchase from JPA (July-Dec)				$389,413	**$389,413**
Recycled Water Purchases Total				**$643,004**	**$643,004**
Wastewater Treatment by JPA		$8,153,508			**$8,153,508**
Wastewater Treatment Total		**$8,153,508**			**$8,153,508**
Grand Total		**$8,153,508**	**$4,373,302**	**$643,004**	**$13,169,814**

TRIUNFO WATER & SANITATION DISTRICT
Materials & Supplies
Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
Accurate First Aid Services	$800				**$800**
AEDs	$4,000				**$4,000**
Fuel	$500	$17,000	$9,000	$3,000	**$29,500**
Paymentus Credit/Debit Card Fees			$70,000		**$70,000**
Safety Boots (Boot Barn, Designer Shoes Warehouse)		$1,150	$920	$230	**$2,300**
Uniforms (Cintas)		$4,200	$2,100	$650	**$6,950**
US Bank Fees	$7,000				**$7,000**
Water Quality Analysis (Fruit Growers Lab)		$3,000	$18,000		**$21,000**
Supplies (Not Including Meters)		$18,000	$18,000	$14,000	**$50,000**
Grand Total	**$12,300**	**$43,350**	**$118,020**	**$17,880**	**$191,550**

TRIUNFO WATER & SANITATION DISTRICT
Professional Services
Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
TWSD Audit: RAMS	$40,000				**$40,000**
Accounting and Auditing Services Total	**$40,000**				**$40,000**
Baseline Legal (Does Not Include Capital Programs)	$50,000				**$50,000**
Liebert Cassidy Whitmore (Monthly Invoices)	$20,000				**$20,000**
Attorney Services Total	**$70,000**				**$70,000**
Aqua-Metric Annual Support/Fee			$90,000	$2,000	**$92,000**
Asset Management (ESRI & iWater/InfraMAP)		$3,500	$2,800	$700	**$7,000**
Central Square-GP Diamond Software Annual Fee	$9,500				**$9,500**
Enavate (GP Dynamics Plan)	$3,500				**$3,500**
Enavate (Greenshades PR & HR Subscription)	$15,000				**$15,000**
Firewall (Western NRG)		$2,000	$400	$120	**$2,520**
Fiserv, etc			$1,500		**$1,500**
FTI - Datto Siris Annual Subscription	$8,300				**$8,300**
FTI - Fortigate Annual Renewal	$3,000				**$3,000**
FTI - Info Tech Srvcs Including Labor & IT Minor Equip As-Needed	$20,000				**$20,000**
FTI - Microsoft 365 Business Premium	$9,000				**$9,000**
FTI - Netcare Priority	$43,000				**$43,000**
MS-GP Consultant-David Greenman	$20,000				**$20,000**
SCADA (Rockwell)		$2,500	$2,000		**$4,500**
Zoom, Thinking2, Cloudflare, Gravity Wiz, Scribe, Adobe, Fiserv, etc.	$4,800				**$4,800**
IT Maint/Non-GASB96 Total	**$136,100**	**$8,000**	**$96,700**	**$2,820**	**$243,620**
Fifth Asset Inc., dba Debt Book	$11,550				**$11,550**
Granicus	$8,000				**$8,000**
Subscription Based IT Agreement Total	**$19,550**				**$19,550**
Searle Creative (PIO Contract and Add'l Services)	$60,000				**$60,000**
Other (4All Promos, Amazon, Barnes & Noble, Pens.com)	$3,000				**$3,000**
Marketing and Advertising Total	**$63,000**				**$63,000**
DOT Physical			$400		**$400**
Fit Testing and Medical Evaluations Hearing Tests and DOT Physical		$600			**$600**
Medical/Background Investigation Services Total		**$600**	**$400**		**$1,000**
CCTV (Downstream)		$50,000			**$50,000**
CHP (Accident Reports)			$200		**$200**
Dig Alert (811 & USA)		$1,200	$800	$250	**$2,250**
Fire Extinguisher & Cert (Frontier Fire Protection)	$500				**$500**
Locksmith			$500		**$500**
Odor Control (Evoqua)		$13,000			**$13,000**
Security (Dial)		$2,700	$700	$100	**$3,500**
Weed Abatement (Atmore)			$7,000	$3,000	**$10,000**
Welding		$1,000	$1,000		**$2,000**
Operating Services Total	**$500**	**$67,900**	**$10,200**	**$3,350**	**$81,950**
As-Needed Engineering Consultant		$25,000	$25,000		**$50,000**
As-Needed Inspection Consultant		$25,000			**$25,000**
DKF Solutions for Training Link	$4,000	$1,400	$1,200	$500	**$7,100**
Emergency Repairs (Sam Hill)		$5,000	$150,000		**$155,000**
Paving-Related Utility Cover Rehabilitation		$320,000	$75,000	$5,000	**$400,000**
SCADA (Rockwell)				$500	**$500**
Videographer at TWSD/JPA Board Meetings	$14,400				**$14,400**
Water Loss Reporting (ME Simpson)			$2,300		**$2,300**
Water Quality Reporting (Gemini)			$9,300		**$9,300**
Yag Prajapati	$5,000				**$5,000**
Outside Contracted Services Total	**$23,400**	**$376,400**	**$262,800**	**$6,000**	**$668,600**
Grand Total	**$352,550**	**$452,900**	**$370,100**	**$12,170**	**$1,187,720**

TRIUNFO WATER & SANITATION DISTRICT

Insurance

Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
Alliant Motor Vehicle Program	$7,295				**$7,295**
Pooled Liability Insurance (CSRMA)	$231,675				**$231,675**
Property (Cal Mutual/JPRIMA/Assured Partners)		$32,555	$358,107	$74,412	**$465,074**
Workers' Compensation (CSRMA)	$92,000				**$92,000**
Grand Total	**$330,970**	**$32,555**	**$358,107**	**$74,412**	**$796,044**

TRIUNFO WATER & SANITATION DISTRICT

Memberships & Dues

Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
ACWA Membership			$27,420		**$27,420**
AWA Annual Membership			$4,500		**$4,500**
CASA Dues		$18,000			**$18,000**
CSDA Membership Dues & Fees	$11,500				**$11,500**
GFOA/CSMFO	$500				**$500**
Greater Conejo Chamber of Commerce	$350				**$350**
Liebert Cassidy Whitmore Consortium	$6,000				**$6,000**
VCSDA Dues	$500				**$500**
Water Re-use Dues				$1,800	**$1,800**
CA Assoc of Mutual Water Co., etc.				$100	**$100**
Miscellaneous Membership Dues	$1,500	$1,000	$800		**$3,300**
Grand Total	**$20,350**	**$19,000**	**$32,720**	**$1,900**	**$73,970**

TRIUNFO WATER & SANITATION DISTRICT
Staff Conferences and Seminars
Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
Classes/Workshops		$4,000	$3,500	$500	**$8,000**
HR Trainning	$2,500				**$2,500**
Risk Management Training	$1,200				**$1,200**
Training/Certifications - Conferences			$5,000		**$5,000**
Training/Certifications - Reimbursements			$5,000		**$5,000**
Training/Conferences	$2,500				**$2,500**
Grand Total	**$6,200**	**$4,000**	**$13,500**	**$500**	**$24,200**

