

Fund Summaries

**FY 2025-26 & FY 2026-27
Operating and Capital
Rolling Biennial Budget**

WATERSHED MANAGEMENT FUNDS

Fund Summaries

Overview

The Board of Directors defines Watershed stewardship as the management of natural resources in a manner that fosters ecosystem health, improved water quality, flood protection, and compatible recreational opportunities. The Watersheds Chief Operating Officer leads the implementation of the watershed stewardship program with primarily three funding sources:

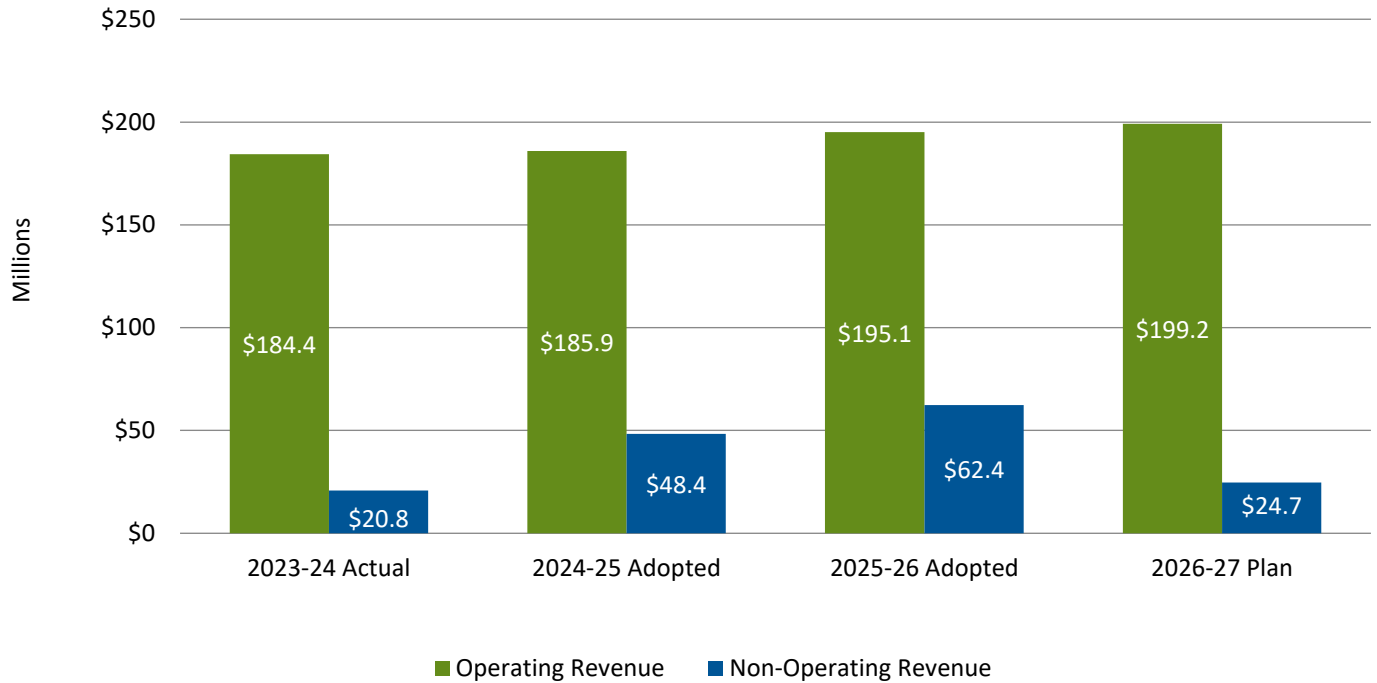
- Watershed and Stream Stewardship (Fund 12)
- Safe, Clean Water and Natural Flood Protection (Fund 26)
- Benefit Assessment Funds (Fund 21, 22, 23, 24, and 25)

Financial summaries and a description of programs and outcomes from these funds can be found in this chapter.

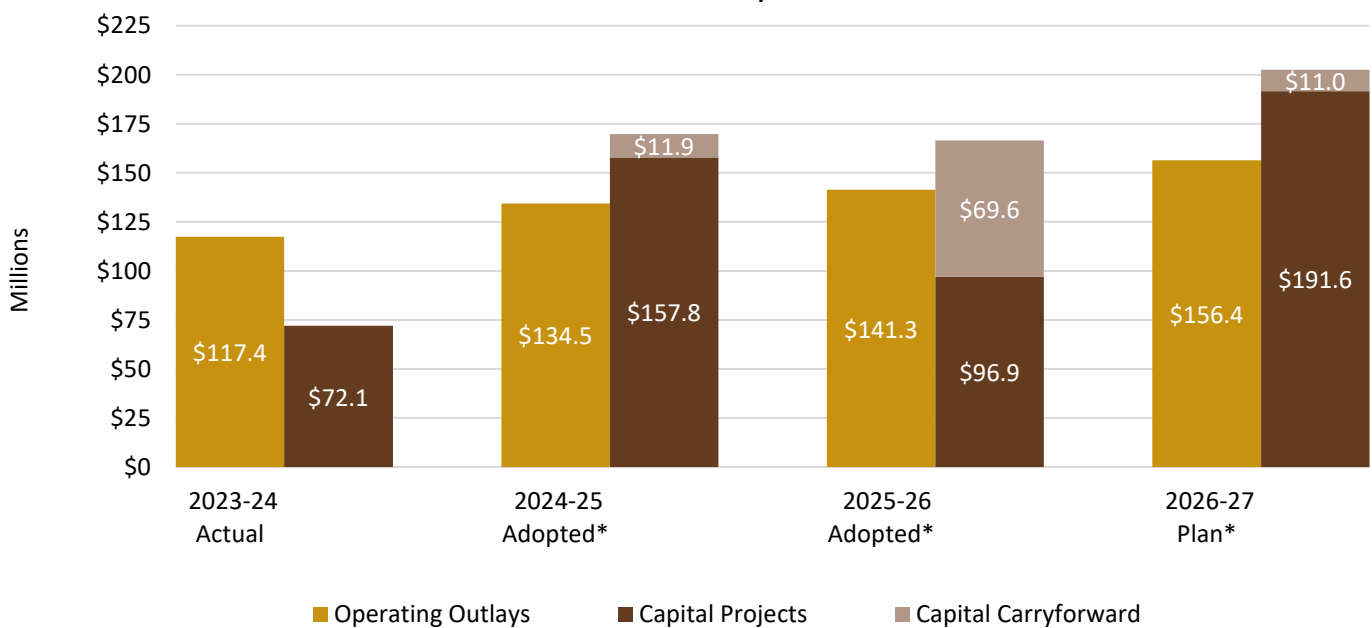
Fund Summaries

Watershed Management Funds

Total Revenue



Total Outlays



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

Watershed Management Funds

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
REVENUE						
Operating Revenue						
Benefit Assessment	\$ 6,889,358	\$ 7,052,737	\$ 7,052,740	\$ 6,923,750	\$ (128,987)	-1.8%
Property Tax	122,830,223	124,993,000	128,289,000	132,785,000	7,792,000	6.2%
Special Parcel Tax	52,175,089	53,531,667	53,531,667	55,094,792	1,563,125	2.9%
Intergovernmental Services	1,964,467	-	-	-	-	0.0%
Operating Other	524,633	309,649	309,649	318,938	9,289	3.0%
Total Operating Revenue	\$ 184,383,770	\$ 185,887,053	\$ 189,183,056	\$ 195,122,480	\$ 9,235,427	5.0%
Non-Operating Revenue						
Capital Reimbursements	\$ 6,466,007	\$ 41,900,000	\$ 32,813,000	\$ 55,600,000	\$ 13,700,000	32.7%
Interest Income *	11,876,576	4,903,000	4,771,000	5,366,000	463,000	9.4%
Non-Operating Other	2,459,771	1,553,810	1,416,007	1,458,487	(95,323)	-6.1%
Total Non-Operating Revenue	\$ 20,802,354	\$ 48,356,810	\$ 39,000,007	\$ 62,424,487	\$ 14,067,677	29.1%
TOTAL REVENUE	\$ 205,186,124	\$ 234,243,863	\$ 228,183,063	\$ 257,546,967	\$ 23,303,104	9.9%

OUTLAYS

Operating Outlays						
Operations **	\$ 92,814,963	\$ 113,524,662	\$ 117,375,247	\$ 118,364,072	\$ 4,839,410	4.3%
Operating Project	8,188,361	4,856,421	4,856,421	4,444,256	(412,165)	-8.5%
Debt Service	16,378,232	16,069,027	16,069,027	18,530,310	2,461,283	15.3%
Total Operating Outlays	\$ 117,381,557	\$ 134,450,110	\$ 138,300,695	\$ 141,338,638	\$ 6,888,527	5.1%
Capital Outlays						
Capital Projects	\$ 72,067,755	\$ 157,824,633	\$ 134,344,419	\$ 96,937,602	\$ (60,887,030)	-38.6%
Carry Forward Capital Projects	-	11,922,094	-	69,566,695	57,644,601	483.5%
Total Capital Outlays	\$ 72,067,755	\$ 169,746,727	\$ 134,344,419	\$ 166,504,297	\$ (3,242,429)	-1.9%
TOTAL OUTLAYS	\$ 189,449,311	\$ 304,196,837	\$ 272,645,115	\$ 307,842,935	\$ 3,646,098	1.2%

OTHER FINANCING SOURCES/(USES)

Debt Proceeds	\$ -	\$ 109,609,029	\$ 70,000,000	\$ 44,609,029	\$ (65,000,000)	-59.3%
Transfers In	8,917,463	4,250,988	4,250,989	5,116,750	865,762	20.4%
Transfers Out	(8,864,860)	(16,243,007)	(17,958,008)	(14,710,901)	1,532,106	-9.4%
TOTAL OTHER SOURCES/(USES)	\$ 52,603	\$ 97,617,010	\$ 56,292,981	\$ 35,014,878	\$ (62,602,132)	-64.1%
BALANCE AVAILABLE	\$ 15,789,416	\$ 27,664,036	\$ 11,830,930	\$ (15,281,090)	\$ (42,945,126)	-155.2%

YEAR-END RESERVES

Restricted Reserves						
SCW Rate Stabilization Reserve	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ -	0.0%
SCW Contingency Reserve	5,000,000	5,000,000	5,000,000	5,000,000	-	0.0%
SCW Currently Authorized Projects Reserve***	112,252,107	25,336,118	141,916,731	71,376,703	46,040,585	181.7%
SCW Operating and Capital Reserve	49,575,332	59,517,635	28,244,554	76,463,210	16,945,575	28.5%
Total Restricted Reserves	\$ 191,827,439	\$ 114,853,753	\$ 200,161,285	\$ 177,839,913	\$ 62,986,160	54.8%
Committed Reserves						
Currently Authorized Projects Reserve***	\$ 11,360,020	\$ 33,303	\$ 5,508,140	\$ 1,029,024	\$ 995,721	2989.9%
Operating and Capital Reserve	139,225,177	145,010,893	143,822,030	154,256,929	9,246,036	6.4%
Excess ERAF Contingency Reserve	-	5,605,897	4,752,110	5,836,610	230,713	4.1%
Total Committed Reserves	\$ 150,585,197	\$ 150,650,093	\$ 154,082,280	\$ 161,122,563	\$ 10,472,470	7.0%
TOTAL YEAR-END RESERVES	\$ 342,412,636	\$ 265,503,846	\$ 354,243,565	\$ 338,962,475	\$ 73,458,629	27.7%

Fund Summaries

Watershed Management Funds

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted	
									\$ Diff	% Diff
Outlay Summary by Account Type										
OPERATING OUTLAY										
Salaries and Benefits	\$	43,556,713	\$	49,551,343	\$	49,551,343	\$	52,339,150	\$	2,787,808 5.6%
Salary Savings Factor		-		(764,943)		(764,943)		(523,828)		241,115 -31.5%
Services & Supplies		28,858,998		37,485,712		41,336,297		37,335,848		(149,864) -0.4%
Intra-District Charges		28,587,614		32,108,972		32,108,972		33,657,157		1,548,185 4.8%
OPERATING OUTLAY TOTAL	\$	101,003,325	\$	118,381,083	\$	122,231,668	\$	122,808,328	\$	4,427,244 3.7%
DEBT SERVICE										
Services & Supplies	\$	629,552	\$	1,198,901	\$	1,198,901	\$	911,560	\$	(287,341) -24.0%
Debt Service		15,748,680		14,870,126		14,870,126		17,618,750		2,748,624 18.5%
DEBT SERVICE TOTAL	\$	16,378,232	\$	16,069,027	\$	16,069,027	\$	18,530,310	\$	2,461,283 15.3%
CAPITAL PROJECTS										
Salaries and Benefits	\$	16,352,164	\$	19,282,856	\$	19,282,856	\$	19,778,729	\$	495,873 2.6%
Salary Savings Factor		-		(304,554)		(304,554)		(204,729)		99,825 -32.8%
Services & Supplies		45,621,980		126,965,906		103,485,693		65,195,450		(61,770,456) -48.7%
Carry Forward Capital Projects		-		11,922,094		-		69,566,695		57,644,601 483.5%
Intra-District Charges		10,093,611		11,880,424		11,880,424		12,168,153		287,729 2.4%
CAPITAL PROJECTS TOTAL	\$	72,067,755	\$	169,746,727	\$	134,344,419	\$	166,504,297	\$	(3,242,429) -1.9%
TOTAL OUTLAYS	\$	189,449,311	\$	304,196,837	\$	272,645,115	\$	307,842,935	\$	3,646,098 1.2%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations outlays do not include OPEB Expense-unfunded liabilities

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Watershed Management Funds

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
REVENUE						
Operating Revenue						
Benefit Assessment	\$ 6,889,358	\$ 7,052,737	\$ 6,923,750	\$ 6,921,250	\$ (2,500)	0.0%
Property Tax	122,830,223	124,993,000	132,785,000	135,648,000	2,863,000	2.2%
Special Parcel Tax	52,175,089	53,531,667	55,094,792	56,306,876	1,212,084	2.2%
Intergovernmental Services	1,964,467	-	-	-	-	0.0%
Operating Other	524,633	309,649	318,938	328,506	9,568	3.0%
Total Operating Revenue	\$ 184,383,770	\$ 185,887,053	\$ 195,122,480	\$ 199,204,632	\$ 4,082,153	2.1%
Non-Operating Revenue						
Capital Reimbursements	\$ 6,466,007	\$ 41,900,000	\$ 55,600,000	\$ 17,228,000	\$ (38,372,000)	-69.0%
Interest Income *	11,876,576	4,903,000	5,366,000	5,963,000	597,000	11.1%
Non-Operating Other	2,459,771	1,553,810	1,458,487	1,501,899	43,412	3.0%
Total Non-Operating Revenue	\$ 20,802,354	\$ 48,356,810	\$ 62,424,487	\$ 24,692,899	\$ (37,731,589)	-60.4%
TOTAL REVENUE	\$ 205,186,124	\$ 234,243,863	\$ 257,546,967	\$ 223,897,531	\$ (33,649,436)	-13.1%
OUTLAYS						
Operating Outlays						
Operations **	\$ 92,814,963	\$ 113,524,662	\$ 118,364,072	\$ 128,957,452	\$ 10,593,380	8.9%
Operating Project	8,188,361	4,856,421	4,444,256	5,583,597	1,139,342	25.6%
Debt Service	16,378,232	16,069,027	18,530,310	21,903,250	3,372,940	18.2%
Total Operating Outlays	\$ 117,381,557	\$ 134,450,110	\$ 141,338,638	\$ 156,444,299	\$ 15,105,662	10.7%
Capital Outlays						
Capital Projects	\$ 72,067,755	\$ 157,824,633	\$ 96,937,602	\$ 191,616,530	\$ 94,678,927	97.7%
Carry Forward Capital Projects	-	11,922,094	69,566,695	11,004,634	(58,562,061)	-84.2%
Total Capital Outlays	\$ 72,067,755	\$ 169,746,727	\$ 166,504,297	\$ 202,621,164	\$ 36,116,866	21.7%
TOTAL OUTLAYS	\$ 189,449,311	\$ 304,196,837	\$ 307,842,935	\$ 359,065,463	\$ 51,222,528	16.6%
OTHER FINANCING SOURCES/(USES)						
Debt Proceeds	\$ -	\$ 109,609,029	\$ 44,609,029	\$ 128,053,129	\$ 83,444,100	187.1%
Transfers In	8,917,463	4,250,988	5,116,750	6,215,000	1,098,250	21.5%
Transfers Out	(8,864,860)	(16,243,007)	(14,710,901)	(22,156,985)	(7,446,084)	50.6%
TOTAL OTHER SOURCES/(USES)	\$ 52,603	\$ 97,617,010	\$ 35,014,878	\$ 112,111,144	\$ 77,096,266	220.2%
BALANCE AVAILABLE	\$ 15,789,416	\$ 27,664,036	\$ (15,281,090)	\$ (23,056,788)	\$ (7,775,698)	50.9%
YEAR-END RESERVES						
Restricted Reserves						
SCW Rate Stabilization Reserve	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ -	0.0%
SCW Contingency Reserve	5,000,000	5,000,000	5,000,000	5,000,000	-	0.0%
SCW Currently Authorized Projects Reserve***	112,252,107	25,336,118	71,376,703	61,401,092	(9,975,611)	-14.0%
SCW Operating and Capital Reserve	49,575,332	59,517,635	76,463,210	59,622,776	(16,840,433)	-22.0%
Total Restricted Reserves	\$ 191,827,439	\$ 114,853,753	\$ 177,839,913	\$ 151,023,869	\$ (26,816,044)	-15.1%
Committed Reserves						
Currently Authorized Projects Reserve***	\$ 11,360,020	\$ 33,303	\$ 1,029,024	\$ -	\$ (1,029,024)	-100.0%
Operating and Capital Reserve	139,225,177	145,010,893	154,256,929	157,960,529	3,703,600	2.4%
Excess ERAF Contingency Reserve	-	5,605,897	5,836,610	6,921,290	1,084,680	18.6%
Total Committed Reserves	\$ 150,585,197	\$ 150,650,093	\$ 161,122,563	\$ 164,881,819	\$ 3,759,256	2.3%
TOTAL YEAR-END RESERVES	\$ 342,412,636	\$ 265,503,846	\$ 338,962,475	\$ 315,905,687	\$ (23,056,788)	-6.8%

Fund Summaries

Watershed Management Funds

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
Outlay Summary by Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 43,556,713	\$ 49,551,343	\$ 52,339,150	\$ 56,007,942	\$ 3,668,792	7.0%
Salary Savings Factor	-	(764,943)	(523,828)	(553,308)	(29,479)	5.6%
Services & Supplies	28,858,998	37,485,712	37,335,848	40,828,308	3,492,460	9.4%
Intra-District Charges	28,587,614	32,108,972	33,657,157	38,258,106	4,600,949	13.7%
OPERATING OUTLAY TOTAL	\$ 101,003,325	\$ 118,381,083	\$ 122,808,328	\$ 134,541,049	\$ 11,732,722	9.6%
DEBT SERVICE						
Services & Supplies	\$ 629,552	\$ 1,198,901	\$ 911,560	\$ 1,751,560	\$ 840,000	92.1%
Debt Service	15,748,680	14,870,126	17,618,750	20,151,690	2,532,940	14.4%
DEBT SERVICE TOTAL	\$ 16,378,232	\$ 16,069,027	\$ 18,530,310	\$ 21,903,250	\$ 3,372,940	18.2%
CAPITAL PROJECTS						
Salaries and Benefits	\$ 16,352,164	\$ 19,282,856	\$ 19,778,729	\$ 20,059,428	\$ 280,699	1.4%
Salary Savings Factor	-	(304,554)	(204,729)	(204,964)	(235)	0.1%
Services & Supplies	45,621,980	126,965,906	65,195,450	158,847,385	93,651,935	143.6%
Carry Forward Capital Projects	-	11,922,094	69,566,695	11,004,634	(58,562,061)	-84.2%
Intra-District Charges	10,093,611	11,880,424	12,168,153	12,914,681	746,528	6.1%
CAPITAL PROJECTS TOTAL	\$ 72,067,755	\$ 169,746,727	\$ 166,504,297	\$ 202,621,164	\$ 36,116,866	21.7%
TOTAL OUTLAYS	\$ 189,449,311	\$ 304,196,837	\$ 307,842,935	\$ 359,065,463	\$ 51,222,528	16.6%

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Fund Summaries

Watershed and Stream Stewardship Fund

Description

The Watershed and Stream Stewardship Fund was created in FY 2000-01 as part of the Board of Directors' direction to balance the overall Flood Protection and Stream Stewardship Program. When created, this fund supported specific stewardship activities within the watersheds from a portion of Valley Water's ad valorem property tax allocation. Beginning in FY 2008-09, this fund was redefined to support all activities from the five watersheds funds supported by revenue from:

- Valley Water's 1% ad valorem property tax allocation, except the portion allocated to the Valley Water General Fund and Water Utility Enterprise Fund
- Benefit assessments
- Capital reimbursements
- Intergovernmental revenue
- Interest revenue

The revenues in the Watershed and Stream Stewardship Fund are used to provide:

- Environmentally responsible maintenance and construction of flood conveyance and ecological assets to preserve or improve flood protection, water quality, or environmental values, including sediment removal, levee maintenance, erosion protection, debris removal, vegetation management, invasive species removal and control, corrective maintenance, property, fence, and road repairs
- Administration of the Water Resources Protection Ordinance to protect Valley Water assets
- Consultation with other agencies to manage flood risk and to protect ecological assets
- Emergency preparedness/response including sandbags and efforts to respond to or reduce the threat of floods
- Protection and improvement of water quality from urban runoff and other stream impairments
- Monitoring and assessing the condition and performance of both flood conveyance and environmental assets in the watersheds
- Public outreach and education
- Encampment cleanups and management
- Other program activities such as work improvement efforts, floodplain management, hydrology, safety training, and workforce development

Preliminary targets for sediment removal, vegetation management, levee maintenance, and erosion protection are based on field condition assessments for the Stream Maintenance Program-2.5 (SMP-2.5) Notice of Proposed Work (NPW). The NPW consists of all potential work activities identified for that season and is submitted annually for approval by regulatory agencies in April. While Valley Water intends to complete all work listed in the NPW, some of the work may not be completed for various reasons. Limitations for completion include the ability to implement required mitigation, timely approval from regulatory agencies, changed site conditions, environmental restrictions, and other factors. Furthermore, an additional NPW may be submitted due to work identified caused by late-occurring winter/spring storms. Therefore, the proposed workload quantities in this fund summary are subject to change.

Fund Summaries

Outcomes

Programs and projects are designed to fulfill each goal. Following each goal statement is a list of projects that are included in the FY 2025-26 Rolling Biennial Budget.

Goal 3.1: Maintain flood protection facilities to design levels of protection

Prioritize maintenance of existing facilities over construction of new capital projects; inspect and maintain facilities on a regular basis; and perform maintenance using maintenance guidelines updated on a regular basis.

- Effectively and efficiently maintain and operate flood water conveyance channels to design specifications, including sustainable sediment management, vegetation management, and debris removal
- In conjunction with the Safe, Clean Water (SCW) Fund, provide partial funding to remove an estimated 20,000 to 50,000 cubic yards of sediment
- In conjunction with the Safe, Clean Water (SCW) Fund, provide partial funding to control approximately 3,700 acres of upland vegetation to allow safe access for maintenance and fire risk reduction
- Inspect approximately 190 miles of creeks
- Inspect approximately 100 miles of levees
- Perform maintenance on approximately 15,000 linear feet of levees
- Watersheds Asset Rehabilitation Program: Calabazas Creek, Guadalupe River and Coyote Creek
- Lower Guadalupe Capacity Restoration Project

Goal 3.2: Assist people, businesses, schools, and communities to prepare for, respond to, and recover from flooding through equitable and effective engagement

Reduce the potential for flood damages through the following activities:

- Preparing for and responding to flood emergencies
- Informing the public on flood awareness
- Implementing the Water Resources Protection Ordinance
- Implementing the Encroachment Remediation and Prevention Plan
- Consulting with and supporting external agencies for floodplain management
- Maintaining and improving Valley Water's flood warning system

This includes providing a minimum of 40,000 filled sandbags to the public and sending floodplain mailers to approximately 55,000 homes and businesses in flood-prone areas.

Fund Summaries

Goal 3.3: Increase the health and safety of residents countywide by reducing community flood risk

Provide flood protection to the county's growing community by building flood protection projects and maintaining conveyance capacity of modified channels.

Major Capital Project starting or continuing construction:

- San Francisco Bay Shoreline Phase I

Major Capital Project in planning and design:

- Lower Guadalupe Capacity Restoration

Goal 4.1: Use a science-based, inclusive approach to protect Santa Clara County's watersheds and aquatic ecosystems for current and future generations

Protect and restore creek and bay ecosystems through an integrated master planning process, which strategizes providing protection and restoration of watersheds through the following activities:

- Managing mitigation and enhancement sites
- Monitoring the biological values along the creeks and bay
- Understanding the natural hydrology of the watersheds
- Responding to hazardous material incidents
- Educating residents on creek stewardship

Watershed Master Plans for each of the five watersheds in Santa Clara County are driven by community input to ensure broad support.

Major Capital Projects:

- Calabazas/San Tomas Aquino Creek-Marsh Connection
- Pond A4 Resilient Habitat Restoration
- Coyote 10B Freshwater Wetlands
- Ogier Ponds
- Moffett Fish Ladder

Goal 4.2: Sustain ecosystem health while managing local water resources for flood protection and water supply

- Implement stewardship projects such as the Integrated Invasive Plant Management Program for invasive species control, Calabazas/San Tomas Aquino Creek-Marsh Connection, Coyote Pond 10B Freshwater Wetlands, and Ogier Ponds
- Continue to implement the FAHCE flow measures in the Stevens Creek and Guadalupe watersheds
- Complete planning studies for FAHCE nonflow measures such as Moffett Fish Ladder
- Manage at least 300 acres of riparian planting projects and 200 acres of invasive plant removal projects

Goal 4.3: Encourage inclusive, sustainable management of water resources in the Bay-Delta and its watersheds to protect imported water supply

Protecting imported water supply is affiliated with more than one Ends Code Goal, including this Goal E4.3; however, the imported water projects listed are under Goal Objective E2.2.3 – "Protect imported water supplies and associated contracts and partnerships." Please refer to the summary of that goal in the Water Utility Enterprise (Fund 61) Summary.

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Goal 4.4: Prevent and address pollution of local streams, reservoirs, and the Bay, equitably across all communities. Protect waterbodies from pollution and degradation

- Continue sampling and analysis to estimate reservoirs' contribution of greenhouse gasses, especially methane, to the atmosphere
- Continue study to evaluate the use of different mercury sorbent materials and methods as an alternative to hypolimnetic oxygenation systems for mitigating mercury bioaccumulation in reservoirs
- Continue a collaborative effort between Palo Alto and Valley Water to maintain and operate trash booms in two creek locations to capture trash before it enters San Francisco Bay
- Conduct stormwater runoff pollution prevention activities
- Conduct encampment cleanup and management of at least 700 acres annually to remove trash, debris, and hazardous pollutants generated by encampments near waterways or on Valley Water property
- Continue Good Neighbor Maintenance to remove trash from waterways
- Repair fences as needed for public safety; and respond to requests for trash and graffiti removal within five working days

Goal 4.5: Engage the community to promote watershed stewardship by providing meaningful engagement in Valley Water programs for all people regardless of race, color, gender identity, disability status, national origin, tribe, culture, income, immigration status, or English language proficiency

- Provide additional recreational opportunities by promoting and supporting access to create creekside trails and open space through various grants and community partnerships for planning, design, construction, and maintenance
- Provide additional opportunities to engage the community in stewardship through Adopt-A-Creek trash pickups
- Continue to work with cities on trail implementation through Joint Use Agreements, in accordance with the Trails Policy Criteria and Guidance

Goal 5.1: Minimize greenhouse gas emissions from Valley Water's operations

Complete and implement a qualified Green House Gas Reduction Plan (GHGRP) consistent with the California Environmental Quality Act (CEQA) and develop a CEQA streamlining checklist for future projects covered by the plan. The GHGRP aims to reduce Valley Water's emissions and achieve carbon neutrality by 2045.

Goal 5.2: Adapt Valley Water's assets and operations to reduce climate change impacts

- Improve the resiliency of Valley Water's assets and operations to climate change through the Climate Change Action Plan (CCAP), which includes Water Supply Adaptation, Flood Protection Adaptation, Ecosystem Adaptation, and Emergency Preparedness
- Develop a Drought Response Plan to improve water supply reliability in Santa Clara County during times of future shortage to evaluate new approaches for water use reductions from the public and develop a response framework to employ during future droughts

Fund Summaries

Goal 6.1: Achieve a functional zero level of unsheltered people on Valley Water lands along waterways and at water supply and flood risk reduction facilities

- Actively participate in a collaborative regional approach with the County, cities, and other service providers to support their efforts in addressing the challenges posed by encampments of unsheltered people
- Increase the level of service for encampment cleanup efforts based on need and resource availability
- Identify Valley Water lands for regional partners to use for housing or other services for unsheltered people and, as resources allow, work in consultation with local cities or the County to facilitate construction of low-barrier navigation centers, supportive housing, transitional housing, affordable housing, or other facilities to assist unsheltered people

Fund Summaries

Fiscal Status

Property Tax revenue is projected at \$132.8 million for FY 2025-26. The projection reflects an increase of \$7.8 million, a 6.2% increase from the FY 2024-25 Adopted Budget. The increase in Property Tax revenue is based on updates received from the Santa Clara County assessor's office. In FY 2026-27, Property Tax revenue is projected to increase an additional 2.2% to \$135.6 million.

For FY 2025-26, Capital Reimbursements are projected at \$5.0 million, a decrease of \$6.9 million from the FY 2024-25 Adopted Budget, which is made up of \$3.2 million in Measure AA and \$1.8 million for State Coastal Conservancy Grants for the San Francisco Bay Shoreline project. For FY 2026-27, the projected Capital Reimbursement is \$3.0 million, which is made up of \$2.0 million in Measure AA grant and \$1.0 million in State Coastal Conservancy funds for the San Francisco Bay Shoreline project.

Other Income of \$1.8 million in FY 2025-26 and FY 2026-27 is budgeted for rental and other miscellaneous Income.

Interest Income is projected to be \$2.2 million for FY 2025-26 and \$2.4 million for FY 2026-27. The estimates assume an average portfolio yield of 2.25% for FY 2025-26 and 2.50% for FY 2026-27.

Operating Transfers In from the Benefit Assessment Funds for the excess amount over the debt obligations is budgeted at \$1.1 million for FY 2025-26 and FY 2026-27.

For FY 2025-26, Operating Transfers Out of \$5.1 million from the Watershed and Stream Stewardship Fund is budgeted as follows:

- \$1.4 million to the Information Technology Fund for IT capital projects costs
- \$3.7 million to the General Fund for Drought Induced Tree Removal (\$0.9 million) and Security Upgrades and HQ Building Capital Project (\$2.8 million)

For FY 2026-27, Operating Transfers Out of \$11.4 million from the Watershed and Stream Stewardship Fund is budgeted as follows:

- \$4.6 million to the Information Technology Fund for ERP Replacement (\$2.6 million) and IT capital projects (\$2.0 million)
- \$3.7 million to the General Fund for Drought Induced Tree Removal (\$0.9 million) and Security Upgrades and HQ Building Capital Project (\$2.8 million)
- \$2.0 million to the Water Enterprise Fund for Open Space Credit
- \$1.1 million to the Safe, Clean Water and Natural Flood Protection Fund for Regnart Creek Project

Total Operating Outlays are budgeted at \$95.1 million for FY 2025-26, an increase of \$1.3 million or 1.4% relative to the FY 2024-25 Adopted Budget. This change is primarily comprised of increases in salary and related costs (\$2.5 million), intra-district charges (\$1.3 million), and a net decrease in Services and Supplies (S&S) from various projects and programs (\$2.5 million). Due to the pausing of 45 positions districtwide in FY2025-26, the salary and related costs increase was relatively lower in FY 2025-26 than FY 2026-27. In FY 2026-27, Total Operating Outlays are projected to increase an additional 10.7% or \$10.2 million to \$105.3 million. This change is primarily comprised of increases in salary and related costs (\$3.2 million), intra-district charges (\$3.9 million), and a net increase in S&S from various projects and programs (\$3.1 million).

Total Capital Outlays are budgeted at \$35.7 million for FY 2025-26, an increase of \$4.7 million or 15.1% relative to the FY 2024-25 Adopted Budget. In FY 2026-27, total Capital Outlays are projected to decrease by 34.0% to \$23.5 million. A detailed overview of projects in the Watershed and Stream Stewardship Fund is explained in the Outcomes section above.

Total Watershed and Stream Stewardship reserves for FY 2025-26 are estimated at approximately \$161.1 million and \$164.9 million for FY 2026-27 and are in compliance with the Valley Water Reserve Policy.

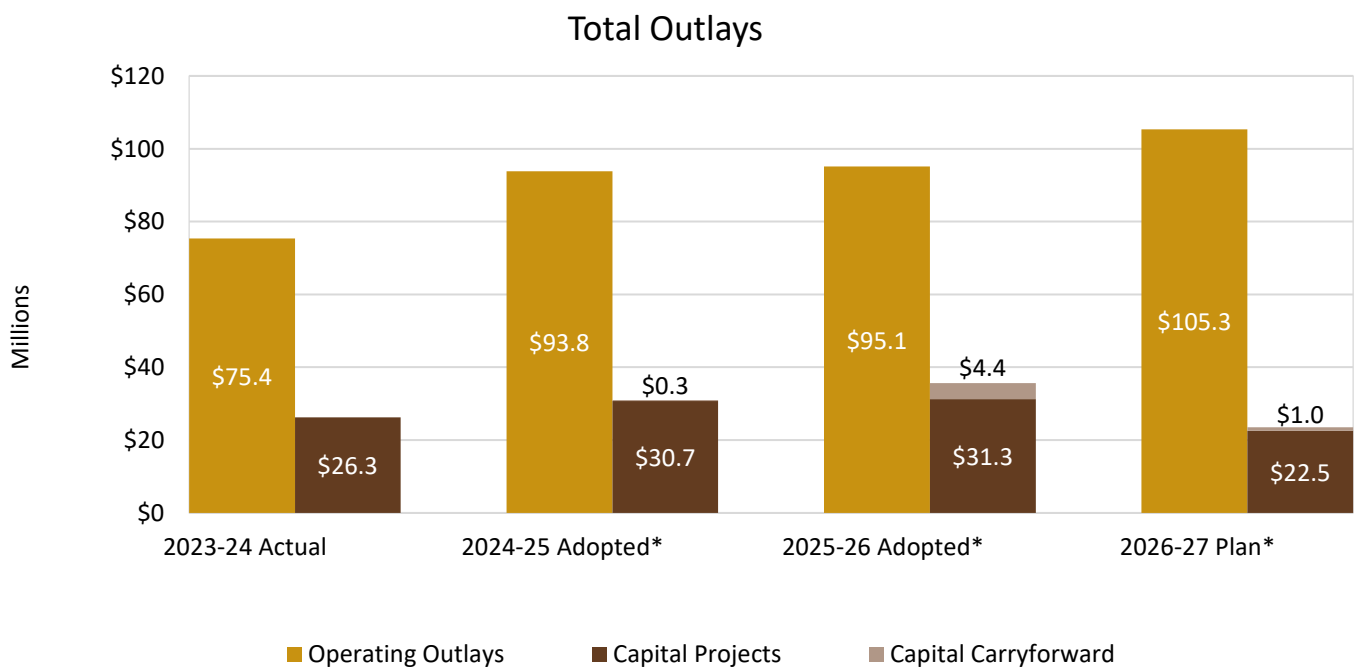
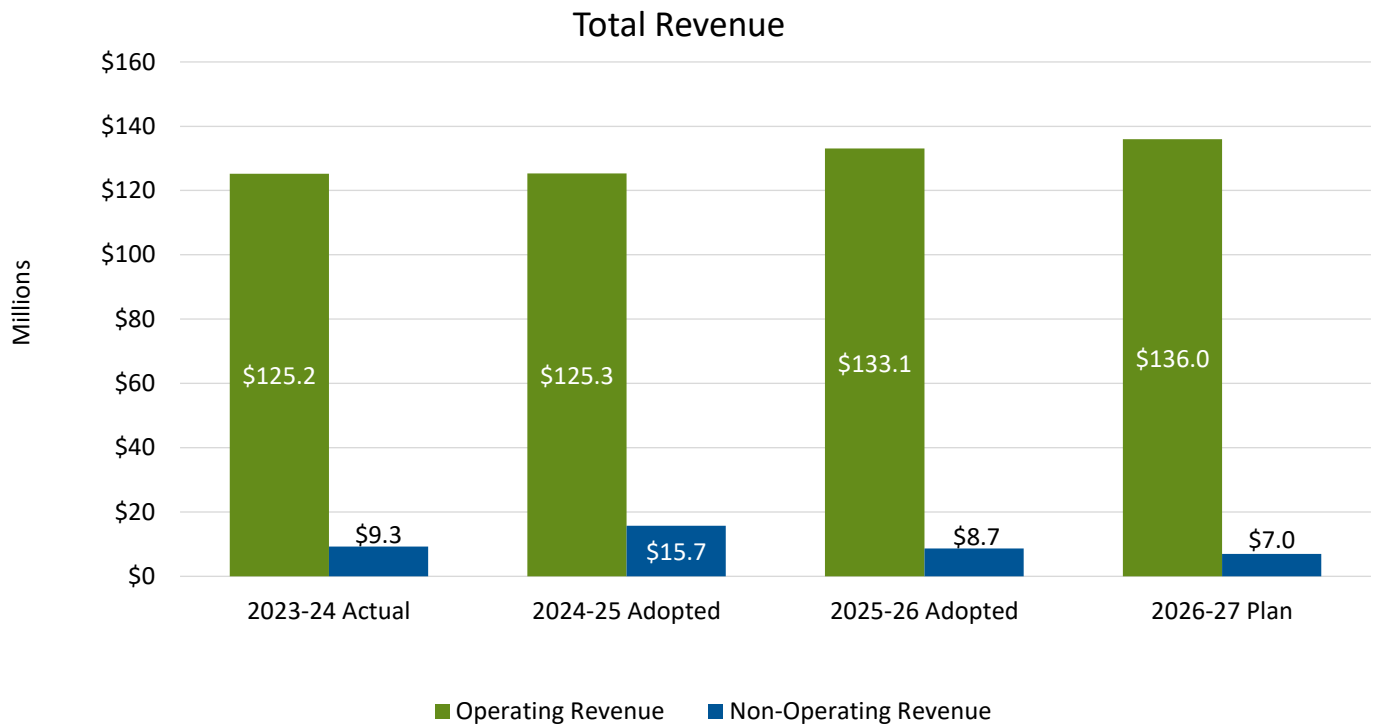
Fund Summaries

Budget Issues and Constraints

- Capital infrastructure rehabilitation projects costs continue to increase, creating challenges with funding construction of these projects as labor and construction costs rise. We are also experiencing longer timelines for negotiating right-of-way needs to proceed with projects.
- Designing and implementing permittable projects with competing priorities between agencies and limited mitigation options.
- The presence of encampments of unsheltered people on lands where Valley Water holds property rights and has maintenance obligations continues to impact field operations and maintenance activities and threatens Valley Water's ability to ensure the safety of its staff. This has translated into year-over-year increases in the costs for cleanup operations and security services to ensure staff safety.

