

AGENDA

REMOTE MEETING NOTICE

This meeting will be accessible by remote video conferencing. Please be advised that while the District will endeavor to ensure these remote participation methods are available, the District does not guarantee that they will be technically feasible or work all the time. Further, the District reserves the right to terminate these remote participation methods (Subject to Brown Act Restrictions) at any time and for whatever reason. The public may observe and participate in this meeting remotely via Zoom as set forth below.

INSTRUCTIONS FOR USING ZOOM

- Join the meeting using the link below.
- You must have audio and microphone capabilities on the device you are using to join the meeting.
- When you join the meeting make sure that you join the meeting with audio and follow the prompts to test your speaker & microphone prior to joining the meeting.

TO SPEAK DURING PUBLIC COMMENT USING ZOOM

- The Board President will announce when it is time for Public Comment.
- Click on the Raise Hand icon if you would like to speak during Public Comment.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- You will have three (3) minutes to speak. When your time is up, you will be muted.

TO SPEAK ON AN ITEM USING ZOOM

- The Board President will call the item and staff will begin the staff report.
- Click on the Raise Hand icon if you would like to speak on the item.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- You will have three (3) minutes to speak. When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

FOR OPEN SESSION PARTICIPATION

Join Meeting Electronically at:

Join Zoom Meeting

<https://us02web.zoom.us/j/86598049963?pwd=SlrHfXIBA17GPJzScUgoQ0f5vtLhYs.1>

Meeting ID: 865 9804 9963

Passcode: 105506

Please attend in Person or by submitting your comment via Email to:
RMangus@GoletaSanitary.Org

A G E N D A
REGULAR MEETING OF THE GOVERNING BOARD
OF THE GOLETA SANITARY DISTRICT
A PUBLIC AGENCY

One William Moffett Place
Goleta, California 93117

July 7, 2025

CALL TO ORDER: 6:30 p.m.

ROLL CALL OF MEMBERS

BOARD MEMBERS: Jerry D. Smith
 Steven T. Majoewsky
 Dean Nevins
 Jonathan Frye
 Edward Fuller

CONSIDERATION OF THE MINUTES OF THE BOARD MEETING

The Board will consider approval of the Minutes of the Regular Meeting of June 16, 2025.

PUBLIC COMMENTS - Members of the public may address the Board on items within the jurisdiction of the Board. Under provisions of the Brown Act, the Board is prohibited from taking action on items not listed on the agenda. Please limit your remarks to three (3) minutes and if you wish, state your name and address for the record.

POSTING OF AGENDA – The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's web site 72 hours in advance of the meeting.

BUSINESS:

1. CONSIDERATION OF AMENDED BUDGET FOR FISCAL YEAR 2025-26
 (Board may take action on this item.)
2. DISCUSSION AND ACTION ON ANNUAL AUDIT SERVICES CONTRACT
 (Board may take action on this item.)
3. CONSIDERATION OF AUTHORIZATION OF ADDITIONAL CHANGE ORDER
 AUTHORITY FOR THE BIOSOLIDS AND ENERGY PHASE 1 PROJECT
 CONSTRUCTION CONTRACT
 (Board may take action on this item.)
4. GENERAL MANAGER'S REPORT

5. LEGAL COUNSEL'S REPORT
6. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
7. PRESIDENT'S REPORT
8. ITEMS FOR FUTURE MEETINGS
9. CORRESPONDENCE
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
10. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT
(The Board will be asked to ratify claims.)

ADJOURNMENT

Persons with a disability who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the District's Finance Director at least 3 hours prior to the meeting by telephone at (805) 967-4519 or by email at info@goletasanitary.org.

Any public records which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at One William Moffett Place, Goleta, California 93117.

MINUTES

MINUTES

REGULAR MEETING OF THE GOVERNING BOARD
GOLETA SANITARY DISTRICT
A PUBLIC AGENCY
DISTRICT OFFICE CONFERENCE ROOM
ONE WILLIAM MOFFETT PLACE
GOLETA, CALIFORNIA 93117

June 16, 2025

CALL TO ORDER:

President Pro Tem Majoewsky called the meeting to order at 6:30 p.m.

BOARD MEMBERS PRESENT:

Steven T. Majoewsky, Dean Nevins, Jonathan Frye, Edward Fuller

BOARD MEMBERS ABSENT:

Jerry Smith

STAFF MEMBERS PRESENT:

Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance Director/Board Secretary and Reese Wilson, Senior Project Engineer, and Jeff Ferre, General Counsel (via Zoom)

OTHERS PRESENT:

David Linville, Director, Goleta Water District (via Zoom)
Tom Evans, Director, Goleta Water District (via Zoom)

APPROVAL OF MINUTES:

Director Nevins made a motion, seconded by Director Fuller, to approve the minutes of the Regular Board meeting of 06/02/2025. The motion carried by the following vote:

(25/06/2325)

AYES:	4	Majoewsky, Nevins, Frye, Fuller
NOES:		None
ABSENT:	1	Smith
ABSTAIN:		None

POSTING OF AGENDA:

The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 72 hours in advance of the meeting.

PUBLIC COMMENTS:

None

BUSINESS:

1. CONSIDERATION OF DISTRICT'S PROPOSED BUDGET FOR FISCAL YEAR 2025-26

Mr. Wagner and Mr. Mangus gave the staff report.

Director Nevins made a motion, seconded by Director Fuller to approve and adopt the Fiscal Year 2025-26 Budget as presented.

The motion carried by the following vote:

(25/06/2026)

AYES:	4	Majoewsky, Nevins, Frye, Fuller
NOES:		None
ABSENT:	1	Smith
ABSTAIN:		None

2. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 25-722 APPROVING REVISED EMPLOYEE PAY SCHEDULE AND ORGANIZATIONAL CHART

Mr. Wagner gave the staff report.

Director Frye made a motion, seconded by Director Nevins to approve and adopt Resolution No. 25-722 approving revised employee pay schedule, exhibit A and revised organizational chart, exhibit B.

The motion carried by the following vote:

(25/06/2027)

AYES:	4	Majoewsky, Nevins, Frye, Fuller
NOES:		None
ABSENT:	1	Smith
ABSTAIN:		None

3. CONSIDERATION AND APPROVAL OF RESOLUTION ELECTING TO HAVE SEWER SERVICE CHARGES COLLECTED ON THE TAX ROLL FOR FISCAL YEAR 2025-26, DIRECTING THE PREPARATION AND FILING OF THE REPORT, FIXING TIME AND PLACE FOR HEARING, AND PROVIDING FOR NOTICE THEREOF

Mr. Wagner and Mr. Wilson gave the staff report.

Director Nevins made a motion, seconded by Director Frye to approve and adopt Resolution No. 25-723 Electing to have sewer service charges collected on the Tax Roll for Fiscal Year 2025-26, and directing the preparation and filing of Report, Fixing Time and Place for Hearing, and providing notice thereof.

Regular Meeting Minutes
June 16, 2025
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The motion carried by the following vote:

(25/06/2028)

AYES:	4	Majoewsky, Nevins, Frye, Fuller
NOES:		None
ABSENT:	1	Smith
ABSTAIN:		None

4. CONSIDERATION OF VOTING TO ELECT A REPRESENTATIVE TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS FOR SEAT B COASTAL REGION

Mr. Wagner gave the staff report.

Director Fuller made a motion to direct the General Manager to cast the vote for the California Special Districts Association Board of Directors, Coastal Network seat B for J. Brett Marymee. The motion was not considered due to lack of a second.

Director Nevins made a motion, seconded by Director Frye to direct the General Manager to cast the vote for the California Special Districts Association Board of Directors, Coastal Network seat B for Scott Dunfield.

The motion carried by the following vote:

(25/06/2029)

AYES:	3	Majoewsky, Nevins, Frye
NOES:	1	Fuller
ABSENT:	1	Smith
ABSTAIN:		None

5. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

6. LEGAL COUNSEL'S REPORT

Mr. Ferre reported on SB 790 having to do with Public Records Act related to price and bid documents.

7. COMMITTEE/DIRECTORS' REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Fuller – No report

Director Frye – No report

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Director Nevins – Reported on the Goleta West Sanitary District Board meeting he attended.

Director Majoewsky – Reported on the Goleta Water District Board meeting he attended.

8. PRESIDENT'S REPORT

President Smith – No report

9. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

10. CORRESPONDENCE

The Board reviewed and discussed the list of correspondence to and from the District in the agenda.

11. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT

Director Nevins made a motion, seconded by Director Fuller, to ratify and approve the claims, for the period 06/03/2025 to 06/16/2025 as follows:

Running Expense Fund #4640	\$	391,138.10
Capital Reserve Fund #4650	\$	565,343.80

The motion carried by the following vote:

(25/06/2030)

AYES:	4	Majoewsky, Nevins, Frye, Fuller
NOES:		None
ABSENT:	1	Smith
ABSTAIN:		None

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:41 p.m.

ATTEST

Jerry D. Smith
Governing Board President

Robert O. Mangus, Jr.
Governing Board Secretary

AGENDA ITEM #1

AGENDA ITEM: 1**MEETING DATE: July 7, 2025****I. NATURE OF ITEM**

Consideration of Amended Budget for Fiscal Year 2025-26

II. BACKGROUND INFORMATION

On June 16, 2025, the Board approved the District's annual budget for Fiscal Year 2025-26 (FY26). At that time, the budget assumed that the deadline of June 23, 2025 to drawdown loan proceeds for the BESP Phase 1 project would result in no additional loan-related cash inflows in FY26. However, as discussed at that meeting, staff was in the process of requesting approval to extend the loan drawdown deadline to December 31, 2025, to allow for the payment of all remaining loan proceeds in the amount of approximately \$1.9M. This request has been granted. Staff will continue to submit reimbursement requests until the remaining loan proceeds are depleted. Based on the current project schedule, staff plans to drawdown the remaining loan proceeds by the end of October 2025.

The drawdown of these additional loan proceeds over the next six months will result in a positive variance in the cash inflows and fund balance assumptions that were used in the approved FY26 budget. As such, an amended FY26 budget has been prepared and is presented for Board consideration and action.

III. COMMENTS AND RECOMMENDATIONS

The changes to the adopted budget as a result of the additional loan proceeds relate to cash inflows and fund balance only. No changes to the estimated FY26 expenditures are proposed. A high-level summary of the changes incorporated into the proposed FY26 amended budget is shown in the follow table:

	Approved Budget	Amended Budget	Diff.
Estimated Expenditures w/o depreciation:	\$ 27,127,308	\$ 27,127,308	\$ -
Total Anticipated Inflows:	\$ 22,819,229	\$ 24,723,662	\$ 1,904,433
Total change in Fund cash balance:	(\$4,308,079)	(\$2,403,646)	\$ 1,904,433
Total Anticipated Inflows:	Without Loan Draws	With Loan Draws	

Since these changes impact the estimated cash inflows and fund balances in several locations of the approved budget, staff has updated the front section of the approved budget (first 37 pages) to create the proposed FY26 amended budget that is attached to this report.

Staff recommends the Board adopt the attached FY26 amended budget that incorporates the updated cash inflows and fund balances resulting from the additional \$1.9M in loan proceeds for the BESP Phase 1 project.

IV. REFERENCE MATERIAL

Amended FY26 Budget



GOLETA SANITARY
Water Resource Recovery District

BUDGET
FISCAL YEAR 2025-26

Governing Board of Directors
Meeting of June 16, 2025

GOLETA SANITARY DISTRICT BUDGET FISCAL YEAR 2025-26

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GOLETA SANITARY DISTRICT

Budget for Fiscal Year 2025-26

INTRODUCTION

The Goleta Sanitary District (GSD) was formed in 1942 under the 1923 Sanitary District Act by petition of local residents to provide wastewater management services to the small community of Goleta in Santa Barbara County.

Throughout the past years, the District's boundaries have expanded by individual annexations of parcels to its original service area. At present, the District owns and operates approximately 132 miles of sewers that collect wastewater from its service area, which extends from the westerly boundary of the City of Santa Barbara to the City's Municipal Airport. In addition to its collection system, the District owns and operates a regional water resource recovery facility that serves approximately 80,000 residents in the Goleta Valley. Approximately half of this population is served under separate contractual agreements with four public agencies.

These contractual users' share the costs associated with the regional treatment and disposal of wastewater. The Operations and Maintenance (O&M) costs are shared based upon flow and billed on a monthly basis. In addition, the contractual users' share the costs associated with Capital Projects and those costs are shared based upon regional plant capacity rights as noted in the table below:

AGENCY	PLANT CAPACITY RIGHTS	OUTFALL CAPACITY RIGHTS
Goleta Sanitary District	47.87%	55.81%
Goleta West Sanitary District	40.78%	35.00%
University of California Santa Barbara	7.09%	4.70%
City of Santa Barbara (Airport)	2.84%	2.60%
County of Santa Barbara	1.42%	1.89%
Total:	100.00%	100.00%

Not all the contractual users utilize the District's Main Lift Station or the Firestone Lift Station and therefore do not share O&M or Capital costs associated with those facilities.

The District also owns and operates a water reclamation facility that produces recycled water for distribution in the Goleta Valley. Under an agreement with the Goleta Water District, the Goleta Sanitary District can produce up to 3 million gallons of recycled water per day for distribution by the Water District for landscape irrigation of the campus of the University of California at Santa Barbara (UCSB), as well as other parks and golf courses in western Goleta.

Treated wastewater not used for irrigation is discharged in the Pacific Ocean through a pipeline (outfall) that extends over one mile offshore to a depth of approximately 93 feet below the ocean surface.

DISTRICT GOVERNANCE

A five-member Governing Board of Directors elected from 5 separate voting precincts within the District's service area for a term of four years is commissioned to establish service policies. The Governing Board holds two regular monthly meetings to attend to the District's business. These meetings are held on the first and third Monday of every month at the District's Administration Building located at One William Moffett Place in Goleta.

DISTRICT STAFF AND OPERATING DEPARTMENTS

The District employs approximately 39 regular employees that work in four interrelated Departments. These departments are 1) Administration; 2) Collection System; 3) Operations and 4) Laboratory. Each department is managed by a manager who is responsible for the day-to-day operations of, and all employees associated with, the respective department. The 4 Department Managers report to the General Manager, who is responsible for the District's overall implementation of the service policies adopted by the Governing Board.

DISTRICT CAPITAL IMPROVEMENTS AND OPERATIONS BUDGET

The District's fiscal year (FY) is defined as a 12-month period starting on the first day of July and ending on the last day in June of the following calendar year. The District's budget is a financial planning document which defines the District's estimated expenditures and the estimated required revenues for the corresponding fiscal year. The District prepares an annual budget for consideration and adoption by the Board in June of the same year. The budget is prepared by the Finance Manager in conjunction with the General Manager. The draft budget is reviewed by the District's Finance Committee before its consideration and final adoption by the Governing Board.

The District's budget consists of three major sections for the fiscal year under consideration.

- 1. Existing District Designated Funds Activities and Balances**
- 2. Anticipated District Revenues**
- 3. Estimated District Expenditures**

Designated funds are pools of funds that the District has established for its operational needs. These funds are designated by formal Board resolutions for specific purposes, some of which are mandated by State and Federal statutes. These designated funds permit the District to mitigate extreme fluctuations in charges to its customers.

The revenue section of the District's budget contains estimated revenues that the District anticipates receiving in the upcoming fiscal year. Included in the revenues are the estimated funds to be received from user fees based on the existing fee structure of the District.

The expenditure section includes estimated expenditures for operations and maintenance of the District's facilities in the upcoming fiscal year. Additionally, the District includes in its budget expenditure section its planned capital improvement projects, as recommended by District staff for the upcoming fiscal year.

Following the determination of the estimated expenditures and revenues for the upcoming fiscal year, the District evaluates the need to revise its user fee structure, in conjunction with supplementing the budget with resources from designated capital improvement fund.

The District anticipates the following total expenditures and revenues in FY25-26. Withdrawals from the District's designated funds for capital improvement projects are shown separately.

Estimated Expenditures without depreciation:	\$ 27,127,308
Total Anticipated Inflows (Revenue & Loan Draws):	\$ 24,723,662
Total change in Fund cash balance:	-\$ 2,403,646

***Unfunded Actuarial Pension Liabilities**

As is the case for most government entities that participate in a CalPERS retirement pension program, an actuarial study prepared by CalPERS has projected an unfunded accrued liability (UAL) within our pension program. Although not mandated, the District's Board of Directors decided to pay off the estimated UAL balance of \$3,090,000 in April, 2023, FY2022-23, through an interfund loan. This decision shortens the amortization schedule for payment of UAL from 23 years to 10 years and results in significant long-term savings for our rate payers and Plant Partners. Payment on the interfund loan shows as cash in-flow in the Replacement Reserve fund.

***DISTRICT OPERATING
AND DESIGNATED FUNDS***

DISTRICT FUNDS

The District established several funds in which revenues are deposited, and are sources for District expenditures including capital improvement projects. The established funds have been designated by the Governing Board through separate resolutions that specifically address the need and purpose of each fund. The main objective behind establishing these different funds is to address the District's service needs in a very responsible fiscal manner. A brief description of each of the current District funds follows.

Running Expense Fund - 4640

This fund was established to maintain a balance that would support eight months of operational expenses without receiving any revenue. Six of those eight months are in the new fiscal year, and the other two months fall in the preceding fiscal year. As such, the Running Expense Fund at the beginning of the fiscal year should have a balance sufficient for six months of operations and maintenance activities. This fund is very important to the operations since the District does not invoice for its services monthly, and therefore does not receive monthly revenues. Under the current method of sewer service charge collection, the District contracts with Santa Barbara County to collect its sewer service fees with property taxes. The District receives a majority of the sewer service fees from the County in two lump sum payments: one in April, and the other in December of each year. The payments are forwarded to the District soon after property tax collection deadlines. Therefore, it is essential to maintain an operating fund that would account for about six months of operating expenses to cover expenses between payment cycles.

As noted in the fund balance summary sheet, the Running Expense fund balance is anticipated to be \$11,313,496 as of June 30, 2025 and \$8,801,818 as of June 30, 2026. The District will periodically review the balance of this fund to ensure the balance is adequate to cover the period between July 2025 and December 2025.

Plant Reserve Fund - 4645

The District established a plant emergency reserve fund through a contractual agreement with other plant users. This fund is for addressing plant emergencies. The contracts among plant users specify that this fund is target balance is \$25,000. The balance of this fund as of June 30, 2025 is estimated to be \$41,081 which includes accrued interest for the past several years. The anticipated value by June 30, 2026 is \$42,725 (with interest) as noted in the designated fund balance summary sheet. Periodically, the amount over \$25,000 is used in conjunction with capital improvements of the treatment facilities.

Capital Reserve Fund - 4650

This fund was established to hold revenues from capacity and annexation fees. This reserve fund is mandated by legislation to account for capacity related improvement projects. The anticipated balance of this fund at the end of June 2026 is \$6,799,241 as noted in the fund balance summary sheet.

Replacement Reserve Fund - 4655

This fund is mandated by the State Water Resources Control Board (SWRCB) in its guidelines for development of Facilities Financial Plan and Revenue Program (FPRP). This mandate requires annual funding of the facilities' depreciation. The current budget funds the depreciation at nearly 100% of the District's share of its annual depreciation.

The fund is designated for the basic replacement of components of the existing facilities. The fund helps ensure that facilities are replaced and/or rehabilitated when needed to maximize their

useful life and minimize lifecycle costs. The anticipated balance of this fund at the end of June 2026 is \$26,397,795 as noted in the fund balance summary sheet.

Retiree Health Insurance Sinking Fund – 4660

The District provides medical insurance coverage for District employees upon retirement depending on the length of their service through the California Public Employees Retirement System (CalPERS) health program. In FY25-26 the annual contribution to this fund is approximately \$333,000, plus earned interest. The District periodically reviews this annual funding level to make sure that such fund balance is sufficient to meet its future obligation.