TRIUNFO WATER & SANITATION DISTRICT

Management & Administrative

Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
370 N. Westlake (July-August)	$34,428				**$34,428**
370 N. Westlake (September-June)	$177,310				**$177,310**
370 N. Westlake (Common Area Expenses)	$17,000				**$17,000**
Building Lease Total	**$228,738**				**$228,738**
Cell Phones Upgrades	$1,000				**$1,000**
iPads	$2,000				**$2,000**
Computer Equipment <5000 Total	**$3,000**				**$3,000**
Printing/Usage/Maintenance (Copier Headquarters, Inc.)	$7,200				**$7,200**
Copy Machine Charges Total	**$7,200**				**$7,200**
Cla-Val Maintenance - Deerhill Relief (Astra)			$12,000	$2,000	**$14,000**
Generator Maintenance (Blackstone)		$250	$100		**$350**
Generator Repairs (Quinn)		$2,000	$1,000		**$3,000**
Motor Controls - Westlake		$13,000	$14,000	$4,000	**$31,000**
Motor Rebuilds and Replacements		$18,200	$14,000	$4,000	**$36,200**
Pump & Seal Replacements			$8,000	$2,000	**$10,000**
Vactor Service (Haaker)		$5,500			**$5,500**
Vehicle Maintenance (Parts Stores, Ernesto, Tires)		$5,000	$4,000	$1,000	**$10,000**
Western Audio Visual & Security Service Plan AV System	$3,500				**$3,500**
Equipment Repairs/Maintenance Total	**$3,500**	**$43,950**	**$53,100**	**$13,000**	**$113,550**
Offsite Storage (Access)	$1,500				**$1,500**
File Storage Total	**$1,500**				**$1,500**
Office supplies	$3,500				**$3,500**
Public Notices			$5,000		**$5,000**
Shredding Service (Paper Recycling & Shredding Specialists, Inc.)	$1,440				**$1,440**
General Administrative Expense Total	**$4,940**		**$5,000**		**$9,940**
Biennial Election (Odd FYs)	$80,000				**$80,000**
Water Conservation Rebates			$1,500		**$1,500**
Misc Expense Total	**$80,000**		**$1,500**		**$81,500**
Tax Collector's Fee for WW Segment (Tax Rolls)		$52,080			**$52,080**
Tax Collector's Special Assessment Fee		$5,000			**$5,000**
Tax Collector Total		**$57,080**			**$57,080**
Mail Manager - Postage			$30,000		**$30,000**
Postage				$5,000	**$5,000**
Shipping	$500				**$500**
UPS Store (Meter Warranties Postage)			$500		**$500**
Postage/Shipping Total	**$500**		**$30,500**	**$5,000**	**$36,000**
Mail Manager - Billing Inserts			$7,000		**$7,000**
Printing - Billing Inserts Total			**$7,000**		**$7,000**
Mail Manager Billing & Mailing			$40,000	$1,500	**$41,500**
Printing & Binding				$5,000	**$5,000**
Printing & Binding Total			**$40,000**	**$6,500**	**$46,500**
Copiers - Good Suite Maintenance	$7,200				**$7,200**
Pacific Water Conditioning (Admin Office Hot/Cold Water System)	$650				**$650**
Pacific Water Conditioning (Oak Park Office Hot/Cold Water System)	$550				**$550**
Postage Meter Lease - FP Mailing Solutions	$500				**$500**
Rental Cars	$1,500				**$1,500**
Rental Equipment		$2,500	$2,000	$500	**$5,000**
Equipment Rents and Leases Total	**$10,400**	**$2,500**	**$2,000**	**$500**	**$15,400**
Grand Total	**$339,778**	**$103,530**	**$139,100**	**$25,000**	**$607,408**

TRIUNFO WATER & SANITATION DISTRICT

Utilities

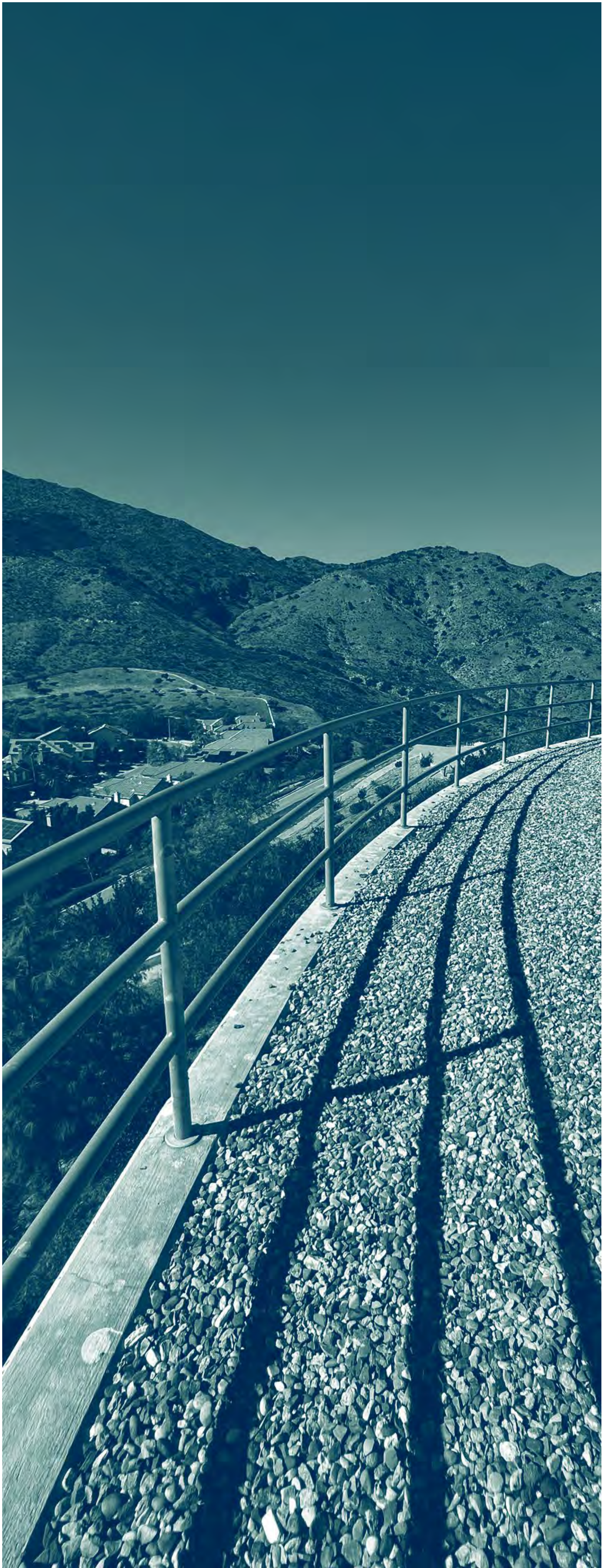
Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
AT&T FirstNet IPADS & Cell phones	$10,500				**$10,500**
CalNet, SCADA, U-Verse			$4,500		**$4,500**
Digium Cloud - Telephone/Data Network	$8,000				**$8,000**
SCADA Comms (AT&T - Not Cell Phones)		$3,780	$4,380	$240	**$8,400**
SCADA Comms (Frontier)		$6,000	$850	$250	**$7,100**
SCADA Comms (Verizon Wireless)		$2,300	$750	$1,700	**$4,750**
SCE Electricity		$35,000	$120,000	$80,000	**$235,000**
Telephone		$10,000			**$10,000**
Toll free-MCI (800), ATT Mobility Wireless			$3,800		**$3,800**
Trash (Waste Management)		$1,250	$1,250		**$2,500**
Water (County of Ventura)		$1,400			**$1,400**
Grand Total	**$18,500**	**$59,730**	**$135,530**	**$82,190**	**$295,950**

TRIUNFO WATER & SANITATION DISTRICT

Permits, Licenses, and Fees
Fiscal Year 2026-2027

Item Description	Admin	WW	PW	RW	Total
ACFR Application Fee	$505				**$505**
APCD		$4,500	$1,600		**$6,100**
County of Ventura (Temporary Construction)			$5,000		**$5,000**
LA County Public Works for Sewage Disposal		$49,769			**$49,769**
LAFCo Annual Fee	$23,500				**$23,500**
SWRCB		$5,000	$37,000		**$42,000**
Tillman Capital Portion of ASSSCS (City of LA)		$71,100			**$71,100**
TWSD Flow to Tillman Plant O&M (City of LA)		$122,100			**$122,100**
Miscellaneous Permits/Fees	$3,000				**$3,000**
Grand Total	**$27,005**	**$252,469**	**$43,600**		**$323,074**



APPENDIX

PAGES 55-84

Operations Summary

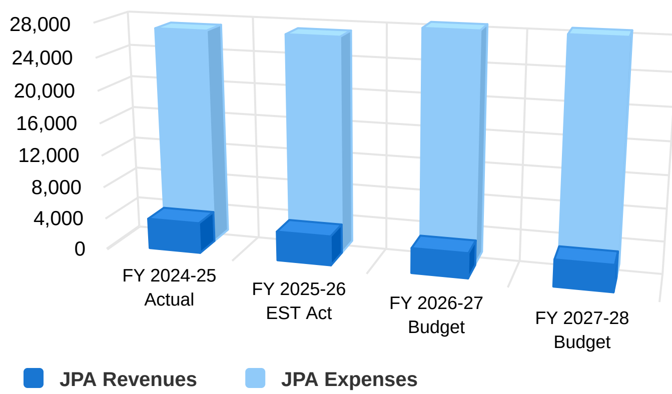
	FY 24-25 Actual	FY 25-26 Budget	FY 25-26 Est Actual	FY 26-27 Budget	FY 27-28 Budget
OPERATING REVENUES					
4235 RW Sales - LVMWD	$ 2,878,007	$ 2,609,184	$ 2,747,164	$ 2,403,136	$ 2,500,899
4240 RW Sales - TWSD	803,277	1,028,074	800,505	672,137	692,713
4505 Other Income from Operations	60,770	55,000	129,863	58,000	58,000
TOTAL OPERATING REVENUES	**$ 3,742,054**	**$ 3,692,258**	**$ 3,677,532**	**$ 3,133,273**	**$ 3,251,612**
ADMINISTRATIVE EXPENSE					
6260 Rental Charge Facility Replacement	366,493	324,365	332,433	295,880	295,880
6516 Other Professional Services	242,784	300,000	160,791	751,000	101,000
6517 Audit Fees	3,855	5,000	4,640	6,400	6,600
6872 Outside Services	8,125	155,000	7,433	-	-
7135 Earthquake Insurance	198,008	253,217	199,335	186,189	214,118
7135 Property Insurance	433,014	466,809	485,494	547,161	629,235
7203 Allocated Building Maintenance	128,057	91,000	143,567	136,241	137,206
7225 Allocated Support Services	8,237,564	8,175,025	8,088,831	8,315,573	8,497,752
7226 Allocated Operations Services	3,971,673	3,395,143	4,089,662	3,928,923	4,225,512
Sub-total	$ 13,589,573	$ 13,165,559	$ 13,512,186	$ 14,167,367	$ 14,107,303
MAINTENANCE EXPENSE					
5500 Labor	633,148	1,061,033	514,776	683,378	723,130
5510 Supplies/Material	721,771	540,000	526,676	526,000	527,000
5515 Outside Services	687,271	542,200	679,411	565,000	570,000
5518 Building Maintenance	149,482	140,000	129,173	226,000	227,040
5520 Permits and Fees	-	2,500	-	10,000	10,000
5525 Consulting Services	18,400	-	36,493	-	-
5525 Special Studies	9,120	-	12,667	-	-
5530 Capital Outlay	-	75,000	-	-	-
Sub-total	$ 2,219,192	$ 2,360,733	$ 1,899,196	$ 2,010,378	$ 2,057,170
OPERATING EXPENSE					
5400 Labor	3,264,372	3,253,289	3,407,166	3,436,056	3,589,849
5405 Utilities	2,988,159	3,287,775	3,239,912	3,584,890	3,898,207
5410 Supplies/Material	1,780,263	1,700,000	1,732,048	2,210,347	2,425,847
5415 Outside Services	255,893	585,580	257,160	556,322	571,322
5417 Odor Control	241,075	300,000	78,727	415,000	215,000
5420 Permits and Fees	306,666	280,100	435,362	451,000	451,000
5425 Consulting Services	40,739	45,000	55,948	50,000	55,000
5430 Capital Outlay	201,323	125,000	64,539	230,000	255,000
6200 Forms, Supplies and Postage	-	-	280	-	-
Sub-total	$ 9,078,490	$ 9,576,744	$ 9,271,142	$ 10,933,615	$ 11,461,225
PUBLIC INFORMATION					
6604 Public Education Programs	31,720	31,948	14,471	9,848	10,291
6606 Community Group Outreach	-	-	356,090	240,000	215,000
Sub-total	$ 31,720	$ 31,948	$ 370,561	$ 249,848	$ 225,291