Fund Summaries

Watershed and Stream Stewardship Fund



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

Watershed and Stream Stewardship Fund Summary

		Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted	
										\$ Diff	% Diff
REVENUE											
Operating Revenue											
Property Tax	\$	122,830,223	\$	124,993,000	\$	128,289,000	\$	132,785,000	\$	7,792,000	6.2%
Intergovernmental Services		1,871,134		-		-		-		-	0.0%
Operating Other		524,633		309,649		309,649		318,938		9,289	3.0%
Total Operating Revenue	\$	125,225,991	\$	125,302,649	\$	128,598,649	\$	133,103,938	\$	7,801,289	6.2%
Non-Operating Revenue											
Capital Reimbursements	\$	3,064,039	\$	11,900,000	\$	10,188,000	\$	5,000,000	\$	(6,900,000)	-58.0%
Interest Income *		4,198,209		2,264,000		1,960,000		2,204,000		(60,000)	-2.7%
Non-Operating Other		2,015,894		1,553,810		1,416,007		1,458,487		(95,323)	-6.1%
Total Non-Operating Revenue	\$	9,278,143	\$	15,717,810	\$	13,564,007	\$	8,662,487	\$	(7,055,323)	-44.9%
TOTAL REVENUE	\$	134,504,134	\$	141,020,459	\$	142,162,656	\$	141,766,425	\$	745,966	0.5%
OUTLAYS											
Operating Outlays											
Operations **	\$	72,846,206	\$	91,514,271	\$	91,934,271	\$	92,966,696	\$	1,452,426	1.6%
Operating Project		2,526,392		2,317,502		2,317,502		2,145,731		(171,771)	-7.4%
Total Operating Outlays	\$	75,372,598	\$	93,831,773	\$	94,251,773	\$	95,112,428	\$	1,280,655	1.4%
Capital Outlays											
Capital Projects	\$	26,275,157	\$	30,718,255	\$	37,020,136	\$	31,265,224	\$	546,969	1.8%
Carry Forward Capital Projects		-		266,395		-		4,401,792		4,135,397	1552.4%
Total Capital Outlays	\$	26,275,157	\$	30,984,650	\$	37,020,136	\$	35,667,016	\$	4,682,366	15.1%
TOTAL OUTLAYS	\$	101,647,755	\$	124,816,422	\$	131,271,908	\$	130,779,444	\$	5,963,021	4.8%
OTHER FINANCING SOURCES/(USES)											
Transfers In	\$	3,383,486	\$	1,250,988	\$	1,250,989	\$	1,116,750	\$	(134,238)	-10.7%
Transfers Out		(4,294,597)		(7,001,400)		(8,644,653)		(5,063,449)		1,937,951	-27.7%
TOTAL OTHER SOURCES/(USES)	\$	(911,111)	\$	(5,750,412)	\$	(7,393,664)	\$	(3,946,699)	\$	1,803,713	-31.4%
BALANCE AVAILABLE	\$	31,945,268	\$	10,453,625	\$	3,497,084	\$	7,040,282	\$	(3,413,342)	-32.7%
YEAR-END RESERVES											
Committed Reserves											
Currently Authorized Projects Reserve***	\$	11,360,020	\$	33,303	\$	5,508,140	\$	1,029,024	\$	995,721	2989.9%
Operating and Capital Reserve		139,225,177		145,010,893		143,822,030		154,256,929		9,246,036	6.4%
Excess ERAF Contingency Reserve		-		5,605,897		4,752,110		5,836,610		230,713	4.1%
Total Committed Reserves	\$	150,585,197	\$	150,650,093	\$	154,082,280	\$	161,122,563	\$	10,472,470	7.0%
TOTAL YEAR-END RESERVES	\$	150,585,197	\$	150,650,093	\$	154,082,280	\$	161,122,563	\$	10,472,470	7.0%

Fund Summaries

Watershed and Stream Stewardship Fund Summary

	Budgetary		Adopted		Projected		Adopted		Change from	
	Basis Actual		Budget		Year End		Budget		2024-25 Adopted	
	2023-24		2024-25		2024-25		2025-26		\$ Diff	% Diff
Outlay Summary by Account Type										
OPERATING OUTLAY										
Salaries and Benefits	\$	35,831,604	\$	40,563,146	\$	40,433,146	\$	42,851,135	\$	2,287,989 5.6%
Salary Savings Factor		-		(626,945)		(626,945)		(429,428)		197,517 -31.5%
Services & Supplies		16,036,871		27,616,630		28,166,630		25,116,224		(2,500,406) -9.1%
Intra-District Charges		23,504,122		26,278,941		26,278,941		27,574,496		1,295,555 4.9%
OPERATING OUTLAY TOTAL	\$	75,372,598	\$	93,831,773	\$	94,251,773	\$	95,112,428	\$	1,280,655 1.4%
CAPITAL PROJECTS										
Salaries and Benefits	\$	6,732,048	\$	6,567,858	\$	6,567,858	\$	7,865,137	\$	1,297,279 19.8%
Salary Savings Factor		-		(103,186)		(103,186)		(81,282)		21,904 -21.2%
Services & Supplies		15,478,685		20,234,590		26,536,471		18,644,400		(1,590,191) -7.9%
Carry Forward Capital Projects		-		266,395		-		4,401,792		4,135,397 1552.4%
Intra-District Charges		4,064,424		4,018,993		4,018,993		4,836,970		817,977 20.4%
CAPITAL PROJECTS TOTAL	\$	26,275,157	\$	30,984,650	\$	37,020,136	\$	35,667,016	\$	4,682,366 15.1%
TOTAL OUTLAYS	\$	101,647,755	\$	124,816,422	\$	131,271,908	\$	130,779,444	\$	5,963,021 4.8%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations outlays do not include OPEB Expense-unfunded liabilities

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Watershed and Stream Stewardship Fund Summary

		Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27		Change from 2025-26 Adopted	
										\$ Diff	% Diff
REVENUE											
Operating Revenue											
Property Tax	\$	122,830,223	\$	124,993,000	\$	132,785,000	\$	135,648,000	\$	2,863,000	2.2%
Intergovernmental Services		1,871,134		-		-		-		-	0.0%
Operating Other		524,633		309,649		318,938		328,506		9,568	3.0%
Total Operating Revenue	\$	125,225,991	\$	125,302,649	\$	133,103,938	\$	135,976,506	\$	2,872,568	2.2%
Non-Operating Revenue											
Capital Reimbursements	\$	3,064,039	\$	11,900,000	\$	5,000,000	\$	3,000,000	\$	(2,000,000)	-40.0%
Interest Income *		4,198,209		2,264,000		2,204,000		2,449,000		245,000	11.1%
Non-Operating Other		2,015,894		1,553,810		1,458,487		1,501,899		43,412	3.0%
Total Non-Operating Revenue	\$	9,278,143	\$	15,717,810	\$	8,662,487	\$	6,950,899	\$	(1,711,589)	-19.8%
TOTAL REVENUE	\$	134,504,134	\$	141,020,459	\$	141,766,425	\$	142,927,405	\$	1,160,980	0.8%
OUTLAYS											
Operating Outlays											
Operations **	\$	72,846,206	\$	91,514,271	\$	92,966,696	\$	102,824,585	\$	9,857,889	10.6%
Operating Project		2,526,392		2,317,502		2,145,731		2,464,842		319,111	14.9%
Total Operating Outlays	\$	75,372,598	\$	93,831,773	\$	95,112,428	\$	105,289,427	\$	10,177,000	10.7%
Capital Outlays											
Capital Projects	\$	26,275,157	\$	30,718,255	\$	31,265,224	\$	22,518,507	\$	(8,746,717)	-28.0%
Carry Forward Capital Projects		-		266,395		4,401,792		1,029,024		(3,372,768)	-76.6%
Total Capital Outlays	\$	26,275,157	\$	30,984,650	\$	35,667,016	\$	23,547,531	\$	(12,119,485)	-34.0%
TOTAL OUTLAYS	\$	101,647,755	\$	124,816,422	\$	130,779,444	\$	128,836,959	\$	(1,942,485)	-1.5%
OTHER FINANCING SOURCES/(USES)											
Transfers In	\$	3,383,486	\$	1,250,988	\$	1,116,750	\$	1,115,000	\$	(1,750)	-0.2%
Transfers Out		(4,294,597)		(7,001,400)		(5,063,449)		(11,446,190)		(6,382,741)	126.1%
TOTAL OTHER SOURCES/(USES)	\$	(911,111)	\$	(5,750,412)	\$	(3,946,699)	\$	(10,331,190)	\$	(6,384,491)	161.8%
BALANCE AVAILABLE	\$	31,945,268	\$	10,453,625	\$	7,040,282	\$	3,759,256	\$	(3,281,026)	-46.6%
YEAR-END RESERVES											
Committed Reserves											
Currently Authorized Projects Reserve***	\$	11,360,020	\$	33,303	\$	1,029,024	\$	-	\$	(1,029,024)	-100.0%
Operating and Capital Reserve		139,225,177		145,010,893		154,256,929		157,960,529		3,703,600	2.4%
Excess ERAF Contingency Reserve		-		5,605,897		5,836,610		6,921,290		1,084,680	18.6%
Total Committed Reserves	\$	150,585,197	\$	150,650,093	\$	161,122,563	\$	164,881,819	\$	3,759,256	2.3%
TOTAL YEAR-END RESERVES	\$	150,585,197	\$	150,650,093	\$	161,122,563	\$	164,881,819	\$	3,759,256	2.3%

Fund Summaries

Watershed and Stream Stewardship Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27		Change from 2025-26 Adopted	
									\$ Diff	% Diff
Outlay Summary by Account Type										
OPERATING OUTLAY										
Salaries and Benefits	\$	35,831,604	\$	40,563,146	\$	42,851,135	\$	46,023,847	\$	3,172,712 7.4%
Salary Savings Factor		-		(626,945)		(429,428)		(455,338)		(25,911) 6.0%
Services & Supplies		16,036,871		27,616,630		25,116,224		28,263,379		3,147,155 12.5%
Intra-District Charges		23,504,122		26,278,941		27,574,496		31,457,540		3,883,043 14.1%
OPERATING OUTLAY TOTAL	\$	75,372,598	\$	93,831,773	\$	95,112,428	\$	105,289,427	\$	10,177,000 10.7%
CAPITAL PROJECTS										
Salaries and Benefits	\$	6,732,048	\$	6,567,858	\$	7,865,137	\$	7,606,971	\$	(258,166) -3.3%
Salary Savings Factor		-		(103,186)		(81,282)		(77,628)		3,654 -4.5%
Services & Supplies		15,478,685		20,234,590		18,644,400		10,110,365		(8,534,035) -45.8%
Carry Forward Capital Projects		-		266,395		4,401,792		1,029,024		(3,372,768) -76.6%
Intra-District Charges		4,064,424		4,018,993		4,836,970		4,878,800		41,830 0.9%
CAPITAL PROJECTS TOTAL	\$	26,275,157	\$	30,984,650	\$	35,667,016	\$	23,547,531	\$	(12,119,485) -34.0%
TOTAL OUTLAYS	\$	101,647,755	\$	124,816,422	\$	130,779,444	\$	128,836,959	\$	(1,942,485) -1.5%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations outlays do not include OPEB Expense-unfunded liabilities

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Total Outlays - Watershed and Stream Stewardship

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
10291002	Rental Expense Stevens Creek	239,766	353,198	458,976	475,036	Watersheds Stewardship & Planning Div
30061004	Rent Exp Guadalupe & Coyote	188,169	283,073	443,290	455,897	Watersheds Stewardship & Planning Div
30151026	Guad Rvr Mitgtn Monitoring Prg	147,552	927,017	548,606	1,183,672	Watersheds Stewardship & Planning Div
62001090	Unscoped Projects-Budget Only	–	150,000	150,000	150,000	Office of Integrated Water Management
62011002	Watershed Asset Protection Sup	6,701,380	6,685,422	6,807,987	7,284,304	Watersheds Stewardship & Planning Div
62021003	CPRU Tech Support	459,447	442,926	370,165	394,533	Watersheds Stewardship & Planning Div
62021008	Energy Management	5,185	7,391	8,082	8,656	Treated Water Division
62021009	Watershds O&M Eng&Insp Support	1,961,097	2,673,295	2,762,387	2,969,400	Watersheds Operations & Maint Division
62031001	Watershed Revenue	85,499	49,457	67,302	69,519	Financial Planning & Mgmt Div
62031002	Grants Management	985,290	949,870	1,430,626	1,518,005	Financial Planning & Mgmt Div
62041022	Stream Maint Prog Mgmt	4,448,608	5,889,161	6,428,084	7,071,369	Watersheds Operations & Maint Division
62041023	Community Rating System (CRS)	401,926	229,691	219,266	232,775	Office of the CEA
62041027	Integrated Wtr Resrcr Mstr Pln	1,078,264	1,594,125	873,946	920,676	Watersheds Stewardship & Planning Div
62041039	Integrated Regional Water Mgmt	6,225	31,524	–	–	Water Supply Division
62041043	Environmental Srvcs Tech Suppt	561,406	851,460	758,714	862,541	Watersheds Stewardship & Planning Div
62041047	Ecolgcal Data Collectn & Analy	89,070	319,889	203,923	125,802	Watersheds Stewardship & Planning Div
62061001	Watersheds Administration	10,573,215	11,608,019	12,793,613	13,832,488	Office of COO Watersheds
62061002	Districtwide Salary Savings-12	–	(626,945)	(429,428)	(455,338)	Financial Planning & Mgmt Div
62061005	WS Customer Relations&Outreach	1,322,632	1,241,371	1,302,233	1,364,345	Office of the CEA
62061008	Hydrology&Hydraulics Tech Supp	1,434,429	1,479,273	1,774,256	1,925,549	Watersheds Stewardship & Planning Div
62061019	Creek Stewardship	232,208	242,156	257,637	273,169	Office of the CEA
62061029	Field Operations Support	725,559	818,474	895,249	983,841	Watersheds Operations & Maint Division
62061045	Asset Management Program	1,544,701	1,943,875	2,068,468	2,598,344	Office of Integrated Water Management
62061048	Climate Change Adaptation/Mtg.	149,279	264,848	289,275	265,268	Watersheds Stewardship & Planning Div
62061051	Lands Management Program	516,008	585,864	501,191	536,485	Watersheds Stewardship & Planning Div
62061056	F8 SCW Sustainable Creek	127,649	–	–	–	Office of Integrated Water Management
62071041	Welding Services	84,699	107,480	109,781	115,695	General Services Division
62181005	SMP Mitigation Site Mgmt	874,515	814,261	890,180	757,950	Watersheds Stewardship & Planning Div
62181006	Instream Habitat Complexity	1,285,952	1,040,994	649,082	1,503,654	Watersheds Operations & Maint Division
62741042	Water Resorcs EnvPlng & Permtg	303,757	307,535	270,128	292,474	Watersheds Operations & Maint Division
62761006	Invasive Plant Management Prog	1,269,369	2,427,005	–	–	Watersheds Operations & Maint Division
62761008	Sandbag Program	775,925	593,152	882,252	761,726	Watersheds Operations & Maint Division
62761009	Pond A4 Operations	58,922	81,480	–	–	Watersheds Operations & Maint Division
62761022	Watershed Good Neighbor Maint	688,535	852,007	973,875	1,050,243	Watersheds Operations & Maint Division
62761023	Watershed Sediment Removal	6,460,876	5,504,662	6,242,007	6,453,120	Watersheds Operations & Maint Division
62761024	Wtrshd Facility Cndtion Assmnt	2,489,218	2,822,970	2,986,217	3,220,425	Watersheds Operations & Maint Division
62761025	Watershed General Field Maint	3,626,756	2,801,182	3,390,238	3,674,144	Watersheds Operations & Maint Division
62761026	Watershed Debris Removal	2,218,909	2,116,050	2,289,483	2,506,034	Watersheds Operations & Maint Division
62761027	Watershed Erosion Protection	2,227,090	3,719,739	3,398,079	3,611,543	Watersheds Operations & Maint Division
62761028	Watershed Levee Maintenance	1,517,799	1,356,616	1,833,142	1,940,606	Watersheds Operations & Maint Division
62761071	Emergency Management	1,277,878	1,448,010	1,514,981	1,610,943	Emergency, Safety and Security Division
62761075	Mgmt of Revegetation Projects	1,695,209	1,940,625	4,256,175	4,529,381	Watersheds Operations & Maint Division
62761078	Vegetation Mangmnt for Access	5,393,582	4,446,244	5,009,895	5,332,003	Watersheds Operations & Maint Division
62761080	Non SMP Veg Removal for Convey	43,679	573,859	664,244	2,590,771	Watersheds Operations & Maint Division
62771011	Inter Agency Urban Runoff Prog	1,108,407	1,310,723	1,330,254	1,406,426	Watersheds Stewardship & Planning Div
62771031	HAZMAT Emergency Response	63,223	120,432	125,475	130,641	Emergency, Safety and Security Division
62811043	Hydrologic Data Msrmt & Mgmt	1,252,365	1,339,591	1,386,861	1,492,601	Watersheds Stewardship & Planning Div
62811046	Warehouse Services	843,866	1,283,490	1,179,771	1,251,237	General Services Division
62811049	X Valley Subsidence Survey	179,403	305,482	609,634	1,048,661	Office of Integrated Water Management
62811054	District Real Property Adminis	1,248,758	1,219,124	1,492,137	1,720,748	Watersheds Stewardship & Planning Div
62061050	Office of Integrated Water	1,449,567	1,921,002	2,135,346	2,303,845	Office of Integrated Water Management
62771027	Encampment Management Program	–	11,523,509	8,363,614	8,473,379	Watersheds Operations & Maint Division

Fund Summaries

Total Outlays - Watershed and Stream Stewardship

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
62061059	Technical Training Program	423,382	542,614	–	–	Human Resources Division
Total Operations		72,846,206	91,514,271	92,966,696	102,824,585	

Operating Project

40212032	Coyote Creek Mitgtn Monitoring	93,241	259,247	247,374	167,915	Watersheds Stewardship & Planning Div
62042032	Multiple Sm Prjcts Mitgtn Mont	175,654	464,015	303,658	447,003	Watersheds Stewardship & Planning Div
62042047	Mitigation & Stwdshp Land Mgmt	148,723	247,610	231,439	243,673	Watersheds Stewardship & Planning Div
62042050	Watershd Maint Guideline Updte	981,928	–	–	–	Watersheds Operations & Maint Division
62042051	Plant Pathogen Management	39,962	307,737	306,757	318,249	Watersheds Stewardship & Planning Div
62762011	Tree Maintenance Program	1,086,884	1,038,893	1,056,503	1,288,001	Watersheds Operations & Maint Division
Total Operating Projects		2,526,392	2,317,502	2,145,731	2,464,842	

Capital *

10394001	PA Flood Basin Tide Gate Replc	703,634	649,778	3,046,583	49,141	Watersheds Desn & Construction Division
30154015	Guadalupe Rv-DT, Coleman-SCLra	2,200	–	–	–	Watersheds Desn & Construction Division
40174004	L. Berryessa Ck, L.Penit-Calav	10,271	–	–	–	Watersheds Desn & Construction Division
40174005	Berryessa Crk, Lwr. Pen Phs 2	1,776,133	170,115	–	–	Watersheds Desn & Construction Division
40264008	Lwr Silver-R4-6 N Babb-Cunni	6,590	–	–	–	Watersheds Desn & Construction Division
40334005	Lwr Penitencia Crk Improvemnts	493,645	–	101,834	21,841	Watersheds Desn & Construction Division
50284010	Lower Llagas Capacity Restore	1,285,169	–	–	–	Watersheds Desn & Construction Division
62044026	San Francisco Bay Shoreline	9,146,068	51,720	4,771,168	5,061,536	Watersheds Desn & Construction Division
62064023	Districtwide Salary Savings	–	(103,186)	(81,282)	(77,628)	Financial Planning & Mgmt Div
62074033	CIP Development & Admin	240,732	246,231	227,980	246,534	Office of Integrated Water Management
62074036	Survey Mgmt & Tech Support	74,480	83,177	94,340	98,173	Office of Integrated Water Management
62084001	Watersheds Asset Rehabilitatio	7,436,946	19,678,034	16,561,116	8,940,539	Watersheds Desn & Construction Division
10244001	Permanente Ck, SF Bay-Foothill	197,461	21,702	–	–	Watersheds Desn & Construction Division
20444001	Calabazas/San Tomas Aquino Creek-	1,453,432	1,649,207	1,653,636	1,634,434	Watersheds Stewardship & Planning Div
62074041	Construction Contracts and Support	409,144	493,791	266,802	344,743	General Services Division
20444002	Pond A4 Resilient Habitat	1,163,021	966,500	–	576,642	Watersheds Stewardship & Planning Div
62074047	Computer-Aided Design for Engineering	159,384	286,856	245,231	276,472	Office of Integrated Water Management
62074042	Capital Project Mgmt & Controls	201,697	187,899	188,937	201,939	Office of Integrated Water Management
40214023	Coyote 10B Freshwater Wetland	–	2,236,000	–	606,821	Watersheds Stewardship & Planning Div
30154019	Lower Guadalupe River Capacity	824,524	3,121,549	3,134,524	3,276,075	Watersheds Desn & Construction Division
Total Capital		26,275,157	30,718,255	31,265,224	22,518,507	

Total	101,647,755	124,550,027	126,377,652	127,807,935	
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* Capital Outlays table reflects new funding and does not include capital carryforward funding from prior year.

Fund Summaries

Safe, Clean Water and Natural Flood Protection Fund

Description

The Safe, Clean Water and Natural Flood Protection Program (SCW Program) Fund accounts for the program that Santa Clara County voters approved in November 2020 to address six community priorities and replaces the 2012 Safe, Clean Water (2012 SCW) Program. The renewed SCW Program is funded by a combination of revenues from the continuation of an annual special parcel tax; carryover of the reserves from unspent funds of the 2012 SCW Program; state and federal funding; and interest earnings. It includes a debt financing component that will help fund capital projects earlier in the program rather than later. A Rate Stabilization Reserve has been created to offset timing differences between expenses and the collection of the SCW parcel tax. Additionally, a Contingency Reserve was established to ensure that Valley Water delivers on the commitments made in the November 2020 ballot. The renewed SCW Program funds will be used to fulfill the following community priorities:

- Priority A: Ensure a Safe, Reliable Water Supply
- Priority B: Reduce Toxins, Hazards and Contaminants in our Waterways
- Priority C: Protect Our Water Supply and Dams from Earthquakes and Other Natural Disasters
- Priority D: Restore Wildlife Habitat and Provide Open Space
- Priority E: Provide Flood Protection to Homes, Businesses, Schools, Streets and Highways
- Priority F: Support Public Health and Public Safety

The SCW Program supplements other available, but limited, resources to provide stream stewardship activities and flood protection improvements. It supports activities that benefit not only the community at large, but also provide relief to Water Utility ratepayers. For example, the fund will contribute toward the Anderson Dam Seismic Retrofit projects, which would otherwise need to be fully paid by water utility ratepayers.

Fund Summaries

Outcomes

Goal 2.3: Protect and maintain existing water infrastructure

Plan for infrastructure maintenance and replacement to reduce the risk of failure and prepare for and respond effectively to water utility emergencies.

Goal 2.3 is delivered through the SCW Program's projects under Priority A: Ensure a Safe, Reliable Water Supply and Priority C: Protect our Water Supply from Earthquakes and Other Natural Disasters.

- **A3: Pipeline Reliability** – This project constructs four line valves at various locations along the East, West and Snell treated water pipelines in Saratoga, Cupertino, and San José. Once constructed, this project will allow Valley Water to isolate sections of pipelines for scheduled maintenance and repairs following a catastrophic event, such as a major earthquake, and allow the network of emergency wells to operate, even when there is damage upstream and downstream of individual wells.
- **C1: Anderson Dam Seismic Retrofit** – The SCW Program provides a portion of the funds required to help restore Anderson Reservoir's full operating capacity. The reservoir, the largest in the county, is an important water source for drinking water treatment plants and the recharge of the groundwater basin.

Goal 2.4: Increase regional self-reliance through water conservation and reuse

Incentivize water use efficiency and water conservation.

Goal 2.4 is delivered through the SCW Program project under Priority A: Ensure a Safe, Reliable Water Supply.

- **A2: Water Conservation Rebates and Programs** – This project, which provides funding to help meet and exceed long-term water conservation and reliability goals, will increase water-use efficiency in the landscape, residential, schools and commercial sectors through water conservation rebates, technical assistance, and public education.

Goal 3.1: Maintain flood protection facilities to design levels of protection

Prioritize maintenance of existing facilities over construction of new capital projects; inspect and maintain facilities on a regular basis; and perform maintenance using maintenance guidelines updated on a regular basis.

Goal 3.1 is delivered through the SCW Program's projects under Priority F: Support Public Health and Public Safety for Community.

- **F1: Vegetation Control and Sediment Removal for Capacity** – This effort supports Valley Water's ongoing vegetation control and sediment removal activities that reduce flood risk by maintaining the design conveyance capacity of flood protection projects. Under this project Valley Water manages a minimum of 100 miles of improved channels annually by removing sediment or instream vegetation to maintain design conveyance capacity.
- **F4: Vegetation Management for Access and Fire Safety** – This project supports Valley Water's ongoing vegetation management activities that reduce fire risk by maintaining creekside lands. These activities also ensure access for emergency personnel and equipment as well as maintenance access of flood protection projects. The project requires providing vegetation management for access and fire risk reduction on an average of 495 acres per year.
- **F8: Sustainable Creek Infrastructure for Continued Public Safety** – This project supports Valley Water's long-term efforts to ensure that existing flood protection infrastructure continues to function sustainably and provide the intended level of service. The project includes assessing and prioritizing existing creek and watershed infrastructure, preparing watershed and/or creek asset management plans, and implementing recommendations of asset management plans.

Fund Summaries

Goal 3.2: Assist people, businesses, schools, and communities to prepare for, respond to, and recover from flooding through equitable and effective engagement

Develop, maintain, and communicate emergency action plans; develop, maintain, and communicate flood information to the community; provide expertise in flood forecasting and flood warning systems to municipalities; and provide expertise to encourage public agencies to reduce flood risk and protect floodplain benefits.

Goal 3.2 is delivered through the SCW Program's projects under Priority F: Support Public Health and Public Safety for Community.

- **F2: Emergency Response Planning and Preparedness** – This project enables Valley Water to work with local municipalities to clearly delineate and communicate roles and responsibilities for floodplain and flood emergency management. The project supports Valley Water's countywide emergency response, preparedness, and mitigation activities, develops communication processes, and disseminates web-based flood forecasting information. It includes coordinating with local municipalities to merge Valley Water-endorsed flood emergency processes with their own emergency response plans and processes, completing flood management plans/procedures, training Valley Water staff and partner municipalities on disaster procedures and testing flood management plans/procedures.
- **F3: Flood Risk Assessment Studies** – This project enables Valley Water to update custom software models of local creeks for the most current and accurate understanding of potential flood risks in high-priority flood-prone areas and then develop options for managing those risks. It requires completing engineering studies to address 1% (100-year) flood risk and annually updating floodplain maps per new FEMA standards.
- **F7: Emergency Response Upgrades** – This project supports the ongoing development and maintenance of a robust flood forecasting system. The system facilitates the efficient dissemination of information to emergency responders and the public. The project includes maintaining existing flood forecasting and warning capabilities and improving flood forecast accuracy and emergency response time. It provides a real-time website that tracks and offers public access to local weather and flood forecasting information.

Goal 3.3: Increase the health and safety of residents countywide by reducing community flood risk

Provide equitable, timely, and achievable flood protection for health and safety and protect people and property from flooding by applying a comprehensive, integrated watershed management approach that balances environmental quality, sustainability, and cost.

Goal 3.3 is delivered through the Safe, Clean Water Program's Priority E: Provide Flood Protection to Homes, Businesses, Schools, Streets, and Highways.

Major Capital Projects Starting Construction:

- **Sunnyvale East and Sunnyvale West Channels Flood Protection** – Begin construction in FY26 (Project E2)
- **Coyote Creek Montague Expressway to Tully Road, Phase 2** – Begin construction in FY26 (Project E1)

Major Capital Projects Continuing Construction:

- **Upper Llagas Creek Flood Protection Project – Phase 2B** (Project E6)

Major Capital Projects Closing out Construction:

- **Permanente Creek Flood Protection – San Francisco Bay to Foothill Expressway** (2012 Safe, Clean Water Program)
- **Upper Llagas Creek Flood Protection Project – Phase 1**

Fund Summaries

Major Capital Projects in Planning and Design:

- Upper Penitencia Creek, Coyote Creek to Dorel Drive – Design (Project E4)
- South San Francisco Bay Shoreline Economic Impact Areas (EIAs) 5-9 – Feasibility/Planning (Project E7)
- San Francisquito Creek, San Francisco Bay to Upstream of Highway 101 (Project E5) (The San Francisco Bay to Highway 101 reach phase was completed in FY19)

Goal 4.1: Use a science-based, inclusive approach to protect Santa Clara County's watersheds and aquatic ecosystems for current and future generations

Develop and share data to support resilient ecosystems and healthy populations of native species; monitor stream, reservoir, and Bay ecosystem health; and use data to prioritize and equitably implement actions to reduce pollution, restore endangered species habitat, and enhance ecosystem function.

Goal 4.1 is delivered through the SCW Program's projects under Priority D: Restore Wildlife Habitat and Provide Open Space.

- D2: Revitalize Riparian, Upland and Wetland Habitat – This project improves habitat for rare, threatened, or endangered species or vegetation and creates a more contiguous corridor for wildlife, including pollinators. It includes revitalizing through native plant revegetation and/or removal of invasive exotic species, developing an Early Detection and Rapid Response Program Manual, and identifying and treating occurrences of emergent invasive species.
- D5: Ecological Data Collection and Analysis – This project is to track stream ecosystem conditions, helping Valley Water and other county agencies and organizations make informed watershed, asset management and natural resource decisions. It entails reassessing and tracking stream ecological conditions and habitats in each of the county's watersheds every 15 years and providing funding toward the development and updates of five watershed plans that include identifying priority habitat enhancement opportunities in Santa Clara County.
- D7: Partnerships for the Conservation of Habitat Lands – This project is to acquire, restore and protect important habitat land to preserve local ecosystems through multi-agency agreements that pool mitigation or conservation dollars. It entails providing funding for acquiring or enhancing property to conserve habitat lands.

Goal 4.2: Sustain ecosystem health while managing local water resources for flood protection and water supply

Plan and design projects with multiple benefits, including protecting ecosystem functions, enhancing habitat, and improving connectivity, equitably in all regions of the county; and operate Valley Water facilities to balance water supply, flood protection, and ecosystem sustainability.

Goal 4.2 is delivered through the SCW Program's projects under Priority D: Restore Wildlife Habitat and Provide Open Space.

- D1: Management of Riparian Planting and Invasive Plant Removal – This project supports the management and maintenance of existing riparian planting projects and invasive plant removal projects throughout the five (5) watersheds and targeted control of damaging non-native invasive plant species. It requires maintaining a minimum of 300 acres of riparian planting projects annually to meet regulatory requirements and conditions; maintaining a minimum of 200 acres of invasive plant management projects annually to meet regulatory requirements and conditions; and removing 25 acres of *Arundo donax* throughout the county over a 15-year period.
- D3: Sediment Reuse to Support Restoration – This project reuses local sediment removed through Valley Water's stream maintenance activities, capital projects, and other local sources to create and restore tidal marsh, riparian or wetland habitats. It entails reusing sediment meeting applicable screening criteria at available Valley Water or partnership project sites to support restoration. It also provides funding to support other activities necessary for sediment reuse.

Fund Summaries

- D4: Fish Habitat and Passage Improvements – This project helps restore and maintain healthy fish populations, especially steelhead, by improving fish passage and habitat. It includes completing planning and design for one (1) creek/lake separation project and partially funding the construction of one (1) creek/lake separation project in partnership with local agencies. It also requires using \$8 million for fish passage improvements by June 30, 2028; updating study of all major steelhead streams in the county to identify priority locations for fish migration barrier removal and installation of large woody debris and gravel as appropriate; and completing five (5) habitat enhancement projects during the first 15 years.
- D6: Restoration of Natural Creek Functions – This project is to restore and improve the natural functions and stability of stream channels by designing and constructing projects based on local hydrologic and geomorphic data. It currently includes the following major capital projects:
 - Hale Creek Enhancement Pilot Study – Completed construction in FY23 (Project D6.1); under three-year plant establishment and monitoring period and closeout is scheduled for FY26
 - Bolsa Road Fish Passage Improvements – Completed construction in FY24 (Project D6.2); under three-year plant establishment and monitoring period and closeout is scheduled for FY27

Goal 4.4: Prevent and address pollution of local streams, reservoirs, and the Bay, equitably across all communities. Protect waterbodies from pollution and degradation

Encourage stormwater capture, treatment, and reuse, prepare, and respond to spills and dumping that threaten local waterways, and collaborate with agencies and nonprofits to address homelessness and its impacts to Santa Clara County Waterways.

Goal 4.4 is delivered through the SCW Program's projects under Priorities B: Reduce Toxins, Hazards, and Contaminants in Our Waterways, and F: Support Public Health and Public Safety for Community.

- B1: Impaired Water Bodies Improvement – This project reduces pollutants in streams, reservoirs, and groundwater of Santa Clara County by supporting surface water quality pollution prevention activities. The activities include investigating, developing, and implementing actions to reduce methylmercury in fish and other organisms in the Guadalupe River Watershed, preparing and updating a plan to prioritize surface water quality improvement activities, and implementing priority surface water quality improvement activities.
- B2: Inter-Agency Urban Runoff Program – This project maintains Valley Water compliance with regulatory requirements for stormwater quality and supports green stormwater infrastructure. It includes addressing trash in creeks by maintaining trash capture devices or other litter control programs, maintaining Valley Water's municipal stormwater compliance program, partnering with cities to address surface water quality improvements, and supporting stormwater quality improvement activity.
- B3: Hazardous Materials Management and Response – This project protects streams, groundwater, and reservoirs from hazardous material releases. It requires responding to 100% of hazardous materials reports requiring urgent on-site inspection in two (2) hours or less.
- F5: Good Neighbor Program: Encampment Cleanup – This project supports Valley Water's independent efforts and ongoing coordination with local cities and agencies to clean up trash, debris and hazardous pollutants generated by encampments near waterways or on Valley Water property. Such encampments contribute to contamination of waterways and damage to Valley Water facilities. It requires managing 300 acres annually to clean up trash, debris, and hazardous pollutants generated from encampments and to reduce the amount of these pollutants entering streams; and providing up to \$500,000 per year in cost-share with local agencies for services related to encampment cleanups, including services supporting staff safety, discouraging re-encampments along waterways, or addressing the socio-environmental crisis with the goal of reducing the need for encampment cleanups.

Fund Summaries

- F6: Good Neighbor Program: Graffiti and Litter Removal and Public Art – This project allows Valley Water to maintain the aesthetic condition of Valley Water assets by removing trash from creeks, repairing/installing fencing and removing graffiti. It also funds the installation and maintenance of public art projects, such as murals, to beautify Valley Water property and infrastructure, to help deter graffiti and litter.

Goal 4.5: Engage the community to promote watershed stewardship by providing meaningful engagement in Valley Water programs for all people regardless of race, color, gender identity, disability status, national origin, tribe, culture, income, immigration status, or English language proficiency

Provide appropriate and equal public access to Valley Water’s streamside and watershed lands, engage, and educate the community in stream and watershed protection, and build partnerships to protect and enhance watersheds and aquatic ecosystems.

Goal 4.5 is delivered through the SCW Program’s projects under Priorities B: Reduce Toxins, Hazards, and Contaminants in Our Waterways, and F: Support Public Health and Public Safety for Community.

- B4: Support Volunteer Cleanup Efforts – This project supports volunteer cleanup activities and creekwise education. It entails funding Valley Water’s creek stewardship program to support volunteer cleanup activities such as annual National River Cleanup Day, California Coastal Cleanup Day, the Great American Litter Pick Up; and the Adopt-A-Creek Program.
- F6: Good Neighbor Program: Graffiti and Litter Removal and Public Art – This project allows Valley Water to maintain the aesthetic condition of Valley Water assets by removing trash from creeks, repairing/installing fencing and removing graffiti. It also funds the installation and maintenance of public art projects, such as murals, to beautify Valley Water property and infrastructure, to help deter graffiti and litter.
- F9: Grants and Partnerships for Safe, Clean Water, Flood Protection and Environmental Stewardship – This project provides grants, including mini-grants, partnerships, and rebates for agencies, organizations and individuals for water conservation, pollution prevention, creek cleanups and education, wildlife habitat restoration and wildlife corridors and crossings, and access to trails and open space. It includes providing up to \$3 million per 15-year period for a Creekside Neighbor Rebate Program for watershed activities, including bank repair, sediment removal, and downed tree management.

Goal 6.1: Achieve a functional zero level of unsheltered people on Valley Water lands along waterways and at water supply and flood risk reduction facilities

Actively participate in a collaborative regional approach with the County, cities, and other service providers to support their efforts in addressing the challenges posed by encampments of unsheltered people; increase the level of service for encampment cleanup efforts based on need and resource availability; and identify Valley Water lands for regional partners to use for housing or other services for unsheltered people.

Goal 6.1 is delivered through the SCW Program’s Priority F: Support Public Health and Public Safety for Community.

- F5: Good Neighbor Program: Encampment Cleanup – This project supports Valley Water’s independent efforts and ongoing coordination with local cities and agencies to clean up trash, debris, and hazardous pollutants generated by encampments near waterways or on Valley Water property. Such encampments contribute to contamination of waterways and damage to Valley Water facilities. It includes managing 300 acres annually to clean up trash, debris, and hazardous pollutants generated from encampments to reduce the amount of these pollutants entering streams and providing up to \$500,000 per year in cost-share with local agencies for services related to encampment cleanups, including services supporting staff safety, discouraging re-encampments along waterways, or addressing the socio-environmental crisis with the goal of reducing the need for encampment cleanups.

Fund Summaries

Fiscal Status

The Safe, Clean Water Program special parcel tax is budgeted at \$55.1 million in FY 2025-26, an increase of 2.9%, or \$1.6 million from the FY 2024-25 Adopted Budget. This special parcel tax is based on the land use and parcel size rather than the assessed property value, and the Valley Water Board of Directors may adjust it annually to account for inflation (using the San Francisco-Oakland-Hayward Consumer Price Index for all Urban Consumers) or 2%, whichever is greater. The FY 2025-26 budgeted estimates for the special parcel tax include the adopted 2.7% CPI increase and an anticipated increase in eligible parcels. For FY 2026-27, the special parcel tax is projected at \$56.3 million, or an increase of 2.2%, which reflects a 2% increase in the special parcel tax rate and an anticipated increase in eligible parcels based on construction activity in the county.

For FY 2025-26, Capital Reimbursements are projected at \$50.6 million, an increase of \$20.6 million from the FY 2024-25 Adopted Budget: \$50.0 million in Natural Resources Conservation Service (NRCS) funding for the Llagas Creek, Upper (Phase 2B) Project and \$0.5 million from the City of Morgan Hill and \$0.1 million in State Subventions for the work on Llagas Creek, Upper Buena Vista to Wright Project. In FY 2026-27, Capital Reimbursements are projected at \$14.2 million: \$10.0 million in NRCS funding for the Llagas Creek, Upper (Phase 2B) Project and \$4.1 million from the City of Morgan Hill and \$0.1 million in State Subventions for the work on Llagas Creek, Upper Buena Vista to Wright Project.

Interest income is projected to be \$3.2 million in FY 2025-26 and \$3.5 million in FY 2026-27. The estimates assume an average portfolio yield of 2.25% for FY 2025-26 and 2.50% for FY 2026-27.

Operating Transfers In for FY 2025-26 is projected to be \$4.0 million from the Water Enterprise Fund for the Water Infrastructure Reliability Plan, Phase 2 (IRP2) project. In FY 2026-27, Operating Transfers In is projected at \$5.1 million which includes \$4.0 million from the Water Enterprise Fund for IRP2 and \$1.1 million from the Watershed and Stream Stewardship Fund for the Regnart Creek Project.

In FY 2025-26, Operating Transfers Out of \$8.5 million is budgeted as follows:

- \$1.2 million to the Water Enterprise Fund for Conservation Program
- \$6.4 million to the Water Enterprise Fund for the Anderson Dam Seismic Retrofit Project
- \$0.9 million to the General Fund for Security Upgrades and HQ Building capital projects

In FY 2026-27, Operating Transfers Out of \$9.6 million is budgeted as follows:

- \$6.6 million to the Water Enterprise Fund for the Anderson Dam Seismic Retrofit Project
- \$1.2 million to the Water Enterprise Fund for Conservation Program
- \$0.9 million to the General Fund for Security Upgrades and HQ Building capital projects
- \$0.9 million to the Information Technology Fund for ERP Replacement

Debt Proceeds are also planned to fund capital outlays at \$44.6 million for FY 2025-26 and \$128.1 million in FY 2026-27.

Total Operating Outlays are budgeted at \$40.4 million for FY 2025-26, an increase of \$5.6 million or 16.1% relative to the FY 2024-25 Adopted Budget. This change is primarily comprised of increases in debt service (\$2.5 million) and a net increase in various operating projects and programs (\$3.1 million). In FY 2026-27, Total Operating Outlays are projected to increase an additional 12.2% or \$4.9 million to \$45.3 million. This change is primarily comprised of increases in debt service (\$3.4 million) and a net increase in various operating projects and programs (\$1.5 million).

Total Capital Outlays are budgeted at \$130.8 million for FY 2025-26, a decrease of \$7.9 million or 5.7% relative to the FY 2024-25 Adopted Budget. In FY 2026-27, Total Capital Outlays are projected to increase to \$179.1 million.

Total Safe, Clean Water & Natural Flood Protection Fund Reserves for FY 2025-26 are estimated at approximately \$177.8 million and \$151.0 million for FY 2026-27 and are in compliance with the Valley Water Reserve Policy.

Fund Summaries

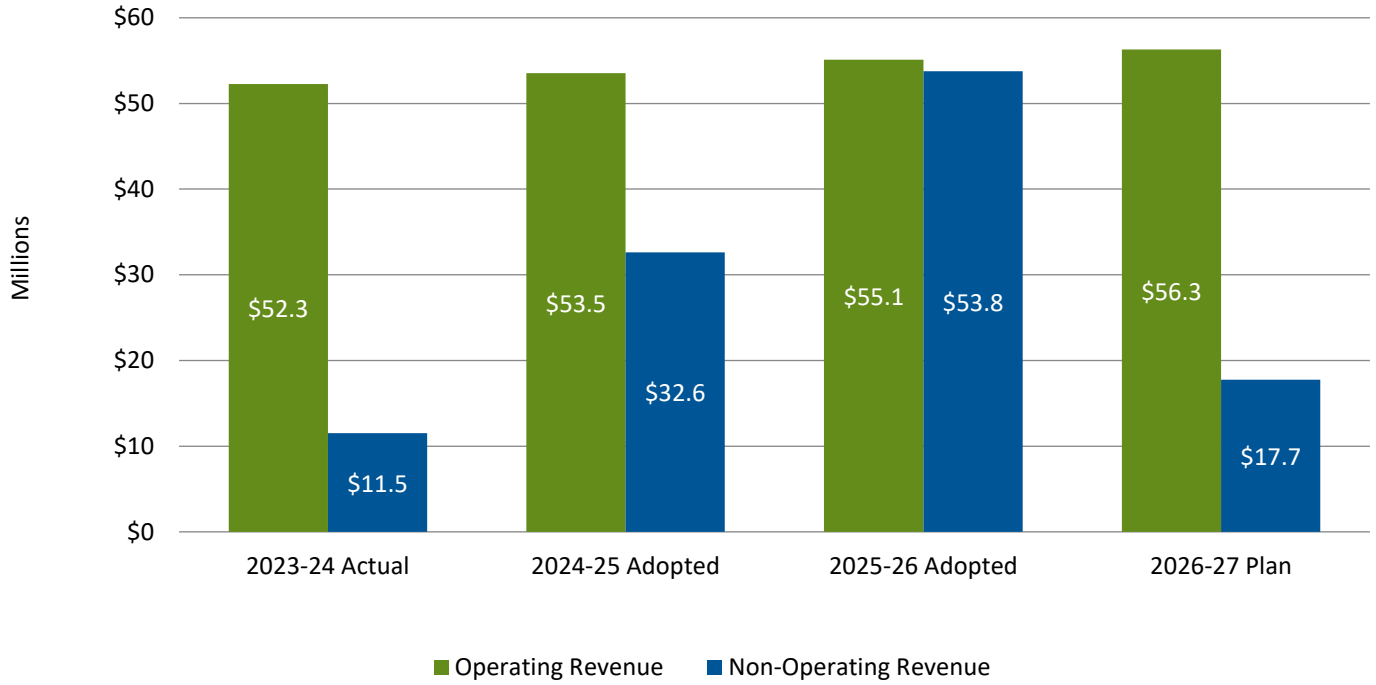
Budget Issues and Constraints

- Safe, Clean Water Program Priority E flood protection projects: Project costs are escalating due to various factors, including inflationary pressures and supply chain and labor issues which have resulted in project modifications.
- Safe, Clean Water Program Priority F5: Good Neighbor Program: Encampment Cleanup: Sustained rates of homelessness in Santa Clara County contribute to large numbers of encampments along waterways within Valley Water's jurisdiction. The need for enhanced service levels in response to encampment-generated impacts and heightened community expectations have strained resources for cleanup operations.
- Safe, Clean Water Program Priority D1, F1, F4: Dry years followed by years of intense late season storm events have caused challenges for vegetation management including an increase in diseased and dead trees, increased spread of invasive plants, and pressures of completing weed abatement work in anticipation of fire season with later rainfall contributing to fuel loads. Additionally, weed abatement work footprints have increased to reduce fire risk around encampments.