In 2009 and to comply with the Governmental Accounting Standard Board (GASB) Statement 45 requiring a separate trust fund for retiree benefits, the District joined the California Employees Retirement Benefit Trust (CERBT) fund administered by CalPERS to manage its retiree fund investments and to pay for the retiree's health insurance premium. The District annually transfers cash from its own Retiree Health Insurance Sinking fund to the CERBT fund that will subsequently be used for retiree insurance premium funding.

Outfall Re-ballasting Fund – 4666

This fund was originally set up to finance the Outfall Re-Ballasting Project. The loan balance was paid off in FY 2014-15 leaving the District essentially debt free since then.

District Emergency Fund – 4675

On May 7, 2007, the District's Governing Board established a separate fund designated as the "Emergency Fund" for the purpose of paying costs associated with emergency projects. Funding was provided by a transfer from the Replacement Reserve Fund in the amount of \$500,000. The anticipated balance of this fund at the end of June, 2026 is \$711,692 as noted in the fund balance summary sheet.

Summary

Enclosed in this budget are a summary table and associated pie and bar charts that show fund balances and distributions at the beginning and end of FY25-26. The total value of the District's funds cash balances are expected to decrease by \$2,403,646 by the end of FY25-26.

DESIGNATED FUND BALANCE SUMMARY

Fund No. and Name	Estimated Cash Balance		Percent Change
	6/30/2025	6/30/2026	
4640 Running Expense	\$ 11,313,496	\$ 8,801,818	-22.2% ^a
4645 Plant Reserve	\$ 41,081	\$ 42,725	4.0% ^b
4650 Capital Reserve	\$ 10,802,206	\$ 8,705,158	-19.4% ^c
4655 Replacement Reserve	\$ 24,221,731	\$ 26,397,796	9.0% ^d
4660 Retiree Health Insurance Fund	\$ (0)	\$ (0)	0.0% ^e
4675 District Emergency Fund	\$ 684,319	\$ 711,692	4.0% ^f
TOTALS	\$ 47,062,833	\$ 44,659,188	-5.1%

NOTES:

^b Designated to meet the dry period for operations and maintenance costs for FY 2025-25,

the period between end of year and first Sewer Service Charge installment from the County.

^b Designated for emergency repairs.

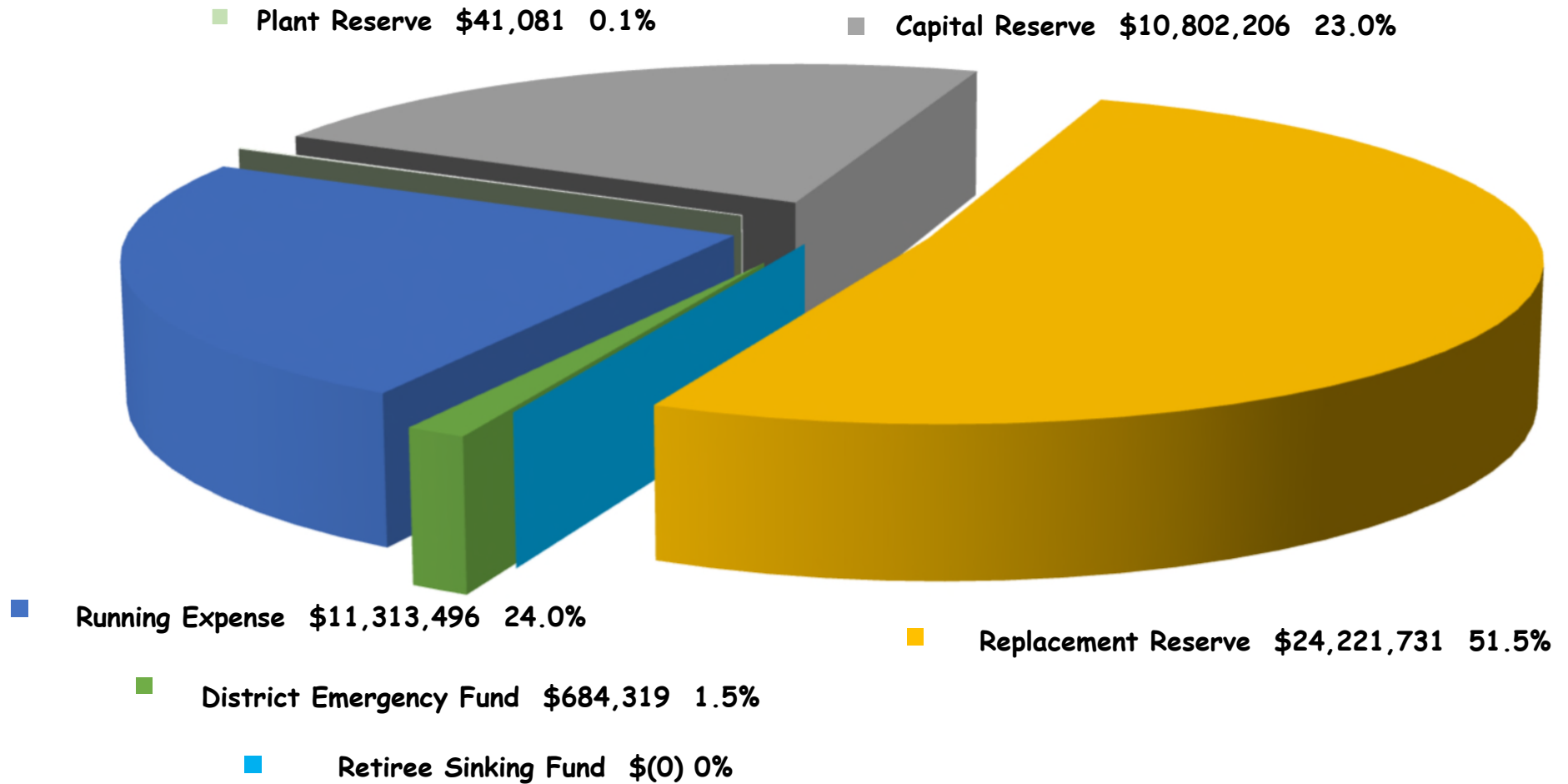
^c Designated for facilities capacity expansion.

^d Designated for facilities replacement projects.

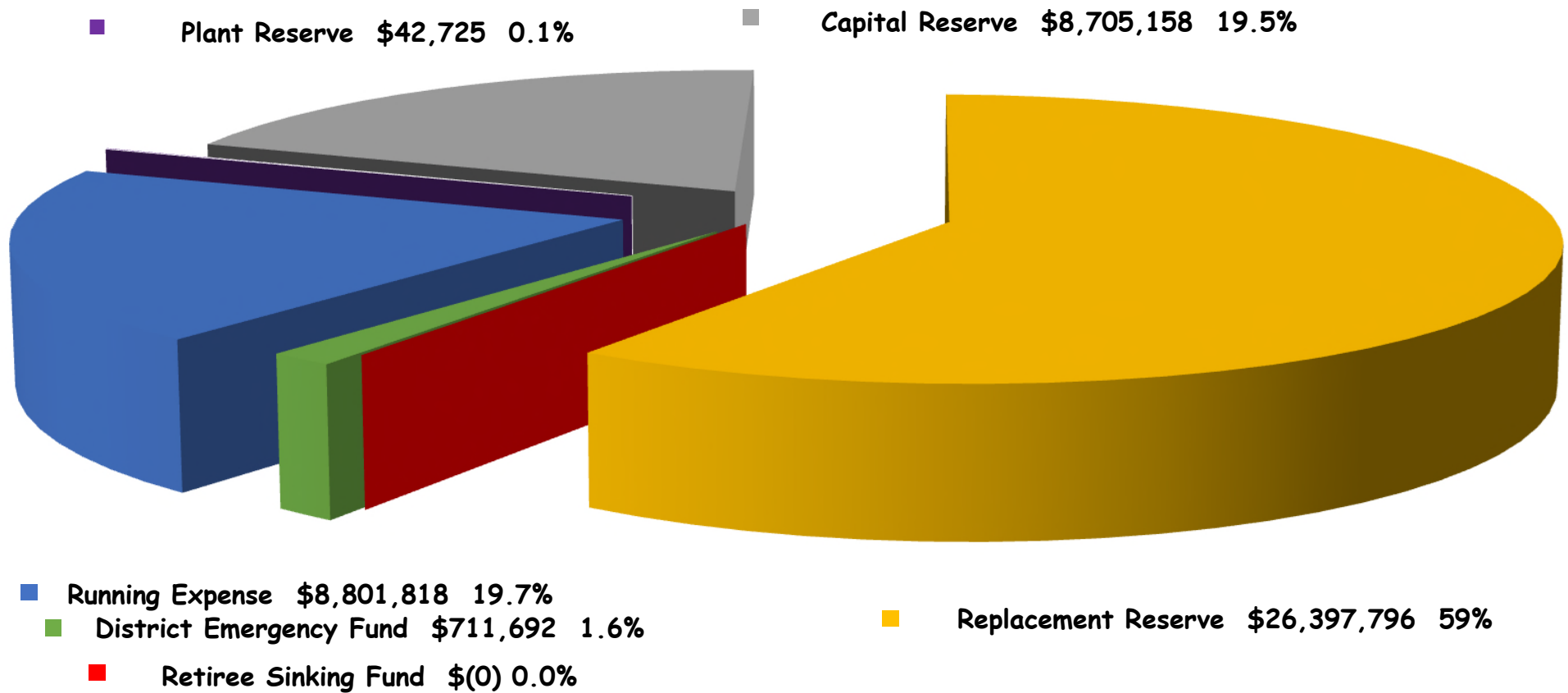
^e Designated for retiree medical insurance, reimbursing retirees and contributions to CERBT, OPEB

^f Designated for costs associated with emergency projects.

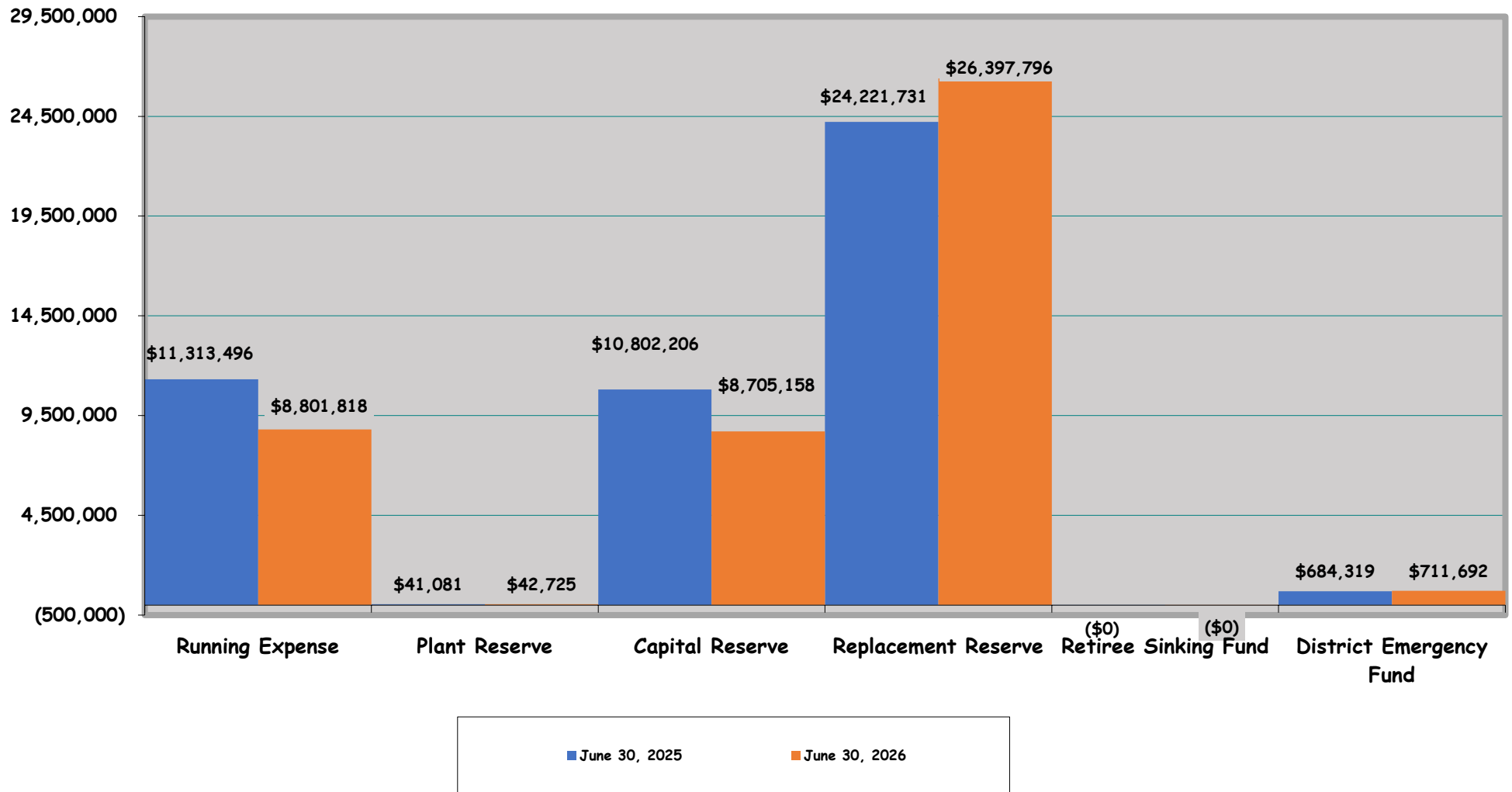
Fund Balance June 30, 2025



Fund Balance June 30, 2026



Fund Balance June 30, 2025 and June 30, 2026



ACTIVITIES OF DISTRICT FUNDS

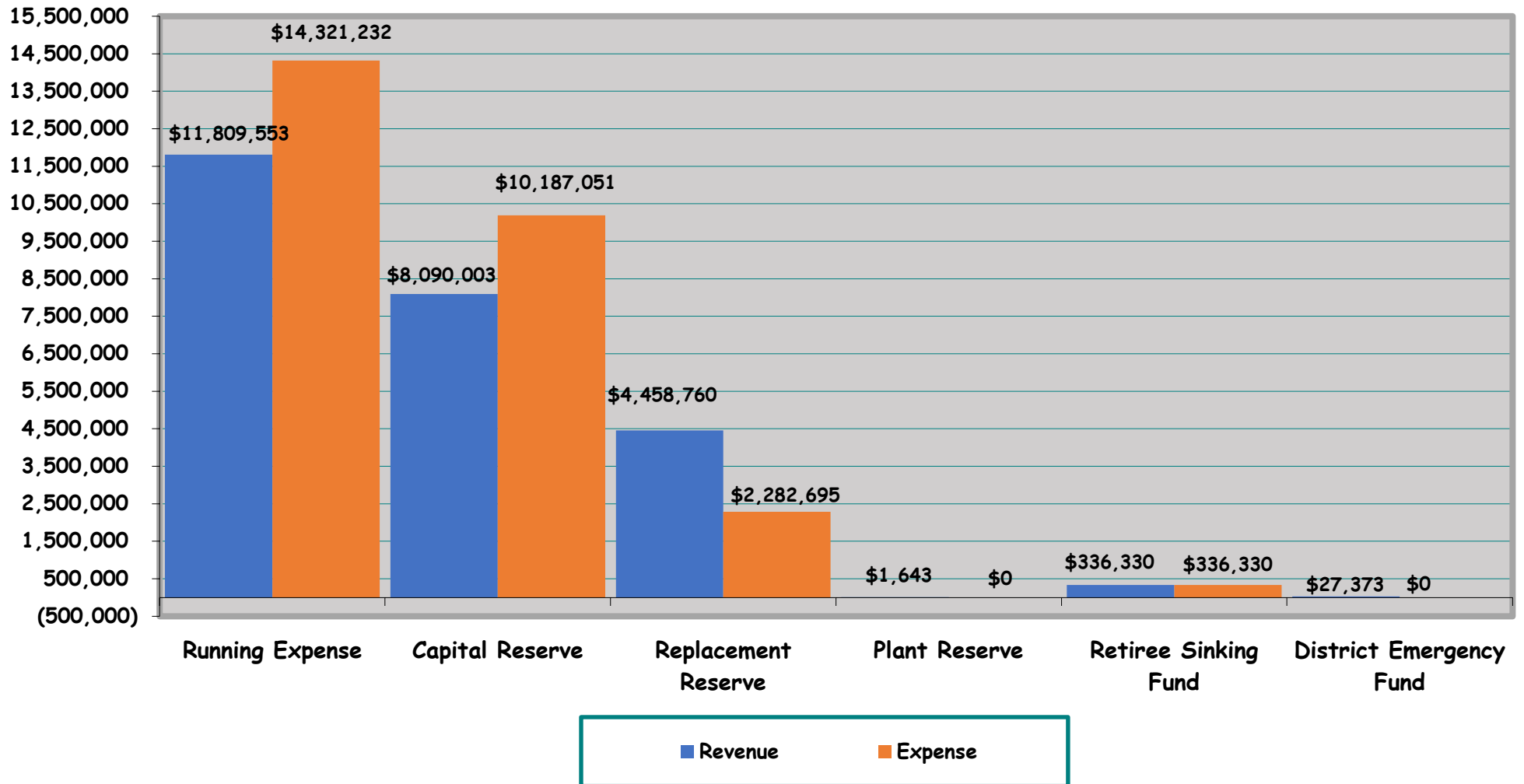
The enclosed fund activity sheet shows the District's fund balances at the beginning and end of the fiscal year, as well as the activity of each fund during the year. Each fund's name and number are shown in the extreme two left columns, followed by the cash balance of the fund at the beginning of the year in the third column. The fourth and fifth columns designate the activity in terms of revenues and expenditures for each fund as demanded by the District's budget. The last column to the right of the sheet shows the anticipated ending balance of each fund at the end of the fiscal year. The main objective of the enclosed fund activity sheet is to provide a record of allocating revenues and expenditures to meet the District's operating objectives.

For FY25-26, the District anticipates a decrease from \$47,062,833 at the beginning of the year to \$44,659,188 at the end of the year based on the projected revenues and planned expenditures and the balance of the BESP loan escrow. Enclosed in this budget is a fund activity tabulation and associated bar chart illustrating the activities of each of the District's designated funds in FY25-26.

FUND CASH ACTIVITY

Fund No. and Name		Estimated Cash Balance 6/30/2025	Estimated Cash In-flow 2025-2026		Estimated Cash Out-flow 2025-2026		Estimated Cash Balance 6/30/2026
640	Running Expense	\$11,313,496	Interest	\$326,346	O & M Expense	\$13,335,038	\$8,801,818
			SSC Revenue	\$6,222,506	WWRec O & M Expense	\$586,194	
	Adjusted 06/30/25 Estimate	\$11,313,496	RFOGA	\$4,630,526	Inter-Fund Loan P&I	\$400,000	
			GWD WWRec O&M	\$572,887			
			Admin Chg: WWRec	\$57,289			
	Subtotal			\$11,809,553		\$14,321,232	
645	Plant Reserve	\$41,081	Interest	\$1,643		\$0	\$42,725
	Subtotal			\$1,643		\$0	
650	Capital Reserve	\$10,802,206	Interest	\$265,883	Plant Projects (non-BESP)	\$625,000	\$8,705,158
			SSC Connection/Annex/RFOGA	\$5,918,203	Loan P&I installment	\$944,048	
			BESP Loan Proceeds:	\$1,905,917	BESP Project	\$8,618,003	
	Subtotal			\$8,090,003		\$10,187,051	
655	Replacement Reserve	\$24,221,731	Interest	\$977,335	Collection System Replacements	\$1,011,624	\$26,397,796
			SSC/Prop. Tax/RFOGA	\$3,081,425	Administration, Outfall, WWRec	\$434,487	
		\$24,221,731	Inter-Fund Loan P&I	\$400,000	Plant, Lab, IWC Projects	\$836,584	
					Main Pump Station Project	\$0	
	Subtotal			\$4,458,760		\$2,282,695	
660	Retiree Health Insurance	\$0	Interest	\$3,330			\$0
			Revenue	\$333,000		\$336,330	
	Subtotal			\$336,330		\$336,330	
675	District Emergency Fund	\$684,319	Interest	\$27,373		\$0	\$711,692
	Subtotal			\$27,373		\$0	
	TOTALS	\$47,062,833		\$24,723,662		\$27,127,308	\$44,659,188

Fund Activity June 2025-June 2026



REVENUES
FISCAL YEAR 2025-26

DISTRICT REVENUES FOR FISCAL YEAR 2025-26

The District estimates FY 2025-26 revenues from several sources as outlined in the following table:

REVENUE SOURCES

Sewer Service Charges	\$ 9,541,896	41.82%
From Other Government Agencies	10,868,174	47.63%
Permit, Inspections and Fees	28,900	0.13%
Annexation and Capacity Fees	128,366	0.56%
Property Taxes and related	213,500	0.94%
Interfund Loan Proceeds	400,000	1.75%
Interest and Other Income	1,636,910	7.17%
	<u>\$ 22,817,745</u>	<u>100.00%</u>

The District has grouped its revenues under the various funds utilized for the District's operations as discussed earlier in previous sections of this budget. These funds may change over time depending on the specific purpose of establishing the fund. Currently the District has allocated its various revenues to the following six funds.