Operations Summary (continued)

	FY 24-25 Actual	FY 25-26 Budget	FY 25-26 Est Actual	FY 26-27 Budget	FY 27-28 Budget
RESOURCE CONSERVATION					
6785 Watershed Programs	-	-	3,000	-	-
6788 District Sprayfield	434,095	350,000	323,299	527,575	529,781
6789 005 Discharge	103,597	500	115,852	50,000	50,000
Sub-total	$ 537,692	$ 350,500	$ 442,151	$ 577,575	$ 579,781
SPECIALTY EXPENSE					
5700 SCADA Services	13,958	100,000	-	92,000	102,000
5712 Compost Sales/Use Tax	1,329	2,500	-	-	-
5715 Laboratory Services	422,687	400,000	379,771	674,617	706,359
5725 General Supplies/Small Tools	48	-	-	-	-
7202 Allocated Laboratory Expense	772,255	745,042	825,344	960,912	1,147,998
Sub-total	$ 1,210,277	$ 1,247,542	$ 1,205,115	$ 1,727,529	$ 1,956,357
TOTAL EXPENSES	**$ 26,666,944**	**$ 26,733,026**	**$ 26,700,351**	**$ 29,666,312**	**$ 30,387,127**
NET OPERATING EXPENSE	**$(22,924,890)**	**$(23,040,768)**	**$(23,022,819)**	**$(26,533,039)**	**$(27,135,515)**

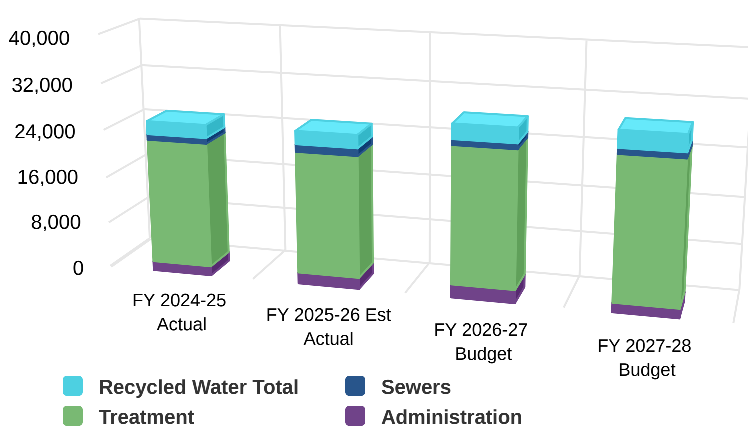
Operations Summary
(Dollars in Thousands)

	FY 2024-25 Actual	FY 2025-26 Est Actual	FY 2026-27 Budget	FY 2027-28 Budget
JPA Revenues	3,742	3,678	3,133	3,252
JPA Expenses	26,667	26,704	29,666	30,387
Net Operating Expense	**22,925**	**23,026**	**26,533**	**27,136**



Operating Expense Summary
(Dollars in Thousands)

	FY 2024-25 Actual	FY 2025-26 Est Actual	FY 2026-27 Budget	FY 2027-28 Budget
RW Pump Stations	1,749	1,718	2,081	2,242
RW Tanks, Reservoirs and Wells	115	206	221	228
RW Systems Operations	3	6	6	6
RW Distribution System	72	155	160	162
Recycled Water Total	1,938	2,085	2,467	2,637
Pure Water Demonstration	883	799	919	996
Sewers	1,218	1,402	853	954
Treatment/Reclamation	12,542	12,738	14,049	14,543
Treatment/Composting	8,332	7,378	8,692	9,092
Treatment/Centrate Treatment	369	365	409	431
Treatment Total	21,243	20,481	23,151	24,066
Administration	1,488	1,936	2,275	1,733
Total JPA Operations	**26,770**	**26,704**	**29,666**	**30,387**



RW Wholesale Rate Computations

FY 2026-27 Budgeted Costs

	Total Cost	Base Cost	Add'l Pumping	East-West Cost
Pump Stations	2,080,704	1,237,391	843,313	
Reservoirs	220,662	220,662		
System Operations	5,832	5,832		
Distribution	160,233	160,233		
RW Operations	2,467,431			
RW Ops/JPA Ops	9.01%			
Total JPA Admin	2,275,307			
RW Administration	204,964	204,964		
Subtotal:Operations & Admin	2,672,395	1,829,082		
Depreciation FY 24-25	400,821	400,821		
Total Cost	$ 3,073,216	$ 2,229,903	$ 843,313	$ -
Costs per Acre Foot		$ 497.64	$ 196.00	$ 693.64

FY 2026-27 Estimated Deliveries

	Acre Feet	Rate	
LV Valley	168	497.64/AF	$ 83,604
LVMWD East	1,602	693.64/AF	$ 1,111,211
LVMWD West	1,742	693.64/AF	$ 1,208,321
Total LVMWD	3,512		$ 2,403,136
TWSD	969	693.64/AF	$ 672,137
	4,481		$ 3,075,273

FY 2027-28 Budgeted Costs

	Total Cost	Base Cost	Add'l Pumping	East-West Cost
Pump Stations	2,241,839	1,331,061	910,778	
Reservoirs	220,307	220,307		
System Operations	5,960	5,960		
Distribution	161,509	161,509		
RW Operations	2,629,615			
RW Ops/JPA Ops	9.41%			
Total JPA Admin	1,733,084			
RW Administration	163,151	163,151		
Subtotal:Operations & Admin	2,792,766	1,881,988		
Depreciation FY25-26	400,821	400,821		
Total Cost	$ 3,193,587	$ 2,282,809	$ 910,778	$ -
Costs per Acre Foot		$ 494.44	$ 205.27	$ 699.71

FY 2027-28 Estimated Deliveries

	Acre Feet	Rate	
LV Valley	180	494.44/AF	$ 88,999
LVMWD East	1,624	699.71/AF	$ 1,136,329
LVMWD West	1,823	699.71/AF	$ 1,275,571
Total LVMWD	3,627		$ 2,500,899
TWSD	990	699.71/AF	$ 692,713
	4,617		$ 3,193,612

Fiscal Year 2026-27 Operating Budget
Allocation of Joint Powers Expenses to Participants

Expenses (Revenues)	JPA Expenses by Allocation Groups					
Sewer Expenses	853,482	-	-	-	-	853,482
Treatment Reclamation	-	9,906,655	4,142,719	-	-	14,049,374
Treatment Composting	-	6,073,333	2,618,928	-	-	8,692,261
Treatment Injection	-	126,758	282,359	-	-	409,117
Pump Stations	-	2,080,704	-	-	-	2,080,704
Tanks/Reservoir Wells	-	220,662	-	-	-	220,662
System Operation	-	5,832	-	-	-	5,832
Water System	-	160,233	-	-	-	160,233
Administrative Expenses	-	2,268,907	-	6,400	-	2,275,307
PWP Demo	-	919,340	-	-	-	919,340
Revenues	-	(3,133,273)	-	-	-	(3,133,273)
Total Expenses	853,482	18,629,151	7,044,006	6,400	-	26,533,039
	A	B	C	D	E	Total