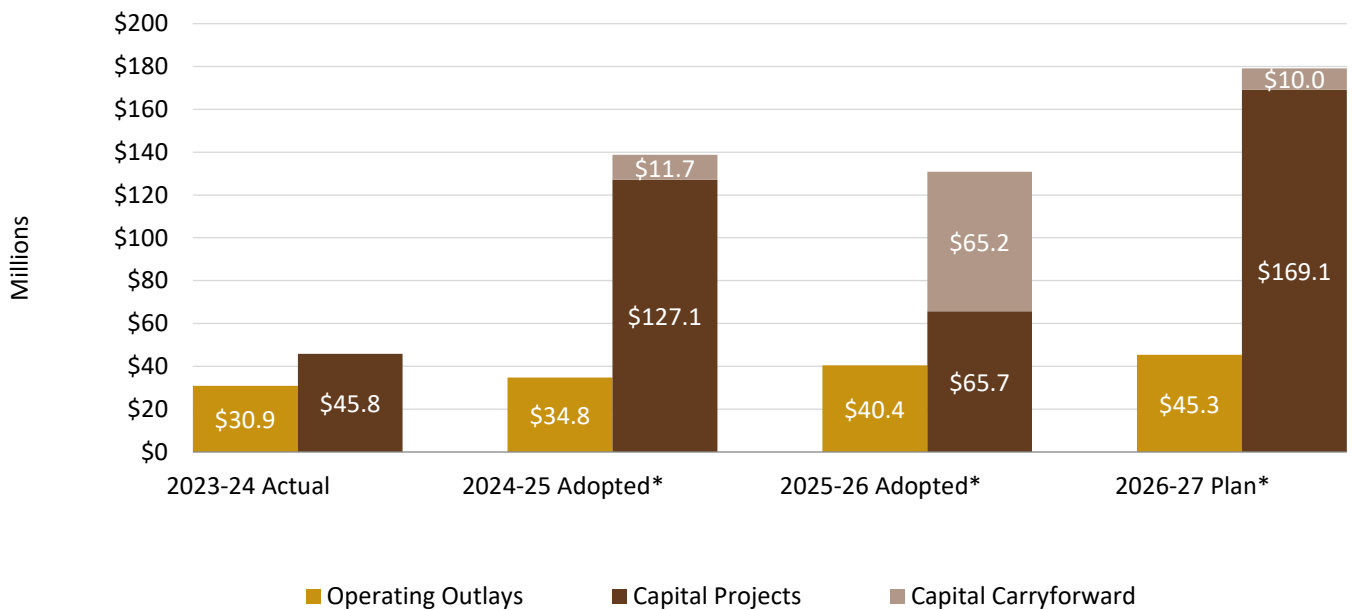
Fund Summaries

Safe, Clean Water and Natural Flood Protection Fund

Total Revenue



Total Outlays



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

Safe, Clean Water and Natural Flood Protection Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted		
									\$ Diff	% Diff	
REVENUE											
Operating Revenue											
Special Parcel Tax	\$	52,175,089	\$	53,531,667	53,531,667	\$	55,094,792	\$	1,563,125	2.9%	
Intergovernmental Services		93,333		-	-		-		-	0.0%	
Total Operating Revenue	\$	52,268,422	\$	53,531,667	\$	53,531,667	\$	55,094,792	\$	1,563,125	2.9%
Non-Operating Revenue											
Capital Reimbursements	\$	3,401,968	\$	30,000,000	\$	22,625,000	\$	50,600,000	\$	20,600,000	68.7%
Interest Income *		7,678,367		2,639,000		2,811,000		3,162,000		523,000	19.8%
Non-Operating Other		443,877		-		-		-		-	0.0%
Total Non-Operating Revenue	\$	11,524,211	\$	32,639,000	\$	25,436,000	\$	53,762,000	\$	21,123,000	64.7%
TOTAL REVENUE	\$	63,792,633	\$	86,170,667	\$	78,967,667	\$	108,856,792	\$	22,686,125	26.3%
OUTLAYS											
Operating Outlays											
Operations **	\$	19,968,757	\$	22,010,392	\$	25,440,977	\$	25,397,376	\$	3,386,984	15.4%
Operating Project		5,661,970		2,538,919		2,538,919		2,298,524		(240,394)	-9.5%
Debt Service		5,285,352		10,267,275		10,267,275		12,723,310		2,456,035	23.9%
Total Operating Outlays	\$	30,916,079	\$	34,816,586	\$	38,247,171	\$	40,419,210	\$	5,602,624	16.1%
Capital Outlays											
Capital Projects	\$	45,792,598	\$	127,106,378	\$	97,324,284	\$	65,672,378	\$	(61,434,000)	-48.3%
Carry Forward Capital Projects		-		11,655,699		-		65,164,903		53,509,204	459.1%
Total Capital Outlays	\$	45,792,598	\$	138,762,077	\$	97,324,284	\$	130,837,281	\$	(7,924,796)	-5.7%
TOTAL OUTLAYS	\$	76,708,677	\$	173,578,663	\$	135,571,454	\$	171,256,491	\$	(2,322,171)	-1.3%
OTHER FINANCING SOURCES/(USES)											
Debt Proceeds	\$	-	\$	109,609,029	\$	70,000,000	\$	44,609,029	\$	(65,000,000)	-59.3%
Transfers In		-		3,000,000		3,000,000		4,000,000		1,000,000	33.3%
Transfers Out		(3,239,808)		(7,990,622)		(8,062,367)		(8,530,702)		(540,080)	6.8%
TOTAL OTHER SOURCES/(USES)	\$	(3,239,808)	\$	104,618,407	\$	64,937,633	\$	40,078,327	\$	(64,540,080)	-61.7%
BALANCE AVAILABLE	\$	(16,155,852)	\$	17,210,412	\$	8,333,846	\$	(22,321,373)	\$	(39,531,784)	-229.7%
YEAR-END RESERVES											
Restricted Reserves											
SCW Rate Stabilization Reserve	\$	25,000,000	\$	25,000,000	\$	25,000,000	\$	25,000,000	\$	-	0.0%
SCW Contingency Reserve		5,000,000		5,000,000		5,000,000		5,000,000		-	0.0%
SCW Currently Authorized Projects Reserve***		112,252,107		25,336,118		141,916,731		71,376,703		46,040,585	181.7%
SCW Operating and Capital Reserve		49,575,332		59,517,635		28,244,554		76,463,210		16,945,575	28.5%
Total Restricted Reserves	\$	191,827,439	\$	114,853,753	\$	200,161,285	\$	177,839,913	\$	62,986,160	54.8%
TOTAL YEAR-END RESERVES	\$	191,827,439	\$	114,853,753	\$	200,161,285	\$	177,839,913	\$	62,986,160	54.8%

Fund Summaries

Safe, Clean Water and Natural Flood Protection Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted	
									\$ Diff	% Diff
Outlay Summary by Account Type										
OPERATING OUTLAY										
Salaries and Benefits	\$	7,725,109	\$	8,988,197	\$	9,118,197	\$	9,488,015	\$	499,819 5.6%
Salary Savings Factor		-		(137,999)		(137,999)		(94,400)		43,598 -31.6%
Services & Supplies		12,822,127		9,869,081		13,169,666		12,219,624		2,350,543 23.8%
Intra-District Charges		5,083,491		5,830,031		5,830,031		6,082,661		252,630 4.3%
OPERATING OUTLAY TOTAL	\$	25,630,727	\$	24,549,311	\$	27,979,896	\$	27,695,900	\$	3,146,589 12.8%
DEBT SERVICE										
Services & Supplies	\$	623,602	\$	1,153,900	\$	1,153,900	\$	866,560	\$	(287,340) -24.9%
Debt Service		4,661,750		9,113,375		9,113,375		11,856,750		2,743,375 30.1%
DEBT SERVICE TOTAL	\$	5,285,352	\$	10,267,275	\$	10,267,275	\$	12,723,310	\$	2,456,035 23.9%
CAPITAL PROJECTS										
Salaries and Benefits	\$	9,620,116	\$	12,714,998	\$	12,714,998	\$	11,913,592	\$	(801,407) -6.3%
Salary Savings Factor		-		(201,368)		(201,368)		(123,447)		77,921 -38.7%
Services & Supplies		30,143,295		106,731,316		76,949,222		46,551,050		(60,180,266) -56.4%
Carry Forward Capital Projects		-		11,655,699		-		65,164,903		53,509,204 459.1%
Intra-District Charges		6,029,187		7,861,432		7,861,432		7,331,183		(530,248) -6.7%
CAPITAL PROJECTS TOTAL	\$	45,792,598	\$	138,762,077	\$	97,324,284	\$	130,837,281	\$	(7,924,796) -5.7%
TOTAL OUTLAYS	\$	76,708,677	\$	173,578,663	\$	135,571,454	\$	171,256,491	\$	(2,322,171) -1.3%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations outlays do not include OPEB Expense-unfunded liabilities

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Safe, Clean Water and Natural Flood Protection Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
REVENUE						
Operating Revenue						
Special Parcel Tax	\$ 52,175,089	\$ 53,531,667	\$ 55,094,792	\$ 56,306,876	\$ 1,212,084	2.2%
Intergovernmental Services	93,333	-	-	-	-	0.0%
Total Operating Revenue	\$ 52,268,422	\$ 53,531,667	\$ 55,094,792	\$ 56,306,876	\$ 1,212,084	2.2%
Non-Operating Revenue						
Capital Reimbursements	\$ 3,401,968	\$ 30,000,000	\$ 50,600,000	\$ 14,228,000	\$ (36,372,000)	-71.9%
Interest Income *	7,678,367	2,639,000	3,162,000	3,514,000	352,000	11.1%
Non-Operating Other	443,877	-	-	-	-	0.0%
Total Non-Operating Revenue	\$ 11,524,211	\$ 32,639,000	\$ 53,762,000	\$ 17,742,000	\$ (36,020,000)	-67.0%
TOTAL REVENUE	\$ 63,792,633	\$ 86,170,667	\$ 108,856,792	\$ 74,048,876	\$ (34,807,916)	-32.0%
OUTLAYS						
Operating Outlays						
Operations **	\$ 19,968,757	\$ 22,010,392	\$ 25,397,376	\$ 26,132,867	\$ 735,491	2.9%
Operating Project	5,661,970	2,538,919	2,298,524	3,118,755	820,231	35.7%
Debt Service	5,285,352	10,267,275	12,723,310	16,097,000	3,373,690	26.5%
Total Operating Outlays	\$ 30,916,079	\$ 34,816,586	\$ 40,419,210	\$ 45,348,622	\$ 4,929,412	12.2%
Capital Outlays						
Capital Projects	\$ 45,792,598	\$ 127,106,378	\$ 65,672,378	\$ 169,098,022	\$ 103,425,644	157.5%
Carry Forward Capital Projects	-	11,655,699	65,164,903	9,975,610	(55,189,293)	-84.7%
Total Capital Outlays	\$ 45,792,598	\$ 138,762,077	\$ 130,837,281	\$ 179,073,632	\$ 48,236,351	36.9%
TOTAL OUTLAYS	\$ 76,708,677	\$ 173,578,663	\$ 171,256,491	\$ 224,422,254	\$ 53,165,763	31.0%
OTHER FINANCING SOURCES/(USES)						
Debt Proceeds	\$ -	\$ 109,609,029	\$ 44,609,029	\$ 128,053,129	\$ 83,444,100	187.1%
Transfers In	-	3,000,000	4,000,000	5,100,000	1,100,000	27.5%
Transfers Out	(3,239,808)	(7,990,622)	(8,530,702)	(9,595,795)	(1,065,093)	12.5%
TOTAL OTHER SOURCES/(USES)	\$ (3,239,808)	\$ 104,618,407	\$ 40,078,327	\$ 123,557,334	\$ 83,479,007	208.3%
BALANCE AVAILABLE	\$ (16,155,852)	\$ 17,210,412	\$ (22,321,373)	\$ (26,816,044)	\$ (4,494,672)	20.1%
YEAR-END RESERVES						
Restricted Reserves						
SCW Rate Stabilization Reserve	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	\$ -	0.0%
SCW Contingency Reserve	5,000,000	5,000,000	5,000,000	5,000,000	-	0.0%
SCW Currently Authorized Projects Reserve***	112,252,107	25,336,118	71,376,703	61,401,092	(9,975,611)	-14.0%
SCW Operating and Capital Reserve	49,575,332	59,517,635	76,463,210	59,622,776	(16,840,433)	-22.0%
Total Restricted Reserves	\$ 191,827,439	\$ 114,853,753	\$ 177,839,913	\$ 151,023,869	\$ (26,816,044)	-15.1%
TOTAL YEAR-END RESERVES	\$ 191,827,439	\$ 114,853,753	\$ 177,839,913	\$ 151,023,869	\$ (26,816,044)	-15.1%

Fund Summaries

Safe, Clean Water and Natural Flood Protection Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
Outlay Summary by Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 7,725,109	\$ 8,988,197	\$ 9,488,015	\$ 9,984,095	\$ 496,080	5.2%
Salary Savings Factor	-	(137,999)	(94,400)	(97,969)	(3,569)	3.8%
Services & Supplies	12,822,127	9,869,081	12,219,624	12,564,930	345,305	2.8%
Intra-District Charges	5,083,491	5,830,031	6,082,661	6,800,567	717,906	11.8%
OPERATING OUTLAY TOTAL	\$ 25,630,727	\$ 24,549,311	\$ 27,695,900	\$ 29,251,622	\$ 1,555,722	5.6%
DEBT SERVICE						
Services & Supplies	\$ 623,602	\$ 1,153,900	\$ 866,560	\$ 1,706,560	\$ 840,000	96.9%
Debt Service	4,661,750	9,113,375	11,856,750	14,390,440	2,533,690	21.4%
DEBT SERVICE TOTAL	\$ 5,285,352	\$ 10,267,275	\$ 12,723,310	\$ 16,097,000	\$ 3,373,690	26.5%
CAPITAL PROJECTS						
Salaries and Benefits	\$ 9,620,116	\$ 12,714,998	\$ 11,913,592	\$ 12,452,457	\$ 538,865	4.5%
Salary Savings Factor	-	(201,368)	(123,447)	(127,336)	(3,889)	3.2%
Services & Supplies	30,143,295	106,731,316	46,551,050	148,737,020	102,185,970	219.5%
Carry Forward Capital Projects	-	11,655,699	65,164,903	9,975,610	(55,189,293)	-84.7%
Intra-District Charges	6,029,187	7,861,432	7,331,183	8,035,881	704,698	9.6%
CAPITAL PROJECTS TOTAL	\$ 45,792,598	\$ 138,762,077	\$ 130,837,281	\$ 179,073,632	\$ 48,236,351	36.9%
TOTAL OUTLAYS	\$ 76,708,677	\$ 173,578,663	\$ 171,256,491	\$ 224,422,254	\$ 53,165,763	31.0%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations outlays do not include OPEB Expense-unfunded liabilities

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Total Outlays - Safe, Clean Water & Natural Flood Protection

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
26001090	Unscoped Projects-Budget Only	—	100,000	100,000	100,000	Office of Integrated Water Management
26031001	Watershed Revenue	199,498	115,400	157,039	162,212	Financial Planning & Mgmt Div
26041023	Emergency Response Upgrades	708,131	766,984	780,563	820,069	Watersheds Stewardship & Planning Div
26041024	Flood Risk Reduction Studies	1,234,173	1,266,163	1,201,058	1,317,046	Watersheds Stewardship & Planning Div
26041047	Ecolgal Data Collectn & Analy	180,839	649,473	414,026	255,416	Watersheds Stewardship & Planning Div
26041049	D5 SCW Watershed Plans	11,433	109,000	216,464	9,229	Watersheds Stewardship & Planning Div
26061002	Rent Exp Clean Safe Ck 7/1/01+	68,533	215,323	253,038	265,280	Watersheds Stewardship & Planning Div
26061004	Districtwide Salary Savings-26	—	(137,999)	(94,400)	(97,969)	Financial Planning & Mgmt Div
26061005	Flood Emrgncy Respense Planning	207,943	209,342	220,121	230,448	Emergency, Safety and Security Division
26061012	Safe Clean Water Implementatn	1,146,900	1,122,772	1,179,113	1,248,655	Office of Integrated Water Management
26061019	Creek Stewardship	283,811	295,968	314,889	333,874	Office of the CEA
26061056	F8 SCW Sustainable Creek	127,649	—	—	—	Office of Integrated Water Management
26761022	Watershed Good Neighbor Maint	459,023	568,005	649,250	700,162	Watersheds Operations & Maint Division
26761023	Watershed Sediment Removal	1,717,449	1,463,265	1,659,268	1,715,386	Watersheds Operations & Maint Division
26761075	Mgmt of Revegetation Projects	2,341,005	2,679,911	3,210,798	3,416,901	Watersheds Operations & Maint Division
26761076	Rev, Riprn, Uplnd, & WtlnD Hab	643,926	713,176	641,529	563,518	Watersheds Stewardship & Planning Div
26761078	Vegetation Mangmnt for Access	951,812	784,631	884,099	940,942	Watersheds Operations & Maint Division
26771011	Inter Agency Urban Runoff Prog	778,243	920,295	934,008	987,491	Watersheds Stewardship & Planning Div
26771027	Encampment Cleanup Program	3,585,660	2,797,220	2,921,313	3,044,212	Watersheds Operations & Maint Division
26771031	HAZMAT Emergency Response	21,075	40,144	41,825	43,547	Emergency, Safety and Security Division
26771067	Stream Capacity Vegetation Con	3,048,419	3,678,111	5,165,697	5,392,035	Watersheds Operations & Maint Division
26061020	F6 Public Arts	95,575	32,651	34,022	36,985	Office of the CEA
26061021	F9 Safe Clean Water Grants and Partnerships	2,155,475	3,323,116	3,588,517	3,690,990	Office of the CEA
26441003	D3 SCW Sed Reuse to Support Shoreline	2,186	297,442	267,670	273,418	Watersheds Operations & Maint Division
26061022	Creekside Neighbor Rebate Program F9.4	—	—	657,469	683,022	Watersheds Stewardship & Planning Div
Total Operations		19,968,757	22,010,392	25,397,376	26,132,867	
Operating Project						
26042002	Fish Habitat Improvements	240,479	1,140,855	856,708	1,327,253	Watersheds Stewardship & Planning Div
26072008	SCW D7 Conservation Habitat	4,012,184	12,268	12,845	338,667	Watersheds Stewardship & Planning Div
26752043	Impaired Water Bodies Imprvmnts	1,409,306	1,385,795	1,428,972	1,452,835	Watersheds Stewardship & Planning Div
Total Operating Projects		5,661,970	2,538,919	2,298,524	3,118,755	
Debt Service						
26993001	Commercial Paper Tax Exmpt SCW	550,834	4,744,900	7,360,560	5,141,560	Financial Planning & Mgmt Div
26993002	SCW Rev Bond 2022A (Tax-Exempt)	4,673,700	5,182,375	5,182,750	5,179,375	Financial Planning & Mgmt Div
26993003	SCW COP 2022B (Tax-Exempt)	14,700	45,000	45,000	45,000	Financial Planning & Mgmt Div
26993004	SCW WIFIA Loan 1 (ID 21116CA)	46,119	65,000	65,000	45,000	Financial Planning & Mgmt Div
26993010	SCW Rev Bond 2027B (Tax-Exempt)	—	—	—	195,000	Financial Planning & Mgmt Div
26993008	SCW WIFIA Loan 3	—	—	—	80,000	Financial Planning & Mgmt Div
26993009	SCW Rev Note 2026B	—	—	—	740,023	Financial Planning & Mgmt Div
26993007	SCW WIFIA Loan 2	—	120,000	70,000	70,000	Financial Planning & Mgmt Div
26993006	SCW Rev Bond 2027A (Tax-Exempt)	—	—	—	2,879,590	Financial Planning & Mgmt Div
26993005	SCW Rev Bond 2026A (Tax-Exempt)	—	110,000	—	1,721,452	Financial Planning & Mgmt Div
Total Debt Service		5,285,352	10,267,275	12,723,310	16,097,000	

Fund Summaries

Total Outlays - Safe, Clean Water & Natural Flood Protection

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Capital*						
26044001	Almaden Lake Improvement	23,030	—	—	—	Watersheds Desn & Construction Division
26044002	SCW Fish Passage Improvement	46,742	—	—	—	Watersheds Stewardship & Planning Div
26064023	Districtwide Salary Savings	—	(201,368)	(123,447)	(127,336)	Financial Planning & Mgmt Div
26074002	Sunnyvale East & West Channel	1,820,927	9,362,668	—	19,289,435	Watersheds Desn & Construction Division
26074033	CIP Development & Admin	280,854	215,452	276,833	299,363	Office of Integrated Water Management
26074036	Survey Mgmt & Tech Support	86,893	72,780	114,556	119,210	Office of Integrated Water Management
26154002	Guadalupe Rv-Upr, 280-SPRR(R6	85,506	—	—	—	Watersheds Desn & Construction Division
26154003	Guadalupe Rv-Upr, SPRR-BH 7-12	338,847	—	—	—	Watersheds Desn & Construction Division
26164001	HaleCreekEnhancementPilotStudy	295,159	—	39,000	—	Watersheds Desn & Construction Division
26174041	Berryessa Calav/Old Pied Cor	946,793	—	—	—	Watersheds Desn & Construction Division
26174043	Coyote Creek, Montague-Tully	7,455,687	16,064,197	21,686,087	71,278,472	Watersheds Desn & Construction Division
26174051	U. Llagas Ck, Reimburse E6b	2,374,218	—	42,031	22,277	Watersheds Desn & Construction Division
26174054	U.Llagas Ck Design B. Vsta Rd	143,807	—	—	—	Watersheds Desn & Construction Division
26244001	Permanente Ck, Bay-Fthill CSC	24,162	—	—	—	Watersheds Desn & Construction Division
26284002	San Francisquito Early Implemt	1,320,324	22,781,902	—	—	Watersheds Desn & Construction Division
26324001	U Penitncia Crk Corp Coord SCW	649,602	—	—	—	Watersheds Desn & Construction Division
26764001	IRP2 AddLine Valves	1,044,631	9,486,047	10,809,258	5,814,216	Water Utility Capital Division
26044004	D6 Bolsa Road Fish Passage	5,872,040	25,262	27,184	70,365	Watersheds Desn & Construction Division
26444002	SFBS EIAs 1-4	500,026	1,025,381	—	—	Watersheds Desn & Construction Division
26074038	Watershed Capital Program Servcs Admin	3,371,895	4,459,353	3,966,386	4,744,694	Watersheds Desn & Construction Division
26074041	Construction Contracts and Support	477,335	432,067	323,974	418,616	General Services Division
26174052	Llagas Ck - Upper Construction	15,430,010	2,635,902	—	—	Watersheds Desn & Construction Division
26444004	San Francisco Bay Shoreline EIAs 5- 10	1,781,474	1,065,000	1,404,624	3,123,191	Watersheds Desn & Construction Division
26044005	SCW D4.3 Fish Passage	52,277	1,514,400	—	6,992,744	Watersheds Stewardship & Planning Div
26074047	Computer-Aided Design for	185,948	250,999	297,781	335,717	Office of Integrated Water Management
26044003	SCW Ogier Ponds Separation from	926,705	1,056,423	—	—	Watersheds Stewardship & Planning Div
26174055	Llagas Creek Phase 2B Construction	22,392	56,000,000	26,547,392	48,660,125	Watersheds Desn & Construction Division
26074042	Capital Project Mgmt & Controls	235,312	164,411	229,424	245,211	Office of Integrated Water Management
26044056	Regnart Creek Rehabilitation Project - F8	—	695,500	31,297	7,811,721	Watersheds Desn & Construction Division
Total Capital		45,792,598	127,106,378	65,672,378	169,098,022	
Total		76,708,677	161,922,964	106,091,588	214,446,644	

* Capital Outlays table reflects new funding and does not include capital carryforward funding from prior year.

Fund Summaries

Benefit Assessment Funds Overview

The Flood Control Benefit Assessment was first authorized by Valley Water Board of Directors in 1981, and then by ballot measures in 1982, 1986, and 1990. The program had a sunset date of 2000 but the assessment will continue until 2030, when Valley Water will pay off the bonds associated with it. The Benefit Assessment funds are in place to account for both revenue received and expenditures by zone.

Starting in FY 2008-09, the following watershed funds were redefined as the Benefit Assessment Funds as a result of the watershed fund consolidation effort:

- The Lower Peninsula Watershed (Fund 21) is defined by geographic boundaries encompassing the tributaries and watersheds of San Francisquito Creek, Matadero Creek, Barron Creek, Adobe Creek, Stevens Creek, and Permanente Creek. The geographic area includes the Town of Los Altos Hills, and the cities of Palo Alto, Los Altos, Mountain View, and portions of Cupertino.
- The West Valley Watershed (Fund 22) is defined by geographic boundaries encompassing the tributaries and watersheds of the Guadalupe Slough, Sunnyvale West Outfall, Sunnyvale East Outfall, Calabazas Creek, San Tomas Aquino Creek, and Saratoga Creek. The geographic area includes portions of the cities of Sunnyvale, Cupertino, Monte Sereno, San Jose, Santa Clara, Campbell, Saratoga and the Town of Los Gatos.
- The Guadalupe Watershed (Fund 23) is defined by geographic boundaries encompassing the tributaries and watersheds of the Guadalupe River. The major tributaries are Los Gatos Creek, Canoas Creek, Ross Creek, Guadalupe Creek, and Alamos Creek. The geographic area includes portions of the cities of Santa Clara, San Jose, Campbell, Monte Sereno, and the Town of Los Gatos.
- The Coyote Watershed (Fund 24) is defined by geographic boundaries encompassing the tributaries and watersheds of Coyote Creek. The major tributaries are Lower Penitencia Creek, Scott Creek, Berryessa Creek, Upper Penitencia Creek, Silver Creek, Thompson Creek, Fisher Creek, and Packwood Creek. The geographic area includes the city of Milpitas and portions of the cities of San Jose and Morgan Hill.
- The Uvas/Llagas Watershed (Fund 25) is defined by geographic boundaries encompassing the tributaries and watersheds of the Pajaro River in Santa Clara County. The major tributaries are Little Llagas Creek, Llagas Creek, the west branch of Llagas Creek, Uvas-Carnadero Creek, Pescadero Creek, and Pacheco Creek. The Uvas/Llagas Watershed Fund is comprised of mostly unincorporated area and includes the city of Gilroy and portions of the cities of San Jose and Morgan Hill. The debt has been paid off.

These benefit assessment funds now are comprised of the voter-approved debt repayment phase of the benefit assessments program, levied at 1.25 times the annual debt service. The excess amount over annual debt service is transferred out to the consolidated Watershed and Stream Stewardship Fund (Fund 12) for the maintenance of the flood protection infrastructure.

For FY 2025-26 and FY 2026-27, the Benefit Assessment revenue receipts are projected at \$6.9 million each year. As Valley Water continues to pay down the principal, the amount collected will decrease.

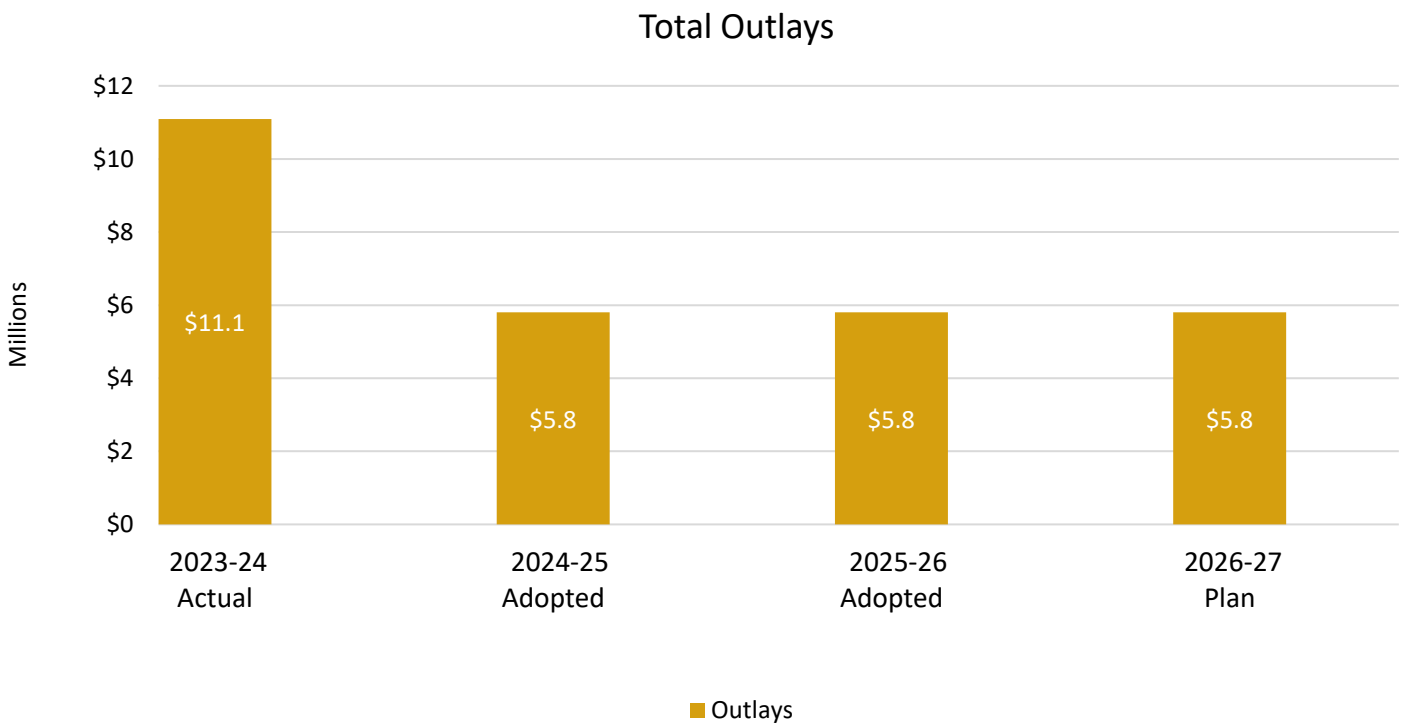
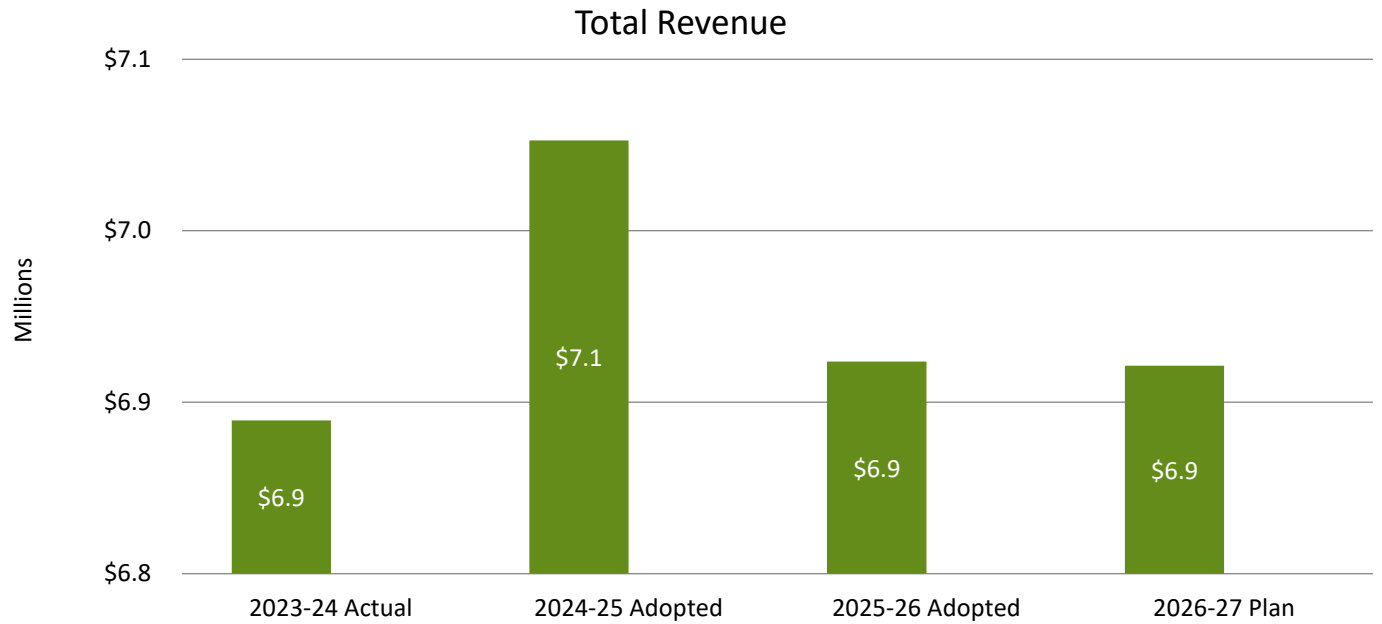
For FY 2025-26 and FY 2026-27, the transfer to the Watershed and Stream Stewardship Fund is expected at \$1.1 million each year. Debt that was issued in 2017 (2017A Certificates of Participation, or 2017A COPs) is scheduled to be fully repaid on February 1, 2030.

The FY 2025-26 benefit assessment for a single family residence is expected at approximately:

- \$26.55/year for Lower Peninsula Watershed
- \$4.71/year for West Valley Watershed
- \$4.17/year for Guadalupe Watershed
- \$12.89/year for Coyote Watershed

Fund Summaries

Benefit Assessment Funds



Fund Summaries

Benefit Assessment Funds Summary

		Budgetary Basis Actual		Adopted Budget		Projected Year End		Adopted Budget		Change from 2024-25 Adopted	
		2023-24		2024-25		2024-25		2025-26		\$ Diff	% Diff
REVENUE											
	Lower Peninsula Watershed	\$	2,700,462	\$	2,767,793	\$	2,767,796	\$	2,732,804	\$	(34,989) -1.3%
	West Valley Watershed		810,281		830,268		830,268		819,772		(10,496) -1.3%
	Guadalupe Watershed		944,843		963,171		963,171		911,166		(52,005) -5.4%
	Coyote Watershed		2,433,773		2,491,505		2,491,505		2,460,008		(31,497) -1.3%
	TOTAL REVENUE	\$	6,889,358	\$	7,052,737	\$	7,052,740	\$	6,923,750	\$	(128,987) -1.8%
OUTLAYS											
Debt Service											
	Lower Peninsula Watershed	\$	2,275,521	\$	2,289,952	\$	2,289,952	\$	2,292,023	\$	2,071 0.1%
	West Valley Watershed		1,849,339		686,927		686,927		687,549		622 0.1%
	Guadalupe Watershed		3,708,883		763,510		763,510		764,201		691 0.1%
	Coyote Watershed		3,259,137		2,061,363		2,061,363		2,063,227		1,864 0.1%
	TOTAL OUTLAYS	\$	11,092,880	\$	5,801,752	\$	5,801,752	\$	5,807,000	\$	5,248 0.1%
OTHER FINANCING SOURCES/(USES)											
Transfer In											
	From Debt Service Reserve Fund	\$	5,533,977	\$	-	\$	-	\$	-	\$	- 0.0%
Transfers Out											
	To Watershed & Stream Stewardship Fund	\$	(1,330,455)	\$	(1,250,985)	\$	(1,250,988)	\$	(1,116,750)	\$	134,235 -10.7%
	TOTAL OTHER SOURCES/(USES)	\$	4,203,522	\$	(1,250,985)	\$	(1,250,988)	\$	(1,116,750)	\$	134,235 -10.7%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Benefit Assessment Funds Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
REVENUE						
Lower Peninsula Watershed	\$ 2,700,462	\$ 2,767,793	\$ 2,732,804	\$ 2,731,817	\$ (987)	0.0%
West Valley Watershed	810,281	830,268	819,772	819,476	(296)	0.0%
Guadalupe Watershed	944,843	963,171	911,166	910,837	(330)	0.0%
Coyote Watershed	2,433,773	2,491,505	2,460,008	2,459,120	(888)	0.0%
TOTAL REVENUE	\$ 6,889,358	\$ 7,052,737	\$ 6,923,750	\$ 6,921,250	\$ (2,500)	0.0%
OUTLAYS						
Debt Service						
Lower Peninsula Watershed	\$ 2,275,521	\$ 2,289,952	\$ 2,292,023	\$ 2,291,727	\$ (296)	0.0%
West Valley Watershed	1,849,339	686,927	687,549	687,460	(89)	0.0%
Guadalupe Watershed	3,708,883	763,510	764,201	764,103	(99)	0.0%
Coyote Watershed	3,259,137	2,061,363	2,063,227	2,062,961	(266)	0.0%
TOTAL OUTLAYS	\$ 11,092,880	\$ 5,801,752	\$ 5,807,000	\$ 5,806,250	\$ (750)	0.0%
OTHER FINANCING SOURCES/(USES)						
Transfer In						
From Debt Service Reserve Fund	\$ 5,533,977	\$ -	\$ -	\$ -	\$ -	0%
Transfers Out						
To Watershed & Stream Stewardship Fund	\$ (1,330,455)	\$ (1,250,985)	\$ (1,116,750)	\$ (1,115,000)	\$ 1,750	-0.2%
TOTAL OTHER SOURCES/(USES)	\$ 4,203,522	\$ (1,250,985)	\$ (1,116,750)	\$ (1,115,000)	\$ 1,750	-0.2%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations outlays do not include OPEB Expense-unfunded liabilities

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Total Outlays - Lower Peninsula Watershed

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Debt Service						
10993008	2017A COP Refunding LP WS	2,275,521	2,289,952	2,292,023	2,291,727	Financial Planning & Mgmt Div
Total Debt Service		2,275,521	2,289,952	2,292,023	2,291,727	
Total		2,275,521	2,289,952	2,292,023	2,291,727	

Fund Summaries

Total Outlays - West Valley Watershed

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Debt Service						
20993007	2012A COP Refunding WV WS	1,166,742	—	—	—	Financial Planning & Mgmt Div
20993008	2017A COP Refunding WV WS	682,596	686,927	687,549	687,460	Financial Planning & Mgmt Div
Total Debt Service		1,849,339	686,927	687,549	687,460	
Total		1,849,339	686,927	687,549	687,460	

Fund Summaries

Total Outlays - Guadalupe Watershed

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Debt Service						
30993007	2012A COP Refunding Guad WS	2,918,332	—	—	—	Financial Planning & Mgmt Div
30993008	2017A COP Refunding Guad WS	790,551	763,510	764,201	764,103	Financial Planning & Mgmt Div
Total Debt Service		3,708,883	763,510	764,201	764,103	
Total		3,708,883	763,510	764,201	764,103	

Fund Summaries

Total Outlays - Coyote Watershed

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Debt Service						
40993007	2012A COP Refunding Coyote WS	1,210,776	—	—	—	Financial Planning & Mgmt Div
40993008	2017A COP Refunding Coyote WS	2,048,361	2,061,363	2,063,227	2,062,961	Financial Planning & Mgmt Div
Total Debt Service		3,259,137	2,061,363	2,063,227	2,062,961	
Total		3,259,137	2,061,363	2,063,227	2,062,961	

WATER UTILITY ENTERPRISE AND STATE WATER PROJECT FUNDS

Fund Summaries

Overview

As the water management agency and principal water wholesaler for Santa Clara County, Valley Water manages a sustainable water supply through conjunctive use of surface and groundwater resources. The Chief Operating Officer of the Water Utility implements the programs and projects described and listed in this chapter with the aim of protecting and augmenting water supplies. Two funds are used to account for these activities:

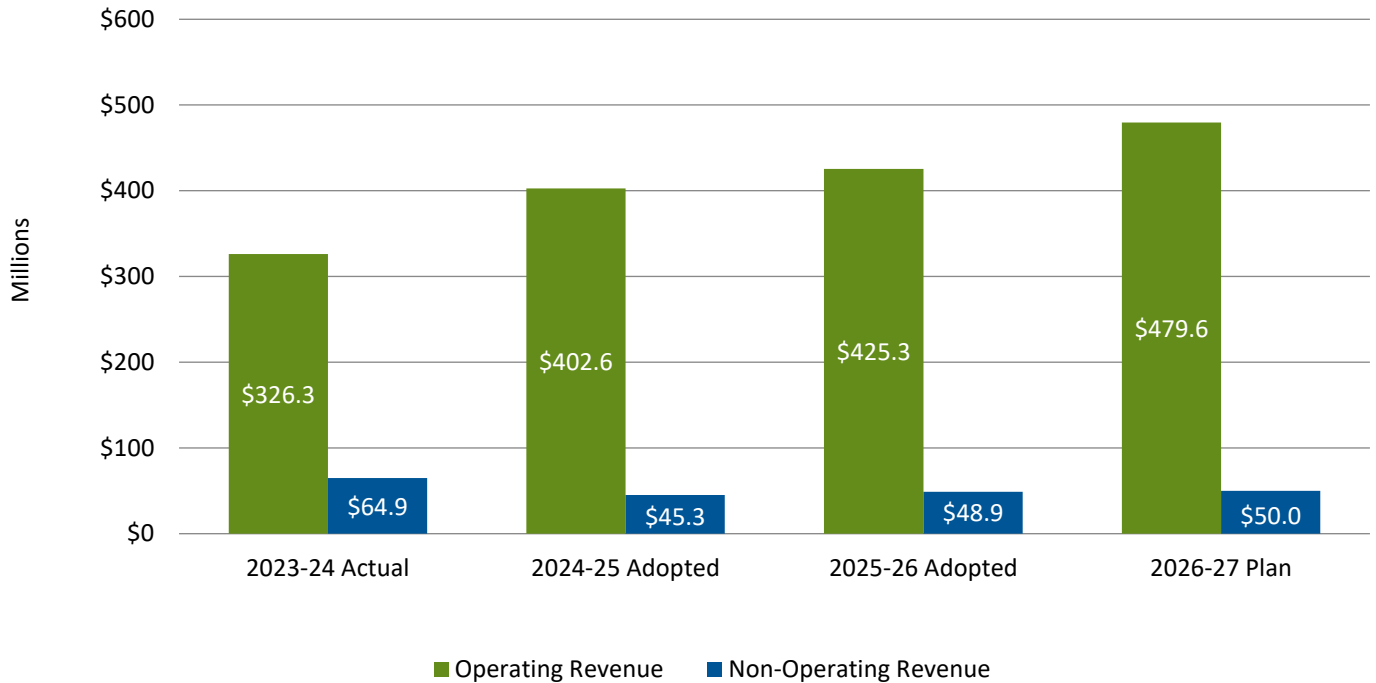
- The Water Utility Enterprise Fund (Fund 61)
- The State Water Project Fund (Fund 63)

Financial summaries and descriptions of programs and outcomes can be found in this chapter.