1. **Running Expense Fund**
2. **Plant Reserve Fund**
3. **Capital Reserve Fund**
4. **Replacement Reserve Fund**
5. **Retiree Health Insurance Fund**
6. **District Emergency Fund**

Running Expense Fund - 4640

The running expense fund is where most of the operating revenues of the District are deposited when received. This fund has several accounts that hold the revenues from a variety of sources. The most significant revenues are the user fees or charges, as noted in this budget. Revenues from the various sources are accounted for under separate District internal accounts carrying different account numbers in order to track these revenues by their respective sources and allocate or designate them for their required and/or intended purposes. District revenues shown in the budget are estimates based on revenues from previous years, in addition to information associated with specific developments in the community. The running expense fund is used to fund the operations and maintenance activities of the District.

Sewer Service Charges – Account 3100

Sewer service charges (SSCs) may be described as the utility charge paid by the District's users for the services rendered by the District. These charges are very similar to telephone, gas, or electric charges invoiced monthly by the utilities to their customers. The District collects its sewer service charges, also known as users' fees, through the property tax collection process of the County. The District's annual SSCs are placed on the tax roll, and are separately shown on property tax statements mailed by the County to the District's users. The County forwards a majority of the SSC fees to the District twice annually, immediately following tax collection in December and April of each year.

The SSCs are based on a mathematical model, which calculates rates using various parameters associated with flows and types of wastewater. The SSC model is based on

guidelines established by the Federal and State governments in accordance with the Clean Water Act, which applies to agencies like the District, that received Federal and State grants for construction of wastewater treatment and disposal facilities. The District has classified its users into 28 categories used in calculating the user fees.

The District reviews its Sewer Service Charge (SSC) rate on an annual basis to ensure adequate revenues are being collected to cover the following costs:

1. **Operations and Maintenance (O&M):** Costs associated with providing for the collection, treatment, and disposal of wastewater for the District's customers and contract entities.
2. **Depreciation:** Costs associated with the replacement and/or repair of the District's existing assets.
3. **Capital Improvement Program:** Costs associated with planned improvements to the District collection and treatment facilities required to maintain the community's investment in the District's infrastructure.

The above cost components are listed in order of their importance. The most important and critical costs that the SSC revenue must cover is the ongoing Operations and Maintenance (O&M) costs. This component of the SSC revenue funds the District's Running Expense Fund #4640. If there isn't enough revenue collected through the District's adopted SSC rates to cover the ongoing O&M needs, the District will eventually not be able to provide sewer services to the community.

A review of the District's SSC rate has shown that the current rate is adequate to meet the District's current financial needs. As such, no change to the District's SSC rates proposed for FY25-26. This is the sixth year that no change has been made to the SSC rate. The District's long term average annual increase in the O&M costs have been around 5% per year. However, current inflationary pressures may require a rate increase for FY26-27.

The District has been participating in a State-wide wastewater flow and loadings study that will provide updated information related to the generation of waste water from the various user categories. The information from this study will be used as the basis for a new sewer service rate study currently underway. The flow and loadings study had been delayed due COVID-19 and has now restarted and is expected to be released very soon.

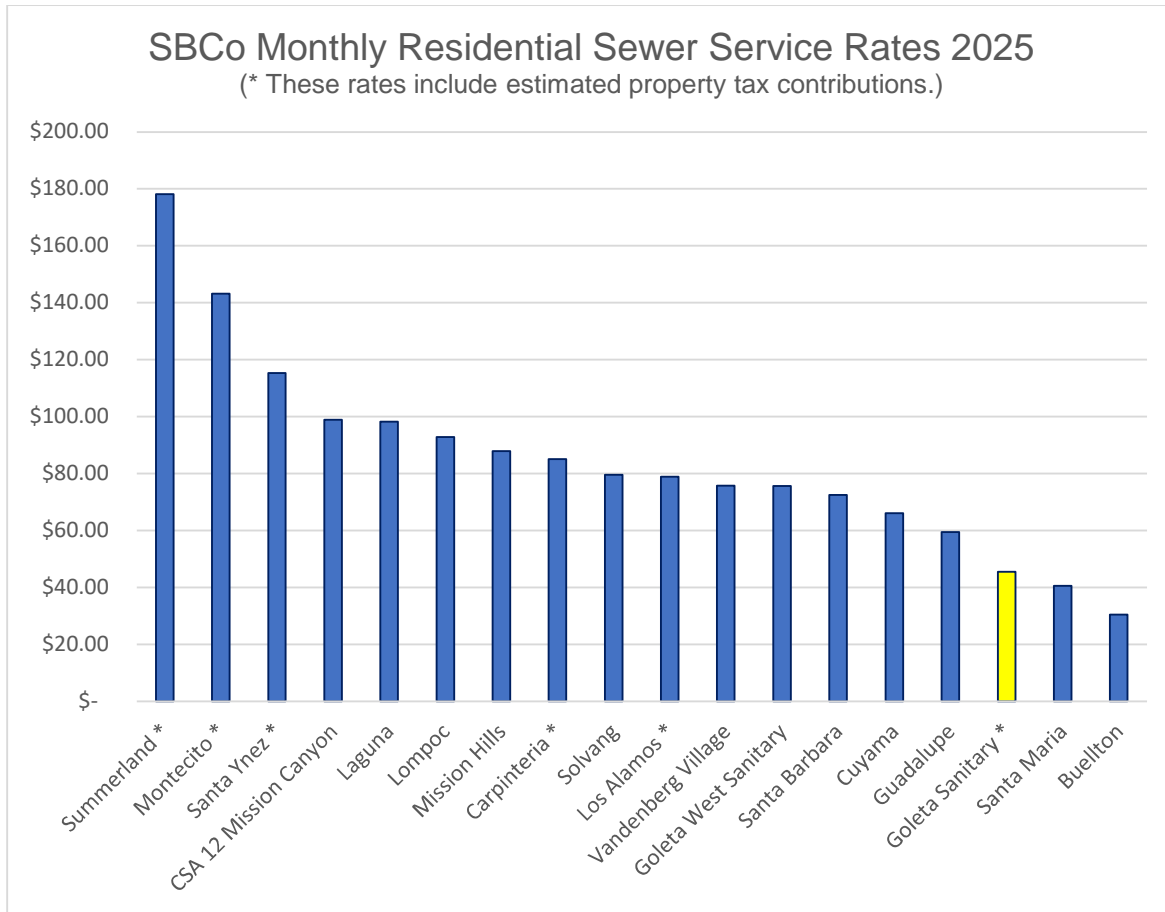
A summary of the District's SSC rate allocation over the last few years is show in the following table.

SSC Rate Component Allocation	FY21-22 (\$/Mo/ERU)	FY22-23 (\$/Mo/ERU)	FY23-24 (\$/Mo/ERU)	FY24-25 (\$/Mo/ERU)	FY25-26 (\$/Mo/ERU)
Capital Reserve Fund	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 4.50
Replacement Reserve Fund	\$ 9.24	\$ 9.11	\$ 9.04	\$ 9.55	\$ 9.66
Operations & Maintenance Cost	\$ 29.96	\$ 30.09	\$ 30.16	\$ 29.65	\$ 30.04
Total SSC Rate	\$ 44.20	\$ 44.20	\$ 44.20	\$ 44.20	\$ 44.20

This year a reallocation in the rate structure is proposed to cover the District's full share of Depreciation and increased O&M costs.

A comparison of the District's current monthly SSC rate with monthly SSC rates of other local agencies Santa Barbara County shows that the District's total service rate (including direct

property tax payments) of **\$45.50/month** remains significantly less (46%) than the average of all other local agencies total sewer service rate of **\$84.64** per month as shown in the following table:



Permit and Inspection Fees – Account 3120

Permit, Inspection, and Plan check fees are collected for issuing permits to connect to District facilities. Inspection fees are charges for the District's inspection of the construction of new developments connecting to the District's facilities. This estimated revenue is projected based on past history and knowledge of proposed developments in the upcoming year.

Administration Charges – Accounts 3140 and 3145

These revenues are charges levied on the District's contractual users for administrative costs associated with treatment, disposal, and reclamation of wastewater. These charges are fixed percentages of the operating costs as defined in separate agreements with these users.

Treatment and Disposal Revenue – Account 3150

This revenue is the monthly expense charged to the District's contractual users in accordance with an agreement with the District for treatment and disposal of their respective wastewaters. The charge to each user is based on each user's percentage of the monthly-

metered flow into the plant applied to the total monthly expense of the treatment plant only. Fixed assets charged to the treatment plant are expensed to the contractual users based on their respective fixed capacity percentage allocations of the total treatment plant and outfall capacities as defined in the agreements between the District and its users.

Goleta Water District Reclamation O&M Cost Reimbursement – Account 3155

This revenue is the total estimated annual expense invoiced to the Goleta Water District for production of reclaimed water. Fixed assets purchased for the reclamation facility are included in this estimated revenue. This revenue was estimated based on the projected demand of reclaimed water as defined by the Goleta Water District.

Industrial Waste Control (IWC) Analysis Reimbursement – Account 3160

This revenue source is projected based on historical data, and accounts for reimbursements to the District by industries for costs of re-sampling their respective discharges to the District following violations of their respective permit limits.

Homeowners Exemption – Account 3170

Homeowners' exemption revenues are the District's share of the annual revenue received by the County from the State for tax exemptions offered to homeowners. This amount is usually estimated by Santa Barbara County, and does not vary greatly from year to year.

Annexation Processing – Account 3205

This estimated revenue is the administration fee charged for processing applications for annexations submitted to the District each year. The projected amount is based on an application fee of \$200 per application, and is estimated based on past history and knowledge of any known future annexations.

Revenue from Other Government Agencies (RFOGA) – Running Expense – Account 3240

This revenue is received from the Santa Barbara Municipal Airport and Santa Barbara County for their shares of the operations and maintenance of the Main Pump Station. The Airport is charged based upon flow. This revenue value also includes the direct cost charged to the Contract users' for their annual flow meter calibration.

Other Revenue-Running Expense – Account 3260

Other revenues account for all undesignated sources. Examples of these revenues would be reimbursements for travel from agencies on which members of Governing Board serve (CSDA and CSRMA), miscellaneous invoices to other agencies, and reimbursements for miscellaneous expenses. Projections of this revenue are based on historical data and are usually conservative.

Total FY25-26 Estimated Running Expense Fund Revenue with interest is \$11,809,553.

Capital Reserve Fund – 4650

The Capital Reserve fund is the depository of funds allocated for expansion of the District's facilities to accommodate the community's growth. Funds collected from capacity and annexation fees are directed to this fund for capacity-related capital improvements.

Capacity Fees – Account 3130

Capacity Fees are generally understood to be the costs of buying a unit of capacity in the District's facilities. The simplest form of measuring capacity for the purpose of determining Capacity Fees is by equivalency to the capacity normally utilized by a normal single-family residence. A capacity unit is expressed as one equivalent residential unit (ERU). Therefore, the Capacity Fee is the cost of buying capacity units expressed in ERUs. The value of the Capacity Fee is normally the price of one ERU.

Since Capacity Fees are associated with capacity of service, they should be used for expansion of the existing facilities where capacity for serving additional growth in the community is required. In this respect, Capacity Fees are mandated by law to be kept in a separate fund designated by the District as the Capacity Reserve Fund.

Capacity Fee revenue estimates are based on historical data and estimates of growth and development anticipated in the fiscal year. The District Capacity Fee is \$2,583 per ERU for FY25-26.

Annexation Charges – Account 3200

Annexation to the District is the process of entering a land parcel into the service area of the District. The District's annexation fees were developed based on equity in maintenance of the District's facilities over a period of several years. The underlying assumption is that a new customer, when annexed to the District, would have to pay certain annexation charges to catch up with the operations and maintenance costs paid by existing customers for a certain defined period of time. These fees are clearly separate from Capacity Fees in that there is no overlap of both fee structures.

Currently the annexation charge revenue is based on a fee of \$2,546 per acre to be annexed. The District's annual projection of this revenue is based on historical data of the anticipated number of parcels to be annexed.

Loan Drawdowns

It is expected that the full Loan balance will be drawn down before the expiration of the draw extension recently executed. That balance is estimated to be \$1,905,917, that will be used to offset expenditures associated with the Biosolids and Energy Strategic Plan improvements.

Total FY25-26 Estimated Revenue in the Capital Reserve Fund with interest is \$6,184,086.

Replacement Reserve Fund – 4655

The replacement reserve fund is designated to hold and disburse funds for the District's capital improvement projects that are needed to maintain the District's facilities. This fund does not hold nor disburse funds for major projects where capacity increases are required.

The District annually deposits funds from sewer service charges into this fund to account for its facilities depreciation.

Sewer Service Charges – Account 3100

Of the monthly \$44.20 anticipated SSC revenue per single-family dwelling for FY25-26, \$9.66, which amounts to \$2,085,401 in total revenue, will be deposited into the Replacement Reserve Fund 4655, the District's portion of the annual depreciation value estimated to be \$2,085,401 in FY25-26.

Property Tax – Account 3220

This revenue is the District's share of the property taxes collected by the County based on the District's percentage of property tax revenues to the County. The District's percentage is defined based on separate property tax negotiations during the process of property annexations to the District. Current annual property tax revenues to the District are predominantly based on the District's percentage in effect prior to Proposition 13. Property tax revenue is based on data submitted by Santa Barbara County. Because the District's budget is approved before the actual amount of property taxes is calculated, the amount shown is an estimate based on the previous year. The amount of property tax revenue received by the District does not vary considerably from year to year and is estimated to be \$213,000 in FY25-26.

RFOGA – Capital Projects – Account 3260

This revenue is received from the District's contractual users' for their share of the plant capital project expenditures. Each entity pays according to its capacity percentage entitlement as defined in the agreement between the District and these users. The total RFOGA revenue to the Replacement Reserve Fund for FY25-26 is \$782,692.

Total FY25-26 Estimated Revenue in the Replacement Reserve Fund with interest and interfund loan payment is \$4,458,760.

Retiree Health Insurance Fund – 4660

The Retiree Health Insurance fund was established by the District in 2004. The District contributes annually into this fund for to cover the future medical insurance premiums for eligible District retirees. The District annually transfers cash from this fund to the CERBT fund as part of the required annual contribution required by GASB 45.

FY24-25 Total deposit into the Retiree Health Insurance Fund with interest is \$336,330.

Interest Earnings Account - 3230

Each of the District funds has an Interest Earning account and interest is accrued per fund based upon balances in the interest-bearing account. The interest calculation for each fund for this year is calculated based on an annual percentage of 4.00%.

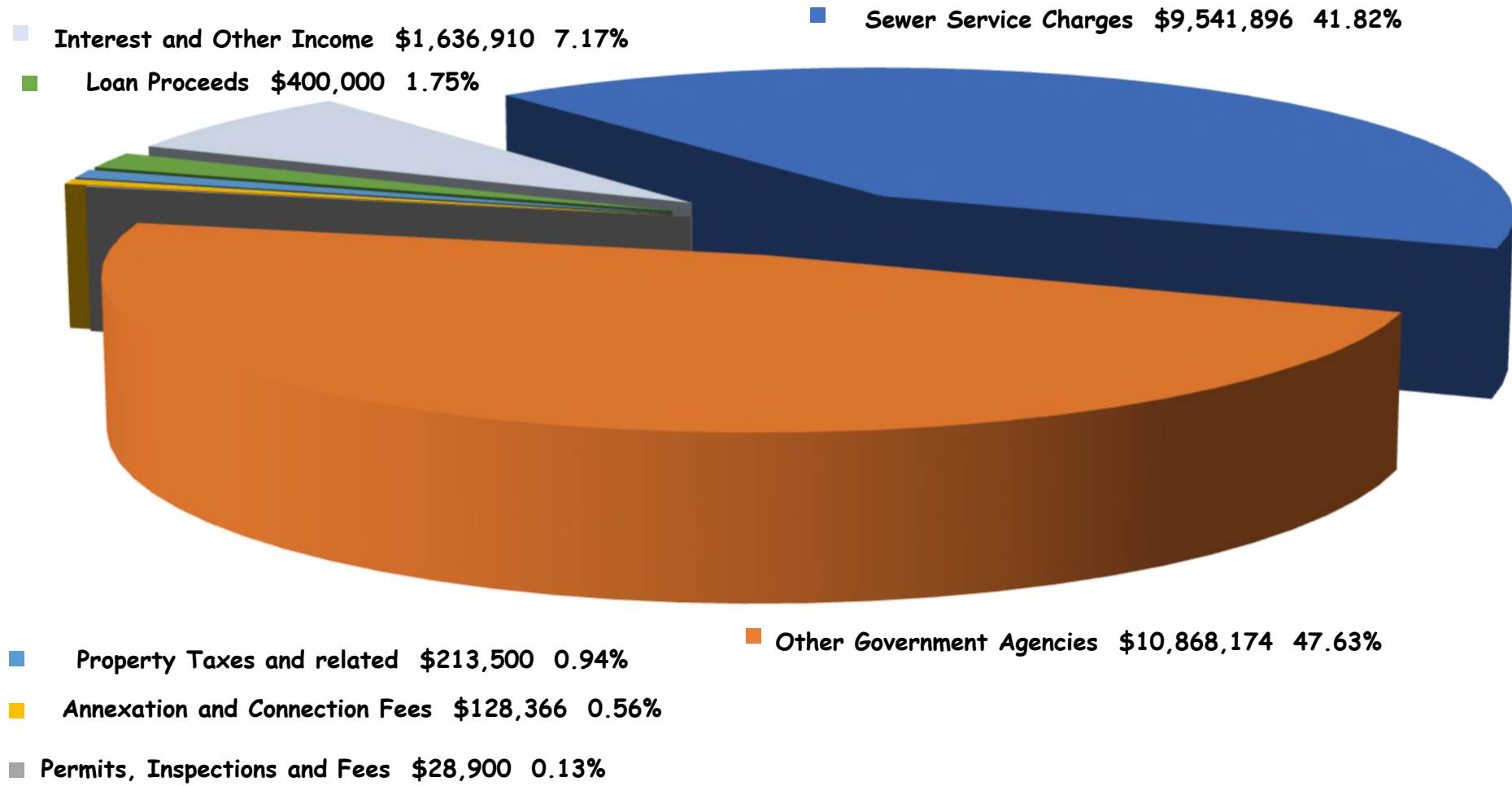
Total FY24-25 Estimated Interest Revenue is \$1,601,910.

FY24-25 TOTAL ANTICIPATED DISTRICT REVENUE IS \$22,817,745.