Participants Share	Allocation of Each Group to Participants											
U-1 Sanitation District	36.3%	309,814	53.1%	9,892,079	35.0%	2,468,329	25.0%	1,601	82.2%	-	47.8%	12,671,823
U-2 Sanitation District	3.1%	26,458	17.5%	3,260,101	34.3%	2,419,548	25.0%	1,601			21.5%	5,707,708
Recycled Water Fund				(282,980)							(1.1%)	(282,980)
Total LVMWD	39.4%	336,272	70.6%	13,152,181	69.4%	4,887,877	50.0%	3,202	82.2%	-	68.2%	18,379,531
Total TWSD	60.6%	517,210	29.4%	5,476,970	30.6%	2,156,129	50.0%	3,198	17.8%	-	31.8%	8,153,508
Total Allocation	100.0%	853,482	100.0%	18,629,151	100.0%	7,044,006	100.0%	6,400	100.0%	-	100.0%	26,533,039
	A		B		C		D		E		Total	

GROUP	
A	Basis of allocation to each participant is participant's reserve capacity rights in the trunk sewer.
B	Basis of allocation to each participant is participant's reserve capacity rights in the treatment plant and recycled water system.
C	Basis of allocation to each participant is participant's flow into the treatment plant.
D	Each participant is allocated an equal share.
E	Basis of allocation is each participant's average monthly cash balance.

Joint Powers Authority
Participant Sewage Flows and Expense Allocation
FY 2026-27

	Projected Sewage Flows			Allocation of Total Expenses to Participants		
Participant	Million Gallons Per Day (MGD)	Million Gallons Per Year (MGD)	Percent Based on Flows	Total EXP	$ Per MG	%
	(A)	(B)	(C)	(D)	(D) / (B)	
U-1 Sanitation District	2.53	923	35.0%	12,671,823	13,722	47.8%
U-2 Sanitation District	2.48	905	34.3%	5,707,708	6,305	21.5%
LVMWD	5.01	1829	69.4%	18,379,531	10,051	69.3%
TWSD	2.21	807	30.6%	8,153,508	10,108	30.7%
Total All Participants	7.22	2635	100.0%	26,533,039	10,068	100.0%
Return Flows	1.06	387				
Westlake Wells	0.15	55				
	8.43	3077				

Fiscal Year 2027-28 Operating Budget
Allocation of Joint Powers Expenses to Participants

Expenses (Revenues)	JPA Expenses by Allocation Groups					
Sewer Expenses	954,233	-	-	-	-	954,233
Treatment Reclamation	-	10,085,536	4,457,313	-	-	14,542,849
Treatment Composting	-	6,588,000	2,504,268	-	-	9,092,268
Treatment Injection	-	135,212	295,791	-	-	431,003
Pump Stations	-	2,241,839	-	-	-	2,241,839
Tanks/Reservoir Wells	-	227,950	-	-	-	227,950
System Operation	-	5,960	-	-	-	5,960
Water System	-	161,509	-	-	-	161,509
Administrative Expenses	-	1,726,484	-	6,600	-	1,733,084
PWP Demo	-	996,432	-	-	-	996,432
Revenues	-	(3,251,612)	-	-	-	(3,251,612)
Total Expenses	954,233	18,917,310	7,257,372	6,600	-	27,135,515
	A	B	C	D	E	Total

Participants Share	Allocation of Each Group to Participants											
U-1 Sanitation District	36.3%	346,387	53.1%	10,045,092	35.0%	2,543,096	25.0%	1,651	82.2%	-	47.7%	12,936,225
U-2 Sanitation District	3.1%	29,581	17.5%	3,310,529	34.3%	2,492,837	25.0%	1,651			21.5%	5,834,598
Recycled Water Fund				(300,215)							-1.1%	(300,215)
Total LVMWD	39.4%	375,968	70.6%	13,355,621	69.4%	5,035,933	50.0%	3,302	82.2%	-	68.1%	18,770,823
Total TWSD	60.6%	578,265	29.4%	5,561,689	30.6%	2,221,439	50.0%	3,298	17.8%	-	31.9%	8,364,692
Total Allocation	100.0%	954,233	100.0%	18,917,310	100.0%	7,257,372	100.0%	6,600	100.0%	-	100.0%	27,135,515
	A		B		C		D		E		Total	

GROUP	
A	Basis of allocation to each participant is participant's reserve capacity rights in the trunk sewer.
B	Basis of allocation to each participant is participant's reserve capacity rights in the treatment plant and recycled water system.
C	Basis of allocation to each participant is participant's flow into the treatment plant.
D	Each participant is allocated an equal share.
E	Basis of allocation is each participant's average monthly cash balance.

Joint Powers Authority
Participant Sewage Flows and Expense Allocation
FY 2027-28

	Projected Sewage Flows			Allocation of Total Expenses to Participants		
Participant	Million Gallons Per Day (MGD)	Million Gallons Per Year (MGD)	Percent Based on Flows	Total EXP	$ Per MG	%
	(A)	(B)	(C)	(D)	(D) / (B)	
U-1 Sanitation District	2.53	923	35.0%	12,936,225	14,009	47.7%
U-2 Sanitation District	2.48	905	34.3%	5,834,598	6,446	21.5%
LVMWD	5.01	1829	69.4%	18,770,823	10,265	69.2%
TWSD	2.21	807	30.6%	8,364,692	10,370	30.8%
Total All Participants	7.22	2635	100.00%	27,135,515	10,297	100.00%
Return Flows	1.06	387				
Westlake Wells	0.15	55				
	8.43	3077				

Project	Capital Improvement Program		FY 2026-27		FY 2027-28
10635	Pure Water Project		161,134,000		174,662,625
	LV Share Amount (70.6%)	113,760,604		123,311,813	
	TWSD Share Amount (29.4%)	47,373,396		51,350,812	
10520	SCADA System Communication Upgrades		314,000		314,000
	LV Share Amount (70.6%)	221,684		221,684	
	TWSD Share Amount (29.4%)	92,316		92,316	
10724	Multi Site Security Assessment and Improvement - JPA		424,929		424,929
	LV Share Amount (70.6%)	300,000		300,000	
	TWSD Share Amount (29.4%)	124,929		124,929	
10743	Fire Hardening - JPA Facilities		141,643		141,643
	LV Share Amount (70.6%)	100,000		100,000	
	TWSD Share Amount (29.4%)	41,643		41,643	
10745	Discharge Point Rehabilitation		642,000		-
	LV Share Amount (70.6%)	453,252			
	TWSD Share Amount (29.4%)	188,748			
10753	Tapia Air Line Repair		330,000		-
	LV Share Amount (70.6%)	232,980			
	TWSD Share Amount (29.4%)	97,020			
10756	Trunk Sewer System Improvements		627,479		1,087,819
	LV Share Amount (70.6%)	443,000		768,000	
	TWSD Share Amount (29.4%)	184,479		319,819	
10799	Rancho Reliability Improvements		283,286		283,286
	LV Share Amount (70.6%)	200,000		200,000	
	TWSD Share Amount (29.4%)	83,286		83,286	
10800	Tapia Water Reclamation Facility Improvements		132,000		132,000
	LV Share Amount (70.6%)	93,192		93,192	
	TWSD Share Amount (29.4%)	38,808		38,808	
10804	Rancho Las Virgenes - New Flare		827,000		428,227
	LV Share Amount (70.6%)	583,862		302,328	
	TWSD Share Amount (29.4%)	243,138		125,899	
10839	Tapia Sulzer Blower Check Valve Replacement		241,000		-
	LV Share Amount (70.6%)	170,146			
	TWSD Share Amount (29.4%)	70,854			
10843	Tapia Generator Replacement		150,000		150,000
	LV Share Amount (70.6%)	105,900		105,900	
	TWSD Share Amount (29.4%)	44,100		44,100	
202507	Tapia Process Pipe/Tank Painting		200,000		200,000
	LV Share Amount (70.6%)	141,200		141,200	
	TWSD Share Amount (29.4%)	58,800		58,800	
202509	Tapia Primary Wet Well Mixing Pipe Replacement		637,394		-
	LV Share Amount (70.6%)	450,000			
	TWSD Share Amount (29.4%)	187,394			
202510	Tapia Headworks Piping		-		30,000
	LV Share Amount (70.6%)			21,180	
	TWSD Share Amount (29.4%)			8,820	
202516	Forklift (Rancho)		120,000		-
	LV Share Amount (70.6%)	84,720			
	TWSD Share Amount (29.4%)	35,280			
202517	Forklift (Tapia)		120,000		-
	LV Share Amount (70.6%)	84,720			
	TWSD Share Amount (29.4%)	35,280			
202602	Water Quality Laboratory Instrumentation		250,000		-
	LV Share Amount (70.6%)	176,500			
	TWSD Share Amount (29.4%)	73,500			
202606	IT Capital Purchases (JPA)		56,657		56,657
	LV Share Amount (70.6%)	40,000		40,000	
	TWSD Share Amount (29.4%)	16,657		16,657	
202607	Rancho Centrate Blower Replacement		516,997		-
	LV Share Amount (70.6%)	365,000			
	TWSD Share Amount (29.4%)	151,997			
202611	Towable bypass pump		-		85,000
	LV Share Amount (70.6%)			60,010	
	TWSD Share Amount (29.4%)			24,990	
202701	Bar Screen Design for Replacement		141,643		-
	LV Share Amount (70.6%)	100,000			
	TWSD Share Amount (29.4%)	41,643			
202704	Water Quality Laboratory Biological Safety Cabinet		35,411		-
	LV Share Amount (70.6%)	25,000			
	TWSD Share Amount (29.4%)	10,411			
	LV Share Amount Total (70.6%)	118,131,760		125,665,307	
	TWSD Share Amount Total (29.4%)	49,193,679		52,330,879	
	Sanitation Replacement Total (100%)		**167,325,439**		**177,996,186**
10851	Reclaimed Valve Box Raising and Repairs		50,000		50,000
	LV Share Amount (70.6%)	35,300		35,300	
	TWSD Share Amount (29.4%)	14,700		14,700	
10852	Upgrade Wireless Communications Backhaul System (RW)		264,000		132,000
	LV Share Amount (70.6%)	186,384		93,192	
	TWSD Share Amount (29.4%)	77,616		38,808	
202518	RW Pipeline Replacement		708,215		708,215
	LV Share Amount (70.6%)	500,000		500,000	
	TWSD Share Amount (29.4%)	208,215		208,215	
202703	Tapia REW Line Valve Replacement		-		148,725
	LV Share Amount (70.6%)			105,000	
	TWSD Share Amount (29.4%)			43,725	
	LV Share Amount Total (70.6%)	721,684		733,492	
	TWSD Share Amount Total (29.4%)	300,531		305,449	
	RW Replacement Total (100%)		**1,022,215**		**1,038,941**
	Grand Total LVMWD Share Amount	118,853,444		126,398,799	
	Grand Total TWSD Share Amount	49,494,210		52,636,327	
	CAPITAL PROJECTS GRAND TOTAL		**168,347,654**		**179,035,126**