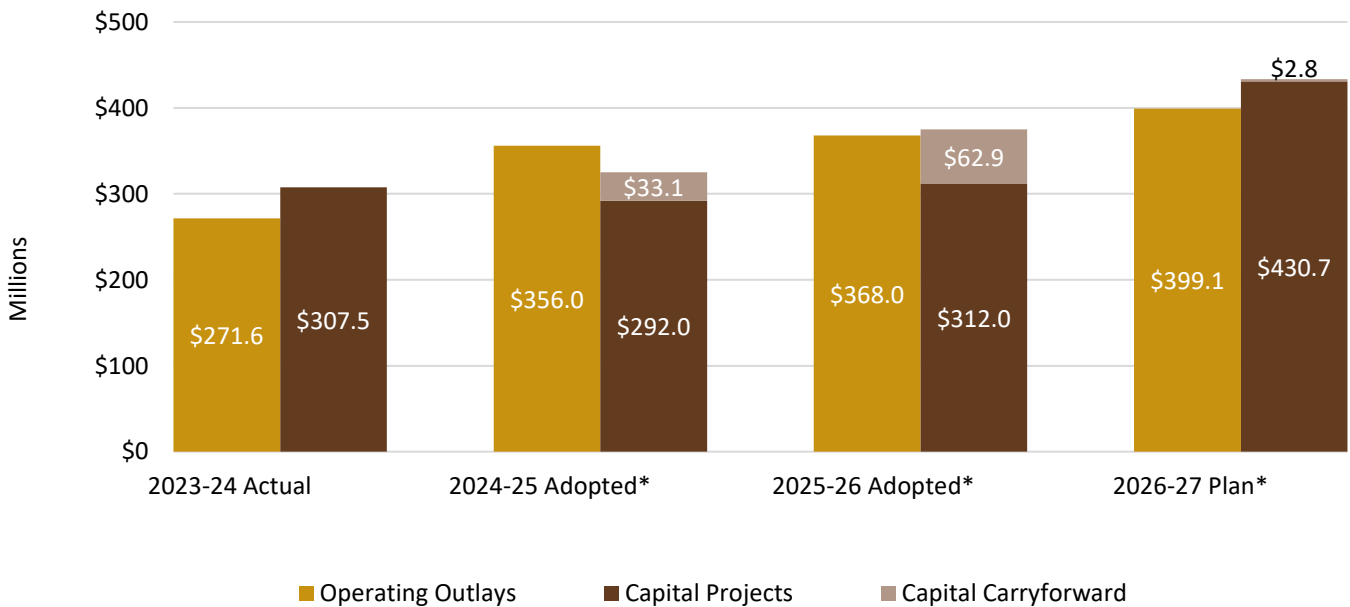
Fund Summaries

Water Utility Enterprise and State Water Project Funds

Total Revenue



Total Outlays



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

Water Enterprise and State Water Project Funds Combined

		Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted \$ Diff % Diff
REVENUE										
Operating Revenue										
Groundwater Production Charges	\$	148,743,728	\$	184,722,000	\$	176,252,000	\$	200,333,000	\$	15,611,000 8.5%
Treated Water Charges		169,632,794		211,703,000		211,703,000		220,403,000		8,700,000 4.1%
Surface & Recycled Water Charges		2,261,406		4,040,000		4,040,000		2,582,000		(1,458,000) -36.1%
Intergovernmental Services		5,184,126		1,687,880		1,662,880		1,493,295		(194,585) -11.5%
Operating Other		447,000		471,488		496,488		496,488		25,001 5.3%
Total Operating Revenue	\$	326,269,054	\$	402,624,368	\$	394,154,368	\$	425,307,783	\$	22,683,416 5.6%
Non-Operating Revenue										
Property Tax	\$	39,058,230	\$	39,163,000	\$	39,456,000	\$	39,871,000	\$	708,000 1.8%
Capital Reimbursements		3,543,901		456,000		4,345,000		684,000		228,000 50.0%
Interest Income *		15,089,997		4,340,000		6,280,000		7,066,000		2,726,000 62.8%
Non-Operating Other		7,246,380		1,339,404		1,339,404		1,229,670		(109,734) -8.2%
Total Non-Operating Revenue	\$	64,938,508	\$	45,298,404	\$	51,420,404	\$	48,850,670	\$	3,552,266 7.8%
TOTAL REVENUE	\$	391,207,562	\$	447,922,772	\$	445,574,773	\$	474,158,453	\$	26,235,682 5.9%
OUTLAYS										
Operating Outlays										
Operations **	\$	213,005,243	\$	267,907,551	\$	303,765,691	\$	269,098,346	\$	1,190,795 0.4%
Operating Project		465,807		445,240		445,240		452,787		7,547 1.7%
Debt Service		58,127,295		87,604,612		87,604,612		98,411,311		10,806,699 12.3%
Total Operating Outlays	\$	271,598,346	\$	355,957,403	\$	391,815,543	\$	367,962,445	\$	12,005,042 3.4%
Capital Outlays										
Capital Projects	\$	307,492,837	\$	292,016,896	\$	320,248,113	\$	312,004,684	\$	19,987,789 6.8%
Carry Forward Capital Projects		-		33,055,148		-		62,902,860		29,847,712 90.3%
Total Capital Outlays	\$	307,492,837	\$	325,072,044	\$	320,248,113	\$	374,907,544	\$	49,835,501 15.3%
TOTAL OUTLAYS										
	\$	579,091,183	\$	681,029,446	\$	712,063,656	\$	742,869,989	\$	61,840,542 9.1%
OTHER FINANCING SOURCES/(USES)										
Debt proceeds	\$	173,600,000	\$	236,311,001	\$	236,311,001	\$	220,217,267	\$	(16,093,734) -6.8%
Transfers In		1,092,727		11,428,122		11,428,122		7,606,274		(3,821,848) -33.4%
Transfers Out		(3,926,700)		(8,271,800)		(10,844,247)		(11,683,496)		(3,411,696) 41.2%
TOTAL OTHER SOURCES/(USES)	\$	170,766,027	\$	239,467,323	\$	236,894,876	\$	216,140,045	\$	(23,327,278) -9.7%
BALANCE AVAILABLE	\$	(17,117,595)	\$	6,360,648	\$	(29,594,008)	\$	(52,571,491)	\$	(58,932,139) -926.5%

Fund Summaries

Water Enterprise and State Water Project Funds Combined

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
YEAR-END RESERVES						
Restricted Reserves						
WUE Rate Stabilization Reserve	\$ 6,066,971	\$ 19,996,328	\$ 20,571,906	\$ 40,504,668	\$ 20,508,340	102.6%
WUE San Felipe Emergency Reserve	3,651,454	3,580,832	3,701,454	3,751,454	170,622	4.8%
WUE State Water Project Tax Reserve	17,693,556	8,973,390	15,131,486	11,591,690	2,618,300	29.2%
WUE Supplemental Water Supply Reserve	5,277,000	5,277,000	5,277,000	8,677,000	3,400,000	64.4%
WUE SVAWPC Reserve	1,292,735	-	-	-	-	0.0%
WUE Drought Reserve	-	-	-	1,000,000	1,000,000	0.0%
WUE Guiding Principle #5 (GP5) Reserve	25,813,404	-	-	-	-	0.0%
Total Restricted Reserves	\$ 59,795,120	\$ 37,827,550	\$ 44,681,846	\$ 65,524,812	\$ 27,697,262	73.2%
Committed Reserves						
WUE San Jose Water Purification Reserve	\$ 1,000,000	\$ -	\$ -	\$ -	-	0.0%
Currently Authorized Projects Reserve***	97,080,427	9,770,707	80,569,594	17,666,735	7,896,028	80.8%
Excess ERAF Contingency Reserve	-	589,988	500,893	615,193	25,205	4.3%
Operating and Capital Reserve	82,663,857	62,727,361	85,193,063	74,567,165	11,839,804	18.9%
Total Committed Reserves	\$ 180,744,284	\$ 73,088,056	\$ 166,263,550	\$ 92,849,093	\$ 19,761,037	27.0%
TOTAL YEAR-END RESERVES	\$ 240,539,404	\$ 110,915,606	\$ 210,945,396	\$ 158,373,906	\$ 47,458,300	42.8%

Outlay Summary by Account Type

OPERATING OUTLAY

Salaries and Benefits	\$ 69,470,773	\$ 73,186,911	\$ 73,186,911	\$ 76,556,701	\$ 3,369,790	4.6%
Salary Savings Factor	-	(1,110,050)	(1,110,050)	(752,323)	357,727	-32.2%
Services & Supplies	101,028,185	151,255,438	187,113,578	147,162,816	(4,092,622)	-2.7%
Intra-District Charges	42,972,092	45,020,493	45,020,493	46,583,940	1,563,447	3.5%
OPERATING OUTLAY TOTAL	\$ 213,471,051	\$ 268,352,791	\$ 304,210,931	\$ 269,551,133	\$ 1,198,342	0.4%

DEBT SERVICE

Services & Supplies	\$ 909,183	\$ 3,834,100	\$ 3,834,100	\$ 4,520,320	\$ 686,220	17.9%
Debt Service	57,218,112	83,770,512	83,770,512	93,890,991	10,120,479	12.1%
DEBT SERVICE TOTAL	\$ 58,127,295	\$ 87,604,612	\$ 87,604,612	\$ 98,411,311	\$ 10,806,699	12.3%

CAPITAL PROJECTS

Salaries and Benefits	\$ 31,947,117	\$ 36,532,079	\$ 37,419,079	\$ 33,617,155	\$ (2,914,924)	-8.0%
Salary Savings Factor	-	(580,627)	(580,627)	(347,530)	233,098	-40.1%
Services & Supplies	255,757,655	233,298,076	260,642,293	258,014,111	24,716,036	10.6%
Carry Forward Capital Projects	-	33,055,148	-	62,902,860	29,847,712	90.3%
Intra-District Charges	19,788,065	22,767,368	22,767,368	20,720,948	(2,046,421)	-9.0%
CAPITAL PROJECTS TOTAL	\$ 307,492,837	\$ 325,072,044	\$ 320,248,113	\$ 374,907,544	\$ 49,835,501	15.3%

TOTAL OUTLAYS	\$ 579,091,183	\$ 681,029,446	\$ 712,063,656	\$ 742,869,989	\$ 61,840,542	9.1%
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(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Water Enterprise and State Water Project Funds Combined

Water Enterprise and State Water Project Funds Combined									
		Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27	Change from 2025-26 Adopted \$ Diff % Diff
REVENUE									
Operating Revenue									
Groundwater Production Charges	\$	148,743,728	\$	184,722,000	\$	200,333,000	\$	232,697,000	\$ 32,364,000 16.2%
Treated Water Charges		169,632,794		211,703,000		220,403,000		242,243,000	21,840,000 9.9%
Surface & Recycled Water Charges		2,261,406		4,040,000		2,582,000		2,825,000	243,000 9.4%
Intergovernmental Services		5,184,126		1,687,880		1,493,295		1,364,295	(129,000) -8.6%
Operating Other		447,000		471,488		496,488		496,488	- 0.0%
Total Operating Revenue	\$	326,269,054	\$	402,624,368	\$	425,307,783	\$	479,625,783	\$ 54,318,000 12.8%
Non-Operating Revenue									
Property Tax	\$	39,058,230	\$	39,163,000	\$	39,871,000	\$	40,122,000	\$ 251,000 0.6%
Capital Reimbursements		3,543,901		456,000		684,000		800,000	116,000 17.0%
Interest Income *		15,089,997		4,340,000		7,066,000		7,851,000	785,000 11.1%
Non-Operating Other		7,246,380		1,339,404		1,229,670		1,238,954	9,284 0.8%
Total Non-Operating Revenue	\$	64,938,508	\$	45,298,404	\$	48,850,670	\$	50,011,954	\$ 1,161,284 2.4%
TOTAL REVENUE	\$	391,207,562	\$	447,922,772	\$	474,158,453	\$	529,637,737	\$ 55,479,284 11.7%
OUTLAYS									
Operating Outlays									
Operations **	\$	213,005,243	\$	267,907,551	\$	269,098,346	\$	283,811,827	\$ 14,713,480 5.5%
Operating Project		465,807		445,240		452,787		552,001	99,214 21.9%
Debt Service		58,127,295		87,604,612		98,411,311		114,711,187	16,299,876 16.6%
Total Operating Outlays	\$	271,598,346	\$	355,957,403	\$	367,962,445	\$	399,075,014	\$ 31,112,570 8.5%
Capital Outlays									
Capital Projects	\$	307,492,837	\$	292,016,896	\$	312,004,684	\$	430,713,044	\$ 118,708,360 38.0%
Carry Forward Capital Projects		-		33,055,148		62,902,860		2,822,659	(60,080,201) -95.5%
Total Capital Outlays	\$	307,492,837	\$	325,072,044	\$	374,907,544	\$	433,535,703	\$ 58,628,159 15.6%
TOTAL OUTLAYS	\$	579,091,183	\$	681,029,446	\$	742,869,989	\$	832,610,717	\$ 89,740,728 12.1%
OTHER FINANCING SOURCES/(USES)									
Debt proceeds	\$	173,600,000	\$	236,311,001	\$	220,217,267	\$	330,396,588	\$ 110,179,321 50.0%
Transfers In		1,092,727		11,428,122		7,606,274		11,721,650	4,115,376 54.1%
Transfers Out		(3,926,700)		(8,271,800)		(11,683,496)		(18,017,339)	(6,333,843) 54.2%
TOTAL OTHER SOURCES/(USES)	\$	170,766,027	\$	239,467,323	\$	216,140,045	\$	324,100,899	\$ 107,960,854 49.9%
BALANCE AVAILABLE	\$	(17,117,595)	\$	6,360,648	\$	(52,571,491)	\$	21,127,919	\$ 73,699,410 -140.2%

Fund Summaries

Water Enterprise and State Water Project Funds Combined

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
YEAR-END RESERVES						
Restricted Reserves						
WUE Rate Stabilization Reserve	\$ 6,066,971	\$ 19,996,328	\$ 40,504,668	\$ 44,725,459	\$ 4,220,791	10.4%
WUE San Felipe Emergency Reserve	3,651,454	3,580,832	3,751,454	3,801,454	50,000	1.3%
WUE State Water Project Tax Reserve	17,693,556	8,973,390	11,591,690	6,424,905	(5,166,785)	-44.6%
WUE Supplemental Water Supply Reserve	5,277,000	5,277,000	8,677,000	12,077,000	3,400,000	39.2%
WUE SVAWPC Reserve	1,292,735	-	-	-	-	0.0%
WUE Drought Reserve	-	-	1,000,000	4,000,000	3,000,000	300.0%
WUE Guiding Principle #5 (GP5) Reserve	25,813,404	-	-	-	-	0.0%
Total Restricted Reserves	\$ 59,795,120	\$ 37,827,550	\$ 65,524,812	\$ 71,028,818	\$ 5,504,006	8.4%
Committed Reserves						
WUE San Jose Water Purification Reserve	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	0.0%
Currently Authorized Projects Reserve***	97,080,427	9,770,707	17,666,735	14,844,076	(2,822,659)	-16.0%
Excess ERAF Contingency Reserve	-	589,988	615,193	729,493	114,300	18.6%
Operating and Capital Reserve	82,663,857	62,727,361	74,567,165	92,899,438	18,332,272	24.6%
Total Committed Reserves	\$ 180,744,284	\$ 73,088,056	\$ 92,849,093	\$ 108,473,007	\$ 15,623,913	16.8%
TOTAL YEAR-END RESERVES	\$ 240,539,404	\$ 110,915,606	\$ 158,373,906	\$ 179,501,825	\$ 21,127,919	13.3%
Outlay Summary by Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 69,470,773	\$ 73,186,911	\$ 76,556,701	\$ 81,769,288	\$ 5,212,587	6.8%
Salary Savings Factor	-	(1,110,050)	(752,323)	(792,732)	(40,409)	5.4%
Services & Supplies	101,028,185	151,255,438	147,162,816	150,871,019	3,708,204	2.5%
Intra-District Charges	42,972,092	45,020,493	46,583,940	52,516,253	5,932,312	12.7%
OPERATING OUTLAY TOTAL	\$ 213,471,051	\$ 268,352,791	\$ 269,551,133	\$ 284,363,827	\$ 14,812,694	5.5%
DEBT SERVICE						
Services & Supplies	\$ 909,183	\$ 3,834,100	\$ 4,520,320	\$ 3,240,320	\$ (1,280,000)	-28.3%
Debt Service	57,218,112	83,770,512	93,890,991	111,470,867	17,579,876	18.7%
DEBT SERVICE TOTAL	\$ 58,127,295	\$ 87,604,612	\$ 98,411,311	\$ 114,711,187	\$ 16,299,876	16.6%
CAPITAL PROJECTS						
Salaries and Benefits	\$ 31,947,117	\$ 36,532,079	\$ 33,617,155	\$ 35,397,517	\$ 1,780,362	5.3%
Salary Savings Factor	-	(580,627)	(347,530)	(361,281)	(13,751)	4.0%
Services & Supplies	255,757,655	233,298,076	258,014,111	372,759,015	114,744,903	44.5%
Carry Forward Capital Projects	-	33,055,148	62,902,860	2,822,659	(60,080,201)	-95.5%
Intra-District Charges	19,788,065	22,767,368	20,720,948	22,917,793	2,196,845	10.6%
CAPITAL PROJECTS TOTAL	\$ 307,492,837	\$ 325,072,044	\$ 374,907,544	\$ 433,535,703	\$ 58,628,159	15.6%
TOTAL OUTLAYS	\$ 579,091,183	\$ 681,029,446	\$ 742,869,989	\$ 832,610,717	\$ 89,740,728	12.1%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Water Utility Enterprise Funds

Overview

The Water Utility Enterprise is committed to providing safe, reliable water to Santa Clara County now and for future generations. Presently, it ensures the availability of water to 15 cities and towns, farmers, and individual well owners spread over 1,300 square miles, with Valley Water managed usage estimated to total 219,000 acre-feet (AF) in FY 2025-26 and 224,000 AF in FY 2026-27. This entails operation, maintenance and construction of the following facilities:

- 10 surface reservoirs with a total operationally restricted storage capacity of 62,701 AF while Valley Water’s largest reservoir, Anderson, is offline due to an extensive retrofit of its dam
- 11 miles of active canals
- Five water supply diversion dams
- 102 groundwater recharge ponds
- 98 miles of controlled in-stream recharge in the county
- 134 miles of raw and treated water pipelines
- Three water treatment plants
- An advanced water purification center
- Three raw water pump stations with over 37,000 combined horsepower
- A well field

The Water Utility Enterprise Fund (Fund 61) accounts for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Water Utility Enterprise Fund accounts for all Water Utility related revenue, expenses and financing except those of the State Water Project Fund (Fund 63). The State Water Project (SWP) Fund accounts specifically for SWP tax revenue and SWP contractual costs. It is discussed separately later in this chapter.

FY 2025-26 and FY 2026-27 Budgets

The Water Utility Enterprise protects and augments water supplies for the health, welfare, and safety of the community. The Utility is primarily responsible for carrying out the core services related to Valley Water’s Ends Policy E2 – “Valley Water provides a reliable, safe, and affordable water supply for current and future generations in all communities served.” Groundwater production charges are the primary source of Utility revenue. The activities, programs and services undertaken with funding from groundwater production charges include ensuring adequate water supplies and water quality; operating and maintaining dams, pipelines, recharge ponds, treatment plants and pumping stations to help sustain the groundwater basins; and, planning for and constructing related facilities. Funding for these activities is presented in this chapter’s financial statements and described in the paragraphs below.

Fund Summaries

Revenue

Revenue for the Water Utility Enterprise Funds is derived from treated, surface and recycled water sales; groundwater production charges; capital reimbursements; federal, state, and local grants; interest earnings; ad valorem taxes; and State Water Project (SWP) taxes as provided by law. Estimated total revenue for FY 2025-26 is \$474.2 million (\$445.2 million for Fund 61 and \$29.0 million for Fund 63), or 5.9% more than the FY 2024-25 Adopted Budget. FY 2026-27 total revenue is projected at \$529.6 million (\$500.6 million for Fund 61 and \$29.0 million for Fund 63), or an increase of 11.7% from FY 2025-26.

The approved FY 2025-26 water charges will generate \$423.3 million in revenues from groundwater production charges and the sale of treated, recycled and surface water totaling 219,000 acre-feet of usage, which is a 5.7% increase in revenue versus the FY 2024-25 Adopted Budget. This revenue estimate also accounts for water rate increases of 9.9% in North County Zone W-2, 7.9% in South County Zone W-5, 11.2% in Zone W-7, and 8.0% in Zone W-8. Rate increases are primarily necessary to cover the notable capital investments Valley Water is making to ensure the safety and reliability of water for residents. Rates maintain the same level of increases year over year in FY 2026-27. Due to these rate increases and an estimated water usage of 224,000 acre-feet, water revenue for FY 2026-27 is expected to grow by approximately \$54.4 million, totaling \$477.8 million. More information on groundwater charges is found later in this chapter and in the FY 2025-26 Protection and Augmentation of Water Supplies Report.

Property taxes for the Water Utility Enterprise are the second largest source of funds for FY 2025-26. They total an estimated \$39.9 million, of which \$28.0 million is for State Water Project (SWP) taxes accounted for in the SWP Fund (Fund 63) and used to fund water purchases from the State Water Project, and the remaining \$11.9 million are ad valorem property taxes recorded in the Water Utility Enterprise Fund (Fund 61) for general use. In FY 2026-27, combined property taxes are projected to increase 0.6% to \$40.1 million. Capital reimbursements of \$0.7 million in FY 2025-26 and \$0.8 million in FY 2026-27 are from the San Benito County Water District (SBCWD) for small capital improvements on the shared San Felipe Division Reach 1 (SFDR1).

Interest, intergovernmental services and other operating and non-operating revenues round out Water Utility Enterprise proceeds at \$10.3 million in FY 2025-26. For FY 2026-27, budgeted levels increase by \$0.7 million primarily due to higher rate of interest earnings on investments.

Operating Budget

Operating costs (excluding debt service) for FY 2025-26 are expected to be \$269.6 million for both funds. This represents a \$1.2 million increase, or 0.4%, from the FY 2024-25 Adopted Budget. The increase is primarily attributable to \$10.2 million for water purchases to match 10-year average historical acquisition levels, professional and technical services, equipment and maintenance for infrastructure, water conservation rebates to work toward the Water Master Plan conservation goals, and various services and supplies. Other increases include \$5.3 million for salaries, benefits and overhead. These increases are offset by a reduction of \$14.3 million in cost sharing, such as discontinuing participation in Los Vaqueros, a decrease in Delta conveyance gap funding estimates, the fully allocated GP5 project, and the revised estimates for participation in Sisk Dam Raise.

The FY 2026-27 Budget increases to \$284.4 million, an increase of \$14.8 million compared to FY 2025-26. The largest increase is \$11.1 million for salaries, benefits and overhead, \$5.0 million for cost sharing for the Delta Conveyance Gap Funding and the start of the construction and debt payments for the Sisk Dam Raise project, \$2.7 million for water purchases reflecting the increase costs of the State Water Project purchases and water banking, offset by a reduction of \$4.0 million for services, equipment and supplies, including lower anticipated need for chemicals reflecting the Penitencia Water Treatment Plant partial year shut down.

The cost of contractually obligated water purchases from federal and state water projects in FY 2025-26 and FY 2026-27 continue to be the largest Water Utility Enterprise expense at \$18.8 million and \$32.5 million, respectively. In addition to operating budget water expenses, the capital budget also includes \$12.8 million to pay Valley Water's capital cost obligations for the federal San Felipe Division of the Central Valley Project.

Fund Summaries

Debt Service Budget

To fund the construction of new facilities, Valley Water historically relies on both pay-as-you-go financing as well as short-term and long-term debt financing. Water utility debt service will increase by roughly \$10.8 million in FY 2025-26 to \$98.4 million, and by an additional \$16.3 million in FY 2026-27 to \$114.7 million. The debt service coverage ratio is projected to remain above the minimum target of 2.0 or higher to help ensure financial stability and continued high credit ratings.

Capital Budget

In FY 2025-26, capital projects are budgeted at \$312.0 million and capital carryforward is estimated at \$62.9 million bringing total planned capital spending to \$374.9 million. This is a \$49.8 million increase, or 15.3%, from the prior year. This fiscal year has significant investments in our Water Treatment Plants including the construction of new facilities at the Rinconada Water Treatment Plant and the enhancements to the Penitencia Water Treatment Plant. Anderson Dam projects also have significant funding for continued construction on the Anderson Dam Tunnel and completing design and awarding the contract for the Anderson Dam Seismic Retrofit Project. Finally, pipelines continue to be a top funding priority to continue to ensure the quality, safety and delivery of water through the Santa Clara Valley. For FY 2026-27, \$430.7 million in planned funding is anticipated with an additional capital carryforward of \$2.8 million for a total planned budget of \$433.5 million. More information about Valley Water's Capital Program can be found in the FY 2026-30 Capital Improvement Program.

Debt Financing and Interfund Transfers

Staff is planning debt issuances in FY 2025-26 of \$220.2 million and in FY 2026-27 of \$330.4 million to help finance critical investments in major water supply infrastructure projects.

For FY 2025-26, interfund transfers into the Water Utility Enterprise Fund total \$7.6 million including \$6.4 million from the Safe Clean Water Fund for the Anderson Dam Seismic Retrofit Project, and \$1.2 million for conservation programs. Transfers out total \$11.7 million including \$4.0 million to the Safe Clean Water Fund for the IRP2 Add Valve lines project, \$3.2 million for the IT Disaster Recover and the Security Upgrades project, \$2.4 million for the Headquarter Operations Building project, and \$2.1 million for IT equipment. Transfers in planned for FY 2026-27 total \$11.7 million to contribute to funding of \$6.5 million for the Anderson Dam Seismic Retrofit Project, \$4.0 million for the Open Space Credit, and \$1.2 million for the conservation programs. Transfers out to other funds total \$18.0 million including \$5.2 million for ERP replacement, \$4.0 million for the Safe Clean Water Fund for the IRP2 Add Valve Lines, \$3.2 million for the Headquarter Operations Building project, \$3.0 for IT equipment, and finally \$2.6 million for the Security Upgrades and Enhancements project.

Reserves

Total FY 2025-26 ending reserves for both funds (Fund 61 and 63) are projected to be \$158.4 million, an increase of \$47.5 million relative to the FY 2024-25 Adopted Budget. Having recovered from the drought, this budget reflects an effort to restore the Water Supply Reserve and the Drought Reserve from \$5.3 million to \$9.7 million in FY 2025-26 and to \$16.1 in the following fiscal year. For FY 2026-27, reserves are projected to continue to increase by \$21.1 million to \$179.5 million.

Fund Summaries

Significant Business Challenges/Opportunities

The Water Utility Enterprise faces the following major challenges and opportunities in the upcoming year in its efforts to ensure a reliable, safe, and affordable water supply for current and future generations in all communities served.

- Operating raw and treated water systems based on water supply needs and constraints including the outage of Valley Water's largest reservoir, Anderson. This includes adapting to dynamic changes in local rainfall, imported water allocations, regulations, and water use to deliver safe, clean drinking water and ensure continued sustainable groundwater supplies.
- Continuing to advance the design, permitting and construction of the Anderson Dam Seismic Retrofit Project, and comply with a Federal Energy Regulatory Commission directive received on February 20, 2020.
- In conjunction with the San Benito County Water District and Pacheco Pass Water District, continuing to explore the possibility of expanding the existing Pacheco Reservoir on the North Fork Pacheco Creek in south-east Santa Clara County. The Project is envisioned to expand the 5,500 acre-foot reservoir to 140,000 acre-feet, thereby increasing water reliability by reducing the frequency and severity of water shortages, increasing emergency water supplies, improving water quality, providing flood protection for disadvantaged communities, and protecting and growing the native steelhead fish population.
- Ensuring construction of Phase 3-6 of the Rinconada Water Treatment Plant Reliability Improvement Project continues successfully on schedule while operating the plant to continue serving water that meets all state water quality standards.
- Continuing to deliver treated water that meets or surpasses all drinking water standards under supply chain and source water quality challenges.
- Developing necessary direct potable reuse implementation project agreements with the cities of San José and Santa Clara, seeking external funding opportunities, and beginning Phase 1 of the San José Purified Water Project (Demonstration Facility).
- Continuing to develop and implement water recycling agreements with other wastewater agency partners to develop and enhance long-term supply reliability.
- Continuing to participate in multi-agency partnerships for the B.F. Sisk Dam Raise Project, Delta Conveyance Project, and Sites Reservoir Project, to ensure that each project's benefits merit Valley Water investment.
- Continuing to pursue and assess suitable, cost-effective groundwater banking projects to bolster water supply reliability and diversify resources to meet our future needs.
- Completing the Water Supply Master Plan 2050 to guide the Board's investment in water supply and infrastructure projects.
- Adapting and expanding conservation programs to make water a conservation way of life and achieve the Board's long-term water conservation targets adopted as part of the Water Supply Master Plan.
- Decommissioning inactive canals.
- Continuing PFAS, microplastics, golden mussel monitoring and surveillance along with continued coordination with retailers, regulators and stakeholders.
- Continuing to negotiate with suppliers of long lead items to commit to accurate delivery times to be able to install during planned outage windows.
- Managing impacts of tariffs on imported goods.

Fund Summaries

Groundwater Production Charges

Valley Water's groundwater production charges are the primary source of funding for the Water Utility Enterprise. They pay for activities that benefit groundwater benefit zones. Valley Water levies two groundwater production charges, one for Municipal and Industrial (M&I) use, and one for Agricultural use. The FY 2025-26 Budget includes a North County (Zone W-2) M&I groundwater production charge of \$2,450 per acre-foot (AF) that reflects a 9.9% increase from FY 2024-25 Adopted Budget. A 9.4% increase to contract treated water charges, or \$2,565 per AF, and a 9.1% increase to non-contract treated water, or \$2,650 per AF, also are included in this budget. In FY 2026-27, the Zone W-2 M&I rate also reflects a 9.9% increase, a 9.4% increase for contract treated water charges and a 9.1% increase for non-contract treated water charges when compared to FY 2025-26.

Maintaining the contract treated water surcharge at \$115 per AF in both FY 2025-26 and FY 2026-27 is in alignment with the cost that retailers would incur to treat and deliver water pumped from their own wells. The non-contract surcharge remains at \$200 per AF in both FY 2025-26 and FY 2026-27. The average household in Zone W-2 would experience an increase in their monthly bill of around \$7.60 in FY 2025-26. Customers may also experience additional charge increases enacted by their retail water provider.

The FY 2025-26 Budget also includes groundwater production charges for the South County region. The Llagas Subbasin (Zone W-5) M&I groundwater production charge reflects a 7.9% increase over the prior year, or \$624.50 per AF. The average household in this zone would experience an increase in their monthly bill of \$1.58. The Coyote Valley (Zone W-7) M&I groundwater production charge reflects an 11.2% increase from the prior year, or \$834.50 per AF. The average household in this zone would experience an increase in their monthly bill of \$2.89. For residents and customers in the foothills below the Uvas and Chesbro Reservoirs (Zone W-8), the groundwater production charge reflects an 8.0% increase over the prior year, or \$464.00 per AF. The average household in this zone would experience an increase in their monthly bill of \$1.18. For all zones in the South County region (W-5, W-7 and W-8), the rate increase projected for FY 2026-27 is the same as FY 2025-26.

The agricultural groundwater production charge in any groundwater benefit zone for FY 2025-26 is \$43.00 per AF. The agricultural groundwater production charge is usually calculated at or below 10% of the lowest M&I charge which is Zone W-8. This methodology is anticipated to be followed for FY 2026-27. The surface water master charge increased 9.9% from \$61.00 per AF to \$67.00 per AF in FY 2025-26 to help align revenues with the costs related to managing, operating and billing for surface water diversions. A rate increase of 9.9% is projected for FY 2026-27.

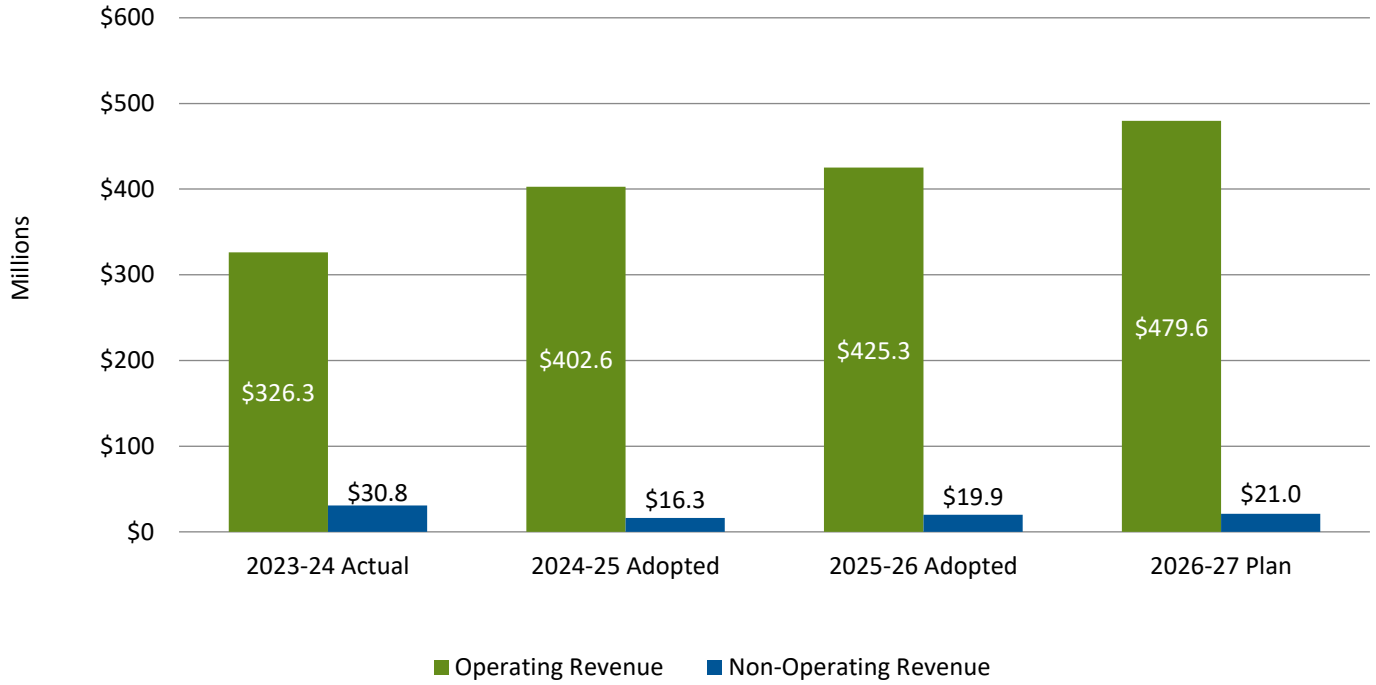
For recycled water in FY 2025-26, the M&I charge increased 8.1% to \$604.50 per AF. Agricultural recycled water increased 4.6% to \$73.35 per AF. These charges maximize cost recovery while concurrently providing an economic incentive to use recycled water. Rate increases for FY 2026-27 are also expected to be the same as FY 2025-26.

The FY 2025-26 water use estimate of 219,000 AF represents a 3,000 AF decrease, or 1.4%, compared to the FY 2024-25 adopted water budget usage amount of 222,000 AF which reflects a slight reduction when compared to the budgeted amount for FY 2024-25. The FY 2026-27 water use estimate increases to 224,000 AF, based on the assumption that water use will continue to rebound to below pre-drought levels over time.

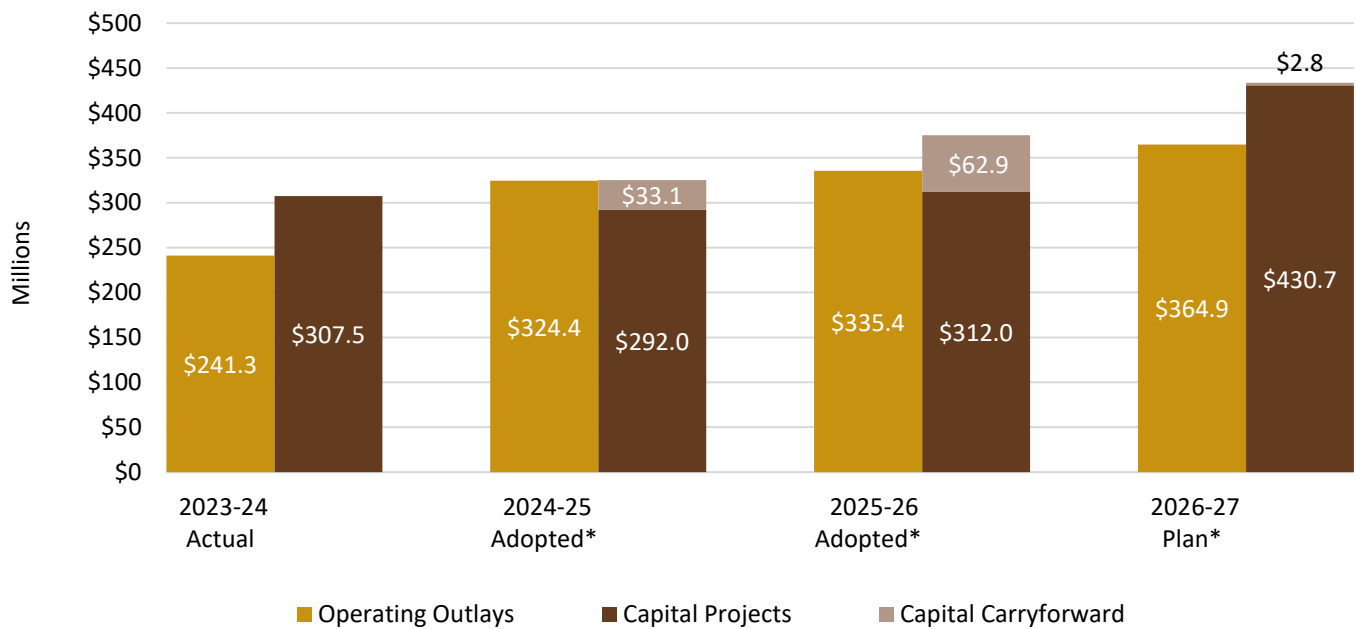
Fund Summaries

Water Utility Enterprise Fund (Fund 61)

Total Revenue



Total Outlays



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

Water Utility Enterprise Fund Summary

		Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted	
										\$ Diff	% Diff
REVENUE											
Operating Revenue											
Groundwater Production Charges	\$	148,743,728	\$	184,722,000	\$	176,252,000	\$	200,333,000	\$	15,611,000	8.5%
Treated Water Charges		169,632,794		211,703,000		211,703,000		220,403,000		8,700,000	4.1%
Surface & Recycled Water Charges		2,261,406		4,040,000		4,040,000		2,582,000		(1,458,000)	-36.1%
Intergovernmental Services		5,184,126		1,687,880		1,662,880		1,493,295		(194,585)	-11.5%
Operating Other		447,000		471,488		496,488		496,488		25,001	5.3%
Total Operating Revenue	\$	326,269,054	\$	402,624,368	\$	394,154,368	\$	425,307,783	\$	22,683,416	5.6%
Non-Operating Revenue											
Property Tax	\$	11,045,199	\$	11,163,000	\$	11,456,000	\$	11,871,000	\$	708,000	6.3%
Capital Reimbursements		3,543,901		456,000		4,345,000		684,000		228,000	50.0%
Interest Income *		15,089,997		4,340,000		6,280,000		7,066,000		2,726,000	62.8%
Non-Operating Other		1,101,315		339,404		339,404		229,670		(109,734)	-32.3%
Total Non-Operating Revenue	\$	30,780,412	\$	16,298,404	\$	22,420,404	\$	19,850,670	\$	3,552,266	21.8%
TOTAL REVENUE	\$	357,049,466	\$	418,922,772	\$	416,574,773	\$	445,158,453	\$	26,235,682	6.3%
OUTLAYS											
Operating Outlays											
Operations **	\$	182,680,243	\$	236,345,481	\$	272,203,621	\$	236,558,551	\$	213,070	0.1%
Operating Project		465,807		445,240		445,240		452,787		7,547	1.7%
Debt Service		58,127,295		87,604,612		87,604,612		98,411,311		10,806,699	12.3%
Total Operating Outlays	\$	241,273,346	\$	324,395,333	\$	360,253,473	\$	335,422,649	\$	11,027,316	3.4%
Capital Outlays											
Capital Projects	\$	307,492,837	\$	292,016,896	\$	320,248,113	\$	312,004,684	\$	19,987,789	6.8%
Carry Forward Capital Projects		-		33,055,148		-		62,902,860		29,847,712	90.3%
Total Capital Outlays	\$	307,492,837	\$	325,072,044	\$	320,248,113	\$	374,907,544	\$	49,835,501	15.3%
TOTAL OUTLAYS	\$	548,766,183	\$	649,467,376	\$	680,501,586	\$	710,330,193	\$	60,862,817	9.4%
OTHER FINANCING SOURCES/(USES)											
Debt proceeds	\$	173,600,000	\$	236,311,001	\$	236,311,001	\$	220,217,267	\$	(16,093,734)	-6.8%
Transfers In		1,092,727		11,428,122		11,428,122		7,606,274		(3,821,848)	-33.4%
Transfers Out		(3,926,700)		(8,271,800)		(10,844,247)		(11,683,496)		(3,411,696)	41.2%
TOTAL OTHER SOURCES/(USES)	\$	170,766,027	\$	239,467,323	\$	236,894,876	\$	216,140,045	\$	(23,327,278)	-9.7%
BALANCE AVAILABLE	\$	(20,950,691)	\$	8,922,718	\$	(27,031,938)	\$	(49,031,695)	\$	(57,954,413)	-649.5%

Fund Summaries

Water Utility Enterprise Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
YEAR-END RESERVES						
Restricted Reserves						
WUE Rate Stabilization Reserve	\$ 6,066,971	\$ 19,996,328	\$ 20,571,906	\$ 40,504,668	\$ 20,508,340	102.6%
WUE San Felipe Emergency Reserve	3,651,454	3,580,832	3,701,454	3,751,454	170,622	4.8%
WUE Supplemental Water Supply Reserve	5,277,000	5,277,000	5,277,000	8,677,000	3,400,000	64.4%
WUE SVAWPC Reserve	1,292,735	-	-	-	-	0.0%
WUE Drought Reserve	-	-	-	1,000,000	1,000,000	0.0%
WUE Guiding Principle #5 (GP5) Reserve	25,813,404	-	-	-	-	0.0%
Total Restricted Reserves	\$ 42,101,564	\$ 28,854,160	\$ 29,550,360	\$ 53,933,122	\$ 25,078,962	86.9%
Committed Reserves						
WUE San Jose Water Purification Reserve	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	0.0%
Currently Authorized Projects Reserve***	97,080,427	9,770,707	80,569,594	17,666,735	7,896,028	80.8%
Excess ERAF Contingency Reserve	-	589,988	500,893	615,193	25,205	4.3%
Operating and Capital Reserve	82,663,857	62,727,361	85,193,063	74,567,165	11,839,804	18.9%
Total Committed Reserves	\$ 180,744,284	\$ 73,088,056	\$ 166,263,550	\$ 92,849,093	\$ 19,761,037	27.0%
TOTAL YEAR-END RESERVES	\$ 222,845,848	\$ 101,942,216	\$ 195,813,910	\$ 146,782,215	\$ 44,839,999	44.0%
Outlay Summary by Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 69,470,773	\$ 73,186,911	\$ 73,186,911	\$ 76,556,701	\$ 3,369,790	4.6%
Salary Savings Factor	-	(1,110,050)	(1,110,050)	(752,323)	357,727	-32.2%
Services & Supplies	70,703,185	119,693,368	155,551,508	114,623,020	(5,070,347)	-4.2%
Intra-District Charges	42,972,092	45,020,493	45,020,493	46,583,940	1,563,447	3.5%
OPERATING OUTLAY TOTAL	\$ 183,146,051	\$ 236,790,721	\$ 272,648,861	\$ 237,011,338	\$ 220,617	0.1%
DEBT SERVICE						
Services & Supplies	\$ 909,183	\$ 3,834,100	\$ 3,834,100	\$ 4,520,320	\$ 686,220	17.9%
Debt Service	57,218,112	83,770,512	83,770,512	93,890,991	10,120,479	12.1%
DEBT SERVICE TOTAL	\$ 58,127,295	\$ 87,604,612	\$ 87,604,612	\$ 98,411,311	\$ 10,806,699	12.3%
CAPITAL PROJECTS						
Salaries and Benefits	\$ 31,947,117	\$ 36,532,079	\$ 37,419,079	\$ 33,617,155	\$ (2,914,924)	-8.0%
Salary Savings Factor	-	(580,627)	(580,627)	(347,530)	233,098	-40.1%
Services & Supplies	255,757,655	233,298,076	260,642,293	258,014,111	24,716,036	10.6%
Carry Forward Capital Projects	-	33,055,148	-	62,902,860	29,847,712	90.3%
Intra-District Charges	19,788,065	22,767,368	22,767,368	20,720,948	(2,046,421)	-9.0%
CAPITAL PROJECTS TOTAL	\$ 307,492,837	\$ 325,072,044	\$ 320,248,113	\$ 374,907,544	\$ 49,835,501	15.3%
TOTAL OUTLAYS	\$ 548,766,183	\$ 649,467,376	\$ 680,501,586	\$ 710,330,193	\$ 60,862,817	9.4%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Water Utility Enterprise Fund Summary

		Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27		Change from 2025-26 Adopted	
										\$ Diff	% Diff
REVENUE											
Operating Revenue											
Groundwater Production Charges	\$	148,743,728	\$	184,722,000	\$	200,333,000	\$	232,697,000	\$	32,364,000	16.2%
Treated Water Charges		169,632,794		211,703,000		220,403,000		242,243,000		21,840,000	9.9%
Surface & Recycled Water Charges		2,261,406		4,040,000		2,582,000		2,825,000		243,000	9.4%
Intergovernmental Services		5,184,126		1,687,880		1,493,295		1,364,295		(129,000)	-8.6%
Operating Other		447,000		471,488		496,488		496,488		-	0.0%
Total Operating Revenue	\$	326,269,054	\$	402,624,368	\$	425,307,783	\$	479,625,783	\$	54,318,000	12.8%
Non-Operating Revenue											
Property Tax		11,045,199	\$	11,163,000	\$	11,871,000	\$	12,122,000	\$	251,000	2.1%
Capital Reimbursements	\$	3,543,901		456,000		684,000		800,000		116,000	17.0%
Interest Income *		15,089,997		4,340,000		7,066,000		7,851,000		785,000	11.1%
Non-Operating Other		1,101,315		339,404		229,670		238,954		9,284	4.0%
Total Non-Operating Revenue	\$	30,780,412	\$	16,298,404	\$	19,850,670	\$	21,011,954	\$	1,161,284	5.9%
TOTAL REVENUE	\$	357,049,466	\$	418,922,772	\$	445,158,453	\$	500,637,737	\$	55,479,285	12.5%
OUTLAYS											
Operating Outlays											
Operations **	\$	182,680,243	\$	236,345,481	\$	236,558,551	\$	249,645,041	\$	13,086,491	5.5%
Operating Project		465,807		445,240		452,787		552,001		99,214	21.9%
Debt Service		58,127,295		87,604,612		98,411,311		114,711,187		16,299,876	16.6%
Total Operating Outlays	\$	241,273,346	\$	324,395,333	\$	335,422,649	\$	364,908,229	\$	29,485,580	8.8%
Capital Outlays											
Capital Projects	\$	307,492,837	\$	292,016,896	\$	312,004,684	\$	430,713,044	\$	118,708,360	38.0%
Carry Forward Capital Projects		-		33,055,148		62,902,860		2,822,659		(60,080,201)	-95.5%
Total Capital Outlays	\$	307,492,837	\$	325,072,044	\$	374,907,544	\$	433,535,703	\$	58,628,159	15.6%
TOTAL OUTLAYS	\$	548,766,183	\$	649,467,376	\$	710,330,193	\$	798,443,932	\$	88,113,739	12.4%
OTHER FINANCING SOURCES/(USES)											
Debt proceeds	\$	173,600,000	\$	236,311,001	\$	220,217,267	\$	330,396,588	\$	110,179,321	50.0%
Transfers In		1,092,727		11,428,122		7,606,274		11,721,650		4,115,376	54.1%
Transfers Out		(3,926,700)		(8,271,800)		(11,683,496)		(18,017,339)		(6,333,843)	54.2%
TOTAL OTHER SOURCES/(USES)	\$	170,766,027	\$	239,467,323	\$	216,140,045	\$	324,100,899	\$	107,960,854	49.9%
BALANCE AVAILABLE	\$	(20,950,691)	\$	8,922,718	\$	(49,031,695)	\$	26,294,704	\$	75,326,399	-153.6%

Fund Summaries

Water Utility Enterprise Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
YEAR-END RESERVES						
Restricted Reserves						
WUE Rate Stabilization Reserve	\$ 6,066,971	\$ 19,996,328	\$ 40,504,668	\$ 44,725,459	\$ 4,220,791	10.4%
WUE San Felipe Emergency Reserve	3,651,454	3,580,832	3,751,454	3,801,454	50,000	1.3%
WUE Supplemental Water Supply Reserve	5,277,000	5,277,000	8,677,000	12,077,000	3,400,000	39.2%
WUE SVAWPC Reserve	1,292,735	-	-	-	-	0.0%
WUE Drought Reserve	-	-	1,000,000	4,000,000	3,000,000	300.0%
WUE Guiding Principle #5 (GP5) Reserve	25,813,404	-	-	-	-	0.0%
Total Restricted Reserves	\$ 42,101,564	\$ 28,854,160	\$ 53,933,122	\$ 64,603,913	\$ 10,670,791	19.8%
Committed Reserves						
WUE San Jose Water Purification Reserve	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	0.0%
Currently Authorized Projects Reserve***	97,080,427	9,770,707	17,666,735	14,844,076	(2,822,659)	-16.0%
Excess ERAF Contingency Reserve	-	589,988	615,193	729,493	114,300	18.6%
Operating and Capital Reserve	82,663,857	62,727,361	74,567,165	92,899,438	18,332,272	24.6%
Total Committed Reserves	\$ 180,744,284	\$ 73,088,056	\$ 92,849,093	\$ 108,473,007	\$ 15,623,913	16.8%
TOTAL YEAR-END RESERVES	\$ 222,845,848	\$ 101,942,216	\$ 146,782,215	\$ 173,076,920	\$ 26,294,704	17.9%
Outlay Summary by Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 69,470,773	\$ 73,186,911	\$ 76,556,701	\$ 81,769,288	\$ 5,212,587	6.8%
Salary Savings Factor	-	(1,110,050)	(752,323)	(792,732)	(40,409)	5.4%
Services & Supplies	70,703,185	119,693,368	114,623,020	116,704,234	2,081,214	1.8%
Intra-District Charges	42,972,092	45,020,493	46,583,940	52,516,253	5,932,312	12.7%
OPERATING OUTLAY TOTAL	\$ 183,146,051	\$ 236,790,721	\$ 237,011,338	\$ 250,197,042	\$ 13,185,704	5.6%
DEBT SERVICE						
Services & Supplies	\$ 909,183	\$ 3,834,100	\$ 4,520,320	\$ 3,240,320	\$ (1,280,000)	-28.3%
Debt Service	57,218,112	83,770,512	93,890,991	111,470,867	17,579,876	18.7%
DEBT SERVICE TOTAL	\$ 58,127,295	\$ 87,604,612	\$ 98,411,311	\$ 114,711,187	\$ 16,299,876	16.6%
CAPITAL PROJECTS						
Salaries and Benefits	\$ 31,947,117	\$ 36,532,079	\$ 33,617,155	\$ 35,397,517	\$ 1,780,362	5.3%
Salary Savings Factor	-	(580,627)	(347,530)	(361,281)	(13,751)	4.0%
Services & Supplies	255,757,655	233,298,076	258,014,111	372,759,015	114,744,903	44.5%
Carry Forward Capital Projects	-	33,055,148	62,902,860	2,822,659	(60,080,201)	-95.5%
Intra-District Charges	19,788,065	22,767,368	20,720,948	22,917,793	2,196,845	10.6%
CAPITAL PROJECTS TOTAL	\$ 307,492,837	\$ 325,072,044	\$ 374,907,544	\$ 433,535,703	\$ 58,628,159	15.6%
TOTAL OUTLAYS	\$ 548,766,183	\$ 649,467,376	\$ 710,330,193	\$ 798,443,932	\$ 88,113,739	12.4%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Water Utility Water Charge Summary

	Adopted		Adopted		Adopted		Adopted		Projected ⁽¹⁾	
Rate per Acre-Foot (\$/AF)	2022-23		2023-24		2024-25		2025-26		2026-27	
Basic User / Groundwater Production Charge										
Non-Agricultural										
Zone W-2	\$	1724.00	\$	1974.00	\$	2229.00	\$	2450.00	\$	2693.00
Zone W-5		513.00		543.50		579.00		624.50		673.50
Zone W-7		582.50		657.50		750.50		834.50		927.50
Zone W-8		368.50		398.00		430.00		464.00		501.00
Agricultural										
All Zones	\$	36.85	\$	36.85	\$	39.80	\$	43.00	\$	46.00
Surface Water ⁽²⁾										
Surface Water Master Charge	\$	47.10	\$	54.00	\$	61.00	\$	67.00	\$	74.00
Total Surface Water Charge ⁽²⁾										
All Zones Agricultural	\$	83.95	\$	90.85	\$	100.80	\$	110.00	\$	120.00
Zone W-2 Non-Agricultural		1771.10		2028.00		2290.00		2517.00		2767.00
Zone W-5 Non-Agricultural		560.10		597.50		640.00		691.50		747.50
Zone W-7 Non-Agricultural		629.60		711.50		811.50		901.50		1001.50
Zone W-8 Non-Agricultural		415.60		452.00		491.00		531.00		575.00
Treated Water										
Contract (Scheduled) ⁽³⁾	\$	1839.00	\$	2089.00	\$	2344.00	\$	2565.00	\$	2808.00
Non-Contract ⁽⁴⁾		1924.00		2174.00		2429.00		2650.00		2893.00
Recycled Water										
Gilroy Recycled Facility										
Agricultural	\$	64.25	\$	67.20	\$	70.15	\$	73.35	\$	76.35
Non-Agricultural		493.00		523.50		559.00		604.50		653.50

1. Water charges are adopted by the Board annually. The projected FY 2026-27 water charges are the best current estimate and may change based on developing circumstances throughout the coming fiscal year.