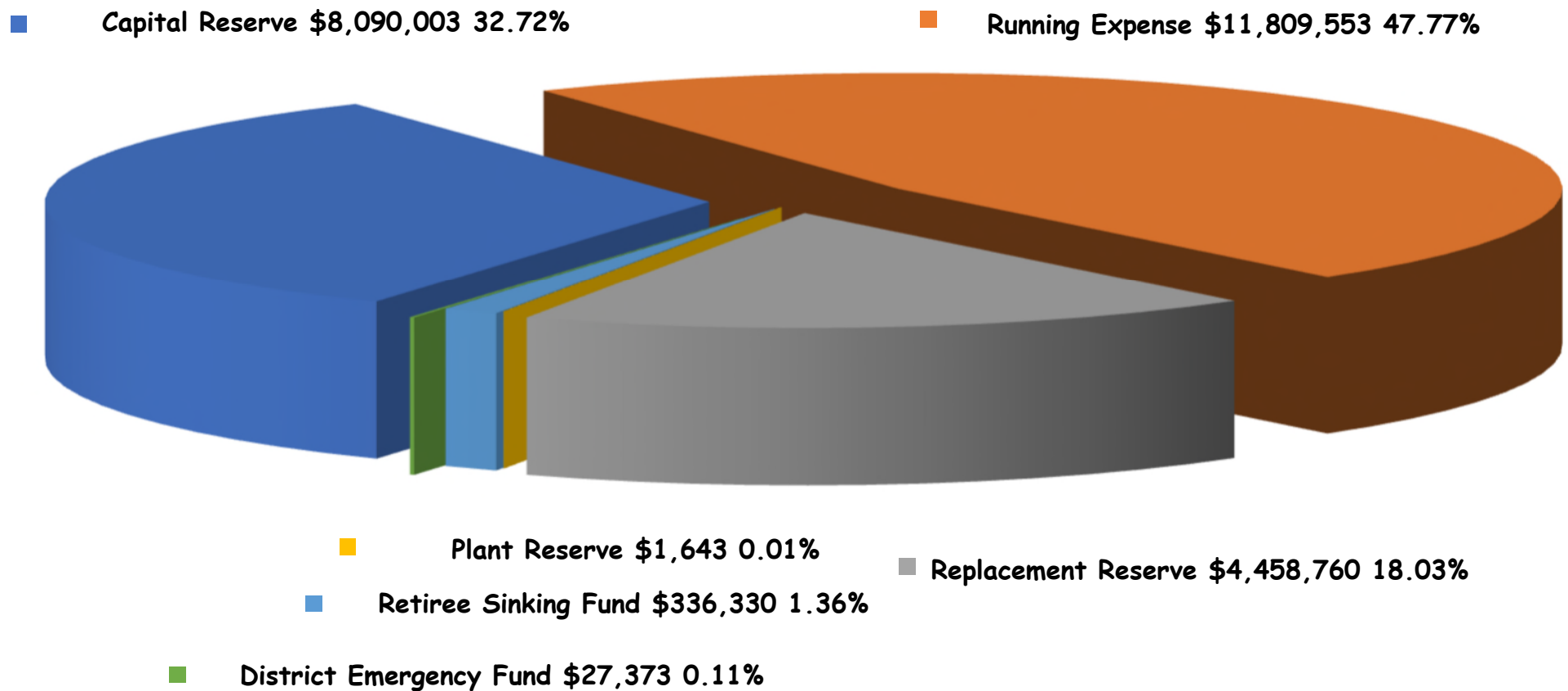
**Fiscal Year 2025-2026
REVENUE**

Fund Name and Number	Acct	Revenue Classification	Budgeted Revenue 2024-25	Revenue to date 6/6/2025	Projected Actual 2024-25	Over(Under) Budget 2024-25	Revenue Projection 2025-26	% Change from FY 2024-25	Change from FY 2024-25
4640 Running Expense	3100	*Sewer Service Charges	\$6,138,279	\$5,583,472	\$6,138,279	\$0	\$6,151,703.32	0%	\$13,424
	3120	Permits and Inspections	\$28,000	\$46,377	\$47,500	\$19,500	\$28,000.00	0%	\$0
	3140	Admin Chgs - Treatment	\$238,261	\$164,250	\$197,100	(\$41,161)	\$261,262.78	10%	\$23,001
	3145	Admin Chgs - Reclamation	\$42,265	\$39,944	\$47,932	\$5,667	\$57,288.72	36%	\$15,023
	3150	Treatment & Disposal Cost Reimb.	\$3,985,906	\$2,659,643	\$3,333,000	(\$652,906)	\$4,369,262.73	10%	\$383,357
	3155	GWD WWRc O&M Cost Reimb.	\$422,655	\$399,437	\$479,324	\$56,669	\$572,887.19	36%	\$150,233
	3160	IWC Analysis Reimbursement	\$500	\$0	\$0	(\$500)	\$500.00	0%	\$0
	3170	Homeowners Exemption	\$500	\$614	\$500	\$0	\$500.00	0%	\$0
	3205	Annexation Processing Fee	\$400	\$400	\$400	\$0	\$400.00	0%	\$0
	3240	**RFOGA - Running Expense	\$6,968	\$7,206	\$8,647	\$1,679	\$6,402.58	-8%	-\$565
3260/3301		Other Revenue - Running Exp.	\$35,000	\$13,003	\$14,185	(\$20,815)	\$35,000.00	0%	\$0
		Subtotal	\$10,898,734	\$8,914,345	\$10,266,867	(\$631,867)	\$11,483,207.31	5%	\$584,473
					\$37,104				
4650 Capital Reserve	3100	*Sewer Service Charges	\$0	\$0	\$0	\$0	\$971,460.00	+100%	\$971,460
	3130	Capacity Fees	\$101,073	\$82,179	\$82,179	(\$18,894)	\$101,073.00	0%	\$0
	3200	Annexation Charges	\$27,293	\$19,353	\$19,353	(\$7,940)	\$27,292.72	0%	\$0
	3260	**RFOGA - Capital Projects	\$5,147,489	\$2,826,019	\$3,726,019	(\$1,421,470)	\$4,818,377.51	-6%	-\$329,111
		Loan Proceeds (draws, see escrow table)							
		Subtotal	\$5,275,854	\$2,927,551	\$3,827,551	(\$1,448,304)	\$5,918,203.23	12%	\$642,349
4655 Replacement Reserve	3100	*Sewer Service Charges	\$3,177,189	\$2,888,214	\$3,028,560	(\$148,629)	\$2,085,732.68	-34%	-\$1,091,456
	3220	Property Tax Revenue	\$207,000	\$210,890	\$210,890	\$3,890	\$213,000.00	3%	\$6,000
		Interfund Loan	\$400,000	\$366,667	\$400,000	\$0	\$400,000.00	0%	\$0
	3260	**RFOGA - Capital Projects	\$704,483	\$102,465	\$150,000	(\$554,483)	\$782,692.38	11%	\$78,209
		Subtotal	\$4,488,672	\$3,568,236	\$3,789,450	(\$699,222)	\$3,481,425.06	-22%	-\$1,007,247
4660	3100	*Sewer Service Charges	\$333,000	\$333,000	\$333,000	\$0	\$333,000.00	0%	\$0
All Funds		Interest Earnings							
4640	3230	Running Expense Fund	\$350,365	\$475,433	\$555,433	\$205,068	\$326,346.13	-7%	-\$24,019
4645	3230	Plant Reserve Fund	\$1,564	\$1,751	\$2,036	\$472	\$1,643.25	5%	\$79
4650	3230	Capital Reserve Fund	\$236,909	\$611,430	\$671,430	\$434,521	\$265,882.84	12%	\$28,974
4655	3230	Replacement Reserve Fund	\$803,464	\$1,093,273	\$1,283,273	\$479,809	\$977,334.69	22%	\$173,871
4660	3230	Retiree Health Insurance Fund	\$3,330	\$4,938	\$5,788	\$2,458	\$3,330.00	0%	\$0
4670	3230	Plant Upgrading Fund	\$0	\$0	\$0	\$0	\$0.00	0%	\$0
4675	3230	District Emergency Fund	\$26,056	\$29,165	\$33,965	\$7,909	\$27,372.77	5%	\$1,317
		Subtotal	\$1,421,688	\$2,215,991	\$2,551,926	\$1,130,238	\$1,601,909.68	13%	\$180,222
		Total Revenue	\$22,417,949	\$17,959,122	\$20,768,793	(\$1,649,155)	\$22,817,745.29	2%	\$399,796
		Anticipated BESP Loan Draws:					\$1,905,916.88		
		Total Estimated Cash inflow:					\$24,723,662.17		
*Sewer Service Charges are deposited directly to the respective funds. Values shown under 2025-2026 Revenue Estimate have been pro-rated accordingly.									
		Total Sewer Service Charges:	\$9,648,468	\$8,804,686	\$9,499,839		\$9,541,896.00	-1.10%	-\$106,572
**RFOGA = Revenue From Other Gov't Agencies									

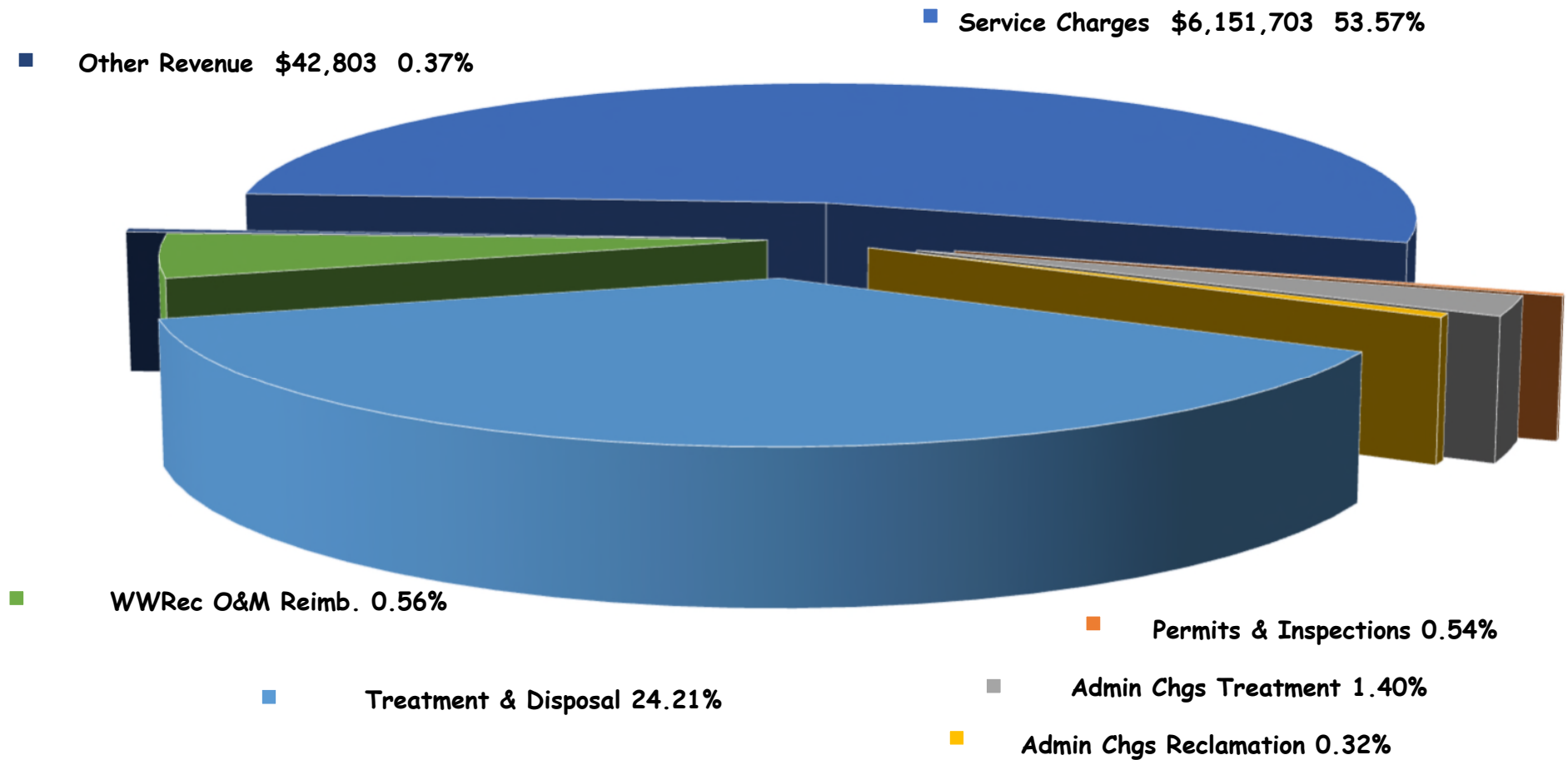
Revenues by Source 2025-26



Revenues by Fund 2025-26



Running Expense Revenues 2025-26



EXPENDITURES
FISCAL YEAR 2025-26

DISTRICT COMBINED EXPENDITURES IN FY25-26

The combined expenditures for the District's operating departments are shown in a combined expenditure sheet with comparisons to the previous fiscal year's expenditures. The budget expenditures are shown under various categories such as personnel expenses, operating expenses, depreciation reserves funding, and capital outlay. The total operating and personnel expenses proposed for FY25-26 are anticipated to be above last year's budget by 16%. The capital outlay projects are anticipated to be about 2% more than last year's expenditures.

The main categories of expenditures in the combined budget with and without depreciation are as follows:

<u>DESCRIPTION</u>	<u>EXPENDITURES</u>	<u>% w/o Depr</u>	<u>% with Depr</u>
Personnel Cost:	\$ 8,067,297	30%	26%
Operating Expenses:	\$ 6,496,215	24%	21%
Sub-Total:	\$ 14,563,512	54%	47%
Capital Outlay:	\$ 12,563,796	46%	40%
Total Expenses w/o depreciation:	\$ 27,127,308	100%	87%
Depreciation Expense:	\$ 3,936,758		13%
TOTAL EXPENDITURES:	\$ 31,064,066		100%

The enclosed graph shows the above distribution of expenditures for FY25-26.

The District has separated accounting of its expenses into seven separate service categories. These categories are mostly associated with specific service programs and/or facilities shared by separate groups of users. The main purpose of segregating expenses is to appropriately charge the customer base served by each program and/or facility. The District's seven service departments and corresponding customer base are described below.

Administration Expenses

All District users share these expenses. The District's contractual users pay, as administrative costs, a fixed percentage of their respective operating costs in the treatment and disposal facilities.

Collection System

All users in the Goleta Sanitary District's service area share the expenses associated with the collection system. The District's contractual users do not share in the cost of the collection system.

Main and Firestone Pump Stations

All users in GSD's service area share the expenses associated with the main pump station. The Santa Barbara Municipal Airport and the County of Santa Barbara are the only contractual users of the District that share in this cost. All other contractual users do not use the main pump station. The District and the Airport only share the costs of the Firestone Pump Station in accordance with an agreement between the two agencies such that the Airport's share is based upon flow through the station.

Industrial Waste Control Program

Similar to the collection system, the expenses associated with the Industrial Waste Control program are shared by all users in the Goleta Sanitary District's service area. The District's contractual users do not share in the cost of this program.

Wastewater Treatment Facilities

All District users share in the cost of the treatment of wastewater, including all contractual users. The contractual users share in the operating costs based on a corresponding percentage of their flows compared to the total flow into the treatment facilities. Fixed assets are charged based on the respective percentage of the treatment facilities' capacity allocation to each contractual user.

Wastewater Disposal Outfall

All District users share in the cost of wastewater disposal including all contractual users. The contractual users share in the operating costs and fixed assets based on the corresponding percentage of their outfall capacity allocation to each contractual user.

Reclamation Facilities

The operating costs, including a 10% administration cost, are invoiced to the Goleta Water District monthly. Fixed assets are invoiced without the administrative charge.

Summary

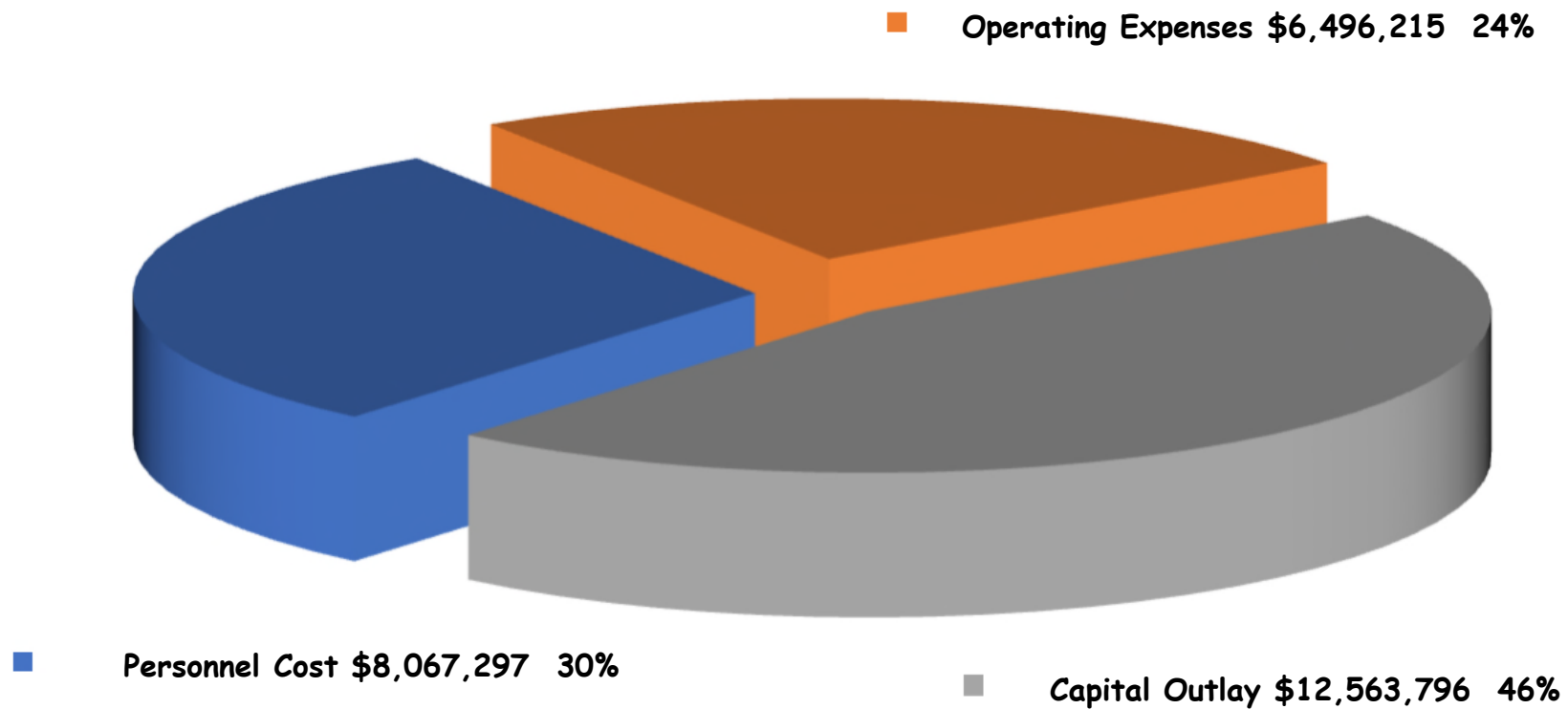
Enclosed in this budget is a graph showing the distribution of the expenditures by each of the service categories described above. Details of each category's proposed expenditures are also included in this budget with a narrative explanation of the purposes of these expenditures.