TRIUNFO WATER & SANITATION DISTRICT

Classification Plan

Fiscal Year 2026-2027

Position	Full-Time Equivalent Positions: FY 2025-2026 Allocations	FY 2025-2026 Mid Year Adjustments	FY 2025-2026 Amended	FY 2026-2027 Additions/ Deletions	FY 2026-2027 Allocations	* Approximate Annual Salary
Accountant	1.00	0.00	1.00	0.00	1.00	$99,633 - $129,523
Accounting Technician	4.00	0.00	4.00	0.00	4.00	$78,065 - $101,485
Administrative Program Manager	1.00	0.00	1.00	0.00	1.00	$152,207 - $193,497
Clerk of the Board	0.80	0.00	0.80	0.00	0.80	$127,160 - $165,308
Director of Finance	1.00	0.00	1.00	0.00	1.00	$204,980 - $266,474
Engineering Program Manager	1.00	0.00	1.00	0.00	1.00	$181,176 - $233,890
Environmental Resources Analyst	1.00	0.00	1.00	0.00	1.00	$104,615 - $135,999
General Manager	1.00	0.00	1.00	0.00	1.00	$261,612 - $340,096
Operations Manager	1.00	0.00	1.00	0.00	1.00	$177,070 - $230,190
Public Information Officer	0.80	0.00	0.80	0.00	0.80	$133,518 - $173,573
Senior Electrical/Instrumentation Technician	1.00	0.00	1.00	0.00	1.00	$109,815 - $134,045
WWW Operations Supervisor	1.00	0.00	1.00	0.00	1.00	$121,105 - $157,436
WWW Worker	5.00	0.00	5.00	0.00	5.00	$86,067 - $111,887
TOTAL ALLOCATIONS	**19.60**	**0.00**	**19.60**	**0.00**	**19.60**	

**Approximate Annual Salary is based on 2,080 hours.*

TRAINEES: Approval from the General Manager is required before initiating a trainee position. Upon recommendation of the Department Manager, and with prior approval of the Finance Director, persons may be appointed in a trainee capacity, either on a permanent or temporary basis, to any position included in this Classification Plan. Trainees will be compensated in a salary range equivalent to ten (10) to twenty (20) percent lower than the minimum salary authorized herein at the determination of the Finance Director and approval of the General Manager.

TRIUNFO
WATER & SANITATION DISTRICT

Providing Outstanding Service Since 1963

2.0 Reserve Level Policy
Revised: 01/27/2020

Reserve Level Policy

PURPOSE

Triunfo Water & Sanitation District (District) is an enterprise public agency, providing sewer, potable water, and reclaimed water to its customers. The District recovers its cost of providing these services through fees and charges. The District requires adequate reserves to ensure the District maintains a prudent level of financial resources to cyclical variations in revenues and expenses and to protect against reducing service to withstand economic downturns, protect against catastrophic events, unforeseen revenue declines, short-term capital improvements, and operating cash flow needs.

POLICY

It is the policy of the District that all funds held in reserve be designated to specific uses, and to take into consideration the minimum level necessary to maintain the District's credit worthiness and adequately provide for operating reserves, future debt or capital obligations, cash flow requirements, and legal requirements. This policy is in conformity with Generally Accepted Accounting Practices (GAAP), Government Finance Officers Association (GFOA) and Governmental Accounting Standards Board (GASB) Guidance. Reserve levels will be set as follows:

A. Restricted Reserves

The District will maintain reserves in an amount equal to funds restricted by legal requirements, contractual agreements, and trustee requirements. The District is limited in the means in which it may use restricted cash reserves due to legal requirements and contractual agreements.

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1. **Debt Service Reserve Funds**
   Cash is held as a surety that the annual debt payment and interest will be made. Established as prescribed by the bond covenants adopted at the time of the issuance of debt and maintained until the final debt service payment is made or the debt issue is defeased. The funds cannot be used for any other purpose.

2. **Capital Reserve Fund**
   Included in this fund is the connection fee collected from developers to pay for the new facilities necessary to deliver water and wastewater service to newly developed property.

3. **Customer Deposits Fund**

Monies are held on behalf of District customers as required for their utility account. Deposits on utility accounts are released when refunded to the customer. The balance in this fund will fluctuate depending on the number of utility customer deposits are required.

B. <u>Designated Reserves</u>

The District will have available cash reserve to cover operating shortfalls to be used for both short term cash flow and contingency planning for unforeseen situations such as unexpected increases in costs or declines in revenues, legislative or judicial mandates, new or expanded services or programs, natural disaster emergencies, one-time Board approved non-capital expenditures or capital needs, and interruptions in billing process to customers.

1. **Capital Improvement and Capital Replacement Reserves Fund**

   The District shall establish and maintain fund equal to the 5-year rolling average of the capital improvement projects outlined in the annually updated Five-Year Capital Improvement Plan. The calculation of funds maintained in this category will exclude any funding obtained from outside sources such as loans, grants, or bond funding.

2. **Operating Fund**

The District will maintain cash in the operating fund at a minimum level equal to three months of its annual operating expenses and a maximum level equal to six months of its annual operating expenses, excluding depreciation. This reserve bridges the gap between the time expenses are paid and the time revenues from the same service are collected from customers. The fund will ensure continuity of service regardless of cash flow.

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3. **Debt Service Reserve Fund**

The District shall establish and maintain funds equivalent to one year's debt service obligations. This fund will provide additional security for the payment of annual debt service if rates and other funds are insufficient or not available.

4. **Rate Stabilization**

   The District will maintain cash in the rate stabilization fund at a minimum level equal to three months of its annual operating revenues and a maximum level equal to six months of its annual operating revenues, excluding connection fees. The fund will be used during temporary revenue shortfalls to avoid reducing service levels or raising fees.

GUIDELINES

Finance shall perform a reserve analysis to be submitted to the Board of Directors as follows:

- Board of Directors' deliberation of the annual budget; and
- When a major change in conditions threatens the reserve levels established within this policy.

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TRIUNFO WATER & SANITATION DISTRICT

DEBT MANAGEMENT POLICY

APRIL 28, 2025

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Triunfo Water & Sanitation District
Debt Management Policy

1.0 AUTHORITY

This Debt Policy was adopted by the Board of Directors of the Triunfo Water & Sanitation District at its regular meeting on April 28, 2025. Any modifications to this policy must be approved by the Board of Directors at a duly noticed public meeting.

2.0 SCOPE

This debt policy sets forth debt management objectives for the District and establishes general parameters for issuing and administrating the District's debt. This policy applies to all debt issued or incurred by the District, including, but not limited to, loans, private placements, municipal bonds, and credit lines. This policy does not cover credit or purchasing card debt or pension and Other Post-Employment Benefits (OPEB).

3.0 POLICY STATEMENT

Triunfo Water & Sanitation District favors a pay-as-you-go program for capital projects. However, the District will consider debt financing under the following conditions:

1) When the project's expected useful life will exceed the term of the financing.
2) When the project revenues or specific resources will be sufficient to service the long-term debt.