2. Total surface water charge is the sum of the basic user charge (which equals the groundwater production charge) plus the water master charge.

3. The total treated water contract charge is the sum of the basic user charge for Zone W-2 (which equals the groundwater production charge) plus the contract surcharge (\$115/AF).

4. The total treated water non-contract charge is the sum of the basic user charge for Zone W-2 (which equals the groundwater production charge) plus the non-contract surcharge (\$200/AF).

Fund Summaries

Water Utility Enterprise Cost Center Combined Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
SOURCE OF SUPPLY						
Operations	\$ 103,678,876	\$ 151,264,944	\$ 185,373,084	\$ 147,620,050	\$ (3,644,894)	-2.4%
Capital	202,462,414	162,745,893	173,526,911	111,961,024	(50,784,869)	-31.2%
Total	\$ 306,141,290	\$ 314,010,836	\$ 358,899,995	\$ 259,581,074	\$ (54,429,763)	-17.3%
RAW WATER TRANSMISSION AND DISTRIBUTION						
Operations	\$ 20,835,814	\$ 18,901,768	\$ 19,401,768	\$ 20,183,003	\$ 1,281,235	6.8%
Capital	3,425,144	6,730,559	6,794,559	5,986,699	(743,860)	-11.1%
Total	\$ 24,260,958	\$ 25,632,327	\$ 26,196,327	\$ 26,169,702	\$ 537,375	2.1%
WATER TREATMENT						
Operations	\$ 52,037,575	\$ 54,882,640	\$ 55,882,640	\$ 57,580,477	\$ 2,697,837	4.9%
Capital	52,687,454	84,153,244	85,111,244	149,210,884	65,057,640	77.3%
Total	\$ 104,725,029	\$ 139,035,884	\$ 140,993,884	\$ 206,791,361	\$ 67,755,477	48.7%
TREATED WATER TRANSMISSION AND DISTRIBUTION						
Operations	\$ 2,919,500	\$ 3,074,565	\$ 3,074,565	\$ 3,517,754	\$ 443,189	14.4%
Capital	556,794	2,360,478	2,360,478	2,822,715	462,237	19.6%
Total	\$ 3,476,294	\$ 5,435,043	\$ 5,435,043	\$ 6,340,469	\$ 905,426	16.7%
ADMINISTRATION & GENERAL						
Operations	\$ 33,533,478	\$ 39,783,635	\$ 40,033,635	\$ 40,197,062	\$ 413,428	1.0%
Operating Projects	465,807	445,240	445,240	452,787	7,547	1.7%
Debt	58,127,295	87,604,612	87,604,612	98,411,311	10,806,699	12.3%
Capital	48,361,032	36,026,721	35,943,721	42,023,362	5,996,641	16.6%
Total	\$ 140,487,612	\$ 163,860,208	\$ 164,027,208	\$ 181,084,523	\$ 17,224,315	10.5%
TOTAL WATER ENTERPRISE FUND	\$ 579,091,183	\$ 647,974,298	\$ 695,552,457	\$ 679,967,129	\$ 31,992,831	4.9%
Carried Forward Capital Projects	\$ -	\$ 33,055,148	\$ 16,511,200	\$ 62,902,860	\$ 29,847,712	90.3%
TOTAL FUND WITH CARRYFORWARD	\$ 579,091,183	\$ 681,029,446	\$ 712,063,657	\$ 742,869,989	\$ 61,840,542	9.1%
FUND SUMMARY BY CATEGORY						
Operations	\$ 213,005,243	\$ 267,907,551	\$ 303,765,691	\$ 269,098,346	\$ 1,190,795	0.4%
Operating Projects	465,807	445,240	445,240	452,787	7,547	1.7%
Debt	58,127,295	87,604,612	87,604,612	98,411,311	10,806,699	12.3%
Capital	307,492,837	292,016,896	303,736,914	312,004,684	19,987,789	6.8%
Carried Forward Capital Projects	-	33,055,148	16,511,200	62,902,860	29,847,712	90.3%
TOTAL WATER ENTERPRISE FUND	\$ 579,091,183	\$ 681,029,446	\$ 712,063,657	\$ 742,869,989	\$ 61,840,542	9.1%

Fund Summaries

Water Utility Enterprise Cost Center Combined Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27		Change from 2025-26 Adopted \$ Diff % Diff	
SOURCE OF SUPPLY										
Operations	\$	103,678,876	\$	151,264,944	\$	147,620,050	\$	155,658,926	\$	8,038,876 5.4%
Capital		202,462,414		162,745,893		111,961,024		221,027,558		109,066,534 97.4%
Total	\$	306,141,290	\$	314,010,836	\$	259,581,074	\$	376,686,485	\$	117,105,410 45.1%
RAW WATER TRANSMISSION AND DISTRIBUTION										
Operations	\$	20,835,814	\$	18,901,768	\$	20,183,003	\$	20,688,423	\$	505,420 2.5%
Capital		3,425,144		6,730,559		5,986,699		22,346,306		16,359,607 273.3%
Total	\$	24,260,958	\$	25,632,327	\$	26,169,702	\$	43,034,730	\$	16,865,027 64.4%
WATER TREATMENT										
Operations	\$	52,037,575	\$	54,882,640	\$	57,580,477	\$	59,779,381	\$	2,198,904 3.8%
Capital		52,687,454		84,153,244		149,210,884		157,715,933		8,505,049 5.7%
Total	\$	104,725,029	\$	139,035,884	\$	206,791,361	\$	217,495,315	\$	10,703,953 5.2%
TREATED WATER TRANSMISSION AND DISTRIBUTION										
Operations	\$	2,919,500	\$	3,074,565	\$	3,517,754	\$	3,680,047	\$	162,293 4.6%
Capital		556,794		2,360,478		2,822,715		1,133,951		(1,688,764) -59.8%
Total	\$	3,476,294	\$	5,435,043	\$	6,340,469	\$	4,813,999	\$	(1,526,471) -24.1%
ADMINISTRATION & GENERAL										
Operations	\$	33,533,478	\$	39,783,635	\$	40,197,062	\$	44,005,049	\$	3,807,986 9.5%
Operating Projects		465,807		445,240		452,787		552,001		99,214 21.9%
Debt		58,127,295		87,604,612		98,411,311		114,711,187		16,299,876 16.6%
Capital		48,361,032		36,026,721		42,023,362		28,489,294		(13,534,068) -32.2%
Total	\$	140,487,612	\$	163,860,208	\$	181,084,523	\$	187,757,530	\$	6,673,008 3.7%
TOTAL WATER ENTERPRISE FUND	\$	579,091,183	\$	647,974,298	\$	679,967,129	\$	829,788,058	\$	149,820,927 22.0%
Carried Forward Capital Projects	\$	-	\$	33,055,148	\$	62,902,860	\$	2,822,659	\$	(60,080,201) -95.5%
TOTAL FUND WITH CARRYFORWARD	\$	579,091,183	\$	681,029,446	\$	742,869,989	\$	832,610,717	\$	89,740,726 12.1%
FUND SUMMARY BY CATEGORY										
Operations	\$	213,005,243	\$	267,907,551	\$	269,098,346	\$	283,811,827	\$	14,713,480 5.5%
Operating Projects		465,807		445,240		452,787		552,001		99,214 21.9%
Debt		58,127,295		87,604,612		98,411,311		114,711,187		16,299,876 16.6%
Capital		307,492,837		292,016,896		312,004,684		430,713,044		118,708,358 38.0%
Carried Forward Capital Projects		-		33,055,148		62,902,860		2,822,659		(60,080,201) -95.5%
TOTAL WATER ENTERPRISE FUND	\$	579,091,183	\$	681,029,446	\$	742,869,989	\$	832,610,718	\$	89,740,728 12.1%

Fund Summaries

Fund 61 Total Outlays - Source of Supply

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
91041012	Water Operations Planning	629,486	726,838	665,458	678,106	Raw Water Division
91041018	Groundwater Management Program	5,878,385	6,122,538	6,744,538	7,122,454	Raw Water Division
91061012	Facilities Env Compliance	45,510	49,476	53,942	57,005	Emergency, Safety and Security
91081007	Dam Safety Program	1,951,111	1,934,714	2,971,327	2,162,581	Dam Safety and Capital Delivery
91101004	Recycled & Purified Water Prog	3,763,151	5,376,152	5,351,577	5,478,964	Water Supply Division
91111001	Water Rights	622,169	619,305	536,985	580,221	Raw Water Division
91131004	Imported Water Program	4,624,434	6,129,588	6,386,132	6,827,508	Water Supply Division
91131006	IW San Felipe Division Delvrs	17,138,756	32,419,137	27,269,976	29,818,394	Water Supply Division
91131007	IW South Bay Aqueduct Delvrs	629,085	4,531,469	7,968,181	8,207,226	Water Supply Division
91151001	Water Conservation Program	8,368,563	12,553,044	13,502,883	13,513,702	Water Supply Division
91151012	Recycld/PurifiedWaterPublicEn	953,086	1,143,509	1,253,990	1,348,277	Office of the CEA
91151013	Water Banking Operations	3,762,110	5,624,186	6,448,740	6,771,177	Water Supply Division
91151014	GP5 Reimbursement Program	–	5,307,648	–	–	Water Supply Division
91211004	San Felipe Reach 1 Operation	694,519	712,080	746,931	794,579	Raw Water Division
91211005	SFD Reach 1 Administration	3,996	11,707	8,721	9,356	Raw Water Division
91211084	San Felipe Reach1 Ctrl and Ele	269,798	353,362	383,170	409,911	Treated Water Division
91211085	SF Reach 1-Engineering - Other	372,037	408,804	980,589	437,340	Raw Water Division
91211099	San Felipe Reach 1 Gen Maint	744,784	1,078,085	1,201,967	1,277,052	Raw Water Division
91221002	San Felipe Reach 2 Operation	63,770	75,554	78,875	83,701	Raw Water Division
91221006	SF Reach 2-Engineering - Other	212,255	326,209	343,851	356,185	Raw Water Division
91221099	San Felipe Reach 2 Gen Maint	50,793	175,217	183,918	193,923	Raw Water Division
91231002	San Felipe Reach 3 Operation	99,626	138,270	339,997	348,973	Raw Water Division
91231084	San Felipe Reach3 Ctrl and Ele	331,039	213,040	255,190	271,841	Treated Water Division
91231085	SF Reach 3-Engineering - Other	469,525	393,847	464,143	472,676	Raw Water Division
91231099	San Felipe Reach 3 Gen Maint	551,628	1,377,212	1,429,233	1,517,872	Raw Water Division
91241001	Wolfe Road Recycled Water Facility	206,000	195,000	265,636	272,612	Treated Water Division
91281007	SVAWPC Facility Operations	4,069,811	4,659,245	4,546,908	4,680,915	Treated Water Division
91281008	SVAWPC Facility Maintenance	2,795,240	3,395,073	4,564,672	4,098,608	Treated Water Division
91441003	Desalination	42,729	88,758	488,298	664,538	Water Supply Division
91451002	Well Ordinance Program	2,253,676	2,747,255	2,850,164	3,153,657	Raw Water Division
91451005	Source Water Quality Mgmt	406,689	440,970	694,148	478,028	Treated Water Division
91451011	Invasive Mussel Prevention	812,088	806,191	756,140	766,643	Treated Water Division
91601001	Delta Conveyance Project	3,597,198	5,833,087	2,028,000	4,950,490	Water Supply Division
91761001	Local Res/Div Plan & Analysis	2,322,164	2,496,119	2,464,432	2,466,716	Raw Water Division
91761013	SCADA Systems Upgrades	781	–	–	–	Treated Water Division
91761099	Dams / Reservoir Gen Maint	2,888,832	3,604,237	3,757,867	4,167,645	Dam Safety and Capital Delivery
91951001	San Luis Low Point	18,745	–	–	–	Dam Safety and Capital Delivery
91261001	PaloAlto Water Reuse	250,000	4,746,000	7,846,000	7,846,000	Water Supply Division
91061008	Drought Emergency	49,955	–	–	–	Water Supply Division
91251001	Los Vaqueros Reservoir Expansion	1,410,352	4,000,000	–	–	Water Supply Division
Total Operations		73,353,876	119,702,874	115,080,255	121,492,141	

Fund Summaries

Fund 61 Total Outlays - Source of Supply

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Capital						
91084019	Dam Safety Seismic Stability	319,676	298,688	–	22,277	Dam Safety and Capital Delivery Division
91084020	Calero-Guad Dams Seismic Retro	101,809	–	–	102,534	Dam Safety and Capital Delivery Division
91094001	Land Rights-SC Recycled Water	25,003	8,233	151,963	–	Water Utility Capital Division
91094009	SoCo Rcyld Wtr PL Short-Trm 1B	817,948	147,183	129,540	30,577	Water Utility Capital Division
91214010	Small Caps, San Felipe R1	298,877	3,110,179	2,289,091	149,235	Raw Water Division
91224010	Small Caps, San Felipe R2	256	–	–	–	Raw Water Division
91234002	Coyote Pumping Plant ASD	1,075,854	21,021,999	1,047,344	1,178,209	Water Utility Capital Division
91234010	Small Caps, San Felipe R3	563,350	1,347,254	3,166,551	458,418	Raw Water Division
91234011	Coyote Warehouse	26,311	–	–	–	Water Utility Capital Division
91854001	Almaden Dam Improvements	49,586	–	93,896	162,709	Dam Safety and Capital Delivery Division
91864005	Anderson Dam Seismic Retrofit	22,727,177	45,111,166	24,182,979	146,274,550	Dam Safety and Capital Delivery Division
91874004	Calero Dam SeisRetrfit Des&Con	2,676,116	3,016,000	6,311,916	6,462,604	Dam Safety and Capital Delivery Division
91894002	Guadalupe Dam SeisRetf Des&Con	308,375	103,834	4,027,960	1,971,105	Dam Safety and Capital Delivery Division
91954002	Pacheco Reservoir ExpansionPrj	27,594,392	–	1,426,716	11,090,332	Dam Safety and Capital Delivery Division
91864010	Cross Valley Pipeline Extension Project	1,323,987	–	–	–	Dam Safety and Capital Delivery Division
91304001	Purified Water Project	1,732,473	–	–	–	Water Supply Division
91864009	Coyote Percolation Dam Replacement	10,650,657	73,031	–	–	Watersheds Desn & Construction Division
91864008	Coyote Creek Chillers	7,639,029	554,647	337,169	–	Dam Safety and Capital Delivery Division
91154007	San Felipe Division Capital	11,954,755	12,375,300	12,810,639	13,261,292	Water Supply Division
91864007	Coyote Creek Flood Management Measures	58,130,739	31,419,088	–	–	Watersheds Desn & Construction Division
91864006	Anderson Dam Tunnel Project	53,596,629	42,425,291	42,682,090	546,012	Dam Safety and Capital Delivery Division
91094010	So. County Recycled Water	547,914	–	–	–	Water Supply Division
91854003	Almaden Calero Canal Rehab	301,502	694,000	658,539	17,538,487	Water Utility Capital Division
91864011	Coyote Percolation Dam Phase 2	–	–	4,382,926	3,337,320	Dam Safety and Capital Delivery Division
91294001	San Jose Purified Water Project - Phase 1	–	1,040,000	7,394,355	16,989,506	Water Supply Division
91884003	Coyote Dam Seismic Stability Project	–	–	867,350	1,452,393	Dam Safety and Capital Delivery Division
Total Capital		202,462,414	162,745,893	111,961,024	221,027,558	
Total		275,816,290	282,448,766	227,041,279	342,519,699	

Fund Summaries

Fund 61 Total Outlays - Raw Water Transmission and Distribution

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
92061012	Facilities Env Compliance	81,919	89,057	97,096	102,609	Emergency, Safety and Security Division
92261099	Vasona Pump Station Gen Main	115,142	180,661	223,824	239,175	Raw Water Division
92761001	Raw Water T&D Gen'l Oper	1,939,240	2,047,232	2,103,489	2,257,400	Raw Water Division
92761008	Recycled Water T&D Gen'l Maint	130,353	242,195	256,848	265,071	Raw Water Division
92761009	Recharge/RW Field Ops	4,093,543	4,069,175	4,404,034	4,605,332	Raw Water Division
92761010	Rchrg / RW Field Fac Maint	2,867,594	1,935,571	2,456,384	2,516,460	Raw Water Division
92761012	Untreated Water Prog Plan	212,744	284,811	258,360	271,929	Raw Water Division
92761013	SCADA Systems Upgrades	989	—	—	—	Treated Water Division
92761082	Raw Water T&D Ctrl and Electr	945,037	759,490	782,705	822,095	Treated Water Division
92761083	Raw Water T&D Eng Other	932,828	1,454,919	1,633,660	1,553,981	Raw Water Division
92761085	Anderson Hydrelctrc Fclty Main	12,382	19,294	20,740	22,008	Raw Water Division
92761099	Raw Water T / D Gen Maint	3,909,162	3,128,629	3,238,475	3,531,770	Raw Water Division
92781002	Raw Water Corrosion Control	785,995	699,316	726,496	748,900	Raw Water Division
92041014	FAHCE/Three Creeks Project	4,808,887	3,991,418	3,980,894	3,751,692	Watersheds Stewardship & Planning Div
Total Operations		20,835,814	18,901,768	20,183,003	20,688,423	
Capital						
92144001	Pacheco/SC Conduit ROW ACQ	217,418	227,350	54,963	39,313	Water Utility Capital Division
92264001	Vasona Pump Station Upgrade	286,275	1,169,524	1,697,620	10,333,536	Water Utility Capital Division
92304001	Almaden Valley Pipeline	1,902,016	2,128,879	3,134,116	10,873,457	Water Utility Capital Division
92764009	Small Caps, Raw Water T&D	1,019,434	3,204,807	1,100,000	1,100,000	Raw Water Division
Total Capital		3,425,144	6,730,559	5,986,699	22,346,306	
Total		24,260,958	25,632,327	26,169,702	43,034,730	

Fund Summaries

Fund 61 Total Outlays - Water Treatment

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
93061012	Facilities Env Compliance	555,225	603,606	658,094	695,459	Emergency, Safety and Security Division
93081008	W T General Water Quality	2,666,719	2,851,478	2,274,445	2,431,166	Treated Water Division
93081009	Water Treatment Plant Engineer	237,558	458,698	532,806	454,558	Raw Water Division
93231009	PWTP General Operations	8,475,642	7,861,659	8,270,202	7,948,188	Treated Water Division
93231099	Penitencia WTP General Maint	3,211,181	3,616,353	3,586,803	3,823,932	Raw Water Division
93281005	STWTP - General Operations	6,224,844	7,859,476	8,557,479	8,928,108	Treated Water Division
93281099	Santa Teresa WTP General Maint	4,436,974	4,333,733	4,559,566	4,913,243	Raw Water Division
93291012	RWTP General Operations	10,991,956	10,899,291	11,423,748	11,826,357	Treated Water Division
93291099	Rinconada WTP General Maint	4,247,112	4,769,025	5,061,808	5,431,203	Raw Water Division
93401002	Water District Laboratory	6,887,807	7,187,527	7,756,288	8,246,703	Treated Water Division
93761001	SF/SCVWD Intertie General Ops	27,451	55,815	62,052	64,306	Treated Water Division
93761004	Campbell Well Field Operations	38,472	59,851	67,804	70,817	Treated Water Division
93761005	Campbell Well Field Maint	97,664	159,465	157,372	165,424	Raw Water Division
93761006	Treated Water Ctrl & Elec Eng	3,114,492	3,066,738	3,023,932	3,521,414	Treated Water Division
93761013	SCADA Systems Upgrades	3,123	–	–	–	Treated Water Division
93761099	SF/SCVWD Intertie Gen Maint	61,625	223,915	617,447	223,346	Raw Water Division
93081002	Plant Maintenance Engineering & Commissioning Project	759,728	876,010	970,630	1,035,157	Treated Water Division
Total Operations		52,037,575	54,882,640	57,580,477	59,779,381	
Capital						
93084004	Wtr Trtmnt Plnt Electr Imprv	578,057	672,006	648,191	6,068,402	Water Utility Capital Division
93234044	PWTP Residuals Management	1,657,177	9,395,630	15,773,101	15,923,259	Water Utility Capital Division
93284013	STWTP Filter Media Replace	3,977,792	575,660	–	–	Water Utility Capital Division
93294051	RWTP FRP Residuals Management	262,101	–	–	–	Water Utility Capital Division
93294057	RWTP Reliability Improvement	38,377,518	66,210,007	120,804,256	125,253,355	Water Utility Capital Division
93294058	RWTP Residuals Remediation	1,306,184	–	–	–	Water Utility Capital Division
93764004	Small Caps, Water Treatment	3,792,211	6,307,255	11,185,519	7,728,814	Raw Water Division
93044001	WTP Master Plan Implementation	2,699,252	516,144	272,475	–	Office of Integrated Water Management
93294059	RWTP Ammonia Storage Facility Upgrade Project	37,162	476,543	527,342	2,742,103	Water Utility Capital Division
Total Capital		52,687,454	84,153,244	149,210,884	157,715,933	
Total		104,725,029	139,035,884	206,791,361	217,495,315	

Fund Summaries

Fund 61 Total Outlays - Treated Water Transmission and Distribution

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
94761005	TW T&D - Engineering - Other	514,390	937,920	1,076,697	1,113,711	Raw Water Division
94761013	SCADA Systems Upgrades	312	—	—	—	Treated Water Division
94761099	Treated Water T/D Gen Maint	2,009,461	1,561,113	1,695,134	1,776,641	Raw Water Division
94781001	Treated Water T/D Corrosion	395,338	575,532	745,924	789,695	Raw Water Division
Total Operations		2,919,500	3,074,565	3,517,754	3,680,047	
Capital						
94084007	Treated Water Isolation Valves	553,290	2,010,978	2,530,715	841,951	Water Utility Capital Division
94764006	Small Caps, Treated Water T&D	3,504	349,500	292,000	292,000	Raw Water Division
Total Capital		556,794	2,360,478	2,822,715	1,133,951	
Total		3,476,294	5,435,043	6,340,469	4,813,999	

Fund Summaries

Fund 61 Total Outlays - Administration and General

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
95001090	Unscoped Projects-Budget Only	–	150,000	150,000	150,000	Office of Integrated Water Management
95011003	WU Asset Protection Support	558,494	1,318,392	1,355,577	1,446,606	Watersheds Stewardship & Planning Div
95021008	Energy Management	176,296	251,278	274,789	294,317	Treated Water Division
95031002	Grants Management	985,289	949,870	1,430,626	1,518,005	Financial Planning & Mgmt Div
95041039	Integrated Regional Water Mgmt	18,676	94,572	–	–	Water Supply Division
95061012	Rental Expense San Pedro, MH	9,813	48,161	49,794	51,371	Watersheds Stewardship & Planning Div
95061038	WUE Administration	10,685,108	11,646,046	12,194,118	12,960,396	Office of COO Water Utility
95061045	Asset Management Program	1,930,876	2,429,844	2,585,585	3,247,930	Office of Integrated Water Management
95061048	Climate Change Adaptation/Mtg.	149,278	264,848	289,275	265,268	Watersheds Stewardship & Planning Div
95061051	Lands Management Program	516,007	585,864	501,191	536,485	Watersheds Stewardship & Planning Div
95071041	Welding Services	488,646	620,074	633,349	667,473	General Services Division
95101003	Water Revenue Program	2,051,530	2,418,647	2,098,313	2,202,482	Financial Planning & Mgmt Div
95111003	Water Use Measurement	2,350,731	2,628,746	2,828,340	3,065,573	Raw Water Division
95121003	LT Financial Planning & Rate S	579,995	543,668	575,540	611,115	Financial Planning & Mgmt Div
95151002	WU Customer Relations&Outreach	813,350	1,175,564	1,229,881	1,289,513	Office of the CEA
95741001	Water Supply Planning	2,486,027	3,218,290	2,681,710	2,813,255	Water Supply Division
95741042	Water Resorcs EnvPlng & Permtg	2,733,816	2,767,818	2,431,148	2,632,262	Watersheds Operations & Maint Division
95761003	SCADA Network Administration	702,476	958,792	905,191	1,270,663	Information Technology Division
95761071	Emergency Management	1,277,876	1,448,010	1,514,981	1,610,943	Emergency, Safety and Security Division
95771011	Inter Agency Urban Runoff Prog	471,662	557,754	566,065	598,479	Watersheds Stewardship & Planning Div
95771031	HAZMAT Emergency Response	56,198	107,051	111,533	116,125	Emergency, Safety and Security Division
95811043	Hydrologic Data Msrmt & Mgmt	1,252,364	1,339,591	1,386,861	1,492,601	Watersheds Stewardship & Planning Div
95811046	Warehouse Services	520,683	791,940	727,944	772,040	General Services Division
95811049	X Valley Subsidence Survey	179,402	305,482	609,634	1,048,661	Office of Integrated Water Management
95811054	District Real Property Adminis	535,182	522,482	639,487	737,464	Watersheds Stewardship & Planning Div
95061035	Rent Exp Coyote	130,758	177,233	290,785	302,178	Watersheds Stewardship & Planning Div
95061050	Office of Integrated Water Management	1,449,565	1,921,002	2,135,346	2,303,845	Office of Integrated Water Management
95061059	Technical Training Program	423,381	542,614	–	–	Human Resources Division
Total Operations		33,533,478	39,783,635	40,197,062	44,005,049	

Fund Summaries

Fund 61 Total Outlays - Administration and General

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operating Project						
95762011	Tree Maintenance Program	465,807	445,240	452,787	552,001	Watersheds Operations & Maint Division
Total Operating		465,807	445,240	452,787	552,001	
Debt Service						
95993007	Commercial Paper Tax Exempt	782,528	3,721,550	4,148,160	3,715,074	Financial Planning & Mgmt Div
95993008	Commercial Paper Taxable	2,695,524	3,721,550	3,998,160	3,565,074	Financial Planning & Mgmt Div
95993015	2016A WU Ref Rev Bond(TxExmpt)	5,318,125	5,360,750	5,360,750	5,360,750	Financial Planning & Mgmt Div
95993016	2016B WU Ref Rev Bond(Taxable)	3,230,871	3,274,621	3,274,621	3,274,621	Financial Planning & Mgmt Div
95993017	WU COP 2016C (Tax-Exempt)	4,919,025	4,972,000	4,933,000	4,891,250	Financial Planning & Mgmt Div
95993018	WU COP 2016D (Taxable)	5,773,819	5,808,808	5,845,452	5,875,546	Financial Planning & Mgmt Div
95993019	WU Rev Bond 2017A (Tax Exempt)	4,381,950	4,396,500	4,447,750	4,415,750	Financial Planning & Mgmt Div
95993022	WU Rev Bond 2019A (Tax-Exempt)	993,850	1,032,750	1,033,250	1,033,000	Financial Planning & Mgmt Div
95993023	WU Rev Bond 2019B (Taxable)	4,504,998	4,545,348	4,549,160	4,550,114	Financial Planning & Mgmt Div
95993024	WU Rev Bond 2019C (Taxable)	2,995,754	3,058,192	3,000,363	3,026,624	Financial Planning & Mgmt Div
95993025	WU Rev Bond 2020A (Tax-Exempt)	1,210,250	1,251,000	1,251,000	1,251,000	Financial Planning & Mgmt Div
95993026	WU Rev Bond 2020B (Taxable)	2,035,285	2,078,285	2,078,285	2,078,285	Financial Planning & Mgmt Div
95993027	WU COP 2020C (Tax-Exempt)	3,672,200	3,665,500	3,616,000	3,564,500	Financial Planning & Mgmt Div
95993028	WU COP 2020D (Taxable)	4,847,418	4,933,840	4,983,250	5,036,710	Financial Planning & Mgmt Div
95993039	WU Rev Bond 2025A (Tax-Exempt)	–	–	8,037,958	8,878,175	Financial Planning & Mgmt Div
95993032	WU Rev Bond 2024B (Taxable)	–	5,220,908	4,110,673	5,775,673	Financial Planning & Mgmt Div
95993031	WU Rev Bond 2024A (Tax-Exempt)	–	3,730,250	5,658,250	5,283,250	Financial Planning & Mgmt Div
95993042	WU COP 2023C2 (Tax-Exempt)	3,644,962	3,693,000	3,657,500	3,654,750	Financial Planning & Mgmt Div
95993040	WU Rev Bond 2025B (Taxable)	–	–	7,799,208	8,293,010	Financial Planning & Mgmt Div
95993033	WU WIFIA Project 1 (ID 22115CA) Anderson	(16,063)	45,000	45,000	45,000	Financial Planning & Mgmt Div
95993036	WU WIFIA Project 1 (ID 20114CA) Pacheco	(28,951)	45,000	45,000	45,000	Financial Planning & Mgmt Div
95993029	WU Rev Bond 2023A (Tax-Exempt)	2,612,600	2,649,500	2,649,500	2,649,500	Financial Planning & Mgmt Div
95993044	WU Rev Bond 2024B-2 (TX NOTE)	–	45,000	1,015,970	45,000	Financial Planning & Mgmt Div
95993030	WU Rev Bond 2023B (Taxable)	4,539,414	4,571,754	4,575,304	4,576,544	Financial Planning & Mgmt Div

Fund Summaries

Fund 61 Total Outlays - Administration and General

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
95993048	WU Rev Note 2026C	—	—	170,000	2,976,825	Financial Planning & Mgmt Div
95993047	WU Rev Bond 2026B (Taxable)	—	—	170,000	7,045,038	Financial Planning & Mgmt Div
95993046	CWIFP Dam Safety#1	—	270,000	270,000	45,000	Financial Planning & Mgmt Div
95993045	WU Rev Bond 2026A (Tax-Exempt)	—	270,000	170,000	4,333,438	Financial Planning & Mgmt Div
95993038	WU Rev Bond 2024A-2 (TE NOTE)	—	6,792,506	2,574,500	45,000	Financial Planning & Mgmt Div
95993035	WU COP 2023D (Taxable)	4,775	45,000	45,000	45,000	Financial Planning & Mgmt Div
95993034	WU COP 2023C1 (Tax-Exempt)	8,962	45,000	45,000	45,000	Financial Planning & Mgmt Div
95993049	WU Rev Bond 2026D (Tax-Exempt)	—	—	170,000	4,764,938	Financial Planning & Mgmt Div
95993043	WU Rev Bond 2025C (Tax-Exempt)	—	45,000	170,000	45,000	Financial Planning & Mgmt Div
95993041	WU WIFIA Project 1 (Anderson Constr)	—	—	75,000	45,000	Financial Planning & Mgmt Div
95993037	WU Rev Bond 2024C (Tax-Exempt)	—	8,316,000	4,438,250	4,436,750	Financial Planning & Mgmt Div
Total Debt Service		58,127,295	87,604,612	98,411,311	114,711,187	

Capital

95074001	Capital Warranty Services	330,515	—	—	—	Water Utility Capital Division
95074033	CIP Development & Admin	789,065	1,046,480	1,107,333	1,197,450	Office of Integrated Water Management
95074036	Survey Mgmt & Tech Support	244,126	353,503	458,222	476,839	Office of Integrated Water Management
95084002	10-Yr PL Inspection and Rehab	36,840,896	19,610,264	20,254,339	2,747,502	Water Utility Capital Division
95274003	WU Computer Network Modernizatn	2,177	2,021,252	2,364,583	—	Information Technology Division
95044001	Distribution System Master Plan Implementation	1,758,262	630,577	634,154	130,497	Office of Integrated Water Management
95044002	SCADA Master Plan Implementation	349,474	49,401	509,889	211,853	Treated Water Division
95074042	Capital Project Mgmt & Controls	661,116	798,569	917,694	980,846	Office of Integrated Water Management
95074005	WU Capital Prog Admin Support	5,521,891	8,193,553	8,034,899	9,088,956	Water Utility Capital Division
95074047	Computer-Aided Design for Engineering	522,425	1,219,139	1,191,123	1,342,866	Office of Integrated Water Management
95074041	Construction Contracts and Support	1,341,083	2,098,610	1,295,895	1,674,465	General Services Division
95044004	SMPIP Upgrades - Phase 1	—	586,000	—	431,255	Office of Integrated Water Management
95084006	Santa Teresa Force Main I&R	—	—	587,000	730,000	Water Utility Capital Division
95084008	Santa Clara & Campbell Distributary	—	—	—	600,614	Water Utility Capital Division

Fund Summaries

Fund 61 Total Outlays - Administration and General

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
95084005	Penitencia Delivery and Force Main I&R	—	—	1,780,000	3,301,000	Water Utility Capital Division
95084003	Pipeline Maintenance Program	—	—	627,000	546,000	Water Utility Capital Division
95084007	Milpitas Pipeline I&R	—	—	617,000	1,205,709	Water Utility Capital Division
95084004	East Pipeline I&R	—	—	1,991,760	4,184,723	Water Utility Capital Division
Total Capital		48,361,032	36,026,721	42,023,362	28,489,294	
Total		140,487,612	163,860,208	181,084,523	187,757,531	

Fund Summaries

Fund 61 and 63 Outlays - Combined Total

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27
Outlays Summary by Account Type				
Operations				
Source of Supply	103,678,876	151,264,944	147,620,050	155,658,926
Raw Water Transmission & Distribution	20,835,814	18,901,768	20,183,003	20,688,423
Water Treatment	52,037,575	54,882,640	57,580,477	59,779,381
Treated Water Transmission & Distribution	2,919,500	3,074,565	3,517,754	3,680,047
Administration and General	33,533,478	39,783,635	40,197,062	44,005,049
Total Operations	\$213,005,243	\$267,907,551	\$269,098,346	\$283,811,827
Operating				
Administration and General	465,807	445,240	452,787	552,001
Total Operating	\$465,807	\$445,240	\$452,787	\$552,001
Debt				
Administration and General	58,127,295	87,604,612	98,411,311	114,711,187
Total Debt Service	\$58,127,295	\$87,604,612	\$98,411,311	\$114,711,187
Capital				
Source of Supply	202,462,414	162,745,893	111,961,024	221,027,558
Raw Water Transmission & Distribution	3,425,144	6,730,559	5,986,699	22,346,306
Water Treatment	52,687,454	84,153,244	149,210,884	157,715,933
Treated Water Transmission & Distribution	556,794	2,360,478	2,822,715	1,133,951
Administration and General	48,361,032	36,026,721	42,023,362	28,489,294
Total Capital	\$307,492,837	\$292,016,896	\$312,004,684	\$430,713,044
Total Fund 61 & 63 Outlays	\$579,091,183	\$647,974,298	\$679,967,129	\$829,788,058
Total Water Utility Enterprise Outlays	\$579,091,183	\$647,974,298	\$679,967,129	\$829,788,058

Fund Summaries

Water Enterprise Summary by Zone

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year-End 2024-25	Adopted Budget 2025-26	% Change from 2024-25	Proposed Plan 2026-27	% Change from 2025-26
North County - Zone W2							
Allocated Revenue							
Operating Revenue	307,112,090	383,484,839	372,093,463	400,524,423	4%	452,583,963	13%
Non-operating Revenue	60,890,650	41,399,254	47,521,391	44,965,204	9%	46,059,320	2%
Total Allocated Revenue	368,002,740	424,884,093	419,614,854	445,489,626	5%	498,643,283	12%
Allocated Operating Outlays							
Operations	188,348,219	240,045,829	272,393,085	238,745,252	-1%	251,522,995	5%
Operating Projects	357,193	335,730	339,245	341,943	2%	416,869	22%
Debt Service	58,127,295	87,604,612	87,604,612	98,411,311	12%	114,711,187	17%
Total Allocated Operating Outlays	246,832,707	327,986,171	360,336,941	337,498,507	3%	366,651,051	9%
Balance Available for Capital/Reserve	121,170,033	96,897,923	59,277,913	107,991,120	11%	131,992,233	22%
Total Capital Appropriations	307,492,837	325,072,044	320,248,113	374,907,544	15%	433,535,703	16%
Other Financing Sources							
Revenue Bond Proceeds	173,600,000	236,311,001	236,311,001	220,217,267	-7%	330,396,588	50%
Transfers In	1,092,727	11,428,122	11,428,122	7,606,274	-33%	11,721,650	54%
Transfers Out	(3,926,700)	(8,271,800)	(10,844,247)	(11,683,496)	41%	(18,017,339)	54%
Total Other Financing Sources/(Uses)	170,766,027	239,467,323	236,894,876	216,140,045	-10%	324,100,899	50%
Other Intra-Zone Allocations							
South County Open Space Credit	(7,595,202)	(9,554,335)	(10,789,946)	(7,525,530)	-21%	(13,258,084)	76%
South County Capital Amortization	6,752,423	11,263,604	8,778,945	8,764,987	-22%	9,403,208	7%
South County Interest	(126,293)	(22,680)	(106,427)	(93,475)	312%	(98,757)	6%
Balance Available for W2	(16,525,850)	12,979,791	(26,192,752)	(49,630,398)	-482%	18,603,796	-137%
South County - Zones W5, W-7 & W-8							
Zone W5 - Llagas Subbasin							
Allocated Revenue							
Operating Revenue	11,249,678	12,138,731	12,235,459	13,642,848	12%	14,647,543	7%
Non-operating Revenue	2,968,874	2,966,872	2,861,314	2,852,947	-4%	2,900,542	2%
Total Allocated Revenue	14,218,552	15,105,603	15,096,773	16,495,795	9%	17,548,084	6%
Zone W7 - Coyote Valley							
Allocated Revenue							
Operating Revenue	7,751,709	6,799,142	9,619,336	10,914,907	61%	12,154,954	11%
Non-operating Revenue	1,009,900	861,158	970,916	965,794	12%	984,404	2%
Total Allocated Revenue	8,761,609	7,660,300	10,590,251	11,880,700	55%	13,139,358	11%
Zone W8 - Foothills below Uvas & Chesbro Reservoirs							
Allocated Revenue							
Operating Revenue	155,577	201,656	206,110	225,605	12%	239,323	6%
Non-operating Revenue	69,084	71,119	66,784	66,726	-6%	67,688	1%
Total Allocated Revenue	224,661	272,776	272,894	292,331	7%	307,011	5%
Total South County Revenue							
Operating Revenue	19,156,964	19,139,529	22,060,905	24,783,360	29%	27,041,820	9%
Non-operating Revenue	4,047,858	3,899,150	3,899,013	3,885,467	0%	3,952,634	2%

Fund Summaries

Water Enterprise Summary by Zone

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year-End 2024-25	Adopted Budget 2025-26	% Change from 2024-25	Proposed Plan 2026-27	% Change from 2025-26
Total Allocated Revenue	23,204,822	23,038,679	25,959,918	28,668,827	24%	30,994,454	8%
Open Space Credit	7,595,202	9,554,335	10,789,946	7,525,530	-21%	13,258,084	76%
Total Current Resources	30,800,024	32,593,014	36,749,864	36,194,357	11%	44,252,538	22%
Total South County Costs							
Operations	21,717,728	23,871,115	27,527,724	26,619,544	12%	28,452,053	7%
Operating Projects	108,614	109,510	105,995	110,844	1%	135,131	22%
Imported Water Purchases	2,939,297	3,990,606	3,844,882	3,733,551	-6%	3,836,779	3%
Total Allocated Costs	24,765,639	27,971,232	31,478,602	30,463,938	9%	32,423,964	6%
Balance Available for Capital/Reserve	6,034,385	4,621,782	5,271,263	5,730,419	24%	11,828,574	106%
Interest (earned)/due Utility Reserves	(126,293)	(22,680)	(106,427)	(93,475)	312%	(98,757)	6%
Total Capital Amortization	6,752,423	11,263,604	8,778,945	8,764,987	-22%	9,403,208	7%
Balance Available/(Deficit) for South County	(591,745)	(6,619,142)	(3,401,255)	(2,941,093)	-56%	2,524,123	-186%
Total Balance Available/(Deficit)	(17,117,595)	6,360,648	(29,594,008)	(52,571,491)	-927%	21,127,919	-140%