**Fiscal Year 2025-2026
EXPENDITURES**

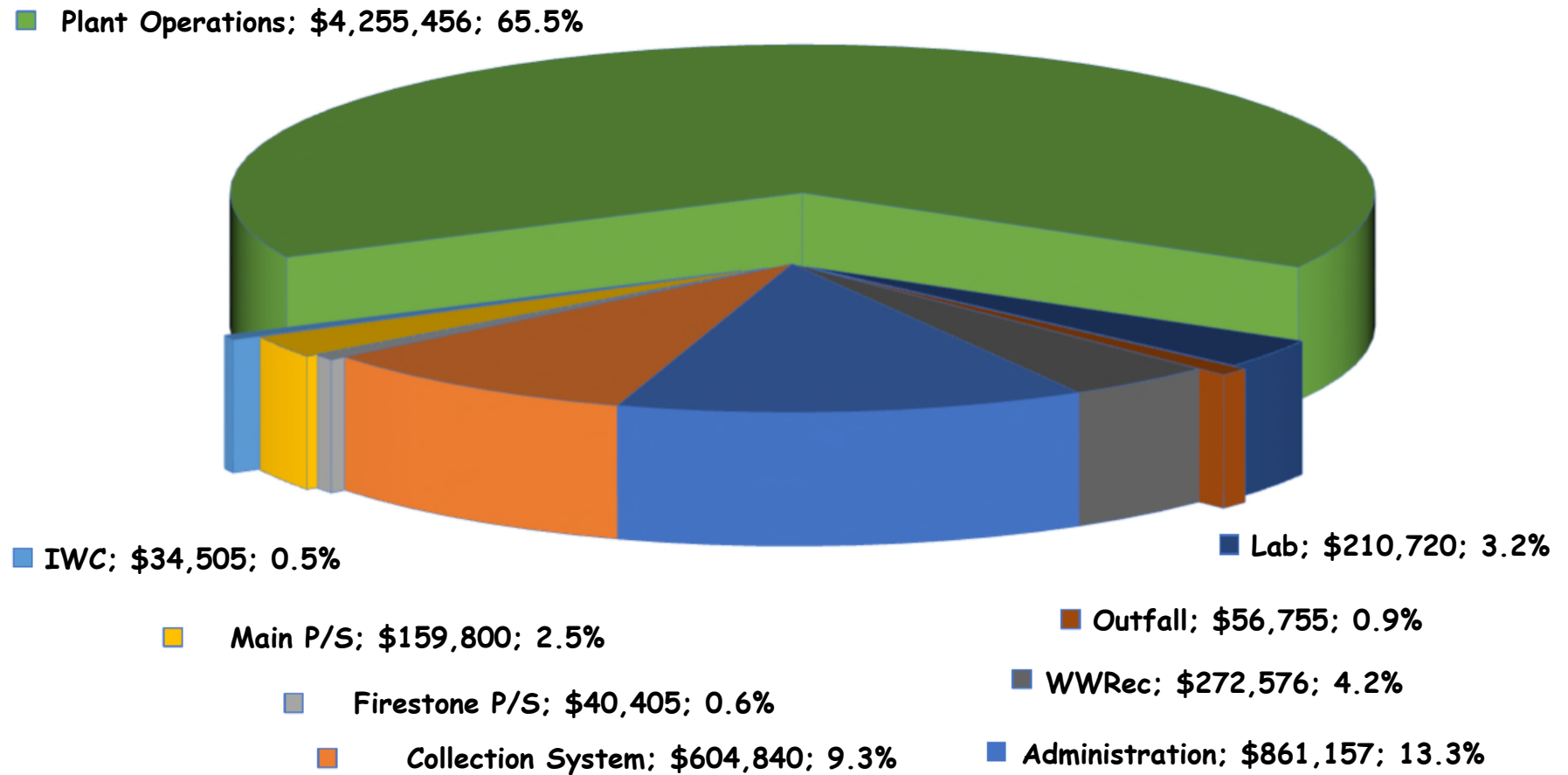
Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	3,841,286	3,654,021	4,222,424	(381,138)	4,687,926	22%	846,641
Overtime	16,800	12,806	14,767	2,033	16,800	0%	0
Temporary	7,664	10,652	12,310	(4,646)	7,116	-7%	(548)
Directors Fees	85,000	31,658	36,582	48,418	85,000	0%	0
Worker's Compensation	80,774	68,624	74,862	5,912	80,976	0%	202
Retirement	1,061,650	978,169	1,060,117	1,533	1,243,170	17%	181,520
Active Employee Insurance-Health/Dental/Vision/Disability	1,057,063	980,934	1,070,111	(13,048)	1,259,385	19%	202,322
Retiree Health Insurance OPEB Funding	336,330	199,303	336,330	0	336,330	0%	0
FICA	229,795	220,442	254,733	(24,938)	277,569	21%	47,775
Medicare	56,053	51,555	59,574	(3,521)	68,322	22%	12,268
Unemployment Insurance	4,369	4,920	5,685	(1,316)	4,703	8%	334
<i>Subtotal</i>	6,776,784	6,213,083	7,147,495	(370,712)	8,067,297	19%	1,290,513
OPERATING EXPENSES							
Public Education	75,000	42,487	50,986	24,014	75,000	0%	0
Janitorial Service & Supplies	49,800	42,704	51,244	(1,444)	49,800	0%	0
Uniforms	17,175	13,562	16,275	900	17,205	0%	30
Licenses & Permits	158,173	124,667	149,284	8,889	179,216	13%	21,043
Freight & Postage	3,465	2,622	3,216	249	3,465	0%	0
Subscriptions	7,900	5,683	6,820	1,080	8,100	3%	200
Vehicle Repairs & Maintenance	75,920	39,973	48,067	27,853	77,415	2%	1,495
Liability & Property Insurance	372,774	378,299	412,689	(39,915)	436,399	17%	63,625
Dues & Memberships	46,694	48,245	50,557	(3,863)	58,623	26%	11,929
Office Supplies	17,195	12,293	14,752	2,443	18,060	5%	865
Analysis & Monitoring	189,858	56,919	68,302	121,556	206,825	9%	16,968
Operating Supplies	1,182,102	830,902	997,357	184,745	1,281,305	8%	99,203
Attorney Fees	75,000	33,629	40,355	34,645	65,000	-13%	(10,000)
Printing & Publications	8,058	1,227	1,572	6,486	5,960	-26%	(2,098)
Repairs and Maintenance	857,592	744,156	817,920	39,672	824,335	-4%	(33,257)
Travel	61,950	38,881	46,275	15,675	67,690	9%	5,740
Seminars, Conferences, Training, Employee Recognition	54,890	34,666	41,599	13,291	57,960	6%	3,070
Utilities	770,798	787,472	944,965	(174,167)	853,797	11%	82,999
Election Expense	12,000	0	0	12,000	12,000	0%	0
Computer Service & Maintenance	213,637	233,282	279,940	(66,303)	242,200	13%	28,563
Lease/Rentals	129,263	13,331	15,998	113,265	129,263	0%	0
Biosolids Hauling	709,104	462,945	398,252	310,852	709,104	0%	0
Professional Services	546,105	246,329	295,315	250,790	589,215	8%	43,110
Interest Expense	166,800	316,922	552,805	(386,005)	504,627	203%	337,827
Other Expense	23,300	13,722	16,466	6,834	23,650	2%	350
<i>Subtotal</i>	5,824,552	4,524,917	5,321,011	503,541	6,496,215	12%	671,662
Total Personnel and Operating Expenses	12,601,336	10,738,000	12,468,506	132,830	14,563,512	16%	1,962,176
DEPRECIATION FUNDING							
Replacement Reserve	3,936,758	4,012,437	3,568,309	368,449	3,936,758	0%	0
<i>Subtotal</i>	3,936,758	4,012,437	3,568,309	368,449	3,936,758	0%	0
CAPITAL OUTLAY							
Machinery and Equipment (Fund 640)	111,150	49,411	63,553	47,597	94,050	-15%	(17,100)
Capital Projects - Replacement Reserve Fund (4655)	1,391,778	424,454	703,060	688,718	2,282,695	64%	890,917
Capital Projects - Capital Reserve Fund (4650)	9,874,331	6,535,384	9,879,073	(4,742)	9,243,003	-6%	(631,328)
Debt Service	944,048	472,024	944,048	0	944,048	0%	0
<i>Subtotal</i>	12,321,307	7,481,273	11,589,735	731,573	12,563,796	2%	242,489
Total Operating & Non-Operating w/o Depreciation	24,922,643	\$ 18,219,274	\$ 24,058,241	\$ 864,402	27,127,308	9%	2,204,665
Total Operating & Non-Operating with Depreciation	28,859,401	\$ 22,231,710	\$ 27,626,550		31,064,066	8%	2,204,665

District's Combined Expenditures

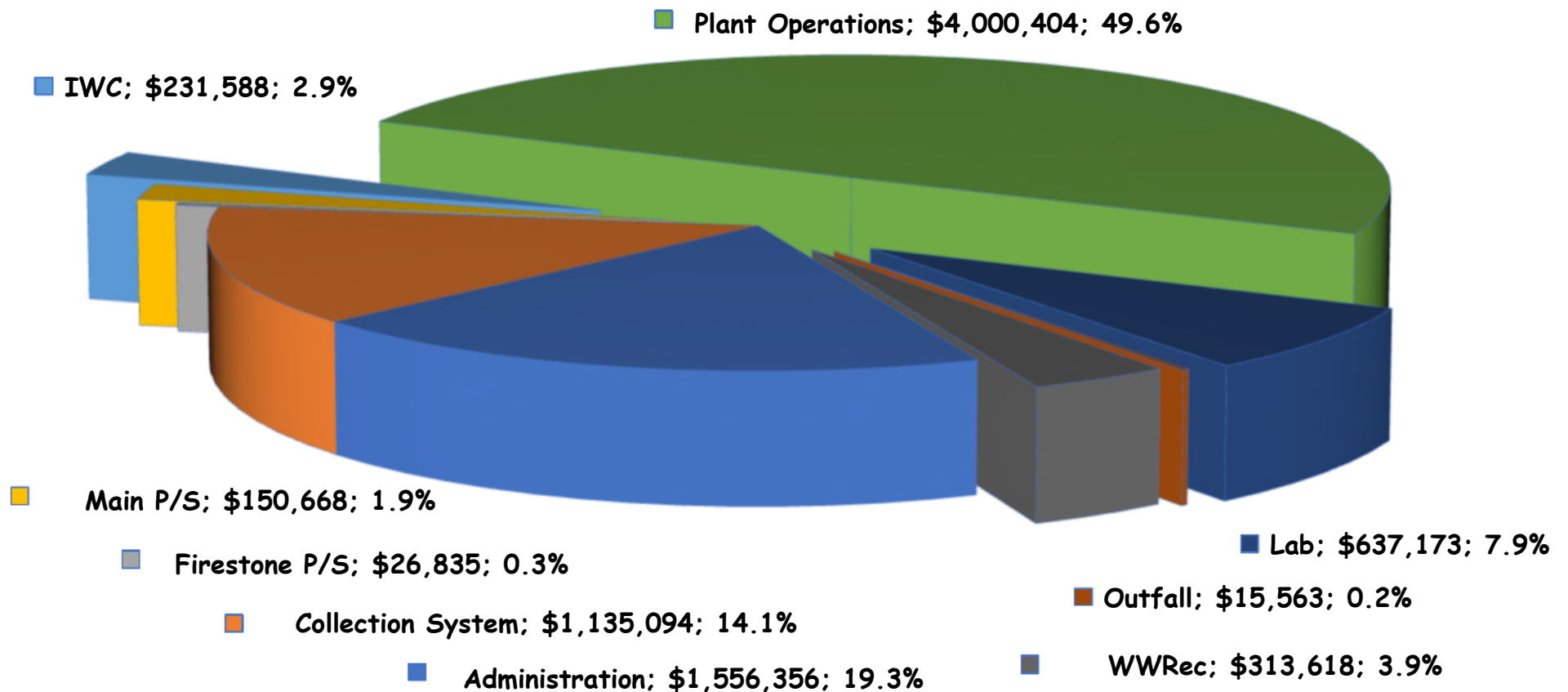
Without Depreciation



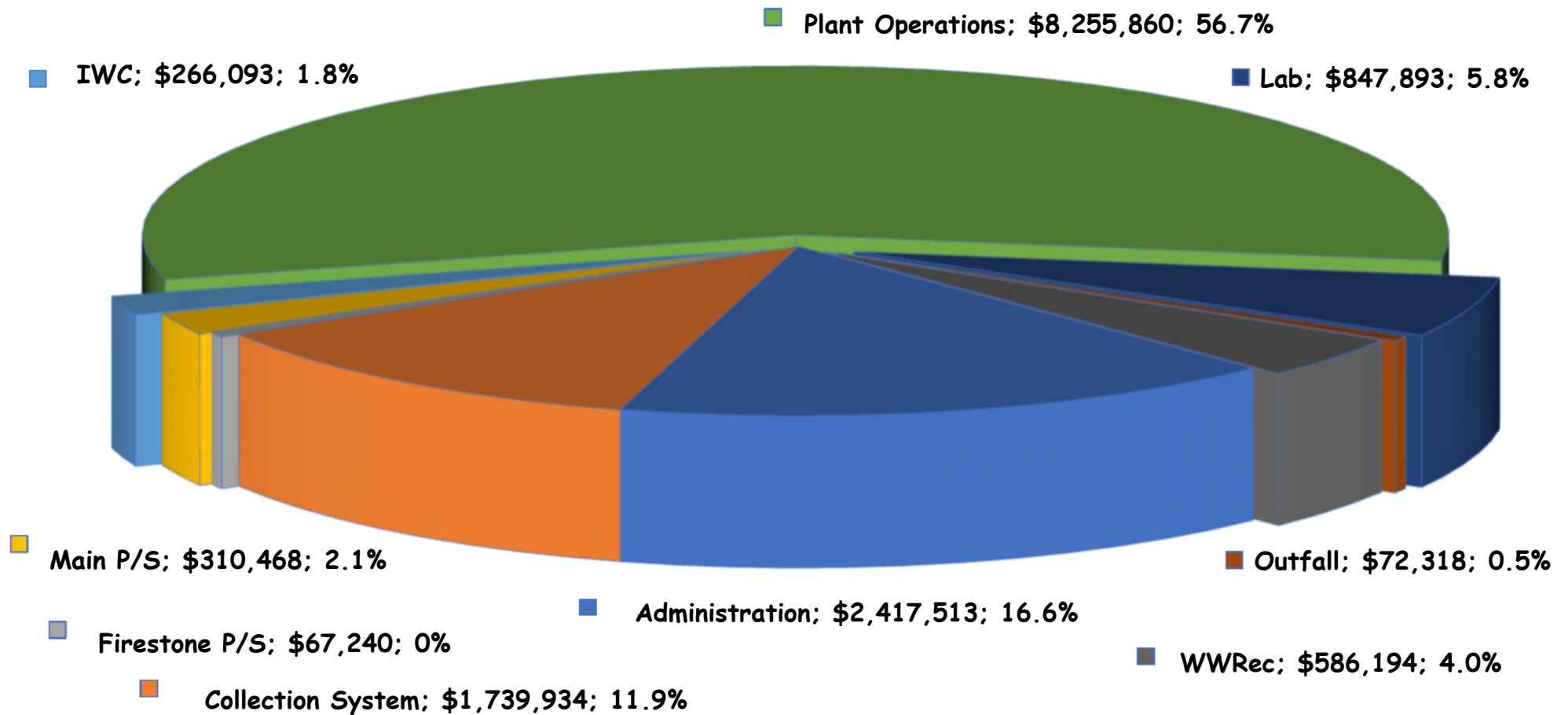
Distribution of Operating Costs



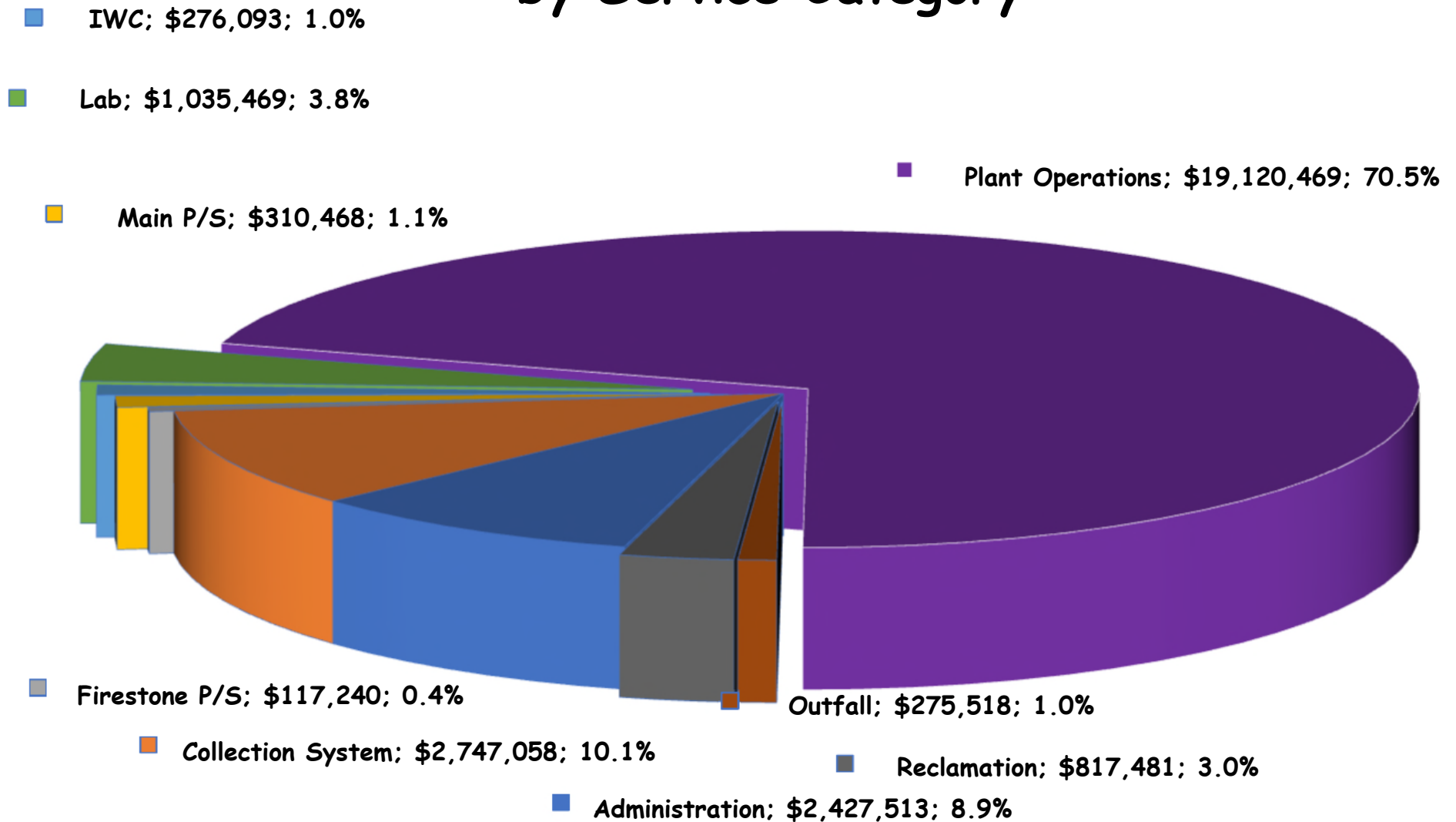
Distribution of Personnel Cost



Distribution of Personnel & Operating Costs



Distribution of Total Expenditures by Service Category



***COMPARISON SUMMARY
OF EXPENSES AND REVENUES***

COMPARISON SUMMARY OF EXPENSES AND REVENUES

The budget contains a summary of the anticipated expenses and revenues for FY25-26. This summary explains the relationship between expenses and revenues in such a manner that defines the sources of revenues to meet budgeted expenditures. The categories discussed below have been selected on where proposed expenditures are anticipated to occur.

- ♦ **Running Expenses and Revenues**
- ♦ **Reclamation Facilities Expenses and Revenues**
- ♦ **Debt Service Expenses and Revenues**
- ♦ **Capital Improvements Expenses and Revenues**

Running Expense Fund

The summary reflects the expected expenditures to operate the District, other than the Reclamation Facilities.