The District shall consider the following factors prior to issuing debt:

1) Revenues have been identified to service the long-term debt.
2) Impact on District reserves and operating budget.
3) The impact on customer rates.
4) The project securing the debt is of the type that will support a good credit rating.
5) Market conditions present favorable financing terms.
6) The project is mandated to meet State or Federal standards.
7) The project is required to meet current or projected capacity requirements.
8) The project's useful life.
9) The project's cost.

3.1 Capital Improvement Program Integration

The District's multi-year Capital Improvement Program (CIP), which identifies the projects and the appropriate funding mechanisms to pay for them, shall be used in combination with the financial and budget policies and this Policy to ensure the proper allocation and financing of eligible projects. The CIP and its related policies set priorities and strategies for allocating and tracking funding, while the Debt Policy provides policy direction and limitations for proposed financings.

3.2 Purpose and Use of Debt

The District will utilize reasonable debt financing to fund long-term improvements and thus ensure equitable allocation of costs. Long-term improvements may include the acquisition of land, facilities, infrastructure, and supplies of water; and enhancements or expansions to existing water, recycled water, and wastewater capacity and facilities.

Debt can be issued to fund the planning, pre-design, design, acquisition of land and/or easements, construction, and related fixtures, equipment and other costs as permitted by law. The District will not issue debt to cover operating needs.

The proceeds of any debt obligation shall be expended only for the purpose for which it was authorized. Debt may only be issued upon Board authorization.

4.0 FUNDING AND FINANCING ALTERNATIVES

The Finance Director/Treasurer or General Manager will investigate all possible financing alternatives including, but not limited to, grants, loans, and bonds.

4.1 Cash

The District favors pay-as-you-go and funds a significant portion of its capital projects through this strategy that utilizes current cash on hand.

4.2 Grants

The District will first look to grants to supplement capital project financing.

4.3 Interfund Borrowing

The District may borrow funds from an enterprise that has sufficient cash in excess of the District's reserve policy for the following purposes:

1) For short-term borrowing due to imbalances caused by timing of grants or other borrowing methods.
2) For projects under $10 million.

3) For repayment terms of five years or less.

For interfund borrowing, the Director of Finance shall determine that the loan will not negatively impact the enterprise that is loaning the funds and that the loan will not cause reserve levels to be below policy limits. Interfund loans will have a floating interest rate based on the "Total Portfolio Yield" as reported on each month's Monthly Cash & Investment Report, a loan agreement, and a repayment schedule approved by the Board of Directors.

4.4 Long-Term Debt

The District will utilize reasonable debt financing as an acceptable and appropriate approach to fund long-term investments, mitigating needed rate increases, and helping to ensure that existing and future ratepayers fund an appropriate share of long-lived assets. Long-term investments include the acquisition of land, facilities, works, improvements and supplies of water; and enhancements or enlargements to existing capacity and facilities for obtaining, importing, transporting and delivering additional quantities of water, including water reclamation, water recycling, and other water related infrastructure. These investments are typically included in the District's Capital Improvement Program. Bond proceeds can be issued to fund the planning, design, land acquisition, construction, attached fixtures or equipment and movable pieces or equipment, or other costs as permitted by law.

The District will issue New Money Debt only in the case where there is an identified source of repayment. Debt will be issued to the extent that (i) projected existing revenues are sufficient to pay for the proposed debt service together with existing debt service covered by such existing revenues, or (ii) additional revenues have been identified as a source of repayment in an amount sufficient to pay for the proposed debt (including anticipated revenues from future rate increases).

Debt issuance for a capital project will not be considered unless such project has been incorporated into the District's capital planning process, or as otherwise approved by the Board.

The District May use the following types of long term debt:

- **Capital Lease** - Capital lease debt may be considered to finance capital improvements, including vehicles and equipment with an expected useful life of less than ten years. A capital lease is a lease in which the lessor finances the lease and all other rights of ownership transfer to the District.
- **Derivatives** – Derivatives are contracts and financing agreements involving interest rate swaps, floating/fixed rate auction or reset securities, or other forms of debt bearing synthetically determined interest rates as authorized under the applicable statutes. The District will not enter into derivatives.
- **Lease-Purchase Financing** - The use of lease-purchase agreements in the acquisition of vehicles, equipment and other capital assets shall be considered carefully relative to

any other financing option. The lifetime cost of a lease may be higher than other financing options or pay-go purchases. Nevertheless, lease-purchase agreements may be used by the District as funding options for capital acquisitions if circumstances warrant.

- **Revenue Bonds** - Revenue bonds issued by the District are long term obligations issued to fund a specific project or purpose. The District will generally issue revenue bonds on a fixed interest rate basis, wherein at the time of the bond sale all interest rates are known and do not change while those bonds are outstanding.

Particular conditions may arise where the District may consider the use of variable interest rate bonds. Variable interest rate bonds have interest rates that reset on a periodic basis (e.g. daily, weekly, monthly, etc.). Revenue bonds are payable solely from District revenues in accordance with the agreed upon bond covenants.

- **Variable Rate Debt -** Variable rate debt is an alternative to fixed rate debt. It may be appropriate to issue short-term or long-term variable rate debt to diversify the District's debt portfolio, reduce interest costs, provide interim funding for capital projects and improve the match of assets to liabilities. Variable rate debt typically has a lower cost of borrowing than fixed rate financing and shorter maturities or rate reset periods in the range typically of 1 to 35 days. The District may consider variable rate debt in certain instances. The District will maintain a conservative level of outstanding variable debt not exceeding 20% of outstanding debt.

- **California Water State Revolving Funds Loans -** The State Revolving Fund (SRF) loan program is a low interest loan program for the construction of water infrastructure.

  SRF loans are generally structured such that the District is required to contribute a percentage of the total project cost and receives loan proceeds from the State for the balance. The SRF loan interest rate is typically calculated by taking half of the True Interest Cost (TIC) of the most recent State of California General Obligation Bonds issuance. The term of the loans can be 20 years or, if applicable, an extended financing term of 30 years. When compared to traditional bond financing, the District may realize savings as a result of the 20-year or 30-year amortization period of the SRF Loans, but should consider the timing, legal terms and covenants, and overall costs of administering an SRF loan as opposed to other forms of debt. Legal terms and covenants of SRF loans should be carefully analyzed as they compare to the District's other parity-lien terms and covenants to avoid more onerous or conflicting provisions.

  SRF Loans may provide additional assistance in the form of principal forgiveness, or may incorporate a grant component. Principal forgiveness must be specified at the execution of the loan agreement for the amount forgiven to be counted against the total loan required to be provided by the SRF.

- **Water Infrastructure Finance and Innovation Act (WIFIA) Loans -** WIFIA is a competitive federal loan program offering funding in the form of low-cost loans for eligible projects. WIFIA loans are eligible to finance up to 49 percent of Eligible Project Costs and can be used in conjunction with other forms of funding to pay for eligible capital projects. Repayment of WIFIA loans can be developed in a flexible manner to accommodate specific borrower needs with a final repayment period up to 35 years after substantial completion of the project. While WIFIA loans are generally structured with terms and covenants similar to those of the bonds which are on parity, care needs to be taken to ensure that terms and covenants under the WIFIA loan do not conflict with existing terms and covenants and are advantageous for the District.

4.5 Refunding Debt

Refundings are important debt management tools for the District. They are commonly used to achieve debt service (interest cost) savings, remove or change bond covenants, or restructure debt service obligations. Prior to the Tax Cuts and Jobs Act of 2017, Federal Tax law allowed only one advance refunding after the initial issuance. With the passage of the Tax Cuts and Jobs Act of 2017, municipal entities are no longer allowed to advance refund bonds on a tax-exempt basis, necessitating diligence in the review and monitoring of refunding opportunities.

To the extent that debt having fixed interest rates originally structured with a long-term amortization structure (10 years or greater) is refunded with fixed rate debt, the District will not generally issue refunding debt which extends the final maturity of the refinanced debt. Extending the final maturity may occur when warranted, such as restructuring of debt to match debt amortization with the useful life of the financed assets.

4.6 Short-Term Debt

Short-term borrowing may be utilized for the temporary funding of operational cash flow deficits or anticipated revenues, where anticipated revenues are defined as an assured revenue source with the anticipated amount based on conservative estimates or until the structure of the take-out financing is finalized. The District will determine and utilize the least costly method for short-term borrowing. The District may issue short-term debt when there is a defined repayment source or amortization of principal, subject to the following policies:

- **Bond Anticipation Notes (BANs)** are short-term notes issued prior to the issuance of long-term debt. It is anticipated that BANs will be retired, or taken-out, with long term debt or commercial paper. BANs will be issued only when there is no better alternative to reduce the overall cost of a financing program.
- **Lines of Credit** shall be considered as an alternative to other short-term borrowing options. Lines of Credit are short-term facilities that are typically entered into directly with a bank allowing for periodic draws on the facility to fund capital project costs.
- **Commercial Paper (CP)** is a form of debt that has maturities up to 270 days although it may be rolled to a subsequent maturity date. CP is typically secured by a bank facility (Letter of Credit) and is remarketing by a commercial paper dealer. CP can be issued on an as-needed basis to fund capital projects needs.