Fund Summaries

Water Utility Cost Allocation

South County Share by Zone					North County Share	Adopted Budget 2025-26	Basis of Allocation
Project #	Project Description	Zone W-5	Zone W-7	Zone W-8	Zone W-2		
Operations							
91041012	Water Operations Planning	66,546	41,924	-	556,988	665,458	Raw Water Deliveries
91041018	Groundwater Management Program	2,360,588	660,965	60,701	3,662,284	6,744,538	Groundwater Production Ratio
91061007	Districtwide Salary Savings	(141,002)	(40,344)	(2,825)	(568,152)	(752,323)	Water Usage Ratio
91061012	Facilities Environmental Compliance	5,399	3,415	25	45,102	53,942	Raw Water Deliveries
91081007	Dam Safety Program	598,511	60,999	11,885	2,299,932	2,971,327	Program Benefit Calculation
91101004	Recycled & Purified Water Program	347,853	-	-	5,003,724	5,351,577	Population
91111001	Water Rights and Accounting	53,698	33,830	-	449,456	536,985	Raw Water Deliveries
91131004	Imported Water Program	256,084	395,302	-	5,734,746	6,386,132	Imported Water Ratio
91131006	San Felipe Division Deliveries	1,837,996	2,838,804	-	22,593,175	27,269,976	Program Benefit Calculation
91131007	South Bay Aqueduct Deliveries	-	-	-	7,968,181	7,968,181	No South County Benefit
91131008	State Water Project Costs	-	-	-	32,539,796	32,539,796	No South County Benefit
91151001	Water Conservation Program	1,174,751	54,012	54,012	12,220,109	13,502,883	Program Benefit Calculation
91151012	Recycled/Purified Water Public Engagement	81,509	-	-	1,172,481	1,253,990	Population
91151013	Water Banking Operations	258,594	399,177	-	5,790,969	6,448,740	Imported Water Ratio
91211004	San Felipe Reach 1 Operations	56,020	80,669	-	610,243	746,931	CVP Imported Water Ratio
91211005	SFD Reach 1 Administration	656	942	-	7,122	8,721	CVP Imported Water Ratio
91211084	San Felipe Reach1 Ctrl and Ele	28,840	41,401	-	312,928	383,170	CVP Imported Water Ratio
91211085	San Felipe Reach 1 Eng Other	73,807	105,952	-	800,830	980,589	CVP Imported Water Ratio
91211099	San Felipe Reach 1 Gen Maint	90,469	129,872	-	981,626	1,201,967	CVP Imported Water Ratio
91221002	San Felipe Reach 2 Operations	5,916	8,518	-	64,440	78,875	CVP Imported Water Ratio
91221006	San Felipe Reach 2 Eng Other	25,881	37,153	-	280,817	343,851	CVP Imported Water Ratio
91221099	San Felipe Reach 2 Gen Maint	13,843	19,872	-	150,203	183,918	CVP Imported Water Ratio
91231002	San Felipe Reach 3 Operations	25,500	36,720	-	277,777	339,997	CVP Imported Water Ratio
91231084	San Felipe Reach3 Ctrl and Ele	19,208	27,573	-	208,409	255,190	CVP Imported Water Ratio

Fund Summaries

Water Utility Cost Allocation

Project #	Project Description	South County Share by Zone			North County Share	Adopted Budget 2025-26	Basis of Allocation
		Zone W-5	Zone W-7	Zone W-8	Zone W-2		
91231085	San Felipe Reach 3 Eng Other	34,935	50,150	-	379,058	464,143	CVP Imported Water Ratio
91231099	San Felipe Reach 3 Gen Maint	107,575	154,428	-	1,167,230	1,429,233	CVP Imported Water Ratio
91241001	Wolfe Road Recycled Water Facility	-	-	-	265,636	265,636	No South County Benefit
91261001	Palo Alto Water Reuse Agreement	-	-	-	7,846,000	7,846,000	No South County Benefit
91281007	SVAWPC Facility Operations	-	-	-	4,546,908	4,546,908	No South County Benefit
91281008	SVAWPC Facility Maintenance	-	-	-	4,564,672	4,564,672	No South County Benefit
91441003	Desalination	91,518	26,185	1,834	368,761	488,298	Water Usage Ratio
91451002	Well Ordinance Program	165,310	51,303	-	2,633,552	2,850,164	Well Permits and Inspections
91451005	Source Water Quality Management	130,099	37,224	2,607	524,218	694,148	Water Usage Ratio
91451011	Invasive Mussel Prevention	75,684	47,876	352	632,229	756,140	Raw Water Deliveries
91601001	Delta Conveyance	81,323	125,533	-	1,821,144	2,028,000	Imported Water Ratio
91761001	Local Reservoir & Diversion Ops Planning & Analysis	461,890	132,157	9,254	1,861,132	2,464,432	Water Usage Ratio
91761099	Dams & Reservoir Gen Maint	722,536	73,640	14,348	2,947,343	3,757,867	Program Benefit Calculation
92041014	FAHCE/Three Creeks HCP Project	104,527	144,612	-	3,731,756	3,980,894	Coyote Water Supply Ratio
92061012	Facilities Environmental Compliance	9,719	6,148	45	81,184	97,096	Raw Water Deliveries
92261099	Vasona Pump Station General Maintenance	22,403	14,172	104	187,145	223,824	No South County Benefit
92761001	Raw Water T&D Gen'l Oper	210,349	132,520	-	1,760,620	2,103,489	Raw Water Deliveries
92761008	Recycled Water T&D General Maint	256,848	-	-	-	256,848	Benefits Only South County
92761009	Recharge/RW Field Ops	1,011,776	607,501	4,036	2,780,720	4,404,034	Groundwater Recharge Ratio
92761010	Recharge/RW Field Fac Maint	564,326	338,838	2,251	1,550,968	2,456,384	Groundwater Recharge Ratio
92761012	Untreated Surface Water Program	76,216	79,833	-	102,310	258,360	Untreated Water Deliveries Ratio
92761082	Raw Water T&D Ctrl and Elec Eng	78,342	49,558	364	654,441	782,705	Raw Water Deliveries
92761083	Raw Water T&D Eng Othr	163,516	103,436	760	1,365,947	1,633,660	Raw Water Deliveries
92761085	Anderson Hydroelectric Fclty Main	1,561	2,241	-	16,938	20,740	Anderson Water Deliveries Ratio
92761099	Raw Water Trans & Dist Gen Mnt	324,145	205,046	1,506	2,707,777	3,238,475	Raw Water Deliveries

Fund Summaries

Water Utility Cost Allocation

Project #	Project Description	South County Share by Zone			North County Share	Adopted Budget 2025-26	Basis of Allocation
		Zone W-5	Zone W-7	Zone W-8	Zone W-2		
92781002	RW Corrosion Control	72,716	45,999	338	607,443	726,496	Raw Water Deliveries
93061012	Environmental Compliance Support	-	-	-	658,094	658,094	No South County Benefit
93081002	Treatment Plant Process & Commissioning	-	-	-	970,630	970,630	No South County Benefit
93081008	W T General Water Quality	-	-	-	2,274,445	2,274,445	No South County Benefit
93081009	Water Treatment Plant - Engineering Other	-	-	-	532,806	532,806	No South County Benefit
93231009	PWTP Operations General	-	-	-	8,270,202	8,270,202	No South County Benefit
93231099	Penitencia WTP General Maint	-	-	-	3,586,803	3,586,803	No South County Benefit
93281005	STWTP - General Operations	-	-	-	8,557,479	8,557,479	No South County Benefit
93281099	Santa Teresa Wtr General Maint	-	-	-	4,559,566	4,559,566	No South County Benefit
93291012	RWTP General Operations	-	-	-	11,423,748	11,423,748	No South County Benefit
93291099	Rinconada WTP General Maint	-	-	-	5,061,808	5,061,808	No South County Benefit
93401002	Wtr District Laboratory	642,202	54,435	4,743	7,054,909	7,756,288	Lab Analyses
93761001	SF/SCVWD Intertie General Oper	-	-	-	62,052	62,052	No South County Benefit
93761004	Campbell Wellfield Operations	-	-	-	67,804	67,804	No South County Benefit
93761005	Campbell Wellfield Maintenance	-	-	-	157,372	157,372	No South County Benefit
93761006	Treated Water Ctrl & Elec Eng	-	-	-	3,023,932	3,023,932	No South County Benefit
93761099	SF/SCVWD Intertie General Maint	-	-	-	617,447	617,447	No South County Benefit
94761005	Treated Water T&D IPU Ops Eng	-	-	-	1,076,697	1,076,697	No South County Benefit
94761099	Treated Water T&D Gen Maint	-	-	-	1,695,134	1,695,134	No South County Benefit
94781001	TW T&D Corrosion Control	-	-	-	745,924	745,924	No South County Benefit
95001090	Unscoped Operations	28,113	8,044	563	113,280	150,000	Water Usage Ratio
95011003	Asset Protection Support	52,592	14,743	1,070	1,287,171	1,355,577	Program Benefit Calculation
95021008	Energy Management	3,188	934	110	270,558	274,789	Labor Hours
95031002	Grants Management	465,761	129,826	9,567	825,471	1,430,626	Program Benefit Calculation
95061012	Residntl Rental Exp San Pedro, MH	49,794	-	-	-	49,794	Benefits only South County
95061035	Rental Expense Coyote	-	290,785	-	-	290,785	No South County Benefit

Fund Summaries

Water Utility Cost Allocation

Project #	Project Description	South County Share by Zone			North County Share	Adopted Budget 2025-26	Basis of Allocation
		Zone W-5	Zone W-7	Zone W-8	Zone W-2		
95061038	WUE Administration	2,285,450	653,918	45,789	9,208,961	12,194,118	Water Usage Ratio
95061045	WUE TW Div Admin Support	484,596	138,654	9,709	1,952,626	2,585,585	No South County Benefit
95061048	Climate Change Adaptation/Mitg	54,217	15,513	1,086	218,459	289,275	Water Usage Ratio
95061050	Office of Integrated Wtr Mgmt	400,211	114,509	8,018	1,612,607	2,135,346	Program Benefit Calculation
95061051	Lands Management Program	93,934	26,877	1,882	378,498	501,191	Program Benefit Calculation
95071041	Welding Services	8,265	2,317	168	622,599	633,349	Program Benefit Calculation
95101003	Water Revenue Program	1,006,351	294,183	21,403	776,376	2,098,313	Labor Hours
95111003	Water Use Measurement General	1,143,102	149,732	54,530	1,480,975	2,828,340	Labor Hours
95121003	Long Term Financial Planning	107,869	30,864	2,161	434,646	575,540	Water Usage Ratio
95151002	Water Utility Customer Relations	79,942	-	-	1,149,939	1,229,881	Population
95741001	Water Supply Planning	502,612	143,809	10,070	2,025,219	2,681,710	Water Usage Ratio
95741042	Water Resources EnvPlng and Permitting	112,238	31,426	2,351	2,285,133	2,431,148	Program Benefit Calculation
95761003	SCADA Network Administration	90,602	57,313	421	756,855	905,191	Raw Water Deliveries
95761071	Emergency Preparednes Prog (50% WU)	98,474	-	-	1,416,507	1,514,981	Population
95771011	InterAgency Urban Runoff Program	56,659	35,841	263	473,303	566,065	Raw Water Deliveries
95771031	HAZMAT Emergency Response	7,230	788	361	103,154	111,533	Emergency Response Events
95811043	Hydrologic Data Msmt & Mgmt Alloc-50% WU	81,825	227,445	165,036	912,555	1,386,861	Stream Gauge Location
95811046	Warehouse Svcs 50% WU	136,433	39,036	2,733	549,741	727,944	Water Usage Ratio
95811049	X Valley Subsidence Survey	18,252	6,834	4,585	579,965	609,634	Program Benefit Calculation
95811054	District Real Property Admin	119,854	34,293	2,401	482,939	639,487	Program Benefit Calculation
Operations Projects Total		20,137,747	9,867,272	510,619	238,582,709	269,098,346	
Operating Projects							
95762011	Tree Maintenance Program	84,862	24,281	1,700	341,943	452,787	Water Usage Ratio
Operating Projects Total		84,862	24,281	1,700	341,943	452,787	
Operations and Operating Total		20,222,609	9,891,553	512,319	238,924,652	269,551,133	

Fund Summaries

South County Capital

(In Thousands \$)

Project Name	Total Project Cost	South County Zone W-5 %	South County Zone W-5 Cost	FY 2026 Cost Recovery*	Year Cost Recovery is Complete	Basis of Allocation to South County Zone W-5
San Pedro Recharge House	700	100.0%	700	47	FY 31	Benefits Only South County Zone W-5
South County Recycling I	7,232	100.0%	7,232	481	FY 31	Benefits Only South County Zone W-5
South County Recycling II	118	100.0%	118	8	FY 33	Benefits Only South County Zone W-5
South County Recycling III	1,721	100.0%	1,721	115	FY 33	Benefits Only South County Zone W-5
Water Banking Rights	6,226	3.6%	225	15	FY 35	Total Imported Water Ratio
Dam Instrumentation	6,243	16.0%	999	66	FY 41	Program Benefit Calculation
Geodetic Control Maintenance	236	26.7%	63	4	FY 36	Survey Analysis
Dam Maintenance Mitigation	244	16.7%	41	3	FY 45	Program Benefit Calculation
South County Recycled Water Masterplan, Immediate Term, SCRWA Filter Upgrade	3,257	100.0%	3,257	216	FY 37	Benefits Only South County Zone W-5
South County Recycled Water Masterplan, Short-Term Implementation 1A	4,314	100.0%	4,314	286	FY 42	Benefits Only South County Zone W-5
South County Recycled Water Masterplan, Short-Term Implementation 1B	46,889	100.0%	46,889	-	FY 57	Benefits Only South County Zone W-5
South County Recycled Water Fund	8,678	100.0%	8,678	450	FY 50	Benefits Only South County Zone W-5
Water Banking FY 2006	18,895	4.1%	769	51	FY 36	Total Imported Water Ratio
San Felipe Division Capital	12,811	5.4%	692	692	N/A	Repayment Cost Distribution
Pacheco Conduit Inspection and Rehabilitation	6,696	7.5%	504	26	FY 49	CVP Imported Water Ratio
Pacheco Pumping Plant Regulating Tank Recoating	2,550	7.7%	196	13	FY 42	CVP Imported Water Ratio
San Felipe Communications Cable Replacement	235	7.7%	18	1	FY 42	CVP Imported Water Ratio
Small Caps, San Felipe Reach 1	1,766	7.5%	133	133	N/A	CVP Imported Water Ratio
Santa Clara Tunnel Landslide	4,509	6.8%	308	20	FY 39	CVP Imported Water Ratio
Santa Clara Tunnel Landslide Mitigation	217	7.6%	17	1	FY 39	CVP Imported Water Ratio
Small Caps, San Felipe Reach 3	3,167	7.5%	238	238	N/A	CVP Imported Water Ratio
Coyote Pumping Plant Warehouse	9,844	18.7%	1,845	95	FY 53	Water Usage Ratio
Water Infrastructure Reliability Program	2,134	1.1%	24	2	FY 36	Program Benefit Calculation
Water Infrastructure Baseline Improvement	2,403	2.7%	66	4	FY 38	Spare Pipe Usage
Coyote Creek SAFPM - Chillers Plant	28,754	7.5%	2,164	133	FY 55	CVP Imported Water Ratio

Fund Summaries

South County Capital

(In Thousands \$)

Project Name	Total Project Cost	South County Zone W-5 %	South County Zone W-5 Cost	FY 2026 Cost Recovery*	Year Cost Recovery is Complete	Basis of Allocation to South County Zone W-5
Coyote Percolation Dam Replacement	21,727	7.5%	1,635	100	FY 55	CVP Imported Water Ratio
Cross Valley Pipeline Extension	13,925	7.5%	1,048	54	FY 55	CVP Imported Water Ratio
Coyote Dam Control Building Improvements	576	8.9%	51	3	FY 42	Anderson Deliveries Ratio
Pacheco Pumping Plant ASD Replacement	18,518	8.4%	1,557	103	FY 45	CVP Imported Water Ratio
South County Recycled Water Pipeline Land Rights	7,448	100.0%	7,448	-	FY 56	Benefits Only South County Zone W-5
Radio Repeater Infill	5	8.5%	-	-	FY 42	Water Usage Ratio
Santa Clara Conduit Rehabilitation	1,814	7.7%	139	9	FY 42	CVP Imported Water Ratio
Raw Water Control System	9,188	2.8%	260	17	FY 37	Program Benefit Calculation
Small Caps, Raw Water Transmission and Distribution	1,100	10.0%	110	110	N/A	Raw Water Usage
Main and Madrone Pipeline Restoration	11,378	87.9%	10,001	519	FY 48	Benefits Only South County
Inf Reliability Master Plan	2,065	9.4%	194	12	FY 46	Water Usage Ratio
Water Protection	11,387	1.7%	199	13	FY 45	Program Benefit Calculation
Microwave Telecommunications	4,595	7.0%	320	21	FY 44	Water Usage Ratio
5-year Pipeline Rehabilitation	22,059	3.5%	775	49	FY 47	Program Benefit Calculation
Pipeline Hydraulic Reliability Upgrades	335	1.7%	6	-	FY 45	Program Benefit Calculation
WTP WQL Network Equipment	2,365	18.7%	443	443	N/A	Water Usage Ratio
Winfield Capital Improvement	481	9.7%	47	2	FY 48	Water Usage Ratio
Corp Yard Relocation	26	7.8%	2	-	FY 40	Water Usage Ratio
ISMP CMMS/ERP/WRIS	5,802	7.5%	433	29	FY 40	Water Usage Ratio
Peoplesoft Upgrade	78	7.5%	6	-	FY 39	Water Usage Ratio
Fleet Building Improvement	2,512	8.6%	216	14	FY 44	Water Usage Ratio
Fleet and Facility Annex Improvements	3,023	18.7%	566	29	FY 54	Water Usage Ratio
Peoplesoft System Upgrade & Expansion	1,217	9.4%	114	7	FY 46	Water Usage Ratio
Capital Construction Management System	2,806	18.7%	526	28	FY 52	Water Usage Ratio
Uvas Property Acquisition	1,251	97.7%	1,223	77	FY 46	Benefits Only South County
IT Capital Fund Transfers	2,137	18.7%	401	401	N/A	Water Usage Ratio
CPSD/TSD Admin Amortization	5,015	11.7%	587	587	N/A	Total Capital Cost Ratio
Total Zone W-5	\$332,671		\$109,518	\$5,729		

* Capital projects that benefit South County are paid for over the life of the project (typically 30 years) beginning when the project is completed

Fund Summaries

South County Capital Amortization Zone W-7

Project Name	(In Thousands \$)					
	Total Project Cost	South County Zone W-7 %	South County Zone W-7 Cost	FY 2026 Cost Recovery*	Year Cost Recovery is Complete	Basis of Allocation to South County Zone W-7
San Pedro Recharge House	700	0.0%	-	-	FY 31	Benefits Only South County Zone W-5
South County Recycling I	7,232	0.0%	-	-	FY 31	Benefits Only South County Zone W-5
South County Recycling II	118	0.0%	-	-	FY 33	Benefits Only South County Zone W-5
South County Recycling III	1,721	0.0%	-	-	FY 33	Benefits Only South County Zone W-5
Water Banking Rights	6,226	4.4%	273	18	FY 35	Total Imported Water Ratio
Dam Instrumentation	6,243	4.6%	289	19	FY 41	Program Benefit Calculation
Geodetic Control Maintenance	236	14.0%	33	2	FY 36	Survey Analysis
Dam Maintenance Mitigation	244	4.8%	12	1	FY 45	Program Benefit Calculation
South County Recycled Water Masterplan, Immediate Term, SCRWA Filter Upgrade	3,257	0.0%	-	-	FY 37	Benefits Only South County Zone W-5
South County Recycled Water Masterplan, Short-Term Implementation 1A	4,314	0.0%	-	-	FY 42	Benefits Only South County Zone W-5
South County Recycled Water Masterplan, Short-Term Implementation 1B	46,889	0.0%	-	-	FY 57	Benefits Only South County Zone W-5
South County Recycled Water Fund	8,678	0.0%	-	-	FY 50	Benefits Only South County Zone W-5
Water Banking FY 2006	18,895	4.9%	932	62	FY 36	Total Imported Water Ratio
San Felipe Division Capital	12,811	7.4%	948	948	N/A	Repayment Cost Distribution
Pacheco Conduit Inspection and Rehabilitation	6,696	10.8%	723	38	FY 49	CVP Imported Water Ratio
Pacheco Pumping Plant Regulating Tank Recoating	2,550	9.3%	238	16	FY 42	CVP Imported Water Ratio
San Felipe Communications Cable Replacement	235	9.3%	22	1	FY 42	CVP Imported Water Ratio
Small Caps, San Felipe Reach 1	1,766	10.8%	191	191	N/A	CVP Imported Water Ratio
Santa Clara Tunnel Landslide	4,509	8.3%	373	25	FY 39	CVP Imported Water Ratio
Santa Clara Tunnel Landslide Mitigation	217	9.3%	20	1	FY 39	CVP Imported Water Ratio
Small Caps, San Felipe Reach 3	3,167	10.8%	342	342	N/A	CVP Imported Water Ratio
Coyote Pumping Plant Warehouse	9,844	5.4%	528	27	FY 53	Water Usage Ratio
Water Infrastructure Reliability Program	2,134	0.3%	7	-	FY 36	Program Benefit Calculation
Water Infrastructure Baseline Improvement	2,403	0.8%	19	1	FY 38	Spare Pipe Usage

Fund Summaries

South County Capital Amortization Zone W-7

(In Thousands \$)						
Project Name	Total Project Cost	South County Zone W-7 %	South County Zone W-7 Cost	FY 2026 Cost Recovery*	Year Cost Recovery is Complete	Basis of Allocation to South County Zone W-7
Coyote Creek SAFPM - Chillers Plant	28,754	10.8%	3,107	191	FY 55	CVP Imported Water Ratio
Coyote Percolation Dam Replacement	21,727	10.8%	2,348	144	FY 55	CVP Imported Water Ratio
Cross Valley Pipeline Extension	13,925	10.8%	1,505	78	FY 55	CVP Imported Water Ratio
Coyote Dam Control Building Improvements	576	10.7%	62	4	FY 42	Anderson Deliveries Ratio
Pacheco Pumping Plant ASD Replacement	18,518	10.2%	1,888	125	FY 45	CVP Imported Water Ratio
South County Recycled Water Pipeline Land Rights	7,448	0.0%	-	-	FY 56	Benefits Only South County Zone W-5
Radio Repeater Infill	5	2.4%	-	-	FY 42	Water Usage Ratio
Santa Clara Conduit Rehabilitation	1,814	9.3%	169	11	FY 42	CVP Imported Water Ratio
Raw Water Control System	9,188	1.5%	136	9	FY 37	Program Benefit Calculation
Small Caps, Raw Water Transmission and Distribution	1,100	6.3%	70	70	N/A	Raw Water Usage
Main and Madrone Pipeline Restoration	11,378	12.1%	1,377	71	FY 48	Benefits Only South County
Inf Reliability Master Plan	2,065	2.7%	56	4	FY 46	Water Usage Ratio
Water Protection	11,387	0.5%	57	4	FY 45	Program Benefit Calculation
Microwave Telecommunications	4,595	2.0%	93	6	FY 44	Water Usage Ratio
5-year Pipeline Rehabilitation	22,059	1.0%	221	14	FY 47	Program Benefit Calculation
Pipeline Hydraulic Reliability Upgrades	335	0.5%	2	-	FY 45	Program Benefit Calculation
WTP WQL Network Equipment	2,365	5.4%	127	127	N/A	Water Usage Ratio
Winfield Capital Improvement	481	2.8%	13	1	FY 48	Water Usage Ratio
Corp Yard Relocation	26	2.2%	1	-	FY 40	Water Usage Ratio
ISMP CMMS/ERP/WRIS	5,802	2.2%	125	8	FY 40	Water Usage Ratio
Peoplesoft Upgrade	78	2.2%	2	-	FY 39	Water Usage Ratio
Fleet Building Improvement	2,512	2.5%	63	4	FY 44	Water Usage Ratio
Fleet and Facility Annex Improvements	3,023	5.4%	162	8	FY 54	Water Usage Ratio
Peoplesoft System Upgrade & Expansion	1,217	2.7%	33	2	FY 46	Water Usage Ratio
Capital Construction Management System	2,806	5.4%	150	8	FY 52	Water Usage Ratio
Uvas Property Acquisition	1,251	0.0%	-	-	FY 46	Benefits Only South County
IT Capital Fund Transfers	2,137	5.4%	115	115	N/A	Water Usage Ratio
CPSD/TSD Admin Amortization	5,015	6.1%	308	308	N/A	Total Capital Cost Ratio
Total Zone W-7	\$332,671		\$17,137	\$3,004		

* Capital projects that benefit South County are paid for over the life of the project (typically 30 years) beginning when the project is completed

Fund Summaries

South County Capital Amortization Zone W-8

Project Name	(In Thousands \$)					
	Total Project Cost	South County Zone W-8 %	South County Zone W-8 Cost	FY 2026 Cost Recovery*	Year Cost Recovery is Complete	Basis of Allocation to South County Zone W-8
San Pedro Recharge House	700	0.0%	-	-	FY 31	Benefits Only South County Zone W-5
South County Recycling I	7,232	0.0%	-	-	FY 31	Benefits Only South County Zone W-5
South County Recycling II	118	0.0%	-	-	FY 33	Benefits Only South County Zone W-5
South County Recycling III	1,721	0.0%	-	-	FY 33	Benefits Only South County Zone W-5
Water Banking Rights	6,226	0.0%	-	-	FY 35	Total Imported Water Ratio
Dam Instrumentation	6,243	0.4%	23	2	FY 41	Program Benefit Calculation
Geodetic Control Maintenance	236	0.3%	1	-	FY 36	Survey Analysis
Dam Maintenance Mitigation	244	0.4%	1	-	FY 45	Program Benefit Calculation
South County Recycled Water Masterplan, Immediate Term, SCRWA Filter Upgrade	3,257	0.0%	-	-	FY 37	Benefits Only South County Zone W-5
South County Recycled Water Masterplan, Short-Term Implementation 1A	4,314	0.0%	-	-	FY 42	Benefits Only South County Zone W-5
South County Recycled Water Masterplan, Short-Term Implementation 1B	46,889	0.0%	-	-	FY 57	Benefits Only South County Zone W-5
South County Recycled Water Fund	8,678	0.0%	-	-	FY 50	Benefits Only South County Zone W-5
Water Banking FY 2006	18,895	0.0%	-	-	FY 36	Total Imported Water Ratio
San Felipe Division Capital	12,811	0.0%	-	-	N/A	Repayment Cost Distribution
Pacheco Conduit Inspection and Rehabilitation	6,696	0.0%	-	-	FY 49	CVP Imported Water Ratio
Pacheco Pumping Plant Regulating Tank Recoating	2,550	0.0%	-	-	FY 42	CVP Imported Water Ratio
San Felipe Communications Cable Replacement	235	0.0%	-	-	FY 42	CVP Imported Water Ratio
Small Caps, San Felipe Reach 1	1,766	0.0%	-	-	N/A	CVP Imported Water Ratio
Santa Clara Tunnel Landslide	4,509	0.0%	-	-	FY 39	CVP Imported Water Ratio
Santa Clara Tunnel Landslide Mitigation	217	0.0%	-	-	FY 39	CVP Imported Water Ratio
Small Caps, San Felipe Reach 3	3,167	0.0%	-	-	N/A	CVP Imported Water Ratio
Coyote Pumping Plant Warehouse	9,844	0.4%	37	2	FY 53	Water Usage Ratio
Water Infrastructure Reliability Program	2,134	0.0%	1	-	FY 36	Program Benefit Calculation
Water Infrastructure Baseline Improvement	2,403	0.1%	2	-	FY 38	Spare Pipe Usage

Fund Summaries

South County Capital Amortization Zone W-8

Project Name	(In Thousands \$)					
	Total Project Cost	South County Zone W-8 %	South County Zone W-8 Cost	FY 2026 Cost Recovery*	Year Cost Recovery is Complete	Basis of Allocation to South County Zone W-8
Coyote Creek SAFPM - Chillers Plant	28,754	0.0%	-	-	FY 55	CVP Imported Water Ratio
Coyote Percolation Dam Replacement	21,727	0.0%	-	-	FY 55	CVP Imported Water Ratio
Cross Valley Pipeline Extension	13,925	0.0%	-	-	FY 55	CVP Imported Water Ratio
Coyote Dam Control Building Improvements	576	0.0%	-	-	FY 42	Anderson Deliveries Ratio
Pacheco Pumping Plant ASD Replacement	18,518	0.0%	-	-	FY 45	CVP Imported Water Ratio
South County Recycled Water Pipeline Land Rights	7,448	0.0%	-	-	FY 56	Benefits Only South County Zone W-5
Radio Repeater Infill	5	0.2%	-	-	FY 42	Water Usage Ratio
Santa Clara Conduit Rehabilitation	1,814	0.0%	-	-	FY 42	CVP Imported Water Ratio
Raw Water Control System	9,188	0.0%	2	-	FY 37	Program Benefit Calculation
Small Caps, Raw Water Transmission and Distribution	1,100	0.0%	1	1	N/A	Raw Water Usage
Main and Madrone Pipeline Restoration	11,378	0.0%	-	-	FY 48	Benefits Only South County
Inf Reliability Master Plan	2,065	0.2%	4	-	FY 46	Water Usage Ratio
Water Protection	11,387	0.0%	5	-	FY 45	Program Benefit Calculation
Microwave Telecommunications	4,595	0.2%	7	-	FY 44	Water Usage Ratio
5-year Pipeline Rehabilitation	22,059	0.1%	18	1	FY 47	Program Benefit Calculation
Pipeline Hydraulic Reliability Upgrades	335	0.0%	-	-	FY 45	Program Benefit Calculation
WTP WQL Network Equipment	2,365	0.4%	9	9	N/A	Water Usage Ratio
Winfield Capital Improvement	481	0.2%	1	-	FY 48	Water Usage Ratio
Corp Yard Relocation	26	0.2%	-	-	FY 40	Water Usage Ratio
ISMP CMMS/ERP/WRIS	5,802	0.2%	10	1	FY 40	Water Usage Ratio
Peoplesoft Upgrade	78	0.2%	-	-	FY 39	Water Usage Ratio
Fleet Building Improvement	2,512	0.0%	-	-	FY 44	Water Usage Ratio
Fleet and Facility Annex Improvements	3,023	0.4%	11	1	FY 54	Water Usage Ratio
Peoplesoft System Upgrade & Expansion	1,217	0.2%	3	-	FY 46	Water Usage Ratio
Capital Construction Management System	2,806	0.4%	11	1	FY 52	Water Usage Ratio
Uvas Property Acquisition	1,251	2.3%	28	2	FY 46	Benefits Only South County
IT Capital Fund Transfers	2,137	0.4%	8	8	N/A	Water Usage Ratio
CPSD/TSD Admin Amortization	5,015	0.1%	6	3	N/A	Total Capital Cost Ratio
Total Zone W-8	\$332,671		\$189	\$29		

* Capital projects that benefit South County are paid for over the life of the project (typically 30 years) beginning when the project is completed

Fund Summaries

South County Capital Amortization Zone Summary

Summary	(In Thousands \$)	
	South County Amortized Costs	FY 2026 Cost Recovery Amount
Zone W-5	\$ 109,518	\$ 5,729
Zone W-7	17,137	3,004
Zone W-8	189	29
Grand Total	\$ 126,844	\$ 8,762

Capital projects that benefit South County are paid for over the life of the project (typically 30 years) beginning when the project is completed

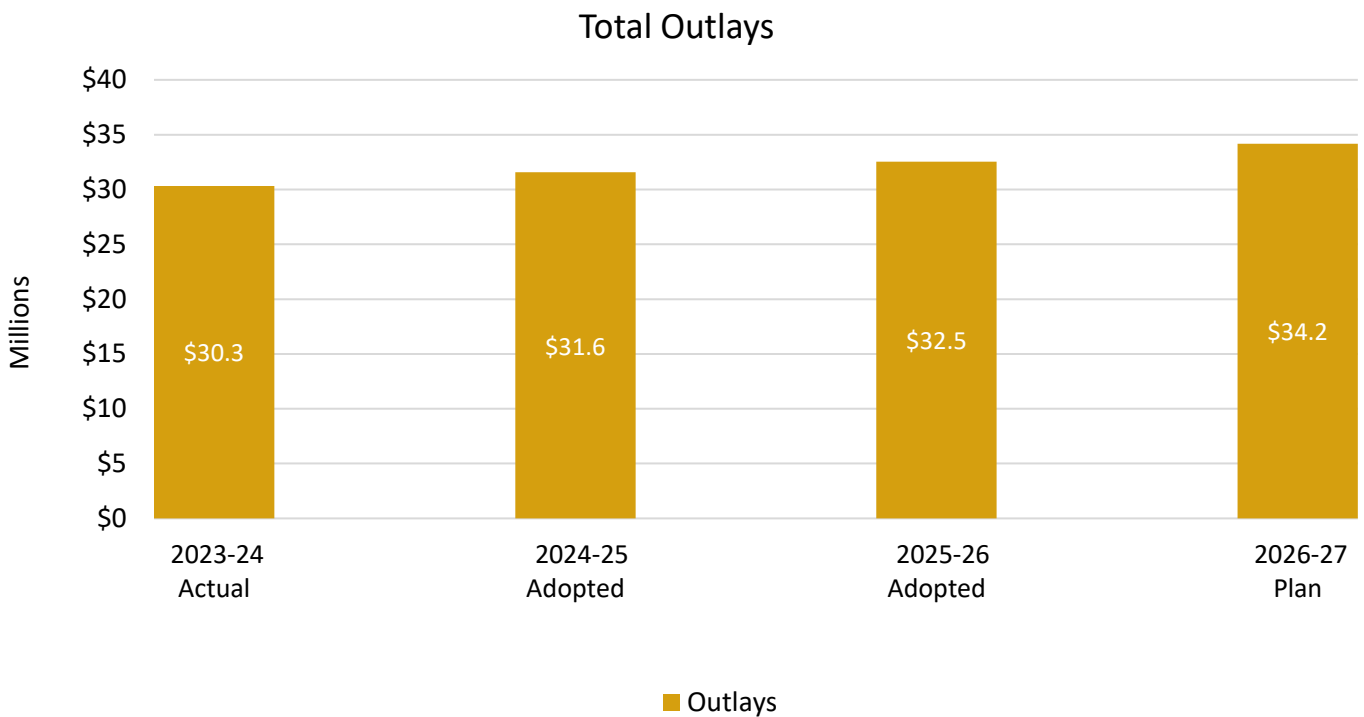
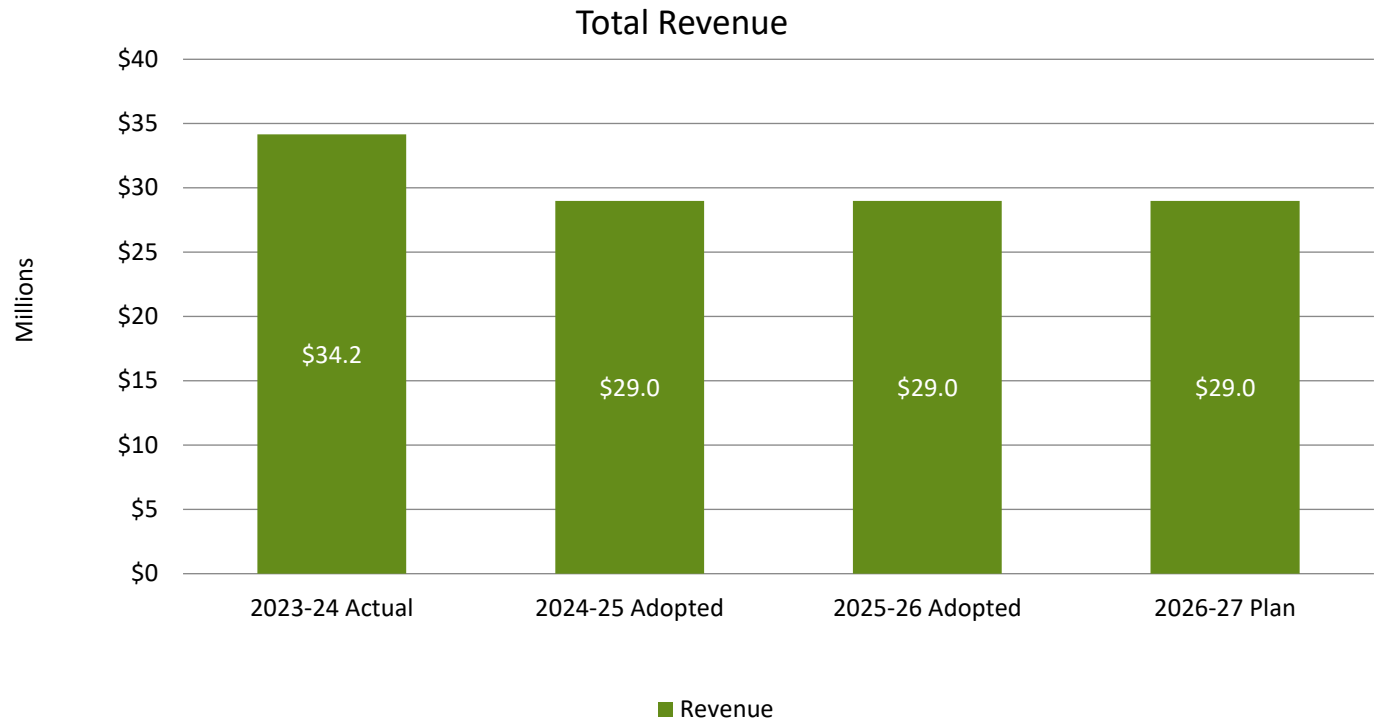
State Water Project Fund

Valley Water incurs an annual indebtedness to the State of California pursuant to its Water Supply Contract dated November 20, 1961. Such indebtedness is proportional to Valley Water's allocation of water from the State Water Project and pays for construction, maintenance and operation of state water project infrastructure and facilities. Staff's recommendation regarding the State Water Project tax is consistent with Valley Water's past practice and with the approach of other water districts and agencies that maintain State Water Project supply contracts. The State Water Project Fund was created in October 2010 to improve transparency and ensure compliance with Water Code Section 11654.

For FY 2025-26 and FY 2026-27, staff recommends setting the State Water Project tax at \$28.0 million each year. This translates to a property tax bill for the average single-family residence in Santa Clara County of roughly \$42.00 per year. Staff anticipates that Valley Water's contractual indebtedness to the State of California under the State Water Supply Contract will be approximately \$32.5 million for FY 2025-26, rising to \$34.2 million in FY 2026-27. The State Water Project Tax may be set lower than anticipated contractual indebtedness in any given year in order to draw down accumulated fund reserves.

Fund Summaries

State Water Project Fund (Fund 63)



Fund Summaries

State Water Project Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
REVENUE						
Property Tax	\$ 28,013,031	\$ 28,000,000	\$ 28,000,000	\$ 28,000,000	\$ -	0.0%
Non-Operating Other	6,145,065	1,000,000	1,000,000	1,000,000	-	0.0%
TOTAL REVENUE	\$ 34,158,096	\$ 29,000,000	\$ 29,000,000	\$ 29,000,000	\$ -	0.0%
OUTLAYS						
Operating Outlays						
Operations **	\$ 30,325,000	\$ 31,562,070	\$ 31,562,070	\$ 32,539,796	\$ 977,726	3.1%
Total Operating Outlays	\$ 30,325,000	\$ 31,562,070	\$ 31,562,070	\$ 32,539,796	\$ 977,726	3.1%
TOTAL OUTLAYS****	\$ 30,325,000	\$ 31,562,070	\$ 31,562,070	\$ 32,539,796	\$ 977,726	3.1%
BALANCE AVAILABLE	\$ 3,833,096	\$ (2,562,070)	\$ (2,562,070)	\$ (3,539,796)	\$ (977,726)	38.2%
YEAR-END RESERVES						
Restricted Reserves						
WUE State Water Project Tax Reserve	\$ 17,693,556	\$ 8,973,390	\$ 15,131,486	\$ 11,591,690	\$ 2,618,300	29.2%
Total Restricted Reserves	\$ 17,693,556	\$ 8,973,390	\$ 15,131,486	\$ 11,591,690	\$ 2,618,300	29.2%
TOTAL YEAR-END RESERVES	\$ 17,693,556	\$ 8,973,390	\$ 15,131,486	\$ 11,591,690	\$ 2,618,300	29.2%
Outlay Summary by Account Type						
OPERATING OUTLAY						
Services & Supplies	\$ 30,325,000	\$ 31,562,070	\$ 31,562,070	\$ 32,539,796	\$ 977,726	3.1%
OPERATING OUTLAY TOTAL	\$ 30,325,000	\$ 31,562,070	\$ 31,562,070	\$ 32,539,796	\$ 977,726	3.1%
TOTAL OUTLAYS	\$ 30,325,000	\$ 31,562,070	\$ 31,562,070	\$ 32,539,796	\$ 977,726	3.1%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

State Water Project Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27		Change from 2025-26 Adopted	
									\$ Diff	% Diff
REVENUE										
Property Tax	\$	28,013,031	\$	28,000,000	\$	28,000,000	\$	28,000,000	\$	- 0.0%
Non-Operating Other		6,145,065		1,000,000		1,000,000		1,000,000		- 0.0%
TOTAL REVENUE	\$	34,158,096	\$	29,000,000	\$	29,000,000	\$	29,000,000	\$	- 0.0%
OUTLAYS										
Operating Outlays										
Operations **	\$	30,325,000	\$	31,562,070	\$	32,539,796	\$	34,166,785	\$	1,626,989 5.0%
Total Operating Outlays	\$	30,325,000	\$	31,562,070	\$	32,539,796	\$	34,166,785	\$	1,626,989 5.0%
TOTAL OUTLAYS	\$	30,325,000	\$	31,562,070	\$	32,539,796	\$	34,166,785	\$	1,626,989 5.0%
BALANCE AVAILABLE	\$	3,833,096	\$	(2,562,070)	\$	(3,539,796)	\$	(5,166,785)	\$	(1,626,989) 46.0%
YEAR-END RESERVES										
Restricted Reserves										
WUE State Water Project Tax Reserve	\$	17,693,556	\$	8,973,390	\$	11,591,690	\$	6,424,905	\$	(5,166,785) -44.6%
Total Restricted Reserves	\$	17,693,556	\$	8,973,390	\$	11,591,690	\$	6,424,905	\$	(5,166,785) -44.6%
TOTAL YEAR-END RESERVES	\$	17,693,556	\$	8,973,390	\$	11,591,690	\$	6,424,905	\$	(5,166,785) -44.6%
Outlay Summary by Account Type										
OPERATING OUTLAY										
Services & Supplies	\$	30,325,000	\$	31,562,070	\$	32,539,796	\$	34,166,785	\$	1,626,989 5.0%
OPERATING OUTLAY TOTAL	\$	30,325,000	\$	31,562,070	\$	32,539,796	\$	34,166,785	\$	1,626,989 5.0%
TOTAL OUTLAYS	\$	30,325,000	\$	31,562,070	\$	32,539,796	\$	34,166,785	\$	1,626,989 5.0%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Fund 63 Total Outlays - Source of Supply

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
91131008	State Water Project Costs	30,325,000	31,562,070	32,539,796	34,166,785	Water Supply Division
Total Operations		30,325,000	31,562,070	32,539,796	34,166,785	
Total		30,325,000	31,562,070	32,539,796	34,166,785	

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GENERAL FUND

Fund Summaries

General Fund Overview

The General Fund is Valley Water's primary funding source for administrative and strategic support services. These services are provided to the Water Utility Enterprise and Watershed programs and projects. They are necessary for the governance and delivery of vital water management and watershed stewardship services to the community. The main purposes of the resources budgeted to the General Fund are to provide:

- Executive leadership and oversight.
- Long and short-term financial planning.
- A capable and knowledgeable workforce.
- Sustainable assets, equipment, and infrastructure.

More details about these administrative and strategic services are described in the Chapter 5 Division Summaries.

Office of the Chief Executive Officer

The Office of the Chief Executive Officer (CEO) provides strategic direction and oversight to lead Valley Water in implementing its mission and achieving its vision; fosters cooperative and collaborative working relationships with other government agencies, retailers, stakeholders, and the community; supports the Board of Directors to ensure that Valley Water meets the Board's Ends policies and complies with the Boards' Executive Limitations Policies in a transparent, cost-effective, and efficient manner. The Office of the CEO also oversees the Financial Planning and Management Services Division.