The total anticipated running expense expenditures in FY25-26 are \$13,735,038

On the revenue side the total revenue projected for this fund includes most revenue sources described under the running expense revenue discussion except for revenues associated with the reclamation facilities. The revenues shown in this category are considered new funds collected annually from the District's users. As noted below, the expenses in this fund are projected to be slightly higher than the anticipated revenues.

The total anticipated running expense revenue in FY25-26 are \$11,179,378

Reclamation Facilities

The reclamation facilities are accounted for separately in this summary comparison, since the associated operations and maintenance costs are paid for separately by the Goleta Water District. As noted in the budget, the amount of revenue anticipated is higher than the anticipated expenses due to the 10 percent administration charge, which is charged to the Goleta Water District per an agreement between the two agencies.

The total anticipated revenues for the reclamation facilities in FY25-26 are \$861,463

The total anticipated expenses for the reclamation facilities in FY25-26 are \$817,481

Debt Service

The District has obtained a loan in the amount of \$14M for the design and construction of the Biosolids and Energy Strategic Plan improvement projects. The term of the loan is 20 years and the debt service for FY25-26 consists of two payments of \$472,024, one in July, 2025 and one in January, 2026.

Additionally, interfund loan payments totaling \$400,000 from the 4640 fund to the 4655 fund will be made during the fiscal year.

Capital Improvements

This summary includes all the expenditures projected for capital improvements of the treatment plant and collection system. Depending on the type of project, the funds are segregated to reflect whether the capital improvement under consideration is a replacement project, a capacity expansion project, or both. On the revenue side sewer services charges are included which fund the District's replacement reserve fund as well as revenues for the facilities upgrading project fund.

The total anticipated expenses for capital improvements in FY25-26 are \$12,238,459

The total anticipated depreciation expenses in FY25-26 are \$3,936,758

The total anticipated revenue for capital improvements in FY25-26 is \$10,440,575

THE TOTAL PLANNED EXPENDITURES FOR FY25-26

INCLUDING DEPRECIATION ARE \$31,064,066

WITHOUT DEPRECIATION ARE \$27,127,308

TOTAL ESTIMATED REVENUE FOR FY25-26 IS \$22,817,745

TOTAL ESTIMATED LOAN DRAWS OF \$1,905,917

TOTAL ESTIMATE CASH INFLOW \$24,723,662

**COMPARISON SUMMARY OF
EXPENSES AND REVENUES
Fiscal Year 2025-2026**

EXPENDITURES		REVENUES	
<u>RUNNING EXPENSE (4640)</u>		<u>RUNNING EXPENSE (4640)</u>	
Personnel	\$7,017,349	Sewer Service Charges	\$6,151,703
Operating Expense	6,223,638	Permit and Inspection Fees	28,000
Machinery and Equipment	94,050	Administration Charges - Treatment	261,263
Sub-Total	\$13,335,038	RFOGA - Treatment and Disposal	4,369,263
		IWC Analysis Reimbursement	500
CalPERS UAL Loan Payment	\$400,000	Homeowners Property Tax Relief	500
		Annexation Processing Fee	400
Running Expense Fund Disbursements	\$13,735,038	Payments from Other Governmental Agencies	6,403
		Other Revenue	35,000
		Interest	326,346
		Total	\$11,179,378
<u>RECLAMATION FACILITIES (4640 Dept. 47)</u>		<u>RECLAMATION FACILITIES (4640 Dept. 47)</u>	
Personnel	\$313,618	GWD Reimbursement of O&M Expenses	\$572,887
Operating Expense	272,576	Administration Charges - Reclamation	57,289
Machinery and Equipment	0	RFOGA - Capital Projects (4655)	231,287
Capital Improvement Projects	231,287		
Total	\$817,481	Total	\$861,463
<u>CAPITAL IMPROVEMENT</u>		<u>CAPITAL IMPROVEMENT</u>	
<u>Capacity Reserve Fund (4650)</u>		<u>Capacity Reserve Fund (4650)</u>	
Other Capital Projects	\$625,000	Sewer Service Charges	\$971,460
BESP Plant Projects	\$8,618,003	Connection/Annexation/RFOGA	\$4,946,743
Debt Service	944,048	Interest	\$265,883
Sub-total	\$10,187,051	Sub-total	\$6,184,086
<u>Replacement Reserve Fund (4655):</u>		<u>Replacement Reserve Fund (4655)</u>	
Administration	\$0	Sewer Service Charges (\$/ERU+GSD Depr)	\$2,085,733
Firestone Pump Station	50,000	RFOGA - Capital Projects	551,405
Pump Station Projects	-	Property Tax Revenue	213,000
Plant, Lab and IWC Projects	836,584	Interest	977,335
Sewer Line Projects	961,624	Interfund Loan	400,000
Outfall Projects	203,200		
Sub-total	\$2,051,408	Sub-total	\$4,227,473
<u>District Plant Reserve Fund (4645)</u>		<u>District Plant Reserve Fund (4645)</u>	
	\$0	Interest	\$1,643
Sub-total	\$0	Sub-total	\$1,643
<u>District Emergency Fund (4675)</u>		<u>District Emergency Fund (4675)</u>	
	\$0	Interest	\$27,373
Sub-total	\$0	Sub-total	\$27,373
Total	\$12,238,459	Total	\$10,440,575
<u>Depreciation</u>			
Depreciation Expense	\$3,936,758		
<u>Retiree Medical Insurance Retirement Fund (660)</u>		<u>Retiree Medical Insurance Retirement Fund (660)</u>	
Disbursements Directly to CERBT	\$251,441	Sewer Service Charges	\$333,000
Disbursements District Retirees and/or PERS	\$84,889	Interest	\$3,330
Total	\$336,330	Total	\$336,330
TOTAL EXPENSE WITHOUT DEPRECIATION:	\$27,127,308	TOTAL REVENUE:	\$22,817,745
TOTAL EXPENSE WITH DEPRECIATION:	\$31,064,066		

SERVICE CATEGORY EXPENSE DATA

ADMINISTRATION

Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	671,448	672,358	776,947	(105,499)	845,416	26%	173,969
Overtime	100	0	0	100	100	0%	0
Temporary	1,456	5,495	6,350	(4,894)	4,767	227%	3,311
Directors Compensation	85,000	31,658	36,582	48,418	85,000	0%	0
Workers' Compensation	14,119	11,995	13,086	1,033	14,603	3%	484
Retirement	210,568	184,362	210,568	0	259,381	23%	48,813
Active Employee Insurance-Health/Dental/Vision/Disability	184,772	137,514	150,016	34,756	227,116	23%	42,344
Retiree Health Insurance OPEB Funding	58,790	34,838	58,790	0	60,653	3%	1,864
FICA	36,399	38,522	44,514	(8,115)	46,086	27%	9,687
Medicare	9,759	9,009	10,410	(651)	12,329	26%	2,571
Unemployment Insurance	765	955	1,103	(338)	903	18%	138
<i>Subtotal</i>	1,273,175	1,126,706	1,308,366	(35,190)	1,556,356	22%	283,181
OPERATING EXPENSES							
Public Education	13,875	8,071	9,685	4,190	13,875	0%	0
Janitorial Service & Supplies	6,100	5,609	6,730	(630)	6,100	0%	0
Uniforms	0	179	215	(215)	0	0%	0
Licenses & Permits	0	0	0	0	0	0%	0
Freight & Postage	400	118	142	258	400	0%	0
Subscriptions	900	513	616	284	400	-56%	(500)
Vehicle Repairs & Maintenance	4,000	192	230	3,770	2,500	-38%	(1,500)
Liability & Property Insurance	6,500	7,395	8,067	(1,567)	7,380	14%	880
Dues & Memberships	32,000	37,186	37,186	(5,186)	38,000	19%	6,000
Office Supplies	6,000	4,846	5,816	184	6,000	0%	0
Analysis & Monitoring	0	0	0	0	0	0%	0
Operating Supplies	400	621	400	0	1,000	150%	600
Attorney Fees	48,637	20,090	24,108	24,529	40,000	-18%	(8,637)
Printing & Publications	2,500	457	548	1,952	1,500	-40%	(1,000)
Repairs and Maintenance	7,000	19,997	23,997	(16,997)	7,000	0%	0
Travel	30,000	20,899	25,079	4,921	33,000	10%	3,000
Seminars, Conferences, Training, Employee Recognition	15,000	17,710	21,252	(6,252)	17,000	13%	2,000
Utilities	15,520	19,200	23,040	(7,520)	22,375	44%	6,855
Election Expense	12,000	0	0	12,000	12,000	0%	0
Computer Service & Maintenance	33,000	18,434	22,121	10,879	33,000	0%	0
Lease/Rentals	1,000	527	633	367	1,000	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	89,000	49,832	59,798	29,202	94,000	6%	5,000
Interest Expense	166,800	316,922	552,805	(386,005)	504,627	203%	337,827
Other Expense	20,000	12,368	14,842	5,158	20,000	0%	0
<i>Subtotal</i>	510,632	561,166	837,310	(326,678)	861,157	69%	350,525
Total Personnel and Operating Expenses	1,783,807	1,687,872	2,145,675	(361,868)	2,417,513	36%	633,706
DEPRECIATION FUNDING							
Replacement Reserve	54,300	54,748	54,289	11	54,300	0%	0
<i>Subtotal</i>	54,300	54,748	54,289	11	54,300	0%	0
CAPITAL OUTLAY							
Machinery and Equipment	10,000	4,858	10,000	0	10,000	0%	0
Capital Projects - Replacement Reserve Fund (4655)	50,000	119,338	119,337	(69,337)	0	-100%	(50,000)
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	60,000	124,195	129,337	(69,337)	10,000	-83%	(50,000)
Total Operating & Non-Operating w/o Depreciation	1,843,807	1,812,067	2,275,012	(431,205)	2,427,513	32%	583,706
Total Operating & Non-Operating with Depreciation	1,898,107	1,866,815	2,329,301		2,481,813	31%	583,706

ADMINISTRATION

I. Personnel:

This account has been based on projected labor needs that are anticipated for administrative duties, which provides for nine positions.

- 1 - General Manager/District Engineer
- 1 – Assistant General Manager/Assistant District Engineer
- 1 – Finance Director
- 1 – Communications and Human Resources Manager
- 1 – Accounting/Admin Manager
- 2 – Accounting Technicians
- 1 – Administration Assistant
- 1 – Outreach Intern (Temp. prorated to all departments)

II. Operating Expenses:

- A. Public Education
This account provides for expenses incurred to inform the public about the District.
- B. Vehicle Repairs and Maintenance Expense
This account provides for fuel and the maintenance and operation of the vehicles used for administration.
- C. Liability & Property Insurance
This account provides for allocation of the insurance coverage applicable to the administration department.
- D. Dues and Memberships
This account provides for memberships in various organizations such as CASA, CSCDA, SBCSDA, WEF, CWEA, SCAP, etc.
- E. Office Supplies
This account provides for office supplies such as letterhead, copy paper, postage, office machine and computer supplies, etc.
- F. Attorney Fees
This account provides for legal counsel to handle the District's legal matters as well as to research, prepare for and attend Governing Board meetings.
- G. Printing and Publication
This account provides for various publications of legal notices and recruitment ads.
- H. Repairs and Maintenance
This account provides for general repair and maintenance of the administration building.

- I. Travel
This account provides for travel by administrative staff and Board Members to attend meetings and conventions on behalf of the District.
- J. Seminars, Conferences, Training and Employee Recognition
This account provides for fees paid in order for District staff and Board Members to attend seminars and conventions such as CASA, CWEA, CSDA, SWRCB, Regional Board hearings, training as well as the Employee Recognition Program.
- K. Utilities
This account provides for utilities used in the administration building, such as telephone, electricity, and water.
- L. Computer Service and Maintenance
This account provides for installation, repairs, and service on the administrative staff's computers, servers and software.
- M. Lease/Rentals
This account provides for a leased copier.
- N. Professional Services
This account provides for other miscellaneous professional services not mentioned above such as audit services, strategic planning efforts and implementation and various rate / financial model updates.
- P. Other Expense
This account provides for SBLAFCO dues, bank fees and other expenses.

III. Capital Outlay:

- | | | |
|----|--|------------------|
| A. | <u>Machinery and Equipment</u> | |
| | This account provides for purchase of furniture and equipment for use in the administration department. | |
| | Miscellaneous Furniture, Fixtures and Equipment | \$ 10,000 |
| B. | <u>Capital Projects</u> | |
| | This account provides for the construction of capital improvement projects for the administrative facilities | |
| | Total Capital Projects | \$ 10,000 |

COLLECTION SYSTEM

Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	675,370	602,321	696,015	(20,645)	701,069	4%	25,698
Overtime	2,000	380	440	1,560	2,000	0%	0
Temporary	1,226	684	790	436	285	-77%	(942)
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	14,202	12,065	13,162	1,040	12,110	-15%	(2,092)
Retirement	147,538	136,182	147,538	0	127,558	-14%	(19,980)
Active Employee Insurance-Health/Dental/Vision/Disability	185,852	184,247	200,997	(15,145)	188,338	1%	2,487
Retiree Health Insurance OPEB Funding	59,133	35,041	59,133	0	50,297	-15%	(8,836)
FICA	41,383	36,836	42,566	(1,183)	42,547	3%	1,165
Medicare	9,840	8,615	9,955	(115)	10,199	4%	359
Unemployment Insurance	766	789	911	(145)	691	-10%	(75)
<i>Subtotal</i>	1,137,310	1,017,159	1,171,507	(34,198)	1,135,094	0%	(2,216)
OPERATING EXPENSES							
Public Education	12,000	6,797	8,156	3,844	12,000	0%	0
Janitorial Service & Supplies	13,300	10,941	13,129	171	13,300	0%	0
Uniforms	3,675	3,212	3,854	(179)	3,675	0%	0
Licenses & Permits	4,100	67	80	4,020	4,100	0%	0
Freight & Postage	600	1,158	1,390	(790)	600	0%	0
Subscriptions	1,100	1,137	1,365	(265)	1,100	0%	0
Vehicle Repairs & Maintenance	50,000	34,145	40,974	9,026	50,000	0%	0
Liability & Property Insurance	82,510	87,303	95,240	(12,730)	95,830	16%	13,320
Dues & Memberships	2,889	3,347	4,016	(1,127)	3,500	21%	611
Office Supplies	2,700	2,633	3,160	(460)	5,200	93%	2,500
Analysis & Monitoring	1,000	0	0	1,000	1,000	0%	0
Operating Supplies	16,500	8,489	10,187	6,313	16,500	0%	0
Attorney Fees	6,515	6,343	7,611	(1,096)	8,000	23%	1,485
Printing & Publications	800	220	264	536	1,000	25%	200
Repairs and Maintenance	97,500	88,780	85,000	12,500	97,500	0%	0
Travel	10,900	5,810	6,972	3,928	10,600	-3%	(300)
Seminars, Conferences and Training	14,490	4,188	5,026	9,464	12,300	-15%	(2,190)
Utilities	19,200	18,064	21,677	(2,477)	19,450	1%	250
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	52,092	69,477	83,372	(31,280)	66,375	27%	14,283
Lease/Rentals	1,500	974	1,168	332	1,500	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	160,850	102,621	123,145	37,705	180,310	12%	19,460
Interest Expense	0	0	0	0	0	0%	0
Other Expense	1,000	0	0	1,000	1,000	0%	0
<i>Subtotal</i>	555,221	455,706	515,786	39,435	604,840	9%	49,619
Total Personnel and Operating Expenses	1,692,531	1,472,866	1,687,293	5,237	1,739,934	3%	47,403
DEPRECIATION FUNDING							
Replacement Reserve	696,667	767,010	693,032	3,635	696,667	0%	0
<i>Subtotal</i>	696,667	767,010	693,032	3,635	696,667	0%	0
CAPITAL OUTLAY							
Machinery and Equipment	65,100	38,105	47,105	17,995	45,500	-30%	(19,600)
Capital Projects - Replacement Reserve Fund (4655)	332,055	40,431	291,624	40,431	961,624	190%	629,569
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	397,155	78,536	338,728	58,427	1,007,124	154%	609,969
Total Operating & Non-Operating w/o Depreciation	2,089,686	1,551,401	2,026,021	63,664	2,747,058	31%	657,372
Total Operating & Non-Operating with Depreciation	2,786,353	2,318,411	2,719,054		3,443,725	24%	657,372

COLLECTION SYSTEM

I. Personnel:

This account has been based on projected labor needs that are anticipated for proper and efficient sewer line maintenance. The projections for labor requirements have been based on experience and modified for projected efforts. The following seven are the personnel included in this area.

- 1 - Collections Maintenance Manager
- 1 - Collections Maintenance Supervisor (Tech III)
- 1 - Collections Maintenance Technician II
- 4 - Collections Maintenance Technician I

Projections for overtime have been made to provide for emergency response required during non-working hours and holidays.

II. Operating Expenses:

- A. Public Education
This account provides for the collection system share of expenses incurred in order to inform the public about the District.
- B. Vehicle Repairs and Maintenance
This account provides for fuel and the maintenance and operation of the vehicles used to maintain the sewer collection system. This includes the large commercial trucks.
- C. Liability & Property Insurance
This account provides for the allocation of insurance costs that are associated with the collection system department.
- D. Dues and Memberships
This account provides for costs associated with certifications, CWEA/WEF membership, and Class B licenses.
- E. Office Supplies
This account provides for codebooks and office, computer, and map room supplies.
- F. Operating Supplies
This account provides for the purchase of chemicals, safety equipment, calibration supplies, employee boot allowances, employee uniforms and supplies for special events.
- G. Attorney Fees
This account provides for legal counsel for matters pertaining specifically to the collection system such as legal research or personnel matters.

- H. Printing and Publication
This account provides for miscellaneous legal notices as required.
- I. Repair and Maintenance
This account provides for routine repair and maintenance of the sewer line system and related facilities, including manhole rising relative to the Santa Barbara County chip seal and overlay program. In addition, this account provides for root control services. This account also provides for numerous repairs of various sewer lines and rental of necessary equipment.
- J. Travel
This account provides for travel to attend traffic safety/defensive driving courses, training conferences and relative education courses.
- K. Seminar and Conference Registration
This account provides for fees paid in order for collection system staff to attend conferences and seminars such as those hosted by CWEA.
- L. Utilities
This account provides for power costs associated with the two lift stations within the sewage collection system, in addition to other proportionate costs for telephone service, mobile radios, pager service and drinking water.
- M. Computer Service and Maintenance
This account provides for computer software licenses and service: GIS, WinCan, Mobile MMS programs, Smartcover and Parcel Data Base system maintenance.
- N. Professional Services
This account provides for other miscellaneous professional services not mentioned above including but not limited to CPR/first aid training, Innoyeze hydraulic model, GIS updates and competency-based training program phase II.
- O. Replacement Reserve
As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$696,667 will be added to the replacement reserve fund for adequate replacement of the collection system facilities.

III. **Capital Outlay:**

- A. Machinery and Equipment
Machinery and Equipment costs funded from Sewer Service Charge Revenue for FY 2025-26 include the following budgeted items:

Manhole covers and frames (annual allowance)	\$ 25,000
Smart covers and flow meters (annual allowance)	15,000
Warthog Switcher Lines Cleaning Nozzle	5,500

Total Machinery and Equipment	\$ 45,500
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B. Capital Projects

This account provides for the construction of capital improvement projects for the collection system facilities.