4.7 Prohibited Debt

The District shall not issue debt for purposes not expressly allowable under this policy. The District shall not utilize financing methods not expressly allowed under this policy.

5.0 DEBT STRUCTURE PRACTICES

The District shall establish all terms and conditions relating to the issuance of bonds, unless otherwise authorized by the District, the following shall serve as bond requirements.

5.1 Term

All capital improvements financed through the issuance of debt will be financed for a period generally not to exceed the average useful life of that which is being financed. At no time will the financing exceed 100% of the expected average useful life of the assets being financed.

5.2 Capitalized Interest

The nature of the District's revenue stream is such that funds are generally continuously available and the use of capitalized interest should not normally be necessary. However, certain types of financings may require the use of capitalized interest from the issuance date until the District has constructive use/benefit of the financed project. Unless otherwise required, the District will avoid the use of capitalized interest to obviate unnecessarily increasing the bond size. In general, interest shall not be funded (capitalized) beyond three (3) years or a shorter period when based upon project needs or if further restricted by statute. The District may require that capitalized interest on the initial series of bonds be funded from the proceeds of the bonds.

5.3 Lien Levels

Senior and Junior Liens for each revenue source will be utilized in a manner that will maximize the most critical constraint, typically either cost or capacity, thus allowing for the most beneficial use of the revenue source securing the bond. Projects chosen for priority financing, based on funding availability and proposed timing, will generally be subject to the most senior lien of the bond series.

5.4 Rate Covenant

A common legal feature of revenue bonds is a rate covenant. A rate covenant provides a minimum debt service coverage ratio above which the District must set its rates and charges. When setting its budget and rates & charges, the District must take care in analyzing its proposed and existing rate covenants to ensure compliance as certain types of obligations (such as SRF loans) may contain rate covenants differing from those of the District's other obligations.

For planning purposes, the District will target a level at which the District's net revenues are at least one and a half times (1.50x) the total debt service within any year.

5.5 Additional Bonds Test

A common legal feature of bonds is an Additional Bonds Test (ABT). The ABT is a test that must be met prior to the issuance of new bonds or entering into new debt obligations. The ABT may contain several tests by which debt service coverage is measured and determined as to whether new debt can be issued. The District must take care when issuing new debt to ensure compliance with its ABT as different types of obligations may contain different ABT tests.

5.6 Debt Service Structure

Debt issuance shall be planned to achieve relatively rapid repayment of debt while still matching debt service to the useful life of facilities. The District will amortize its debt within each lien to achieve overall level debt service. The District may utilize alternate repayment schedules after giving consideration to bonding capacity constraints. The District shall avoid the use of bullet or balloon maturities except in those instances where these maturities achieve one of the District's stated goals, such as minimizing annual debt service or leveling annual existing debt service, among others.

5.7 Call Provisions

In general, the District's securities will include a call feature, which is no later than ten (10) years from the date of delivery of the bonds. The District will avoid the sale of non-callable bonds absent careful evaluation by the District with respect to the value of the call option. If the District were to issue taxable bonds, the District will carefully consider the financial impacts of a 10 year call, a make-whole call, or non-callable debt.

5.8 Credit Enhancements

The District will consider the use of credit enhancement on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when a clearly demonstrable savings can be shown shall enhancement be considered. The District will consider each of the following enhancements as alternatives by evaluating the cost and benefit of such enhancement.

1) **Bond Insurance.** The District may purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination shall be based on such insurance being less costly than the present value of the difference in the interest on insured bonds versus uninsured bonds.
2) **Debt Service Reserves.** When required, a reserve fund equal to the lesser of 10% of the original principal amount of the bonds, maximum annual debt service, or 125% of average annual debt service, and if permitted, 10% of par value of bonds outstanding, (the "Reserve Requirement") shall be funded from the proceeds of each series of bonds, subject to federal tax regulations and in accordance with the requirements of

credit enhancement providers and/or rating agencies. The District may purchase reserve equivalents (e.g., a reserve fund surety policy) when such purchase is deemed prudent and advantageous. Such equivalents shall be evaluated in comparison to cash funding of reserves on a net present value basis, the creditworthiness of the surety provider and market acceptance.

6.0 DEBT ISSUANCE PRACTICES

The Financing Team is the working group of staff and consultants necessary to complete a debt issuance. The team includes bond counsel, disclosure counsel, underwriter, and financial advisor, and may include trustee, pricing consultants, and/or arbitrage analyst. The team also typically includes the Finance Director/Treasurer and General Manager of the District.

6.1 Consultant Selection

The District will consider the professional qualifications and experience of consultants as it relates to the specific debt issuance. The District recognizes the benefits of long-term relationships with the financial advisor and bond counsel and will seek proposals for these services at least once every ten years. All other consultants will be reviewed with each debt issuance to ensure that the expertise for the particular debt instrument is available.

6.2 Municipal Advisors

The District will select independent municipal advisors. While serving as the District's municipal advisor, a firm may not also engage in the underwriting of the District debt issue for which that firm acts as municipal advisor. A firm may not switch roles (i.e., from municipal advisor to underwriter) after a financial transaction has begun. Municipal advisors shall be selected through a competitive qualification process after a review of proposals by the Finance Director/Treasurer or General Manager of the District, and/or other staff, and is subject to approval by the Board.

The municipal advisor will advise the District on new money and refunding opportunities for current outstanding debt, as well as assist in evaluating the merits of competitive sales, negotiated sales, direct purchase/private placements, and Federal/State loans in determining the most appropriate structure to ensure effective pricing that meets the District's near-term and long-term cash flow needs. The municipal advisor will work with all parties involved in the financing transaction, including the District's bond counsel, trustee, underwriters, and credit liquidity providers, to develop and monitor the financing schedule and preparation of the Official Statement. The municipal advisor will assist the District in developing and distributing bid specifications for desired services, such as, trustee and paying agents, printing, remarketing and credit liquidity service providers, and assist the District in its review process. The District also expects that its municipal advisor will provide objective advice and analysis, maintain confidentiality of the District's financial plans, and be free from any material conflict of interest.

6.3 Underwriters

For negotiated sales, the District will generally select or pre-qualify underwriters through a competitive process. This process may include a request for proposal or qualifications to firms considered appropriate for the underwriting of a particular issue or type of bonds. The Finance Director/Treasurer or General Manager will determine the appropriate method to evaluate the underwriter submittals and then select or qualify firms on that basis. The District will not be bound by the terms and conditions of any underwriting agreements, oral or written, to which it was not a party.

6.4 Method of Sale

The District will select the method of sale that best fits the type of bonds being sold, market conditions, and the desire to structure bond maturities to improve the performance of the debt portfolio. Three primary methods exist for the sale of municipal debt:

- **Competitive sale.** Bonds will be marketed to a wide audience of investment banking (underwriting) firms. The underwriter is selected based on its best bid for its securities. The District will award the sale of the competitively sold bonds on a true interest cost (TIC) basis. Due to this policy, the Finance Director/Treasurer or General Manager of the District may sign the bid form on behalf of the District to fix the interest rates on bonds sold on a competitive basis.
- **Negotiated sale.** The Finance Director/Treasurer or General Manager of the District will select the underwriter, or team of underwriters, of its securities before the bond sale, subject to Board approval. The District works with the underwriter to bring the issue to market and negotiates all rates and terms of the sale. Before the sale, the Finance Director/Treasurer, with advice from the District's municipal advisor, will determine compensation for and liability of each underwriter employed and the designation rules and priority of orders under which the sale itself will be conducted. With this policy, the Finance Director/Treasurer or General Manager of the District may sign the bond purchase agreement on behalf of the District to fix the interest rates on bonds sold on a negotiated basis.
- **Private placement.** The District may elect to issue debt on a private placement basis. A private placement would be considered if it is demonstrated to result in cost savings or provide other advantages relative to other methods of debt issuance, or if it is determined that access to the public market is unavailable and timing considerations require that financing be completed before access to the public market is available.
- **Federal / State Loans.** The District may also choose to finance certain of its eligible capital improvement projects through Federal and State loans, such as WIFIA loans and SRF loans. Such methods will be weighed and analyzed versus the other forms of financing to determine the benefits and considerations to the District.

6.5 Refundings

The Finance Director/Treasurer and the Municipal Advisor will periodically review the economics of refunding the District's outstanding debt. The financial advantages of a current refunding must outweigh the cost of issuing new debt. A potential refunding will be assessed in combination with any new capital projects requiring financing, and the benefits of the refunding will be evaluated in relation to its costs and risks.

Debt can be refunded to achieve any of the following objectives:

- Reduce future interest costs or restructure future debt service in response to evolving conditions regarding anticipated revenue sources;
  - Current refundings (that is, refinancings within 90 days of the call date of the bonds to be refunded) must meet a minimum net present value savings target of at least 3% of refunded bonds
- Restructure the legal requirements and/or covenants of the original issue to reflect more closely the changing conditions of the District, current market standards, or the type of debt.