Office of District Counsel

The Office of District Counsel provides professional, timely, and strategic legal advice, representation of Valley Water and its officers and employees, and the management of the legal services and the related risk management functions. It includes both internal legal services and management of the external legal services provided to Valley Water. The Office of District Counsel also oversees the Risk Management program.

Office of the Clerk of the Board

The Office of the Clerk of the Board (COB) directly supports the work of the Valley Water Board of Directors, including Board Governance Policy management, Board performance monitoring, lobbyist reporting, and tracking elections. The COB also provides regulatory, administrative, and liaison support services to the Board, its Advisory, Ad Hoc and Joint Committees with other public agencies, the Safe, Clean Water and Natural Flood Protection Program's Independent Monitoring Committee, Board Appointed Officers, and Valley Water staff.

Office of the Chief of External Affairs

The Office of External Affairs (CEA) provides strategic planning and integration of external policies and legislation as it relates to the business interests of Valley Water and is responsible for managing Valley Water's relationships with the community, government officials, the media, and other key stakeholders. The CEA also oversees the Civic Engagement, Government Relations, Communications, and REDI offices.

Fund Summaries

Office of the Chief Operating Officer of Administrative Services

The Office of the Chief Operating Officer (COO) of Administrative Services (AS) provides executive leadership and direct oversight to administrative business areas including Emergency, Safety, and Security, General Services, Human Resources, and Information Technology. The COO-AS is responsible for ensuring that administrative functions are operated efficiently and effectively, in accordance with the goals and policies established by the Board of Directors and the Chief Executive Officer.

Major Capital Projects

Capital Outlay budget in the General Fund is approximately \$13.3 million in fiscal year 2025-2026 and \$13.7 million in fiscal year 2026-27 to improve and maintain existing buildings, grounds, and services through several small capital improvement projects. The increase of \$7.5 million in FY 2025-26 is due to the Security Upgrades and Enhancement and Headquarters Building projects.

Fiscal Status

Intra-District Reimbursements (overhead) are the primary source of funding in the General Fund. They are budgeted at \$80.5 million in FY 2025-26, a 2.1% decrease from FY 2024-25. In FY 2026-27, the reimbursements are projected to increase 10.3% to \$88.8 million. The Intra-District Reimbursements rates for FY 2025-26 and FY 2026-27 are 80.4% and 84.8%. The CEO, District Counsel, Clerk of the Board, and Administration costs funded in the General Fund provide services to the Watersheds and Water Utility Enterprise operations and capital programs. Generally, intra-district reimbursements are paid 60% from Water Utility Enterprise and 40% from Watershed Funds.

Property Tax revenue is projected at \$13.0 million for FY 2025-26. The projection reflects an increase of \$0.8 million or a 6.5% increase from the FY 2024-25 Adopted Budget. The increase in Property Tax revenue is based on property tax roll updates received from Santa Clara County. In FY 2026-27, Property Tax revenue is projected to increase an additional 2.2% to \$13.3 million. Interest Income is \$443,000 in FY 2025-26 and projected to increase to \$492,000 in FY 2026-27.

Operating Outlays for the services provided to Watersheds and Water Utility Enterprise total \$90.9 million for FY 2025-26. This is an increase of \$0.7 million or a 0.8% increase from the FY 2024-25 Adopted Budget. This change is primarily comprised of: increases in Water Rate Assistance Program costs (\$1.3 million), increases in salary and related costs per MOU (\$0.9 million), increases in intra-district costs (\$0.8 million), decreases in services and supplies for Clerk of the Board election costs (-\$1.5 million), Drought Induced Tree Removal costs (-\$0.9 million), and a net increase in various projects and programs (\$0.1 million). In FY 2026-27, Operating Outlays are projected to increase an additional 8.7% to \$98.8 million. This is mainly due to increases in services and supplies for Clerk of the Board election costs in November 2026 (\$2.9 million) and salary and benefits (\$3.4 million). In FY 2025-26, 45 positions are paused which is a decrease from 921 positions in FY 2024-25 to 876 positions in FY 2025-26. The pausing of positions minimized the salary and related costs increase in FY 2025-26. Out of the 45 paused positions, nine positions were funded by the General Fund.

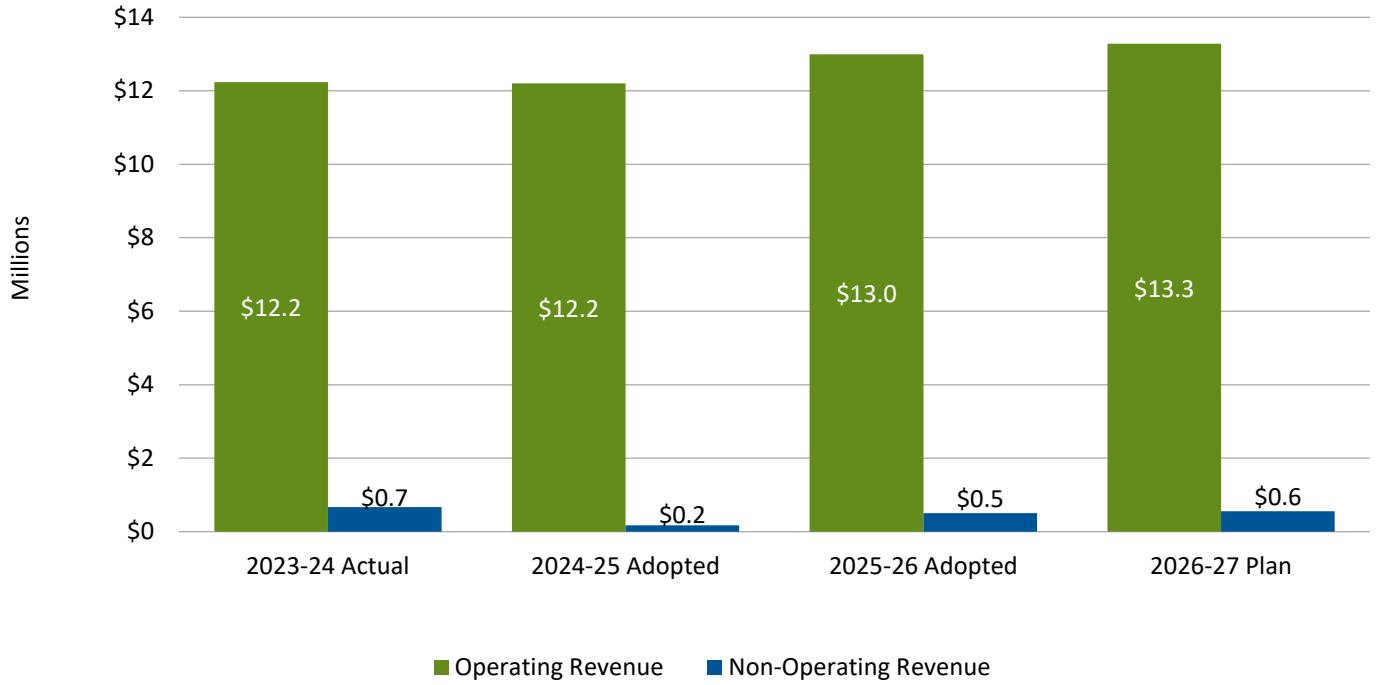
Operating Transfers In for FY 2025-26 are \$10.1 million made up of Security Upgrades and Enhancements Capital Project (\$5.2 million) from the Safe Clean Water Fund (10%), the Watershed and Stream Stewardship (WSS) Fund (30%), and Water Utility Enterprise Fund (60%), Headquarter Operations Building Project (\$4.0 million) from the Safe Clean Water Fund (10%), the WSS Fund (30%), and Water Utility Enterprise Fund (60%), and Drought Induced Tree Removal (\$0.9 million) from the WSS Fund; and there is no Operating Transfer Out. For FY 2026-27, Operating Transfers In are projected to be \$10.5 million made up of Headquarter Operations Building Project (\$5.4 million) from the Safe Clean Water Fund (10%), the WSS Fund (30%), and Water Utility Enterprise Fund (60%), the Security Upgrades and Enhancements Capital Project (\$4.2 million) from the Safe Clean Water Fund (10%), the WSS Fund (30%), and Water Utility Enterprise Fund (60%), and the Drought Induced Tree Removal Project (\$0.9 million) from the WSS Fund; and Operating Transfers Out are projected to be \$2.0 million for the Open Space Credit to the Water Utility Enterprise Fund.

General Fund reserves are estimated at approximately \$19.7 million for FY 2025-26 and \$18.3 million for FY 2026-27 and are in compliance with the Valley Water Reserve Policy.

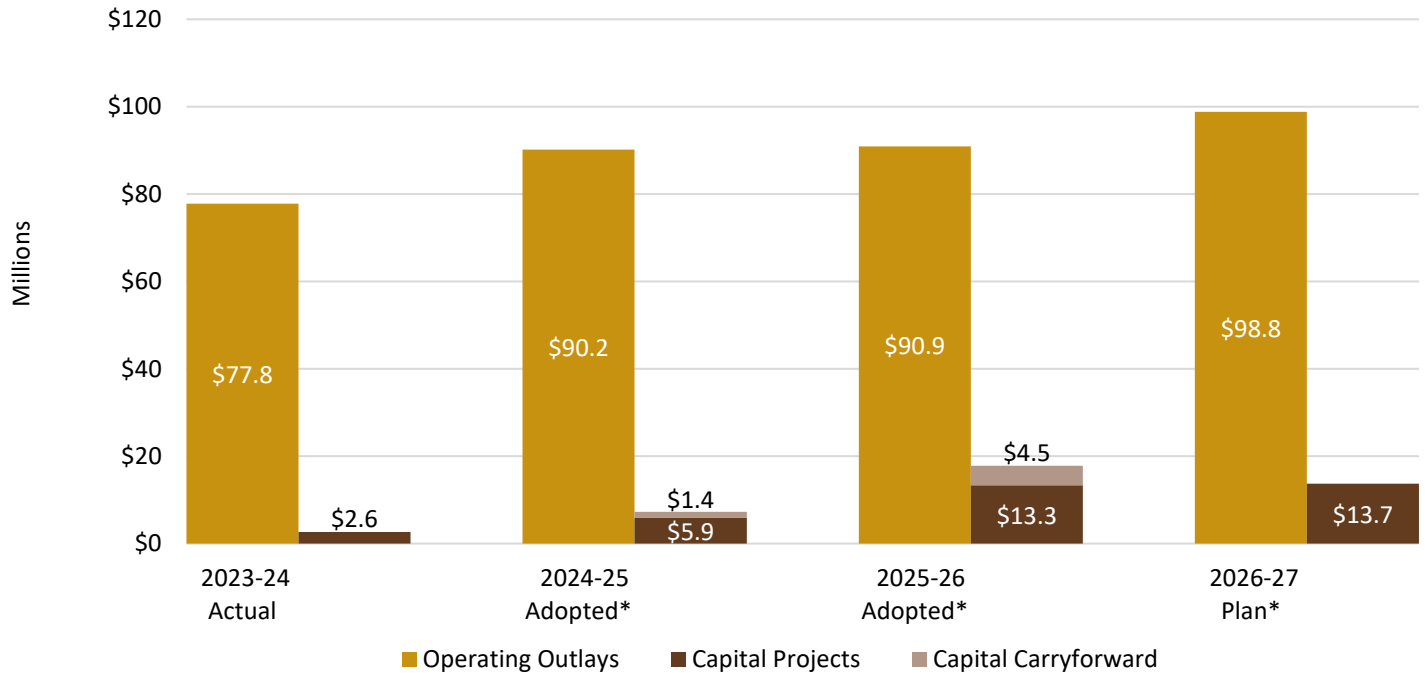
Fund Summaries

General Fund

Total Revenue



Total Outlays



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

General Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted	
									\$ Diff	% Diff
REVENUE										
Operating Revenue										
Property Tax	\$	12,240,054	\$	12,198,500	\$	12,524,100	\$	12,992,800	\$	794,300 6.5%
Total Operating Revenue	\$	12,240,054	\$	12,198,500	\$	12,524,100	\$	12,992,800	\$	794,300 6.5%
Non-Operating Revenue										
Interest Income *	\$	474,828	\$	146,000	\$	394,000	\$	443,000	\$	297,000 203.4%
Non-Operating Other		198,747		30,000		30,000		61,600		31,600 105.3%
Total Non-Operating Revenue	\$	673,575	\$	176,000	\$	424,000	\$	504,600	\$	328,600 186.7%
TOTAL REVENUE	\$	12,913,630	\$	12,374,500	\$	12,948,100	\$	13,497,400	\$	1,122,900 9.1%
OUTLAYS										
Operating Outlays										
Operations **	\$	76,457,541	\$	90,181,922	\$	90,371,922	\$	89,583,448	\$	(598,475) -0.7%
Operating Project		870,261		-		250,000		1,333,333		1,333,333 0.0%
Debt Service		472,146		-		-		-		- 0.0%
Total Operating Outlays	\$	77,799,947	\$	90,181,922	\$	90,621,922	\$	90,916,781	\$	734,858 0.8%
Capital Outlays										
Capital Projects	\$	2,618,871	\$	5,868,266	\$	12,332,178	\$	13,319,270	\$	7,451,004 127.0%
Carry Forward Capital Projects		-		1,394,069		-		4,491,484		3,097,415 222.2%
Total Capital Outlays	\$	2,618,871	\$	7,262,335	\$	12,332,178	\$	17,810,754	\$	10,548,419 145.2%
TOTAL OUTLAYS	\$	80,418,818	\$	97,444,257	\$	102,954,100	\$	108,727,535	\$	11,283,277 11.6%
Less Intra-District Reimbursements		(73,184,975)		(82,259,551)		(82,259,551)		(80,529,040)		1,730,511 -2.1%
NET OUTLAYS	\$	7,233,843	\$	15,184,707	\$	20,694,550	\$	28,198,495	\$	13,013,788 85.7%
OTHER FINANCING SOURCES/(USES)										
Transfers In	\$	2,084,347	\$	3,820,900	\$	8,108,344	\$	10,109,827	\$	6,288,927 164.6%
Transfers Out		-		(1,986,500)		(1,986,500)		-		1,986,500 -100.0%
TOTAL OTHER SOURCES/(USES)	\$	2,084,347	\$	1,834,400	\$	6,121,844	\$	10,109,827	\$	8,275,427 451.1%
BALANCE AVAILABLE	\$	7,764,134	\$	(975,807)	\$	(1,624,606)	\$	(4,591,268)	\$	(3,615,461) 370.5%
YEAR-END RESERVES										
Committed Reserves										
Currently Authorized Projects ***	\$	4,118,943	\$	-	\$	4,491,484	\$	-	\$	- 0.0%
Operating and Capital Reserve		21,785,605		14,113,585		19,223,235		18,994,571		4,880,986 34.6%
Excess ERAF Contingency Reserve		-		666,631		565,224		694,104		27,473 4.1%
Total Committed Reserves	\$	25,904,548	\$	14,780,216	\$	24,279,943	\$	19,688,675	\$	4,908,459 33.2%
TOTAL YEAR-END RESERVES	\$	25,904,548	\$	14,780,216	\$	24,279,943	\$	19,688,675	\$	4,908,459 33.2%

Fund Summaries

General Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
Outlay Summary By Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 45,511,922	\$ 51,997,635	\$ 51,997,635	\$ 52,670,799	\$ 673,164	1.3%
Salary Savings Factor	-	(791,104)	(791,104)	(522,031)	269,073	-34.0%
Services & Supplies	23,036,771	29,434,010	29,874,010	28,437,914	(996,096)	-3.4%
Intra-District Charges	8,779,108	9,541,382	9,541,382	10,330,099	788,717	8.3%
OPERATING OUTLAY TOTAL	\$ 77,327,801	\$ 90,181,922	\$ 90,621,922	\$ 90,916,781	\$ 734,858	0.8%
DEBT SERVICE						
Debt Service	\$ 472,146	\$ -	\$ -	\$ -	\$ -	0.0%
DEBT SERVICE TOTAL	\$ 472,146	\$ -	\$ -	\$ -	\$ -	0.0%
CAPITAL PROJECTS						
Salaries and Benefits	\$ 46,519	\$ 268,020	\$ 268,020	\$ 404,173	\$ 136,153	50.8%
Salary Savings Factor	-	(4,267)	(4,267)	(4,104)	163	-3.8%
Services & Supplies	2,548,544	5,535,065	11,998,977	12,815,014	7,279,949	131.5%
Carry Forward Capital Projects	-	1,394,069	-	4,491,484	3,097,415	222.2%
Intra-District Charges	23,808	69,448	69,448	104,187	34,739	50.0%
CAPITAL PROJECTS TOTAL	\$ 2,618,871	\$ 7,262,335	\$ 12,332,178	\$ 17,810,754	\$ 10,548,419	145.2%
TOTAL OUTLAYS	\$ 80,418,818	\$ 97,444,257	\$ 102,954,100	\$ 108,727,535	\$ 11,283,277	11.6%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations outlays do not include OPEB Expense-unfunded liabilities

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

General Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27		Change from 2025-26 Adopted	
									\$ Diff	% Diff
REVENUE										
Operating Revenue										
Property Tax	\$	12,240,054	\$	12,198,500	\$	12,992,800	\$	13,277,300	\$	284,500 2.2%
Total Operating Revenue	\$	12,240,054	\$	12,198,500	\$	12,992,800	\$	13,277,300	\$	284,500 2.2%
Non-Operating Revenue										
Interest Income *	\$	474,828	\$	146,000	\$	443,000	\$	492,000	\$	49,000 11.1%
Non-Operating Other		198,747		30,000		61,600		61,600		- 0.0%
Total Non-Operating Revenue	\$	673,575	\$	176,000	\$	504,600	\$	553,600	\$	49,000 9.7%
TOTAL REVENUE	\$	12,913,630	\$	12,374,500	\$	13,497,400	\$	13,830,900	\$	333,500 2.5%
OUTLAYS										
Operating Outlays										
Operations **	\$	76,457,541	\$	90,181,922	\$	89,583,448	\$	97,486,009	\$	7,902,561 8.8%
Operating Project		870,261		-		1,333,333		1,333,333		- 0.0%
Debt Service		472,146		-		-		-		- 0.0%
Total Operating Outlays	\$	77,799,947	\$	90,181,922	\$	90,916,781	\$	98,819,342	\$	7,902,561 8.7%
Capital Outlays										
Capital Projects	\$	2,618,871	\$	5,868,266	\$	13,319,270	\$	13,687,360	\$	368,090 2.8%
Carry Forward Capital Projects		-		1,394,069		4,491,484		-		(4,491,484) -100.0%
Total Capital Outlays	\$	2,618,871	\$	7,262,335	\$	17,810,754	\$	13,687,360	\$	(4,123,394) -23.2%
TOTAL OUTLAYS	\$	80,418,818	\$	97,444,257	\$	108,727,535	\$	112,506,702	\$	3,779,167 3.5%
Less Intra-District Reimbursements		(73,184,975)		(82,259,551)		(80,529,040)		(88,847,440)		(8,318,400) 10.3%
NET OUTLAYS	\$	7,233,843	\$	15,184,707	\$	28,198,495	\$	23,659,262	\$	(4,539,233) -16.1%
OTHER FINANCING SOURCES/(USES)										
Transfers In	\$	2,084,347	\$	3,820,900	\$	10,109,827	\$	10,460,167	\$	350,340 3.5%
Transfers Out		-		(1,986,500)		-		(1,980,299)		(1,980,299) 0.0%
TOTAL OTHER SOURCES/(USES)	\$	2,084,347	\$	1,834,400	\$	10,109,827	\$	8,479,868	\$	(1,629,959) -16.1%
BALANCE AVAILABLE	\$	7,764,134	\$	(975,807)	\$	(4,591,268)	\$	(1,348,494)	\$	3,242,774 -70.6%
YEAR-END RESERVES										
Committed Reserves										
Currently Authorized Projects ***	\$	4,118,943	\$	-	\$	-	\$	-	\$	- 0.0%
Operating and Capital Reserve		21,785,605		14,113,585		18,994,571		17,517,197		(1,477,374) -7.8%
Excess ERAF Contingency Reserve		-		666,631		694,104		822,984		128,880 18.6%
Total Committed Reserves	\$	25,904,548	\$	14,780,216	\$	19,688,675	\$	18,340,181	\$	(1,348,494) -6.8%
TOTAL YEAR-END RESERVES	\$	25,904,548	\$	14,780,216	\$	19,688,675	\$	18,340,181	\$	(1,348,494) -6.8%

Fund Summaries

General Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27		Change from 2025-26 Adopted	
									\$ Diff	% Diff
Outlay Summary By Account Type										
OPERATING OUTLAY										
Salaries and Benefits	\$	45,511,922	\$	51,997,635	\$	52,670,799	\$	56,064,030	\$	3,393,231 6.4%
Salary Savings Factor		-		(791,104)		(522,031)		(549,912)		(27,881) 5.3%
Services & Supplies		23,036,771		29,434,010		28,437,914		31,571,308		3,133,394 11.0%
Intra-District Charges		8,779,108		9,541,382		10,330,099		11,733,916		1,403,817 13.6%
OPERATING OUTLAY TOTAL	\$	77,327,801	\$	90,181,922	\$	90,916,781	\$	98,819,342	\$	7,902,561 8.7%
DEBT SERVICE										
Debt Service	\$	472,146	\$	-	\$	-	\$	-	\$	- 0.0%
DEBT SERVICE TOTAL	\$	472,146	\$	-	\$	-	\$	-	\$	- 0.0%
CAPITAL PROJECTS										
Salaries and Benefits	\$	46,519	\$	268,020	\$	404,173	\$	49,439	\$	(354,734) -87.8%
Salary Savings Factor		-		(4,267)		(4,104)		(485)		3,620 -88.2%
Services & Supplies		2,548,544		5,535,065		12,815,014		13,609,889		794,874 6.2%
Carry Forward Capital Projects		-		1,394,069		4,491,484		-		(4,491,484) -100.0%
Intra-District Charges		23,808		69,448		104,187		28,517		(75,670) -72.6%
CAPITAL PROJECTS TOTAL	\$	2,618,871	\$	7,262,335	\$	17,810,754	\$	13,687,360	\$	(4,123,394) -23.2%
TOTAL OUTLAYS										
	\$	80,418,818	\$	97,444,257	\$	108,727,535	\$	112,506,702	\$	3,779,167 3.5%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations outlays do not include OPEB Expense-unfunded liabilities

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Total Outlays - General Fund

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
60001090	CEOUnscoped Projects-BudgetOnly	–	100,000	100,000	100,000	Office of the CEO
60001091	Unscoped Projects-Budget Only	–	100,000	100,000	100,000	Office of the COO Admin Services
60001092	CEA UnscopedProject-BudgetOnly	–	100,000	100,000	100,000	Office of the CEA
60021008	Energy Management	77,778	110,858	121,231	129,846	Treated Water Division
60041003	Hollister Groundwater Mgmt	9,534	52,499	43,125	44,345	Raw Water Division
60061012	Facilities Env Compliance	227,552	247,379	269,711	285,024	Emergency, Safety and Security Division
60061018	General Services Div Admin	1,103,674	1,390,378	1,795,283	1,915,036	General Services Division
60061023	Districtwide Salary Savings-11	–	(791,104)	(522,031)	(549,912)	Financial Planning & Mgmt Div
60061055	Asset Management Program	386,175	485,969	517,117	649,586	Office of Integrated Water Management
60061058	Drought Induced Tree Removal	1,808,586	2,035,899	865,546	855,741	Watersheds Operations & Maint Division
60071041	Welding Services	19,546	24,803	25,334	26,699	General Services Division
60091001	Directors Fees / Expenses	423,568	616,750	639,800	639,800	Office of the Clerk of the Board
60101001	Purchasing Services	1,814,962	1,884,785	2,485,820	2,633,919	General Services Division
60101002	Building and Grounds	10,900,712	12,335,142	11,210,652	11,823,163	General Services Division
60101005	Districtwide Signage	117,096	370,029	460,726	470,234	General Services Division
60101008	District Security Services	3,294,608	5,499,196	5,911,104	6,139,138	Emergency, Safety and Security Division
60111002	General Accounting Services	5,437,870	5,808,835	6,237,114	6,653,562	Financial Planning & Mgmt Div
60111006	Contract Services	2,163,909	3,171,531	2,592,658	2,716,466	General Services Division
60121003	LT Financial Planning & Rate S	260,577	244,257	258,576	274,559	Financial Planning & Mgmt Div
60131007	Ofc of Chief Executive Officer	1,774,003	1,710,717	1,792,100	1,943,732	Office of the CEO
60131014	Continual Improvement	741,276	763,592	882,735	912,875	Financial Planning & Mgmt Div
60141001	District Counsel	5,676,118	5,838,410	6,174,306	6,582,827	Office of the District Counsel
60171002	Education & Volunteer Program	1,199,647	1,058,139	1,153,546	1,229,992	Office of the CEA
60171009	Community Relations	245,723	250,492	265,011	275,994	Office of the CEA
60221001	Budget and Financial Analyses	2,290,929	2,801,492	2,435,460	2,597,035	Financial Planning & Mgmt Div
60221002	Debt & Treasury Management	1,448,182	1,464,452	1,657,577	1,782,266	Financial Planning & Mgmt Div
60221003	FPMD Administration	625,438	623,385	696,298	767,228	Financial Planning & Mgmt Div
60231002	Communications	1,882,330	1,721,743	1,756,507	1,836,984	Office of the CEA
60231003	Federal Government Relations	995,699	1,122,377	1,200,120	1,260,873	Office of the CEA
60231004	State Government Relations	1,267,484	1,446,413	1,542,323	1,651,997	Office of the CEA
60231005	Local Government Relations	2,254,719	2,443,977	2,129,142	2,207,380	Office of the CEA
60231006	Office of Chief of Ext Affairs	1,396,084	1,350,674	1,394,566	1,498,099	Office of the CEA
60241026	Quality and Env Mgmt Sys Prog	575,650	608,181	675,980	691,411	Financial Planning & Mgmt Div
60281003	Ethics & EEO Programs	7,005	173,100	930,938	977,865	Human Resources Division
60281004	REDI	1,400,776	1,848,881	1,676,197	1,729,383	Office of the CEA
60281006	Reasonable Accommodation	11,739	60,000	60,000	60,000	Human Resources Division
60291003	Labor Relations	1,127,126	1,473,889	901,549	905,141	Human Resources Division
60291011	HR Program Admin	865,117	1,417,189	2,048,440	2,208,142	Human Resources Division
60291032	Bargaining Unit Representation	101,690	212,307	135,200	143,040	Human Resources Division
60291040	Rotation Program	306,979	–	–	–	Human Resources Division
60291041	Internship Program	804,947	1,417,584	1,035,550	1,035,550	Human Resources Division
60301001	Clerk of the Board Serv	3,176,099	4,398,041	2,925,533	6,047,377	Office of the Clerk of the Board
60311001	Records & Library Services	1,319,842	1,640,644	1,257,285	1,323,561	Information Technology Division
60351001	Business & Customer SupportSvc	2,964,643	3,644,018	3,455,697	3,715,433	General Services Division
60601010	Emergency Activation	10,762	–	–	–	Emergency, Safety and Security Division
60601013	Covid 19	812,476	–	–	–	Emergency, Safety and Security Division
60811046	Warehouse Services	430,910	655,399	602,436	638,929	General Services Division
60131004	AS Administration	1,613,546	2,511,145	2,597,348	2,703,350	Office of the COO Admin Services
60231007	Internal Communications	650,080	731,328	768,262	818,468	Office of the CEA

Fund Summaries

Total Outlays - General Fund

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
60361002	Graphic Services	1,321,660	1,369,558	1,473,761	1,571,579	Office of the CEA
60601015	EOC - Storm 2022-12-30	878,993	—	—	—	Emergency, Safety and Security Division
60291001	Recruitment and Selection Program	2,544,965	3,435,476	2,873,128	3,030,710	Human Resources Division
60291002	Benefits and Wellness Program	1,136,991	1,638,955	1,762,564	1,867,643	Human Resources Division
60291004	Workforce Development Program	1,814,560	3,142,944	3,894,795	4,014,569	Human Resources Division
60291005	Classification & Compensation Pgm	134,801	109,864	195,000	170,000	Human Resources Division
60291030	HRIS Admin & Data Analytics Pgm	996,138	1,160,520	1,406,441	1,502,937	Human Resources Division
60291044	Next-Gen Program	749,710	870,217	1,306,336	1,378,827	Human Resources Division
60171010	Community Benefits Project	759,996	1,279,614	1,309,553	1,397,606	Office of the CEA
60601016	EOC – Storm 2023-03/09	3,687	—	—	—	Emergency, Safety and Security Division
60601017	EOC - Storm 2024-02/04	92,875	—	—	—	Emergency, Safety and Security Division
Total Operations		76,457,541	90,181,922	89,583,448	97,486,009	
Operating Project						
60232001	Water Rate Assistance Program	870,261	—	1,333,333	1,333,333	Office of the CEA
Total Operating Projects		870,261	—	1,333,333	1,333,333	
Debt Service						
60993009	2017A COP Refunding GF	472,146	—	—	—	Financial Planning & Mgmt Div
Total Debt Service		472,146	—	—	—	
Capital						
60064023	Districtwide Salary Savings	—	(4,267)	(4,104)	(485)	Financial Planning & Mgmt Div
60074033	CIP Development & Admin	13,374	15,389	16,284	17,610	Office of Integrated Water Management
60074036	Survey Mgmt & Tech Support	4,138	5,199	6,739	7,012	Office of Integrated Water Management
60204016	Small Caps, Facility Mgmt	2,333,942	4,006,000	4,006,000	4,000,000	General Services Division
60204032	Headquarters Operations Bldg	26,592	1,485,315	4,025,129	5,359,000	General Services Division
60204022	Security Upgrades and	198,034	300,096	5,219,152	4,245,426	General Services Division
60074041	Construction Contracts and Support	22,730	30,862	19,057	24,624	General Services Division
60074042	Capital Project Mgmt & Controls	11,205	11,744	13,496	14,424	Office of Integrated Water Management
60074047	Computer-Aided Design for Engineering	8,855	17,929	17,517	19,748	Office of Integrated Water Management
Total Capital		2,618,871	5,868,266	13,319,270	13,687,360	
Total		80,418,818	96,050,188	104,236,051	112,506,702	

SERVICE FUNDS

Fund Summaries

Service Funds Overview

Valley Water manages three Internal Service Funds - the Fleet Management Fund, the Risk Management Fund, and the Information Technology Fund. These funds provide goods and services to the entire organization and recover costs through intra-district reimbursements (also known as overhead costs). Intra-district reimbursements are charges to other departments for services equal to the cost of operations and to maintain adequate reserves in accordance with the Valley Water Reserve Policy. Further information on each fund is provided below and in the pages that follow.

Fleet Management Fund

The Fleet Management Fund was established to capture the operations, maintenance and replacement costs of vehicles and equipment such as: sedans, vans, pickup trucks and field equipment (Class I); heavy duty trucks and trailers (Class II); heavy construction equipment (Class III); and, portable equipment including large pumps, electrical panels, hose and fittings, air compressors, chain saws, weed whackers, generators, etc. (Class IV). Intra-district reimbursements for FY 2025-26 total \$7.4 million with an overhead rate of 5.9% and \$9.6 million for FY 2026-27 with an overhead rate of 7.3%.

Key Highlights

The following are key highlights for the upcoming fiscal year:

- Replacement of vehicles and equipment in accordance with Valley Water's vehicle and equipment replacement criteria (i.e., 12-year or 125,000-miles).
- Expand Valley Water's Electric Vehicle Fleet portfolio and increase access to vehicle charging facilities.
- Compliance with California Air Resources Board regulations to reduce air pollution caused by diesel-powered equipment.
- Continue technical training for Equipment Management Unit Technicians in current and up and coming technologies.

Risk Management Fund

This fund was established to provide for liability, property, workers' compensation, terrorism, cyber, drone, non-owned aircraft, crime insurance, and self-insurance costs. Included in this fund is a reserve for catastrophic uninsured property loss and liability claims set at levels prescribed by actuarial studies.

Intra-district reimbursements for FY 2025-26 total \$14.7 million with an overhead rate of 11.8% and \$13.7 million for FY 2026-27 with an overhead rate of 10.5%.

Fund Summaries

Key Highlights

The following are key highlights for the upcoming fiscal year:

- Continue to administer the Liability and Property programs in a manner that provides prompt and fair adjustment of claims and losses.
- Continue to protect assets by identifying and evaluating loss exposures and applying effective risk management techniques to reduce or eliminate risk.

Information Technology Fund

The Information Technology Fund was established to capture the operation, maintenance, and replacement costs to support the technology and information security needs of Valley Water. It accounts for all network, data center, telecom, servers, computers, and business and support applications. Intra-district reimbursements for FY 2025-26 total \$29.1 million with an overhead rate of 24.2%, and \$35.2 million for FY 2026-27 with an overhead rate of 28.0%.

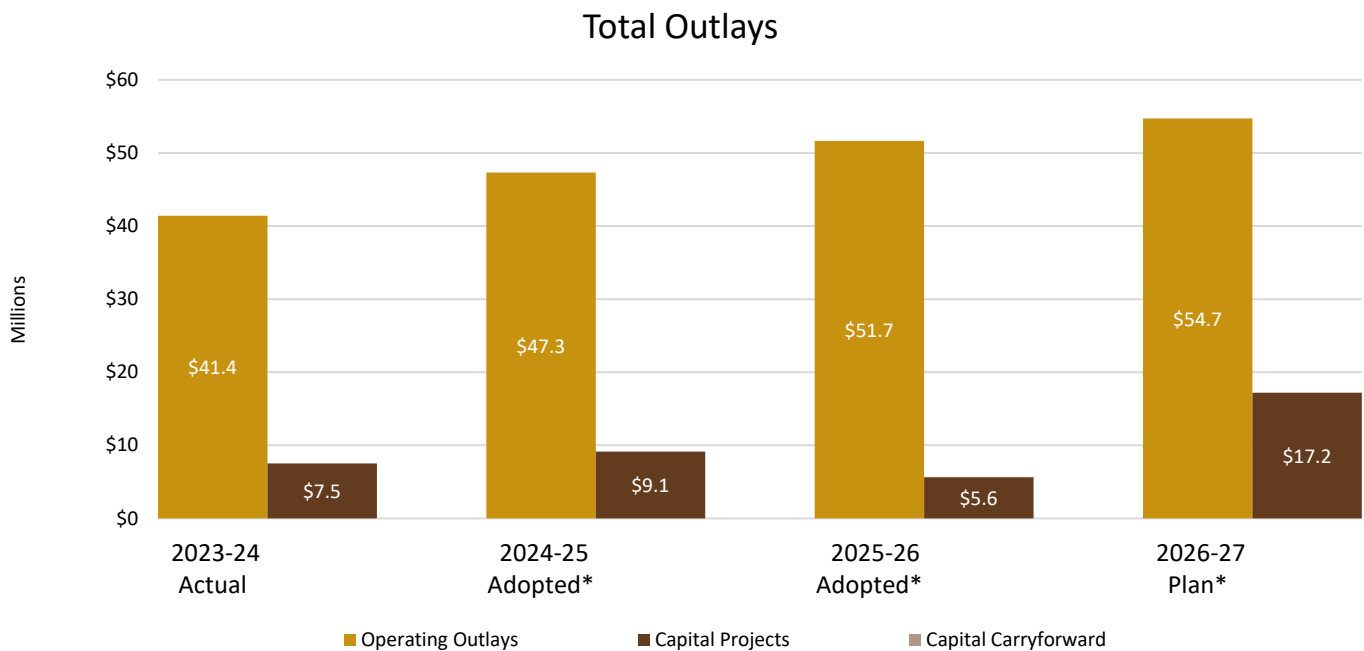
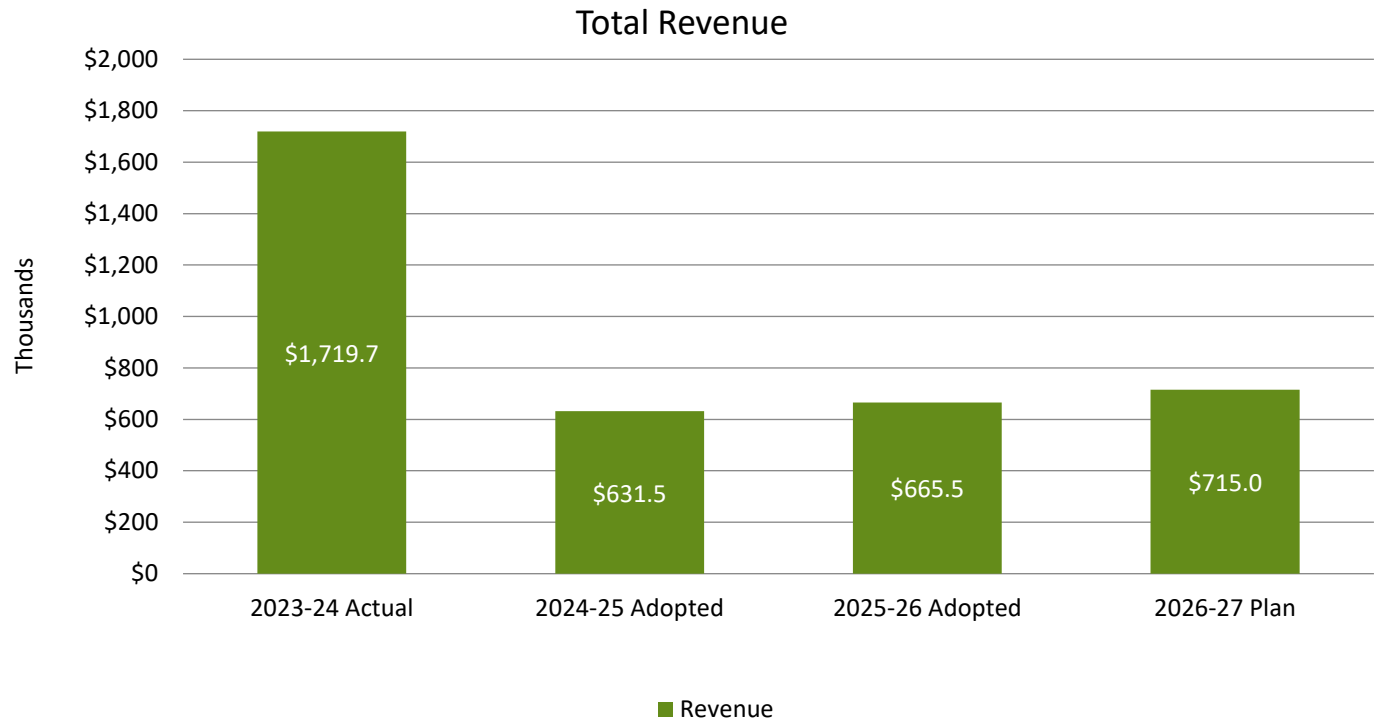
Key Highlights

The following are key highlights for the upcoming fiscal year:

- Improve existing ERP systems, including Payroll, Procurement, and Expense management, to achieve higher operational efficiency.
- Continue improving Valley Water cybersecurity posture, tools, and safeguards, reducing the likelihood of a security breach or ransomware attack.
- Provide AI-based tools and services to improve employee efficiency and quality of work.
- Provide education in technology, specific applications, and general concepts to Valley Water staff.
- Automate publishing key performance indicators, promoting transparency of IT operations.
- Improve IT Disaster Recovery services and modernize backup technologies to enhance resiliency and redundancy.
- Create standardized IT Project Management processes, practices, and metrics.
- Modernize Valley Water's website, www.valleywater.org, and enhance internal digital signage.
- Upgrade desktop applications and hardware to enhance usability, reliability, and supportability.
- Enhance virtual desktop infrastructure, providing greater performance, service, and functionality for Valley Water employees.
- Increase IT's value to Valley Water through right-sizing application licensing, application rationalization, and continued partnership with procurement.
- Launch a new billing platform to enhance how we track, bill, and process customer payments.
- Develop a long-term strategy for communication, collaboration, and file storage.
- Standardize conference room technology (AV) across all Valley Water sites.
- Develop a long-term strategy for remote communications at Water Utility Enterprise sites.