1. The following projects are budgeted for FY 2025-26 and funded from replacement reserve fund #4655.

a. Manhole Raising Program, additional	\$ 40,000
b. GSD 2025-26 CIP Lines project design, additional	30,000
c. Manhole Inspection Program	100,000
d. GSD 2025-26 CIP Projects	500,000

2. The following projects were budgeted for FY 2024-25 and funded from replacement reserve fund #4655.

a. Manhole Raising Program	\$ 80,000
b. GSD 2025-26 CIP Lines project design	70,000

3. The following projects were budgeted for FY 2021-22 and funded from replacement reserve fund #4655.

a. GSD 2021 Lines CIP projects	\$ 141,624
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Fund 4655 Total	\$ 961,624
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Total Capital Projects	\$ 1,007,124
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FIRESTONE PUMP STATION

Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	28,105	13,429	15,518	12,587	16,368	-42%	(11,737)
Overtime	100	196	196	(96)	100	0%	0
Temporary	77	80	93	(16)	71	-7%	(5)
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	591	502	548	43	283	-52%	(308)
Retirement	6,390	4,203	4,857	1,533	3,263	-49%	(3,126)
Active Employee Insurance-Health/Dental/Vision/Disability	7,734	7,685	8,384	(650)	4,397	-43%	(3,337)
Retiree Health Insurance OPEB Funding	2,461	1,458	2,461	0	1,174	-52%	(1,287)
FICA	1,684	793	916	768	921	-45%	(763)
Medicare	410	185	214	196	240	-42%	(170)
Unemployment Insurance	32	16	18	14	17	-47%	(15)
<i>Subtotal</i>	47,584	28,547	33,205	14,380	26,835	-44%	(20,750)
OPERATING EXPENSES							
Public Education	750	425	510	240	750	0%	0
Janitorial Service & Supplies	0	0	0	0	0	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	500	1,574	1,574	(1,074)	750	50%	250
Freight & Postage	15	0	0	15	15	0%	0
Subscriptions	0	0	0	0	0	0%	0
Vehicle Repairs & Maintenance	600	0	0	600	600	0%	0
Liability & Property Insurance	9,050	8,935	9,747	(697)	10,250	13%	1,200
Dues & Memberships	0	0	0	0	0	0%	0
Office Supplies	0	0	0	0	0	0%	0
Analysis & Monitoring	100	515	618	(518)	100	0%	0
Operating Supplies	1,000	0	0	1,000	1,000	0%	0
Attorney Fees	227	70	84	143	200	-12%	(27)
Printing & Publications	20	0	0	20	20	0%	0
Repairs and Maintenance	20,000	0	0	20,000	20,000	0%	0
Travel	0	0	0	0	0	0%	0
Seminars, Conferences and Training	0	0	0	0	0	0%	0
Utilities	4,599	6,284	7,540	(2,941)	6,620	44%	2,021
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	0	1,400	1,680	(1,680)	0	0%	0
Lease/Rentals	100	30	36	64	100	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	0	1,400	1,400	(1,400)	0	0%	0
Interest Expense	0	0	0	0	0	0%	0
Other Expense	0	0	0	0	0	0%	0
<i>Subtotal</i>	36,961	20,633	23,189	13,772	40,405	9%	3,444
Total Personnel and Operating Expenses	84,545	49,180	56,394	28,151	67,240	-20%	(17,305)
DEPRECIATION FUNDING							
Replacement Reserve	84,546	83,849	83,849	697	84,546	0%	0
<i>Subtotal</i>	84,546	83,849	83,849	697	84,546	0%	0
CAPITAL OUTLAY							
Machinery and Equipment	0	0	0	0	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	50,000	0	0	50,000	50,000	0%	0
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	50,000	0	0	50,000	50,000	0%	0
Total Operating & Non-Operating w/o Depreciation	134,545	49,180	56,394	78,151	117,240	-13%	(17,305)
Total Operating & Non-Operating with Depreciation	219,091	133,029	140,242		201,786	-8%	(17,305)

FIRESTONE PUMP STATION

I. Personnel:

This account has been projected based on labor requirements anticipated for the operation of the Firestone pump station. The projections for labor requirements have been based on past experience and modified for projected efforts.

II. Operating Expenses:

The major operating expenses which are budgeted in this area provide for the utilities account and the repair and maintenance account.

A. Utilities

This account provides for power costs and telephone service associated with the Firestone pump station.

B. Repair and Maintenance

This account provides for the purchase of spare parts and continual work required in the repair and maintenance of the pump station.

III. Replacement Reserve

As a result of the revenue program, which has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation for the Firestone pump station is included in the Wastewater Treatment Facilities replacement reserve fund. This will provide adequate funding for replacement of the pump station facilities

IV. Capital Outlay:

A. Machinery and Equipment

This account provides for the purchase of equipment for the Firestone pump station.

B. Capital Projects

This account provides for the construction of capital improvement projects for the Firestone pump station facilities.

1. The following projects were previously budgeted and funded from replacement reserve fund #4655.

a. Jocky Pump to regulate flow	\$ 50,000
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Total 655 Fund Capital Projects	\$ 50,000
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MAIN PUMP STATION

Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	67,441	93,122	107,608	(40,167)	85,695	27%	18,254
Overtime	300	43	49	251	300	0%	0
Temporary	77	80	93	(16)	71	-7%	(5)
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	1,418	1,205	1,314	104	1,480	4%	62
Retirement	19,965	24,397	19,965	0	27,660	39%	7,695
Active Employee Insurance-Health/Dental/Vision/Disability	18,559	15,186	16,567	1,992	23,022	24%	4,463
Retiree Health Insurance OPEB Funding	5,905	3,499	5,905	0	6,148	4%	243
FICA	3,998	5,627	6,503	(2,505)	4,958	24%	961
Medicare	983	1,316	1,521	(538)	1,248	27%	265
Unemployment Insurance	76	120	138	(62)	85	12%	9
<i>Subtotal</i>	118,722	144,595	159,663	(40,942)	150,668	27%	31,946
OPERATING EXPENSES							
Public Education	750	425	510	240	750	0%	0
Janitorial Service & Supplies	100	71	85	15	100	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	0	0	0	0	0	0%	0
Freight & Postage	100	25	100	0	100	0%	0
Subscriptions	0	0	0	0	0	0%	0
Vehicle Repairs & Maintenance	230	0	0	230	265	15%	35
Liability & Property Insurance	9,390	9,272	10,115	(725)	15,630	66%	6,240
Dues & Memberships	100	0	100	0	115	15%	15
Office Supplies	200	41	49	151	230	15%	30
Analysis & Monitoring	0	0	0	0	0	0%	0
Operating Supplies	1,325	275	330	995	1,500	13%	175
Attorney Fees	303	94	113	190	500	65%	197
Printing & Publications	50	0	0	50	50	0%	0
Repairs and Maintenance	30,000	18,557	22,269	7,731	40,000	33%	10,000
Travel	100	0	0	100	115	15%	15
Seminars, Conferences and Training	0	0	0	0	0	0%	0
Utilities	78,300	82,093	98,512	(20,212)	92,370	18%	14,070
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	6,500	6,587	7,905	(1,405)	6,500	0%	0
Lease/Rentals	250	91	109	141	250	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	1,150	7,135	8,562	(7,412)	1,325	15%	175
Interest Expense	0	0	0	0	0	0%	0
Other Expense	0	0	0	0	0	0%	0
<i>Subtotal</i>	128,848	124,666	148,759	(19,911)	159,800	24%	30,952
Total Personnel and Operating Expenses	247,570	269,261	308,422	(60,853)	310,468	25%	62,898
DEPRECIATION FUNDING							
Replacement Reserve	0	0	0	0	0	0%	0
<i>Subtotal</i>	0	0	0	0	0	0%	0
CAPITAL OUTLAY							
Machinery and Equipment	0	0	0	0	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	0	7,735	7,735	(7,735)	0	0%	0
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	0	7,735	7,735	(7,735)	0	0%	0
Total Operating & Non-Operating w/o Depreciation	247,570	276,996	316,157	(68,587)	310,468	25%	62,898
Total Operating & Non-Operating with Depreciation	247,570	276,996	316,157		310,468	25%	62,898

MAIN PUMP STATION

I. Personnel:

This account has been projected based on labor requirements anticipated for the operation of the District's pump station. This budget projection and allocation of personnel will be closely monitored and adjusted as necessary.

II. Operating Expenses:

The major operating expenses which are budgeted in this area provide for the utilities account and the repair and maintenance account.

A. Utilities

This account provides for power costs associated with the plant pump station.

B. Repair and Maintenance

This account provides for the purchase of spare parts and continual work required in the repair and maintenance of the facility and the maintenance of the odor reduction tower (ORT).

III. Replacement Reserve

As a result of the revenue program, which has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation for the pump station is included in the Wastewater Treatment Facilities replacement reserve fund. This will provide adequate funding for replacement of the pump station facilities

IV. Capital Outlay:

A. Machinery and Equipment

This account provides for the purchase of equipment for the plant pump station.

B. Capital Projects

This account provides for the construction of capital improvement projects for the plant pump station facilities.

INDUSTRIAL WASTE CONTROL

Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	116,890	102,250	118,155	(1,265)	120,652	3%	3,762
Overtime	200	0	0	200	200	0%	0
Temporary	766	314	363	403	213	-72%	(553)
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	2,458	2,088	2,278	180	2,084	-15%	(374)
Retirement	50,101	41,527	50,101	0	58,090	16%	7,989
Active Employee Insurance-Health/Dental/Vision/Disability	32,166	35,562	38,795	(6,629)	32,413	1%	246
Retiree Health Insurance OPEB Funding	10,235	6,065	10,235	0	8,656	-15%	(1,578)
FICA	7,238	6,309	7,290	(52)	7,402	2%	164
Medicare	1,709	1,475	1,705	4	1,755	3%	47
Unemployment Insurance	141	120	139	2	122	-13%	(19)
<i>Subtotal</i>	221,904	195,710	229,060	(7,156)	231,588	4%	9,684
OPERATING EXPENSES							
Public Education	7,500	4,248	5,098	2,402	7,500	0%	0
Janitorial Service & Supplies	1,100	888	1,066	34	1,100	0%	0
Uniforms	500	496	596	(96)	530	6%	30
Licenses & Permits	0	0	0	0	0	0%	0
Freight & Postage	100	25	30	70	100	0%	0
Subscriptions	450	246	295	155	450	0%	0
Vehicle Repairs & Maintenance	1,000	84	100	900	1,000	0%	0
Liability & Property Insurance	200	474	517	(317)	220	10%	20
Dues & Memberships	690	370	444	246	690	0%	0
Office Supplies	1,265	268	322	943	1,265	0%	0
Analysis & Monitoring	10,350	654	785	9,565	10,350	0%	0
Operating Supplies	1,000	223	268	732	1,000	0%	0
Attorney Fees	2,576	795	954	1,622	2,000	-22%	(576)
Printing & Publications	500	0	100	400	300	-40%	(200)
Repairs and Maintenance	3,000	0	0	3,000	3,000	0%	0
Travel	1,500	1,908	1,908	(408)	1,500	0%	0
Seminars, Conferences and Training	1,400	925	1,110	290	1,400	0%	0
Utilities	1,232	429	514	718	500	-59%	(732)
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	1,000	1,051	1,261	(261)	1,000	0%	0
Lease/Rentals	300	91	109	191	300	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	0	0	0	0	0	0%	0
Interest Expense	0	0	0	0	0	0%	0
Other Expense	150	1,352	1,622	(1,472)	300	100%	150
<i>Subtotal</i>	35,813	14,527	17,099	18,714	34,505	-4%	(1,308)
Total Personnel and Operating Expenses	257,717	210,237	246,159	11,558	266,093	3%	8,376
DEPRECIATION FUNDING							
Replacement Reserve	4,026	4,026	4,026	0	4,026	0%	0
<i>Subtotal</i>	4,026	4,026	4,026	0	4,026	0%	0
CAPITAL OUTLAY							
Machinery and Equipment	7,500	0	0	7,500	10,000	33%	2,500
Capital Projects - Replacement Reserve Fund (4655)	0	0	0	0	0	0%	0
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	7,500	0	0	7,500	10,000	33%	2,500
Total Operating & Non-Operating w/o Depreciation	265,217	210,237	246,159	19,058	276,093	4%	10,876
Total Operating & Non-Operating with Depreciation	269,244	214,263	250,186		280,119		10,876

INDUSTRIAL WASTE CONTROL

I. Personnel:

This account has been based on projected labor needs that are anticipated for implementation of the expanded Industrial Waste Control Program, which now includes permitting, inspecting, and monitoring restaurants.

This account provides for this position:

1 - Industrial Waste Control Officer

II. Operating Expenses:

- A. Vehicle Repairs and maintenance
This account provides for fuel and the maintenance and operation of the vehicles used for Industrial Waste Control Program operations.
- B. Dues and Memberships
This account provides for CWEA membership and for fees associated with the CWEA technical certification program.
- C. Office Supplies
This account provides for office supplies such as folders, binders, pens, paper, etc. It also provides for purchase of necessary regulatory books, manuals, handbooks, subscriptions, etc.
- D. Operating Supplies
This account provides for the purchase of equipment and supplies necessary for program implementation.
- E. Attorney Fees
This account provides for District counsel legal services.
- F. Printing and Publication
This account provides for publication of legal notices for significant noncompliance, in addition to outside printing of Industrial Waste Control Program material such as educational newsletters.
- G. Repair and Maintenance
This account provides for general repair and maintenance of Industrial Waste Control Program equipment, and for the purchase of tools and materials for in-house maintenance.
- H. Travel
This account provides for travel to seminars and conferences related to the Industrial Waste Control Program.

III. **Capital Outlay:**

A. *Machinery and Equipment*

This account provides for purchase of equipment used for the IWC program.

B. *Capital Projects*

This account provides for the construction of capital improvement projects for the IWC program. The rehabilitation of the Old-lab facility has been on hold for a number of years and remains on hold for the foreseeable future and has been removed until such time as the work will be performed.

1. The following project was previously budgeted and funded from replacement reserve fund #4655

a. Replacement Sampler (increased by \$2,500)	\$ 10,000
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TOTAL 655 Fund Capital Projects:	\$ 10,000
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LABORATORY

Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	378,150	371,102	428,829	(50,679)	368,762	-2%	(9,388)
Overtime	3,000	2,615	3,021	(21)	3,000	0%	0
Temporary	383	80	93	290	71	-81%	(312)
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	7,952	6,756	7,370	582	6,370	-20%	(1,582)
Retirement	124,678	113,078	124,678	0	104,849	-16%	(19,830)
Active Employee Insurance-Health/Dental/Vision/Disability	104,061	127,205	138,769	(34,708)	99,066	-5%	(4,995)
Retiree Health Insurance OPEB Funding	33,110	19,620	33,110	0	26,456	-20%	(6,653)
FICA	23,517	23,096	26,688	(3,171)	22,846	-3%	(672)
Medicare	5,532	5,401	6,242	(710)	5,392	-3%	(141)
Unemployment Insurance	425	685	792	(367)	362	-15%	(63)
<i>Subtotal</i>	680,808	669,638	769,592	(88,784)	637,173	-6%	(43,635)
OPERATING EXPENSES							
Public Education	4,000	2,131	2,558	1,442	4,000	0%	0
Janitorial Service & Supplies	4,000	3,448	4,138	(138)	4,000	0%	0
Uniforms	1,820	1,570	1,884	(64)	1,820	0%	0
Licenses & Permits	16,100	7,016	8,419	7,681	16,150	0%	50
Freight & Postage	950	789	947	3	950	0%	0
Subscriptions	850	672	807	43	850	0%	0
Vehicle Repairs & Maintenance	240	0	0	240	240	0%	0
Liability & Property Insurance	2,060	2,038	2,223	(163)	2,330	13%	270
Dues & Memberships	3,815	1,575	1,890	1,925	2,445	-36%	(1,370)
Office Supplies	800	1,316	1,579	(779)	800	0%	0
Analysis & Monitoring	62,000	26,294	31,552	30,448	62,000	0%	0
Operating Supplies	58,017	56,298	58,250	(233)	58,258	0%	241
Attorney Fees	1,818	564	677	1,141	1,500	-17%	(318)
Printing & Publications	490	300	360	130	450	-8%	(40)
Repairs and Maintenance	6,622	1,726	2,071	4,551	6,622	0%	0
Travel	4,100	1,773	2,128	1,972	4,100	0%	0
Seminars, Conferences and Training	2,800	1,968	2,362	438	2,800	0%	0
Utilities	11,150	10,053	12,064	(914)	11,820	6%	670
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	5,700	8,031	9,637	(3,937)	7,980	40%	2,280
Lease/Rentals	700	453	543	157	700	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	20,705	3,765	4,518	16,187	20,705	0%	0
Interest Expense	0	0	0	0	0	0%	0
Other Expense	200	0	0	200	200	0%	0
<i>Subtotal</i>	208,937	131,779	148,607	60,330	210,720	1%	1,783
Total Personnel and Operating Expenses	889,745	801,417	918,199	(28,454)	847,893	-5%	(41,852)
DEPRECIATION FUNDING							
Replacement Reserve	0	0	0	0	0	0%	0
<i>Subtotal</i>	0	0	0	0	0	0%	0
CAPITAL OUTLAY							
Machinery and Equipment	28,550	0	0	28,550	28,550	0%	0
Capital Projects - Replacement Reserve Fund (4655)	159,026	0	0	159,026	159,026	0%	0
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	187,576	0	0	187,576	187,576	0%	0
Total Operating & Non-Operating w/o Depreciation	1,077,321	801,417	918,199	159,122	1,035,469	-4%	(41,852)
Total Operating & Non-Operating with Depreciation	1,077,321	801,417	918,199		1,035,469	-4%	(41,852)

FISCAL YEAR 2025-26

LABORATORY

I. Personnel:

This account has been based on projected labor needs that are anticipated for proper plant operations and reporting program requirements. The following four positions are included in this department.

- 1 – Environmental Services Manager
- 0 – Lab Supervisor
- 1 – Safety & Regulatory Compliance Coordinator
- 0 – Lab Analyst II
- 2 – Lab Analyst I

II. Operating Expense:

A. Vehicle Repairs and Maintenance

This account provides for fuel and the maintenance and operation of vehicles used for laboratory operations.

B. Liability & Property Insurance

This account provides for the allocation of the insurance coverage applicable to the lab operations and facilities.

C. Analysis & Monitoring

This account provides for outside professional services such as laboratory analysis and ocean monitoring.

OEC/ABC Labs, Bioassay, Ocean monitoring	\$ 57,000
Outside Laboratories	5,000
Total Analysis & Monitoring	\$ 62,000

D. Operating Supplies

This account provides for the purchase of laboratory supplies, and other related items as follows:

Laboratory Supplies	\$ 25,000
Safety Equipment	2,800
Bacteriological Analysis Supplies	15,000
Lab DI water	4,500
Other Miscellaneous Operating Supplies	10,958
Total Operating Supplies	\$ 58,258

E. Printing and Publication

This account provides for miscellaneous legal notices as required.

F. Professional Services

This account provides for the other professional services not included in other line items.

G. Seminar and Conference Registration

This account provides for registration and attendance at training conferences and seminars such as those hosted by CWEA for assigned plant personnel.

H. Utilities

This account provides for utilities used in the lab facilities, with electric power being the major cost factor.

III. **Capital Outlay:**

A. Machinery and Equipment

This account provides for the purchase of equipment for use in the Laboratory.

24 Hour Refrigerated Composite Sampler	\$ 15,500
Laboratory Equipment Replacement(s)	10,000
Analytical Balance	3,050
Total Machinery and Equipment	\$ 28,500

B. Capital Projects

This account provides for the construction of capital improvement projects for the Laboratory.