6.6 Credit Ratings

The District will seek to maintain the highest possible credit ratings that can be achieved for debt instruments without compromising the District's policy objectives. Each proposal for additional debt will be analyzed for its impact upon the District's credit rating on outstanding debt.

The District may seek credit ratings from any of the major credit rating agencies – S&P Global Ratings, Moody's Investors Service, and Fitch Ratings, as appropriate. The District will also evaluate the value of additional ratings on a case-by-case basis (e.g., Kroll Rating Services). District staff will provide periodic updates to the rating agencies, both formal and informal, on the District's general financial condition and coordinate meetings and presentations with a new debt issuance when necessary.

7.0 DEBT MANAGEMENT

7.1 Market Relationships

The Finance Director/Treasurer will be responsible for maintaining relationships with investors, credit analysts, and rating agencies.

7.2 Federal Arbitrage and Rebate Regulations

The Finance Director/Treasurer will take all necessary steps to minimize any rebate liability through proactive management in the structure and oversight of the District's debt. All District tax-exempt issues, including lease purchase agreements, are subject to arbitrage compliance regulations.

The Finance Director/Treasurer will:

- Monitor the expenditure of bond proceeds to ensure they are used only for the purpose and authority for which the bonds were issued and exercising best efforts to spend bond proceeds in such a manner that the District shall meet the spend-down exemptions from arbitrage rebate. Tax-exempt bonds will not be issued unless it can be reasonably expected that 85% of the proceeds will be expended within the three-year temporary period.
- Monitor the investment of bond proceeds with awareness of rules pertaining to yield restrictions. Maintaining detailed investment records, including purchase prices, sale prices and comparable market prices for all securities.
- Contract with outside arbitrage consultants to establish and maintain a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of federal tax code.

The District will include any arbitrage rebate liability in its annual Comprehensive Annual Financial Report.

7.3 Continuing Disclosure

The District will meet continuing disclosure requirements in a timely and comprehensive manner, as required by the Securities Exchange Commission (SEC) Rule 15c2-12 and consistent with the District's Disclosure Procedures Policy. This includes the amendments to Rule 15c2-12 adopted in 2018. The Finance Director/Treasurer shall provide continuing disclosure information to the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access (EMMA) system. The District will annually provide financial information and operating data within 9 months of the end of its fiscal year, along with notice of certain material events required under Rule 15c2-12. In addition, the District may provide voluntary disclosures if such disclosure would be in the District's interest.

The District will keep current with any changes in both the administrative aspects of its filing requirements and the national repositories responsible for ensuring issuer compliance with the continuing disclosure undertakings. In the event a 'material event' occurs requiring immediate disclosure, the Finance Director/Treasurer will ensure information is posted on EMMA.

7.4 Compliance with Bond Covenants

In addition to financial disclosure and arbitrage compliance, once the bonds are issued, the District is responsible for verifying compliance with all undertakings, covenants, and agreements of each bond issuance on an ongoing basis. This typically includes ensuring:

- Annual appropriation of revenues to meet debt service payments.
- Timely transfer of debt service payments to the trustee or paying agent.

- Compliance with insurance requirements.
- Compliance with rate covenants.
- Compliance with all other bond covenants, including maintaining debt service coverage ratios as required.

On an annual basis, the Finance Director/Treasurer will prepare all required debt related schedules and footnotes for inclusion in the District's Annual Comprehensive Financial Report. The Annual Comprehensive Financial Report shall describe in detail all funds and fund balances established as part of any direct debt financing of the District.

The Annual Comprehensive Financial Report may also contain a report detailing any material or rate covenants contained in any direct offering of the District and whether or not such covenants have been satisfied.

8.0 DEBT MANAGEMENT POLICY REVIEW

The Finance Director/Treasurer shall review this Debt Management Policy at a minimum of every five (5) years and recommend any changes to the Board.

BUDGET GLOSSARY

Appropriation - An authorization made by the Board which permits the District to incur obligations and expend resources.

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Assessment District - A sub-District formed to finance improvements and collect & process outstanding assessments from benefiting property owners.

Audit - Prepared by an independent certified public accountant (CPA), the primary objective of an audit is to determine if the District's Financial Statements present fairly the District's financial position and results of operations in conformity with generally accepted accounting principles. In conjunction with its performance of an audit, the independent auditor is required to issue a Management Letter stating the adequacy of the District's internal controls as well as recommending improvements to the District's financial management practices.

Board of Directors - The District's five-member governing body (Board), consisting of five directly elected members-at-large. Each Director has one vote, a majority of the members must be present for action to be taken, and a majority of those present is required to act on any matter (except as otherwise required by law).

Bonds - Interest bearing certificates issued by a government agency, redeemable on a specific date; used as a means of raising funds for capital improvements. Several types are available, many require voter approval before issuance.

Budget - A financial plan adopted by the Board of Directors for a specified period of time that establishes management policies, goals, and objectives for all programs within the District and allocates planned revenues and expenditures to District services.

Budget Adjustment - An amendment or supplement to the budget approved by majority Board vote any time after budget adoption. A budget adjustment may increase or decrease the budget.

Budget Policies – General and specific guidelines adopted by the Board that govern financial plan preparation and administration.

Budget Review Process - The series of Board meetings and discussions used to provide policy guidance and direction for the program objectives to be accomplished the ensuing year.

Budget Transfer - An action transferring appropriations and revenues from one budget location to another without changing overall totals.

Capital Improvement Fund - This fund type is used to accumulate over time financial resources used in the acquisition, construction, development and long-term modification of major capital facilities (see Fund).

Capital Improvement Plan - A plan to provide for the major modification or replacement of existing public facilities & assets, and for the construction or acquisition of new ones.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Certificates of Participation (COPs) - Interest bearing certificates issued by a government agency, redeemable on a specific date; used as a means of raising funds for capital improvements (very similar to bonds, except no voter approval is required).

Debt Service - A predetermined schedule of payments on debt principal and interest.

Debt Service Fund - A Fund used to account for the accumulation and payment of resources related to general long-term debt principal and interest (see Fund).

Direct Expense/Revenue - Expense or revenue which is directly attributable to the service being provided. Also sometimes called operating expense/revenue.

Encumbrance - The reservation of funds to be expended (see Expense).

Enterprise Fund - A Fund used to account for operations that are financed and operated in a manner similar to private sector enterprises where it is the District's intent that costs (including depreciation) of providing services to the general public be financed or recovered primarily through user charges. All operating programs of the District operate as enterprises.

Executive Summary - Included in the opening section of the budget, the Executive Summary provides the Board and public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the General Manager.

Expense – The outflow or using up of assets for capital purchases, goods & services (see Encumbrance).

Fiscal Year (FY) - An annual period for recording District financial transactions beginning July 1 and ending June 30. Fiscal Year 2026-2027 is abbreviated "FY 2027" or "FY 27."

Fixed Assets - Long-term major assets with a purchase price greater than $4,000 and a useful life greater than one year, such as land, buildings, machinery, furniture, and other equipment.

Fund - The District accounts for all its operations and activities as an enterprise fund. This fund is comprised of various fund types such as operations, debt service and capital projects.

GAAP - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording encompassing the conventions, rules, and procedures that define accepted accounting principles.

Goal - A statement of broad direction, purpose, or intent. Program Goals support District Goals.

Inventoried Equipment - Each individual piece of equipment having a purchase price of $4,000 or less that can be labeled and tracked. This includes equipment such as personal computers, laptop computers, cell phones, pagers, radios, etc.

Line ltem Budget - A budget that lists detailed expenditure categories (photocopying, telephone service, travel, etc.) separately, along with the amount budgeted for each specified category. The District uses a program rather than line-item budget, although detail line-item accounts are maintained and recorded for financial reporting and control purposes.

Operating Budget - A financial plan that pertains to daily operations and maintenance of existing facilities providing basic services.

Other Resources - Revenues other than those collected directly for a specific program, such as plan check fees, returned check charges and interfund transfers.

Program - A grouping of specific activities organized to accomplish District goals.

Program Budget - The type of budget used by the District, it shows budget amounts by program and category (salaries, supplies, services, etc.) rather than line item. Detail line-item accounts are maintained and recorded for financial reporting and control purposes, but are not included in the budget document.

Reserve - An account used either to set aside budgeted revenues that are not required for spending in the current year or to earmark revenues for a specific future purpose.

Retained Earnings - The accumulated earnings of an Enterprise entity which have been retained in the fund and which are not reserved for any specific purpose.

Revenues - Monies received or earned by the District.

Risk Management - An organized attempt to protect District assets against accidental loss in the most cost-effective manner.

Special Assessment Fund - This fund type is used to account for special assessments of the District to provide facilities that benefit specific properties (see Fund).

Transfers - Charges against one program that are moved as revenue to others for repayment of previously advanced funds, debt service or other purposes.

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WATER & SANITATION DISTRICT

Fiscal Year 2026-2027

ADOPTED BUDGET

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