Fund Summaries

Service Funds Combined



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

Service Funds Combined Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 1,240,515	\$ 611,000	\$ 555,000	\$ 624,000	\$ 13,000	2.1%
Non-Operating Other	479,208	20,500	21,000	41,500	21,000	102.4%
TOTAL REVENUE	\$ 1,719,723	\$ 631,500	\$ 576,000	\$ 665,500	\$ 34,000	5.4%
OUTLAYS						
Operating Outlays						
Operations **	\$ 41,413,221	\$ 47,321,982	\$ 47,671,982	\$ 51,657,617	\$ 4,335,636	9.2%
Operating Project	-	-	1,199,876	-	-	0.0%
Total Operating Outlays	\$ 41,413,221	\$ 47,321,982	\$ 48,871,858	\$ 51,657,617	\$ 4,335,636	9.2%
Capital Outlays						
Capital Projects	\$ 7,524,827	\$ 9,131,896	\$ 10,451,378	\$ 5,641,546	\$ (3,490,350)	-38.2%
Carry Forward Capital Projects	-	(199)	-	454	653	-328.1%
Total Capital Outlays	\$ 7,524,827	\$ 9,131,697	\$ 10,451,378	\$ 5,642,000	\$ (3,489,697)	-38.2%
TOTAL OUTLAYS	\$ 48,938,048	\$ 56,453,678	\$ 59,323,236	\$ 57,299,618	\$ 845,939	1.5%
Less Intra-District Reimbursements	(43,570,017)	(46,853,879)	(46,853,879)	(51,191,434)	(4,337,555)	9.3%
NET OUTLAYS	\$ 5,368,031	\$ 9,599,799	\$ 12,469,357	\$ 6,108,183	\$ (3,491,616)	-36.4%
OTHER FINANCING SOURCES/(USES)						
Transfers In	\$ 6,231,000	\$ 7,001,300	\$ 7,001,300	\$ 3,561,546	\$ (3,439,754)	-49.1%
TOTAL OTHER SOURCES/(USES)	\$ 6,231,000	\$ 7,001,300	\$ 7,001,300	\$ 3,561,546	\$ (3,439,754)	-49.1%
BALANCE AVAILABLE	\$ 2,582,692	\$ (1,966,999)	\$ (4,892,057)	\$ (1,881,137)	\$ 85,862	-4.4%
YEAR-END RESERVES						
Committed Reserves						
Currently Authorized Projects	\$ 355,662	\$ 123,126	\$ 123,580	\$ 123,126	\$ -	0.0%
Operating and Capital Reserve	14,651,485	6,424,002	10,016,430	5,311,373	(1,112,629)	-17.3%
Liability/Workers' Comp Self-Insurance	8,337,000	8,337,000	8,337,000	11,476,000	3,139,000	37.7%
Property Self-Insurance/Catastrophic	6,869,456	7,409,352	6,844,537	6,529,910	(879,442)	-11.9%
Total Committed Reserves	\$ 30,213,603	\$ 22,293,480	\$ 25,321,547	\$ 23,440,410	\$ 1,146,930	5.1%
TOTAL YEAR-END RESERVES	\$ 30,213,603	\$ 22,293,480	\$ 25,321,547	\$ 23,440,410	\$ 1,146,930	5.1%

Fund Summaries

Service Funds Combined Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff

Outlay Summary By Account Type

OPERATING OUTLAY

Salaries and Benefits	\$ 12,687,020	\$ 15,457,668	\$ 15,457,668	\$ 16,707,530	\$ 1,249,862	8.1%
Salary Savings Factor	-	(234,937)	(234,937)	(165,229)	69,708	-29.7%
Services & Supplies	22,237,503	24,400,166	25,950,042	26,959,326	2,559,160	10.5%
Intra-District Charges	6,488,699	7,699,085	7,699,085	8,155,990	456,905	5.9%
OPERATING OUTLAY TOTAL	\$ 41,413,221	\$ 47,321,982	\$ 48,871,858	\$ 51,657,617	\$ 4,335,636	9.2%

CAPITAL PROJECTS

Salaries and Benefits	\$ 34,946	\$ 43,851	\$ 43,851	\$ -	\$ (43,851)	-100.0%
Salary Savings Factor	-	(680)	(680)	-	680	-100.0%
Services & Supplies	7,467,885	9,062,465	10,381,947	5,641,546	(3,420,919)	-37.7%
Carry Forward Capital Projects	-	(199)	-	454	653	-328.1%
Intra-District Charges	21,996	26,260	26,260	-	(26,260)	-100.0%
CAPITAL PROJECTS TOTAL	\$ 7,524,827	\$ 9,131,697	\$ 10,451,378	\$ 5,642,000	\$ (3,489,697)	-38.2%

TOTAL OUTLAYS	\$ 48,938,048	\$ 56,453,678	\$ 59,323,236	\$ 57,299,618	\$ 845,939	1.5%
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(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Service Funds Combined Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 1,240,515	\$ 611,000	\$ 624,000	\$ 694,000	\$ 70,000	11.2%
Non-Operating Other	479,208	20,500	41,500	21,000	(20,500)	-49.4%
TOTAL REVENUE	\$ 1,719,723	\$ 631,500	\$ 665,500	\$ 715,000	\$ 49,500	7.4%
OUTLAYS						
Operating Outlays						
Operations **	\$ 41,413,221	\$ 47,321,982	\$ 51,657,617	\$ 54,700,176	\$ 3,042,558	5.9%
Total Operating Outlays	\$ 41,413,221	\$ 47,321,982	\$ 51,657,617	\$ 54,700,176	\$ 3,042,558	5.9%
Capital Outlays						
Capital Projects	\$ 7,524,827	\$ 9,131,896	\$ 5,641,546	\$ 17,195,805	\$ 11,554,259	204.8%
Carry Forward Capital Projects	-	(199)	454	-	(454)	-100.0%
Total Capital Outlays	\$ 7,524,827	\$ 9,131,697	\$ 5,642,000	\$ 17,195,805	\$ 11,553,805	204.8%
TOTAL OUTLAYS	\$ 48,938,048	\$ 56,453,678	\$ 57,299,618	\$ 71,895,981	\$ 14,596,363	25.5%
Less Intra-District Reimbursements	(43,570,017)	(46,853,879)	(51,191,434)	(58,445,951)	(7,254,517)	14.2%
NET OUTLAYS	\$ 5,368,031	\$ 9,599,799	\$ 6,108,183	\$ 13,450,029	\$ 7,341,846	120.2%
OTHER FINANCING SOURCES/(USES)						
Transfers In	\$ 6,231,000	\$ 7,001,300	\$ 3,561,546	\$ 13,757,805	\$ 10,196,259	286.3%
TOTAL OTHER SOURCES/(USES)	\$ 6,231,000	\$ 7,001,300	\$ 3,561,546	\$ 13,757,805	\$ 10,196,259	286.3%
BALANCE AVAILABLE	\$ 2,582,692	\$ (1,966,999)	\$ (1,881,137)	\$ 1,022,776	\$ 2,903,913	-154.4%
YEAR-END RESERVES						
Committed Reserves						
Currently Authorized Projects	\$ 355,662	\$ 123,126	\$ 123,126	\$ 123,126	\$ -	0.0%
Operating and Capital Reserve	14,651,485	6,424,002	5,311,373	5,512,327	200,953	3.8%
Liability/Workers' Comp Self-Insurance	8,337,000	8,337,000	11,476,000	11,476,000	-	0.0%
Property Self-Insurance/Catastrophic	6,869,456	7,409,352	6,529,910	7,351,733	821,823	12.6%
Total Committed Reserves	\$ 30,213,603	\$ 22,293,480	\$ 23,440,410	\$ 24,463,186	\$ 1,022,776	4.4%
TOTAL YEAR-END RESERVES	\$ 30,213,603	\$ 22,293,480	\$ 23,440,410	\$ 24,463,186	\$ 1,022,776	4.4%

Fund Summaries

Service Funds Combined Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Adopted Budget 2025-26		Proposed Plan 2026-27		Change from 2025-26		
									\$ Diff	% Diff	
Outlay Summary By Account Type											
OPERATING OUTLAY											
Salaries and Benefits	\$	12,687,020	\$	15,457,668	\$	16,707,530	\$	17,714,621	\$	1,007,091	6.0%
Salary Savings Factor		-		(234,937)		(165,229)		(172,566)		(7,337)	4.4%
Services & Supplies		22,237,503		24,400,166		26,959,326		28,233,994		1,274,668	4.7%
Intra-District Charges		6,488,699		7,699,085		8,155,990		8,924,126		768,136	9.4%
OPERATING OUTLAY TOTAL	\$	41,413,221	\$	47,321,982	\$	51,657,617	\$	54,700,176	\$	3,042,558	5.9%
CAPITAL PROJECTS											
Salaries and Benefits	\$	34,946	\$	43,851	\$	-	\$	-	\$	-	0.0%
Salary Savings Factor		-		(680)		-		-		-	0.0%
Services & Supplies		7,467,885		9,062,465		5,641,546		17,195,805		11,554,259	204.8%
Carry Forward Capital Projects		-		(199)		454		-		(454)	-100.0%
Intra-District Charges		21,996		26,260		-		-		-	0.0%
CAPITAL PROJECTS TOTAL	\$	7,524,827	\$	9,131,697	\$	5,642,000	\$	17,195,805	\$	11,553,805	204.8%
TOTAL OUTLAYS											
	\$	48,938,048	\$	56,453,678	\$	57,299,618	\$	71,895,981	\$	14,596,363	25.5%

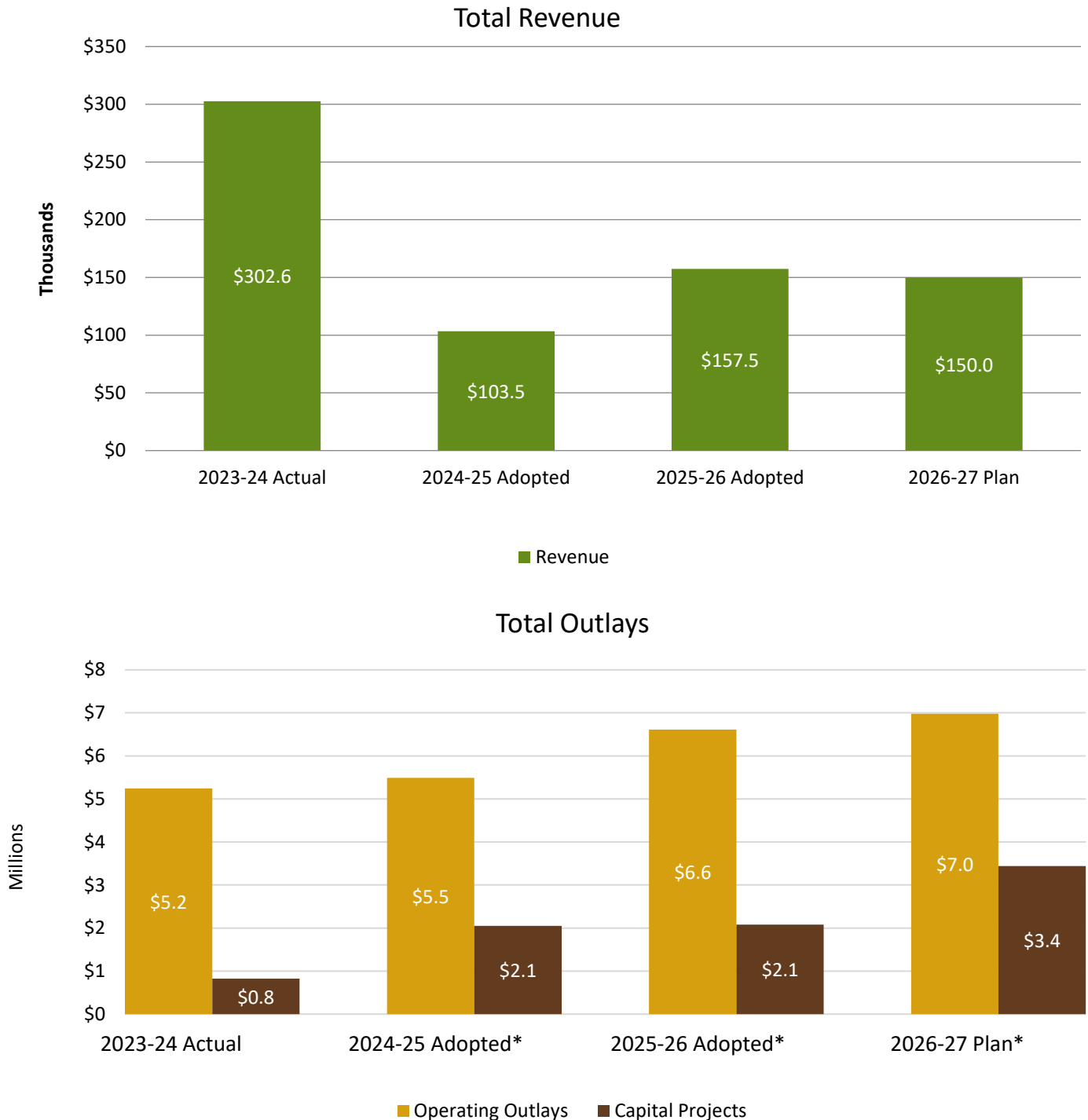
(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Fleet Management Fund



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

Fleet Management Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 248,413	\$ 83,000	\$ 103,000	\$ 116,000	\$ 33,000	39.8%
Non-Operating Other	54,234	20,500	21,000	41,500	21,000	102.4%
Total Non - Operating Revenue	\$ 302,647	\$ 103,500	\$ 124,000	\$ 157,500	\$ 54,000	52.2%
TOTAL REVENUE	\$ 302,647	\$ 103,500	\$ 124,000	\$ 157,500	\$ 54,000	52.2%
OUTLAYS						
Operating Outlays						
Operations **	\$ 5,244,594	\$ 5,487,855	\$ 5,487,855	\$ 6,610,985	\$ 1,123,130	20.5%
Total Operating Outlays	\$ 5,244,594	\$ 5,487,855	\$ 5,487,855	\$ 6,610,985	\$ 1,123,130	20.5%
Capital Outlays						
Capital Projects	\$ 824,569	\$ 2,050,000	\$ 3,144,472	\$ 2,080,000	\$ 30,000	1.5%
Total Capital Outlays	\$ 824,569	\$ 2,050,000	\$ 3,144,472	\$ 2,080,000	\$ 30,000	1.5%
TOTAL OUTLAYS	\$ 6,069,163	\$ 7,537,855	\$ 8,632,327	\$ 8,690,985	\$ 1,153,130	15.3%
Less Intra-District Reimbursements	(6,361,167)	(6,553,955)	(6,553,955)	(7,390,985)	(837,030)	12.8%
NET OUTLAYS	\$ (292,004)	\$ 983,900	\$ 2,078,372	\$ 1,300,000	\$ 316,100	32.1%
BALANCE AVAILABLE	\$ 594,651	\$ (880,400)	\$ (1,954,372)	\$ (1,142,500)	\$ (262,100)	29.8%
YEAR-END RESERVES						
Committed Reserves						
Operating and Capital Reserve	\$ 5,058,696	\$ 2,827,950	\$ 3,104,324	\$ 1,961,824	\$ (866,126)	-30.6%
Total Committed Reserves	\$ 5,058,696	\$ 2,827,950	\$ 3,104,324	\$ 1,961,824	\$ (866,126)	-30.6%
TOTAL YEAR-END RESERVES	\$ 5,058,696	\$ 2,827,950	\$ 3,104,324	\$ 1,961,824	\$ (866,126)	-30.6%
Outlay Summary By Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 1,842,083	\$ 2,073,099	\$ 2,073,099	\$ 2,392,370	\$ 319,271	15.4%
Salary Savings Factor	-	(29,567)	(29,567)	(22,041)	7,526	-25.5%
Services & Supplies	2,376,199	2,310,920	2,310,920	2,957,750	646,830	28.0%
Intra-District Charges	1,026,312	1,133,403	1,133,403	1,282,906	149,503	13.2%
OPERATING OUTLAY TOTAL	\$ 5,244,594	\$ 5,487,855	\$ 5,487,855	\$ 6,610,985	\$ 1,123,130	20.5%
CAPITAL PROJECTS						
Services & Supplies	\$ 824,569	\$ 2,050,000	\$ 3,144,472	\$ 2,080,000	\$ 30,000	1.5%
CAPITAL PROJECTS TOTAL	\$ 824,569	\$ 2,050,000	\$ 3,144,472	\$ 2,080,000	\$ 30,000	1.5%
TOTAL OUTLAYS	\$ 6,069,163	\$ 7,537,855	\$ 8,632,327	\$ 8,690,985	\$ 1,153,130	15.3%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Fleet Management Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 248,413	\$ 83,000	\$ 116,000	\$ 129,000	\$ 13,000	11.2%
Non-Operating Other	54,234	20,500	41,500	21,000	(20,500)	-49.4%
Total Non - Operating Revenue	\$ 302,647	\$ 103,500	\$ 157,500	\$ 150,000	\$ (7,500)	-4.8%
TOTAL REVENUE	\$ 302,647	\$ 103,500	\$ 157,500	\$ 150,000	\$ (7,500)	-4.8%
OUTLAYS						
Operating Outlays						
Operations **	\$ 5,244,594	\$ 5,487,855	\$ 6,610,985	\$ 6,979,361	\$ 368,376	5.6%
Total Operating Outlays	\$ 5,244,594	\$ 5,487,855	\$ 6,610,985	\$ 6,979,361	\$ 368,376	5.6%
Capital Outlays						
Capital Projects	\$ 824,569	\$ 2,050,000	\$ 2,080,000	\$ 3,438,000	\$ 1,358,000	65.3%
Total Capital Outlays	\$ 824,569	\$ 2,050,000	\$ 2,080,000	\$ 3,438,000	\$ 1,358,000	65.3%
TOTAL OUTLAYS	\$ 6,069,163	\$ 7,537,855	\$ 8,690,985	\$ 10,417,361	\$ 1,726,376	19.9%
Less Intra-District Reimbursements	(6,361,167)	(6,553,955)	(7,390,985)	(9,591,361)	(2,200,376)	29.8%
NET OUTLAYS	\$ (292,004)	\$ 983,900	\$ 1,300,000	\$ 826,000	\$ (474,000)	-36.5%
BALANCE AVAILABLE	\$ 594,651	\$ (880,400)	\$ (1,142,500)	\$ (676,000)	\$ 466,500	-40.8%
YEAR-END RESERVES						
Committed Reserves						
Operating and Capital Reserve	\$ 5,058,696	\$ 2,827,950	\$ 1,961,824	\$ 1,285,824	\$ (676,000)	-34.5%
Total Committed Reserves	\$ 5,058,696	\$ 2,827,950	\$ 1,961,824	\$ 1,285,824	\$ (676,000)	-34.5%
TOTAL YEAR-END RESERVES	\$ 5,058,696	\$ 2,827,950	\$ 1,961,824	\$ 1,285,824	\$ (676,000)	-34.5%
Outlay Summary By Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 1,842,083	\$ 2,073,099	\$ 2,392,370	\$ 2,544,766	\$ 152,396	6.4%
Salary Savings Factor	-	(29,567)	(22,041)	(23,040)	(999)	4.5%
Services & Supplies	2,376,199	2,310,920	2,957,750	3,037,461	79,711	2.7%
Intra-District Charges	1,026,312	1,133,403	1,282,906	1,420,173	137,267	10.7%
OPERATING OUTLAY TOTAL	\$ 5,244,594	\$ 5,487,855	\$ 6,610,985	\$ 6,979,361	\$ 368,376	5.6%
CAPITAL PROJECTS						
Services & Supplies	\$ 824,569	\$ 2,050,000	\$ 2,080,000	\$ 3,438,000	\$ 1,358,000	65.3%
CAPITAL PROJECTS TOTAL	\$ 824,569	\$ 2,050,000	\$ 2,080,000	\$ 3,438,000	\$ 1,358,000	65.3%
TOTAL OUTLAYS	\$ 6,069,163	\$ 7,537,855	\$ 8,690,985	\$ 10,417,361	\$ 1,726,376	19.9%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

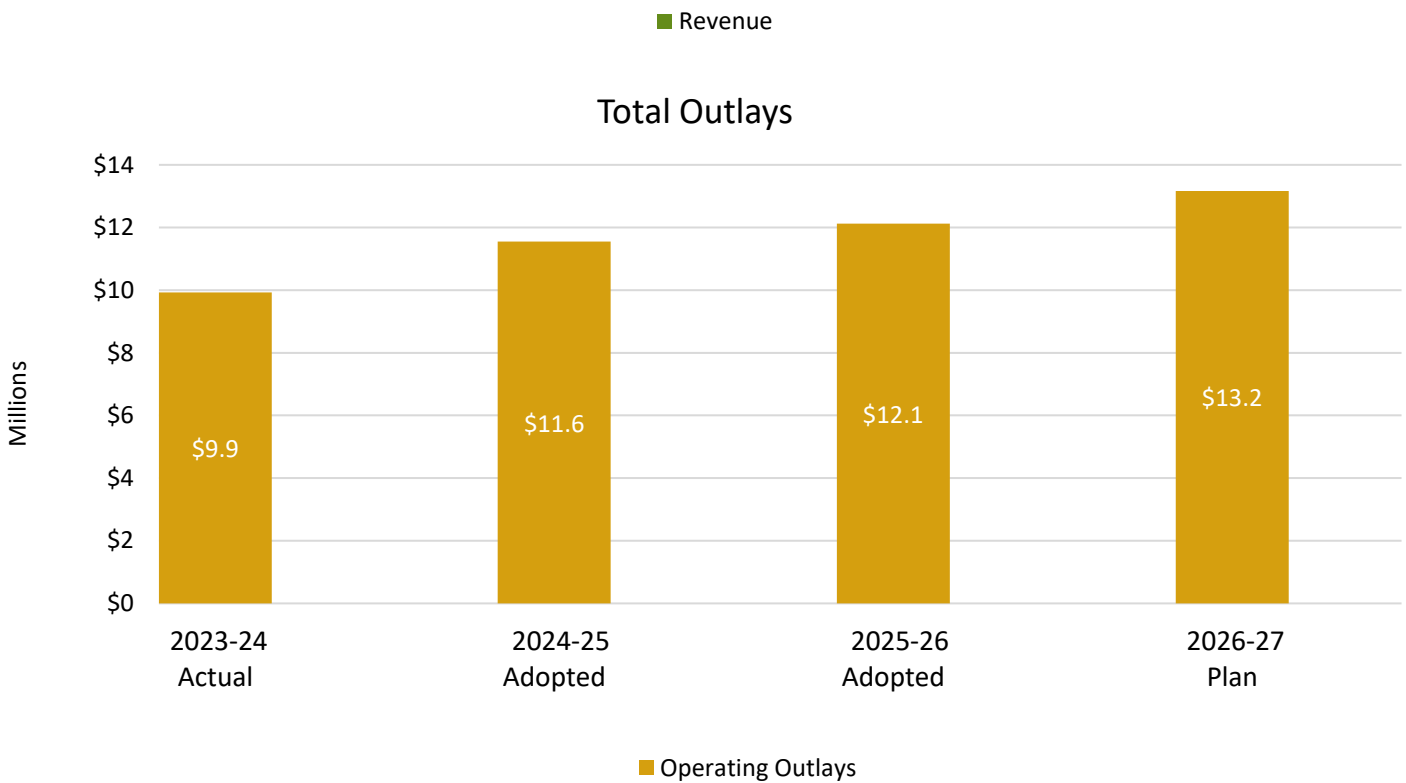
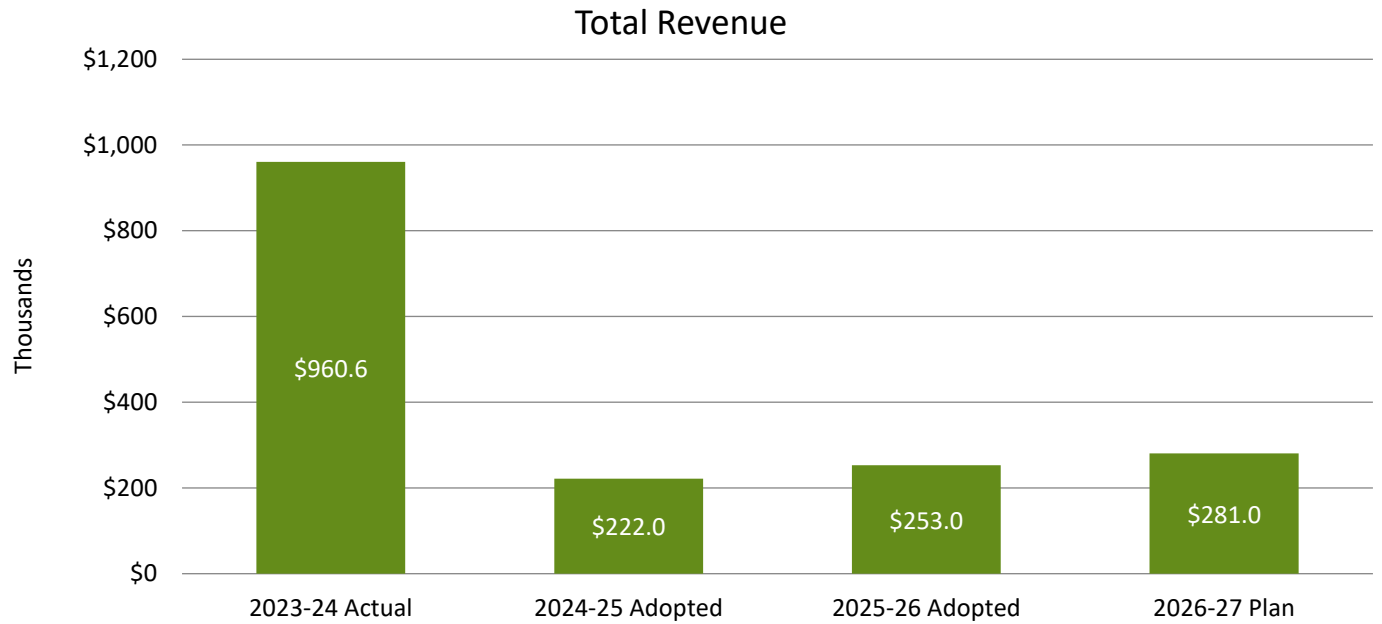
Fund Summaries

Total Outlays - Fleet Management Fund

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
70011099	Class I Equip Oper / Maint	1,039,485	1,238,486	1,469,105	1,540,537	General Services Division
70021099	Class II Equip Oper / Maint	1,110,900	1,135,494	1,088,120	1,154,017	General Services Division
70031099	Class III Equip Oper / Maint	300,058	385,078	611,024	646,199	General Services Division
70041099	Class IV Equip Oper / Maint	1,393,311	1,152,674	1,489,663	1,556,009	General Services Division
70061003	Vehicle & Equipment Admin&Mgmt	1,342,203	1,531,280	1,899,110	2,025,542	General Services Division
70061004	Districtwide Salary Savings-71	—	(29,567)	(22,041)	(23,040)	Financial Planning & Mgmt Div
70071041	Welding Services	58,637	74,409	76,002	80,097	General Services Division
Total Operations		5,244,594	5,487,855	6,610,985	6,979,361	
Capital						
70004001	New Vehicle Equip Acquisitio	476,341	580,000	580,000	615,000	General Services Division
70004002	Replacement Vehicle & Equip	348,228	1,470,000	1,500,000	2,823,000	General Services Division
Total Capital		824,569	2,050,000	2,080,000	3,438,000	
Total		6,069,163	7,537,855	8,690,985	10,417,361	

Fund Summaries

Risk Management Fund



Fund Summaries

Risk Management Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted	
									\$ Diff	% Diff
REVENUE										
Interest Income *	\$	535,668	\$	222,000	\$	225,000	\$	253,000	\$	31,000 14.0%
Non-Operating Other		424,974		-		-		-		- 0.0%
Total Non - Operating Revenue	\$	960,642	\$	222,000	\$	225,000	\$	253,000	\$	31,000 14.0%
TOTAL REVENUE	\$	960,642	\$	222,000	\$	225,000	\$	253,000	\$	31,000 14.0%
OUTLAYS										
Operating Outlays										
Operations **	\$	9,927,380	\$	11,555,236	\$	11,555,236	\$	12,125,325	\$	570,089 4.9%
Operating Project		-		-		1,199,876		-		- 0.0%
Total Operating Outlays	\$	9,927,380	\$	11,555,236	\$	12,755,112	\$	12,125,325	\$	570,089 4.9%
TOTAL OUTLAYS	\$	9,927,380	\$	11,555,236	\$	12,755,112	\$	12,125,325	\$	570,089 4.9%
Less Intra-District Reimbursements		(11,528,702)		(12,505,192)		(12,505,192)		(14,696,698)		(2,191,506) 17.5%
NET OUTLAYS	\$	(1,601,323)	\$	(949,957)	\$	249,919	\$	(2,571,373)	\$	(1,621,416) 170.7%
BALANCE AVAILABLE	\$	2,561,965	\$	1,171,957	\$	(24,919)	\$	2,824,373	\$	1,652,416 141.0%
YEAR-END RESERVES										
Committed Reserves										
Liability/Workers' Comp Self-Insurance	\$	8,337,000	\$	8,337,000	\$	8,337,000	\$	11,476,000	\$	3,139,000 37.7%
Property Self-Insurance/Catastrophic		6,869,456		7,409,352		6,844,537		6,529,910		(879,442) -11.9%
Total Committed Reserves	\$	15,206,456	\$	15,746,352	\$	15,181,537	\$	18,005,910	\$	2,259,558 14.3%
TOTAL YEAR-END RESERVES	\$	15,206,456	\$	15,746,352	\$	15,181,537	\$	18,005,910	\$	2,259,558 14.3%
Outlay Summary By Account Type										
OPERATING OUTLAY										
Salaries and Benefits	\$	2,317,453	\$	2,605,144	\$	2,605,144	\$	2,636,647	\$	31,503 1.2%
Salary Savings Factor		-		(39,606)		(39,606)		(26,696)		12,910 -32.6%
Services & Supplies		6,307,823		7,547,986		8,747,862		8,057,856		509,870 6.8%
Intra-District Charges		1,302,103		1,441,712		1,441,712		1,457,518		15,806 1.1%
OPERATING OUTLAY TOTAL	\$	9,927,380	\$	11,555,236	\$	12,755,112	\$	12,125,325	\$	570,089 4.9%
TOTAL OUTLAYS	\$	9,927,380	\$	11,555,236	\$	12,755,112	\$	12,125,325	\$	570,089 4.9%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Risk Management Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 535,668	\$ 222,000	\$ 253,000	\$ 281,000	\$ 28,000	11.1%
Non-Operating Other	424,974	-	-	-	-	0.0%
Total Non - Operating Revenue	\$ 960,642	\$ 222,000	\$ 253,000	\$ 281,000	\$ 28,000	11.1%
TOTAL REVENUE	\$ 960,642	\$ 222,000	\$ 253,000	\$ 281,000	\$ 28,000	11.1%

OUTLAYS

Operating Outlays						
Operations **	\$ 9,927,380	\$ 11,555,236	\$ 12,125,325	\$ 13,160,787	\$ 1,035,462	8.5%
Total Operating Outlays	\$ 9,927,380	\$ 11,555,236	\$ 12,125,325	\$ 13,160,787	\$ 1,035,462	8.5%
TOTAL OUTLAYS	\$ 9,927,380	\$ 11,555,236	\$ 12,125,325	\$ 13,160,787	\$ 1,035,462	8.5%
Less Intra-District Reimbursements	(11,528,702)	(12,505,192)	(14,696,698)	(13,701,610)	995,088	-6.8%
NET OUTLAYS	\$ (1,601,323)	\$ (949,957)	\$ (2,571,373)	\$ (540,823)	\$ 2,030,550	-79.0%
BALANCE AVAILABLE	\$ 2,561,965	\$ 1,171,957	\$ 2,824,373	\$ 821,823	\$ (2,002,550)	-70.9%

YEAR-END RESERVES

Committed Reserves						
Liability/Workers' Comp Self-Insurance	\$ 8,337,000	\$ 8,337,000	\$ 11,476,000	\$ 11,476,000	\$ -	0.0%
Property Self-Insurance/Catastrophic	6,869,456	7,409,352	6,529,910	7,351,733	821,823	12.6%
Total Committed Reserves	\$ 15,206,456	\$ 15,746,352	\$ 18,005,910	\$ 18,827,733	\$ 821,823	4.6%
TOTAL YEAR-END RESERVES	\$ 15,206,456	\$ 15,746,352	\$ 18,005,910	\$ 18,827,733	\$ 821,823	4.6%

Outlay Summary By Account Type

OPERATING OUTLAY						
Salaries and Benefits	\$ 2,317,453	\$ 2,605,144	\$ 2,636,647	\$ 2,796,766	\$ 160,118	6.1%
Salary Savings Factor	-	(39,606)	(26,696)	(27,900)	(1,204)	4.5%
Services & Supplies	6,307,823	7,547,986	8,057,856	8,739,368	681,512	8.5%
Intra-District Charges	1,302,103	1,441,712	1,457,518	1,652,553	195,035	13.4%
OPERATING OUTLAY TOTAL	\$ 9,927,380	\$ 11,555,236	\$ 12,125,325	\$ 13,160,787	\$ 1,035,462	8.5%
TOTAL OUTLAYS	\$ 9,927,380	\$ 11,555,236	\$ 12,125,325	\$ 13,160,787	\$ 1,035,462	8.5%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Total Outlays - Risk Management Fund

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
65051001	Risk Management	6,198,018	6,494,093	6,980,060	7,658,207	Office of the District Counsel
65051002	Workers Compensation Program	580,604	1,067,829	1,110,067	1,169,932	Emergency, Safety and Security Division
65051003	Health&Safety Program Mgt	3,148,757	4,032,919	4,061,894	4,360,548	Emergency, Safety and Security Division
65061004	Districtwide Salary Savings-72	—	(39,606)	(26,696)	(27,900)	Financial Planning & Mgmt Div
Total Operations		9,927,380	11,555,236	12,125,325	13,160,787	
Total		9,927,380	11,555,236	12,125,325	13,160,787	

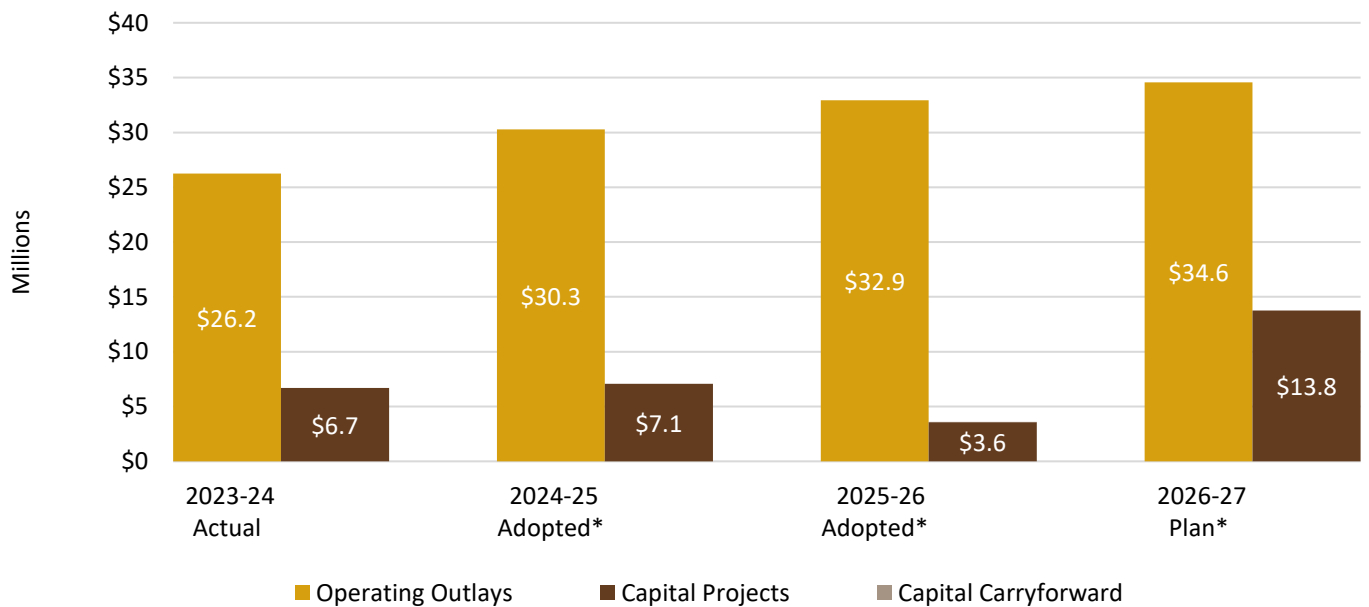
Fund Summaries

Information Technology Fund

Total Revenue



Total Outlays



*Capital projects includes current year budget and prior year capital budget carry forward in the lighter shade

Fund Summaries

Information Technology Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Projected Year End 2024-25	Adopted Budget 2025-26	Change from 2024-25 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 456,434	\$ 306,000	\$ 227,000	\$ 255,000	\$ (51,000)	-16.7%
Total Non - Operating Revenue	\$ 456,434	\$ 306,000	\$ 227,000	\$ 255,000	\$ (51,000)	-16.7%
TOTAL REVENUE	\$ 456,434	\$ 306,000	\$ 227,000	\$ 255,000	\$ (51,000)	-16.7%
OUTLAYS						
Operating Outlays						
Operations **	\$ 26,241,247	\$ 30,278,891	\$ 30,628,891	\$ 32,921,308	\$ 2,642,417	8.7%
Total Operating Outlays	\$ 26,241,247	\$ 30,278,891	\$ 30,628,891	\$ 32,921,308	\$ 2,642,417	8.7%
Capital Outlays						
Capital Projects	\$ 6,700,258	\$ 7,081,896	\$ 7,306,906	\$ 3,561,546	\$ (3,520,350)	-49.7%
Carry Forward Capital Projects	-	(199)	-	454	653	-328.1%
Total Capital Outlays	\$ 6,700,258	\$ 7,081,697	\$ 7,306,906	\$ 3,562,000	\$ (3,519,697)	-49.7%
TOTAL OUTLAYS	\$ 32,941,505	\$ 37,360,588	\$ 37,935,797	\$ 36,483,308	\$ (877,280)	-2.3%
Less Intra-District Reimbursements	(25,680,147)	(27,794,732)	(27,794,732)	(29,103,752)	(1,309,020)	4.7%
NET OUTLAYS	\$ 7,261,358	\$ 9,565,856	\$ 10,141,065	\$ 7,379,556	\$ (2,186,300)	-22.9%
OTHER FINANCING SOURCES/(USES)						
Transfers In	\$ 6,231,000	\$ 7,001,300	\$ 7,001,300	\$ 3,561,546	\$ (3,439,754)	-49.1%
TOTAL OTHER SOURCES/(USES)	\$ 6,231,000	\$ 7,001,300	\$ 7,001,300	\$ 3,561,546	\$ (3,439,754)	-49.1%
BALANCE AVAILABLE	\$ (573,925)	\$ (2,258,556)	\$ (2,912,765)	\$ (3,563,010)	\$ (1,304,454)	57.8%
YEAR-END RESERVES						
Committed Reserves						
Currently Authorized Projects	\$ 355,662	\$ 123,126	\$ 123,580	\$ 123,126	\$ -	0.0%
Operating and Capital Reserve	9,592,789	3,596,052	6,912,106	3,349,549	(246,503)	-6.9%
Total Committed Reserves	\$ 9,948,451	\$ 3,719,178	\$ 7,035,686	\$ 3,472,675	\$ (246,503)	-6.6%
TOTAL YEAR-END RESERVES	\$ 9,948,451	\$ 3,719,178	\$ 7,035,686	\$ 3,472,675	\$ (246,503)	-6.6%

Fund Summaries

Information Technology Fund Summary

	Budgetary Basis Actual 2023-24		Adopted Budget 2024-25		Projected Year End 2024-25		Adopted Budget 2025-26		Change from 2024-25 Adopted \$ Diff % Diff	
Outlay Summary By Account Type										
OPERATING OUTLAY										
Salaries and Benefits	\$	8,527,484	\$	10,779,425	\$	10,779,425	\$	11,678,513	\$	899,089 8.3%
Salary Savings Factor		-		(165,764)		(165,764)		(116,492)		49,272 -29.7%
Services & Supplies		13,553,480		14,541,260		14,891,260		15,943,720		1,402,460 9.6%
Intra-District Charges		4,160,283		5,123,971		5,123,971		5,415,566		291,596 5.7%
OPERATING OUTLAY TOTAL	\$	26,241,247	\$	30,278,891	\$	30,628,891	\$	32,921,308	\$	2,642,417 8.7%
CAPITAL PROJECTS										
Salaries and Benefits	\$	34,946	\$	43,851	\$	43,851	\$	-	\$	(43,851) -100.0%
Salary Savings Factor		-		(680)		(680)		-		680 -100.0%
Services & Supplies		6,643,316		7,012,465		7,237,475		3,561,546		(3,450,919) -49.2%
Carry Forward Capital Projects		-		(199)		-		454		653 -328.1%
Intra-District Charges		21,996		26,260		26,260		-		(26,260) -100.0%
CAPITAL PROJECTS TOTAL	\$	6,700,258	\$	7,081,697	\$	7,306,906	\$	3,562,000	\$	(3,519,697) -49.7%
TOTAL OUTLAYS	\$	32,941,505	\$	37,360,588	\$	37,935,797	\$	36,483,308	\$	(877,280) -2.3%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Information Technology Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
REVENUE						
Interest Income *	\$ 456,434	\$ 306,000	\$ 255,000	\$ 284,000	\$ 29,000	11.4%
Total Non - Operating Revenue	\$ 456,434	\$ 306,000	\$ 255,000	\$ 284,000	\$ 29,000	11.4%
TOTAL REVENUE	\$ 456,434	\$ 306,000	\$ 255,000	\$ 284,000	\$ 29,000	11.4%
OUTLAYS						
Operating Outlays						
Operations **	\$ 26,241,247	\$ 30,278,891	\$ 32,921,308	\$ 34,560,028	\$ 1,638,720	5.0%
Total Operating Outlays	\$ 26,241,247	\$ 30,278,891	\$ 32,921,308	\$ 34,560,028	\$ 1,638,720	5.0%
Capital Outlays						
Capital Projects	\$ 6,700,258	\$ 7,081,896	\$ 3,561,546	\$ 13,757,805	\$ 10,196,259	286.3%
Carry Forward Capital Projects	-	(199)	454	-	(454)	-100.0%
Total Capital Outlays	\$ 6,700,258	\$ 7,081,697	\$ 3,562,000	\$ 13,757,805	\$ 10,195,805	286.2%
TOTAL OUTLAYS	\$ 32,941,505	\$ 37,360,588	\$ 36,483,308	\$ 48,317,833	\$ 11,834,525	32.4%
Less Intra-District Reimbursements	(25,680,147)	(27,794,732)	(29,103,752)	(35,152,981)	(6,049,229)	20.8%
NET OUTLAYS	\$ 7,261,358	\$ 9,565,856	\$ 7,379,556	\$ 13,164,852	\$ 5,785,296	78.4%
OTHER FINANCING SOURCES/(USES)						
Transfers In	\$ 6,231,000	\$ 7,001,300	\$ 3,561,546	\$ 13,757,805	\$ 10,196,259	286.3%
TOTAL OTHER SOURCES/(USES)	\$ 6,231,000	\$ 7,001,300	\$ 3,561,546	\$ 13,757,805	\$ 10,196,259	286.3%
BALANCE AVAILABLE	\$ (573,925)	\$ (2,258,556)	\$ (3,563,010)	\$ 876,953	\$ 4,439,963	-124.6%
YEAR-END RESERVES						
Committed Reserves						
Currently Authorized Projects	\$ 355,662	\$ 123,126	\$ 123,126	\$ 123,126	\$ -	0.0%
Operating and Capital Reserve	9,592,789	3,596,052	3,349,549	4,226,503	876,953	26.2%
Total Committed Reserves	\$ 9,948,451	\$ 3,719,178	\$ 3,472,675	\$ 4,349,629	\$ 876,953	25.3%
TOTAL YEAR-END RESERVES	\$ 9,948,451	\$ 3,719,178	\$ 3,472,675	\$ 4,349,629	\$ 876,953	25.3%

Fund Summaries

Information Technology Fund Summary

	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Change from 2025-26 Adopted	
					\$ Diff	% Diff
Outlay Summary By Account Type						
OPERATING OUTLAY						
Salaries and Benefits	\$ 8,527,484	\$ 10,779,425	\$ 11,678,513	\$ 12,373,090	\$ 694,576	5.9%
Salary Savings Factor	-	(165,764)	(116,492)	(121,626)	(5,135)	4.4%
Services & Supplies	13,553,480	14,541,260	15,943,720	16,457,165	513,445	3.2%
Intra-District Charges	4,160,283	5,123,971	5,415,566	5,851,399	435,833	8.0%
OPERATING OUTLAY TOTAL	\$ 26,241,247	\$ 30,278,891	\$ 32,921,308	\$ 34,560,028	\$ 1,638,720	5.0%
CAPITAL PROJECTS						
Salaries and Benefits	\$ 34,946	\$ 43,851	\$ -	\$ -	\$ -	0.0%
Salary Savings Factor	-	(680)	-	-	-	0.0%
Services & Supplies	6,643,316	7,012,465	3,561,546	13,757,805	10,196,259	286.3%
Carry Forward Capital Projects	-	(199)	454	-	(454)	-100.0%
Intra-District Charges	21,996	26,260	-	-	-	0.0%
CAPITAL PROJECTS TOTAL	\$ 6,700,258	\$ 7,081,697	\$ 3,562,000	\$ 13,757,805	\$ 10,195,805	286.2%
TOTAL OUTLAYS	\$ 32,941,505	\$ 37,360,588	\$ 36,483,308	\$ 48,317,833	\$ 11,834,525	32.4%

(*) Interest income does not include GASB31 market value adjustment

(**) Operations Outlays do not include OPEB Expense-unfunded liability

(***) Currently Authorized Projects Reserve is unspent budget for authorized capital projects

Fund Summaries

Total Outlays - Information Technology Fund

Project #	Project Description	Budgetary Basis Actual 2023-24	Adopted Budget 2024-25	Adopted Budget 2025-26	Proposed Plan 2026-27	Project Managed By
Operations						
73061004	Salary Savings-Fund 73	–	(165,764)	(116,492)	(121,626)	Financial Planning & Mgmt Div
73271001	Telecommunications Sys Opr/M	2,203,373	2,101,310	2,166,220	2,228,065	Information Technology Division
73271002	Technical Infrastructure Servi	5,564,053	6,263,988	7,022,455	7,352,164	Information Technology Division
73271003	Network Administration	2,751,782	3,953,000	4,390,000	4,430,290	Information Technology Division
73271004	Information Security Admin	1,356,425	1,315,000	1,417,000	1,469,810	Information Technology Division
73271005	Office Cmptr Maint/Help Dsk Sup	530,233	689,000	689,000	864,170	Information Technology Division
73271006	Info Technology Div Admin	766,808	1,836,839	1,248,567	1,339,720	Information Technology Division
73271007	Emerging IT Technologies	13,895	104,000	104,000	107,120	Information Technology Division
73271008	Software Maint & License	4,753,383	4,196,950	4,465,500	4,686,150	Information Technology Division
73271009	Software Services	7,589,358	8,595,343	8,780,962	9,257,133	Information Technology Division
73271010	IT Projects & Bus Operations	711,936	1,389,225	2,104,869	2,235,040	Information Technology Division
73271011	Technology Innovation	–	–	649,227	711,992	Information Technology Division
Total Operations		26,241,247	30,278,891	32,921,308	34,560,028	
Capital						
73064004	Salary Savings-Fund 73	–	(680)	–	–	Financial Planning & Mgmt Div
73274004	Network Equipment	2,870,488	4,255,000	1,309,000	2,651,000	Information Technology Division
73274006	Office Computers Replace Equip	1,831,683	2,070,000	1,644,000	1,677,000	Information Technology Division
73274008	Software Upgrades & Enhancemen	1,436,715	642,454	608,546	686,805	Information Technology Division
73274009	Data Consolidation	501,071	34,000	–	–	Information Technology Division
73074036	Survey Mgmt & Tech Support	4,138	5,199	–	–	Office of Integrated Water Management
73074033	CIP Development & Admin	13,374	15,389	–	–	Office of Integrated Water Management
73074047	Computer-Aided Design for	8,854	17,929	–	–	Office of Integrated Water Management
73074041	Construction Contracts and Support	22,730	30,862	–	–	General Services Division
73074042	Capital Project Mgmt & Controls	11,205	11,744	–	–	Office of Integrated Water Management
73274013	ERP Replacement	–	–	–	8,743,000	Information Technology Division
Total Capital		6,700,258	7,081,896	3,561,546	13,757,805	
Total		32,941,505	37,360,787	36,482,854	48,317,833	