1. The following project is budgeted for Fiscal Year 2023-24 and funded from replacement reserve fund #4655.

Continuation of the HVAC Air Scrubber project	\$ 159,026
Total Capital Projects	\$ 159,026

PLANT

Description	Budgeted	To Date	Projected Actual	Under(Over) Budget	Proposed Budget	Percent Change from last FY	\$ Change from FY
	2024-25	6/6/2025	2024-25	2024-25	2025-26		2024-25
PERSONNEL							
Basic Salaries	1,791,642	1,619,370	1,871,271	(79,629)	2,355,259	31%	563,617
Overtime	9,000	6,374	7,366	1,634	9,000	0%	0
Temporary	2,912	3,676	4,248	(1,336)	1,423	-51%	(1,489)
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	37,674	32,007	34,917	2,757	40,683	8%	3,009
Retirement	474,179	438,657	474,179	0	614,641	30%	140,463
Active Employee Insurance-Health/Dental/Vision/Disability	493,033	446,802	487,420	5,613	632,727	28%	139,694
Retiree Health Insurance OPEB Funding	156,870	92,958	156,870	0	168,975	8%	12,105
FICA	108,715	98,131	113,396	(4,681)	141,063	30%	32,348
Medicare	26,152	22,950	26,520	(368)	34,302	31%	8,151
Unemployment Insurance	2,028	2,024	2,339	(311)	2,329	15%	301
<i>Subtotal</i>	3,102,205	2,762,950	3,178,526	(76,321)	4,000,404	29%	898,199
OPERATING EXPENSES							
Public Education	29,000	16,142	19,371	9,629	29,000	0%	0
Janitorial Service & Supplies	23,500	20,173	24,207	(707)	23,500	0%	0
Uniforms	11,180	8,105	9,726	1,454	11,180	0%	0
Licenses & Permits	135,973	115,836	139,003	(3,030)	156,716	15%	20,743
Freight & Postage	1,100	449	539	561	1,100	0%	0
Subscriptions	4,600	3,114	3,737	863	5,300	15%	700
Vehicle Repairs & Maintenance	19,650	5,553	6,663	12,987	22,595	15%	2,945
Liability & Property Insurance	205,924	206,476	225,246	(19,322)	239,859	16%	33,935
Dues & Memberships	7,100	5,768	6,921	179	13,773	94%	6,673
Office Supplies	5,900	3,127	3,752	2,148	4,200	-29%	(1,700)
Analysis & Monitoring	104,408	27,320	32,784	71,624	120,175	15%	15,768
Operating Supplies	1,067,710	752,341	902,809	164,901	1,165,872	9%	98,162
Attorney Fees	12,954	5,064	6,076	6,878	11,000	-15%	(1,954)
Printing & Publications	3,500	250	300	3,200	2,500	-29%	(1,000)
Repairs and Maintenance	655,500	593,110	655,500	0	600,425	-8%	(55,075)
Travel	15,000	8,490	10,188	4,812	18,000	20%	3,000
Seminars, Conferences and Training	21,100	9,874	11,849	9,251	24,360	15%	3,260
Utilities	539,400	548,034	657,641	(118,241)	591,972	10%	52,572
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	113,800	124,248	149,098	(35,298)	125,800	11%	12,000
Lease/Rentals	125,000	11,022	13,227	111,773	125,000	0%	0
Biosolids Hauling	709,104	462,945	398,252	310,852	709,104	0%	0
Professional Services	238,300	78,326	93,992	144,308	253,025	6%	14,725
Interest Expense	0	0	0	0	0	0%	0
Other Expense	800	2	2	798	1,000	25%	200
<i>Subtotal</i>	4,050,503	3,005,768	3,370,883	679,620	4,255,456	5%	204,954
Total Personnel and Operating Expenses	7,152,707	5,768,719	6,549,409	603,298	8,255,860	15%	1,103,153
DEPRECIATION FUNDING							
Replacement Reserve	2,569,615	2,627,429	2,262,615	307,000	2,569,615	0%	0
<i>Subtotal</i>	2,569,615	2,627,429	2,262,615	307,000	2,569,615	0%	
CAPITAL OUTLAY							
Machinery and Equipment	0	6,449	6,449	(6,449)	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	365,413	229,536	229,536	135,877	677,558	85%	312,145
Capital Projects - Capital Reserve Fund (4650)	9,874,331	6,535,384	9,879,073	(4,742)	9,243,003	-6%	(631,328)
Debt Service (P&I)	944,048	472,024	944,048	0	944,048	0%	0
<i>Subtotal</i>	11,183,792	7,243,393	11,059,106	124,686	10,864,609	-3%	(319,183)
Total Operating & Non-Operating w/o Depreciation	18,336,499	13,012,111	17,608,515	727,984	19,120,469	4%	783,970
Total Operating & Non-Operating with Depreciation	20,906,114	15,639,540	19,871,130		21,690,084	4%	783,970

PLANT

I. Personnel:

This account has been based on projected labor needs that are anticipated for proper plant operations and reporting program requirements. The following 21 personnel are budgeted this area.

- 1 - Plant Operations Manager
- 1 - Treatment Plant Operations Supervisor
- 1 - Senior Operator (Grade IV)
- 1 – Engineering Manager
- 4 - Treatment Plant Operator Grade III
- 0 - Treatment Plant Operator Grade II
- 3 - Treatment Plant Operator Grade I
- 1 - Treatment Plant Operator in Training (OIT-III)
- 1 - Engineering Assistant
- 1 - Facility Maintenance Manager
- 0 - Instrumentation Technician
- 1 - Facilities Maintenance Manager
- 2 - Electrician
- 1 - Maintenance Technician II
- 2 - Maintenance Technician I
- 1 - Maintenance Workers

Projections for overtime have been made to provide for emergency response required during non-working hours and holidays.

II. Operating Expense:

A. Vehicle Repairs and Maintenance

This account provides for fuel and the maintenance and operation of vehicles used for plant operations.

B. Liability & Property Insurance

This account provides for the allocation of the insurance coverage applicable to the treatment facilities.

C. Analysis & Monitoring

This account provides for outside professional services such as meter calibration and ocean monitoring.

Annual Flow and Gas meter Calibration	\$ 16,200
Investigation Analysis and outside labs	92,000
APCD Annual Source Testing / Certification	11,975

Total Analysis & Monitoring	\$ 120,175
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D. Operating Supplies

This account provides for the purchase of chemicals for the plant operations, uniforms, laboratory supplies, and other related items as follows:

Sodium Hypochlorite	\$ 310,000
Sodium Bisulfite	100,000
Ferric Chloride	300,000
Polymer for Sludge Dewatering and thickening	265,000
Ammonium Sulfate for disinfection	8,000
Lystek System Sodium Hydroxide and Propane	36,000
Grease, Oils, Lubrication	9,200
Generator/Tractor Diesel Fuel	64,000
Herbicides/Lawn Products	2,875
Solvents/Degreasers/Make-up Water Inhibitors	1,725
Boiler Chemical Inhibitors	5,200
Boiler water softener tanks	5,750
Safety Boot Allowance	5,442
Safety Equipment and fall protection	20,000
Welding Gases and supplies	4,430
H2S Gas Detector Tubes (Draeger Tubes)	5,750
Fuel/Oil/Propane	12,500
I.T.	10,000

Total Operating Supplies \$ 1,165,872

E. Printing and Publication

This account provides for miscellaneous legal notices as required.

F. Repairs and Maintenance

This account provides for the general repair and maintenance of the plant facilities as outlined below:

Area Signs and Pipe Identification Signs	\$ 5,750
Pipe and Fittings	57,500
Flow Meter Parts	11,500
Paint Supplies	23,000
Mower Parts	5,750
Miscellaneous Parts and tools	29,000
Electrical Parts/Equipment	17,250
Safety Equipment Repairs	9,200
O&M Cleaning supplies	1,725
Waste Oil	400
Landscape Supplies	5,850
Heavy Equip. Repair (Tractors/Loaders)	23,000
Repair Services/Machine Shop	17,250
Misc. Pumps, Process Equip. Mechanical Parts	57,500
Dredge Repairs	5,750
Outside Contractor Repairs	23,000
Tree removal & chipping	10,000
Flygt Parts for RAS Station	25,000
Vogelsang WSS Pump Spare wear parts	2,500
Huber Headworks and Solids Parts	105,000
Primary ODS Pumps & Parts	10,000

Plant Compressors Spare and Wear parts	5,000
Headworks Grit dumpster and drain line parts	50,000
Road leak repair (near Chem. Storage)	30,000
Vehicle Storage Garage Repairs	34,500
Generac Generator Spare Parts; Cat Load Testing	35,000

Total Repairs and Maintenance: \$ 600,425

G. Seminar and Conference Registration

This account provides for registration and attendance at training conferences and seminars such as those hosted by CWEA for assigned plant personnel.

H. Utilities

This account provides for utilities used in the treatment facilities, with electric power being the major cost factor.

I. Biosolids Hauling

This account provides for Biosolids disposal and hauling **\$ 709,104**

J. Professional Services

This account provides for other professional services not included in other line items such as emergency generator service; Boiler Maintenance; Competency Based Training, SDS Management; Engineering Services; Health physicals and testing.

K. Replacement Reserve

As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$1,230,075 will be added to the replacement reserve fund for adequate replacement of all the wastewater treatment facilities.

III. **Capital Outlay:**

A. Machinery and Equipment

This account provides for the purchase of equipment for use in the Treatment Plant.

B. Capital Projects

This account provides for the construction of capital improvement projects for the treatment facilities.

1. The following projects are budgeted for FY 2025-26 and funded from Capital replacement fund #4650.

Biosolids & Energy Strategic Plan (BESP) project continuation	\$ 5,038,096
BESP Solids-Handling-Improvement-Project continuation	2,500,000
Energy Storage Project (ESP) design	415,000
Lystek Purchase and Rehab	177,632

2. The following projects are budgeted for FY 2024-25 and funded from Capital replacement fund #4650.

Biosolids & Energy Strategic Plan (BESP) project continuation	\$ 728,794
BESP Solids-Handling-Improvement-Project continuation	351,113
Lystek Purchase and Rehab	32,368

Fund 4650 Total \$ 9,243,003

1. The following projects are budgeted for FY 2025-26 and funded from replacement reserve fund #4655.

Conex Boxes	\$ 15,000
Trailer Jetter	65,000
Digester #2 and #3 Gas System Rehab	215,000
Secondary Clarifier #3 and #4 housing bearings	50,000
Replacement Carts for Maintenance	35,000
Elevator Smoke Controller	25,000
Main Switchboard Breaker	50,000
Main MCC Breaker	40,000
Headworks, Operator Interface Pannels (4 each)	25,000

2. The following projects were budgeted for FY 2023-24 and funded from replacement reserve fund #4655

PM Building AHU Replacement additional	\$ 50,000
Neuros Variable Frequency Drive VFD spare	25,000

3. The following projects were budgeted for FY 2022-23 and funded from replacement reserve fund #4655

Chemical Storage Discharge Pump	\$ 12,558
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4. The following projects were budgeted for FY 2021-22 and funded from replacement reserve fund #4655.

Hypochlorite Feed Piping	\$ 35,000
Wemco Grit Pump CCW	35,000

Fund 4655 Total \$ 677,558

Loan payments	\$ 944,049
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Total Capital Projects and loan payment \$ 10,864,609

OUTFALL

Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	11,465	6,800	7,857	3,608	9,228	-20%	(2,237)
Overtime	0	0	0	0	0	0%	0
Temporary	153	80	93	60	71	-54%	(82)
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	241	205	223	18	159	-34%	(82)
Retirement	2,713	2,105	2,713	0	2,346	-14%	(366)
Active Employee Insurance-Health/Dental/Vision/Disability	3,155	1,807	1,971	1,184	2,479	-21%	(676)
Retiree Health Insurance OPEB Funding	1,004	595	1,004	0	662	-34%	(342)
FICA	651	368	425	226	472	-27%	(179)
Medicare	168	86	99	69	135	-20%	(34)
Unemployment Insurance	15	7	8	7	10	-33%	(5)
<i>Subtotal</i>	19,565	12,052	14,393	5,173	15,563	-20%	(4,002)
OPERATING EXPENSES							
Public Education	1,125	850	1,020	105	1,125	0%	0
Janitorial Service & Supplies	60	47	56	4	60	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	0	0	0	0	0	0%	0
Freight & Postage	50	16	19	31	50	0%	0
Subscriptions	0	0	0	0	0	0%	0
Vehicle Repairs & Maintenance	100	0	0	100	115	15%	15
Liability & Property Insurance	11,040	10,895	11,885	(845)	12,530	13%	1,490
Dues & Memberships	0	0	0	0	0	0%	0
Office Supplies	230	38	46	184	265	15%	35
Analysis & Monitoring	8,000	0	0	8,000	9,200	15%	1,200
Operating Supplies	150	94	113	37	175	17%	25
Attorney Fees	985	305	366	619	800	-19%	(185)
Printing & Publications	48	0	0	48	40	-17%	(8)
Repairs and Maintenance	2,700	0	2,700	0	3,100	15%	400
Travel	150	0	0	150	175	17%	25
Seminars, Conferences and Training	0	0	0	0	0	0%	0
Utilities	657	113	135	522	170	-74%	(487)
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	0	0	0	0	0	0%	0
Lease/Rentals	200	60	73	127	200	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	25,000	0	0	25,000	28,750	15%	3,750
Interest Expense	0	0	0	0	0	0%	0
Other Expense	0	0	0	0	0	0%	0
<i>Subtotal</i>	50,495	12,417	16,413	34,082	56,755	12%	6,260
Total Personnel and Operating Expenses	70,060	24,470	30,806	39,255	72,318	3%	2,258
DEPRECIATION FUNDING							
Replacement Reserve	106,141	49,035	49,035	57,106	106,141	0%	0
<i>Subtotal</i>	106,141	49,035	49,035	57,106	106,141	0%	0
CAPITAL OUTLAY							
Machinery and Equipment	0	0	0	0	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	53,200	0	0	53,200	203,200	282%	150,000
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	53,200	0	0	53,200	203,200	282%	150,000
Total Operating & Non-Operating w/o Depreciation	123,260	24,470	30,806	92,455	275,518	124%	152,258
Total Operating & Non-Operating with Depreciation	229,401	73,505	79,840		381,659	66%	152,258

OUTFALL

Goleta Sanitary District, Goleta West Sanitary District, University of California, Santa Barbara Municipal Airport, and the County of Santa Barbara all share in the costs associated with the maintenance of the outfall facility based on their contractual outfall capacity percentage. The following is a summary of the costs associated with the maintenance of the outfall facility:

I. Personnel:

This account has been projected based on labor requirements anticipated for the maintenance of the District's outfall. This budget projection and allocation of personnel will be closely monitored and adjusted as necessary.

II. Operating Expenses:

- A. **Analysis and Monitoring**
This account provides for inspecting the impressed current cathodic protection system and underwater inspection of the outfall.
- B. **Repair and Maintenance**
This account provides for miscellaneous repairs to electrical box and access vault.
- C. **Professional Services**
This account provides for services related to inspection services of both the interior and exterior of the outfall line.

III. Replacement Reserve

As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$59,237 will be added to the replacement reserve fund, the District's share, for adequate replacement of the outfall facility.

IV. Capital Outlay

- A. **Machinery and Equipment**
This account provides for purchase of equipment for use in the ocean outfall facilities. No equipment was specified for this operation.
- B. **Capital Projects**
This account provides for the construction of capital projects for the Ocean Outfall Facilities.

Cathodic Well Replacement Project	\$ 53,200
Outfall line inspection for possible rehabilitation:	150,000
Total Capital Projects	\$ 203,200

RECLAMATION OPERATIONS

Description	Budgeted 2024-25	To Date 6/6/2025	Projected Actual 2024-25	Under(Over) Budget 2024-25	Proposed Budget 2025-26	Percent Change from last FY	\$ Change from FY 2024-25
PERSONNEL							
Basic Salaries	100,775	173,271	200,224	(99,449)	185,477	84%	84,703
Overtime	2,100	3,198	3,695	(1,595)	2,100	0%	0
Temporary	613	162	187	426	142	-77%	(471)
Directors Compensation	0	0	0	0	0	0%	0
Workers' Compensation	2,119	1,800	1,964	155	3,204	51%	1,085
Retirement	25,519	33,657	25,519	0	45,382	78%	19,863
Active Employee Insurance-Health/Dental/Vision/Disability	27,732	24,926	27,192	540	49,827	80%	22,096
Retiree Health Insurance OPEB Funding	8,823	5,228	8,823	0	13,307	51%	4,483
FICA	6,209	10,761	12,435	(6,226)	11,273	82%	5,063
Medicare	1,501	2,517	2,908	(1,407)	2,722	81%	1,221
Unemployment Insurance	121	205	237	(116)	184	52%	63
<i>Subtotal</i>	175,511	255,725	283,184	(107,673)	313,618	79%	138,106
OPERATING EXPENSES							
Public Education	6,000	3,398	4,078	1,922	6,000	0%	0
Janitorial Service & Supplies	1,640	1,527	1,833	(193)	1,640	0%	0
Uniforms	0	0	0	0	0	0%	0
Licenses & Permits	1,500	173	208	1,292	1,500	0%	0
Freight & Postage	150	41	49	101	150	0%	0
Subscriptions	0	0	0	0	0	0%	0
Vehicle Repairs & Maintenance	100	0	100	0	100	0%	0
Liability & Property Insurance	46,100	45,511	49,649	(3,549)	52,370	14%	6,270
Dues & Memberships	100	0	0	100	100	0%	0
Office Supplies	100	23	28	72	100	0%	0
Analysis & Monitoring	4,000	2,136	2,563	1,437	4,000	0%	0
Operating Supplies	36,000	12,562	25,000	11,000	36,000	0%	0
Attorney Fees	985	305	366	619	1,000	2%	15
Printing & Publications	150	0	0	150	100	-33%	(50)
Repairs and Maintenance	35,270	21,986	26,383	8,887	46,688	32%	11,418
Travel	200	0	0	200	200	0%	0
Seminars, Conferences and Training	100	0	0	100	100	0%	0
Utilities	100,740	103,202	123,842	(23,102)	108,520	8%	7,780
Election Expense	0	0	0	0	0	0%	0
Computer Service & Maintenance	1,545	4,055	4,866	(3,321)	1,545	0%	0
Lease/Rentals	213	83	100	113	213	0%	0
Biosolids Hauling	0	0	0	0	0	0%	0
Professional Services	11,100	3,250	3,900	7,200	11,100	0%	0
Interest Expense	0	0	0	0	0	0%	0
Other Expense	1,150	0	0	1,150	1,150	0%	0
<i>Subtotal</i>	247,143	198,254	242,965	4,178	272,576	10%	25,433
Total Personnel and Operating Expenses	422,655	453,980	526,149	(103,495)	586,194	39%	163,539
DEPRECIATION FUNDING							
Replacement Reserve	421,463	426,341	421,463	0	421,463	0%	0
<i>Subtotal</i>	421,463	426,341	421,463	0	421,463	0%	0
CAPITAL OUTLAY							
Machinery and Equipment	0	0	0	0	0	0%	0
Capital Projects - Replacement Reserve Fund (4655)	382,084	27,414	54,829	327,255	231,287	-39%	(150,797)
Capital Projects - Capital Reserve Fund (4650)	0	0	0	0	0	0%	0
Debt Service	0	0	0	0	0	0%	0
<i>Subtotal</i>	382,084	27,414	54,829	327,255	231,287	-39%	(150,797)
Total Operating & Non-Operating w/o Depreciation	804,739	481,394	580,978	223,760	817,481	2%	12,742
Total Operating & Non-Operating with Depreciation	1,226,201	907,735	1,002,441		1,238,944	1%	12,742

FISCAL YEAR 2025-26

RECLAMATION FACILITIES

All costs associated with the operation and maintenance of the wastewater reclamation facilities are reimbursed by the Goleta Water District as per the agreement for construction and operation of the wastewater reclamation facilities between the Goleta Sanitary District and the Goleta Water District. The following is a summary of the costs associated with the operation and maintenance of the reclamation facilities:

I. Personnel:

This account has been projected based on labor requirements anticipated for the operation of the reclamation facilities. This budget projection and allocation of personnel was based on full operation of the facilities to reclaim the production volume projected by the Goleta Water District.

II. Operating Expenses:

The major operating expenses that are budgeted in this area provide for the following accounts based on full operation as projected by the Goleta Water District.

A. Operating Supplies

This account provides for the purchase of chemicals and lab supplies for the reclamation facilities.

Reclaimed Water Production:

Coagulant and Polymer:	\$ 36,000
Sodium Hypochlorite (free to GWD in exchange for Irrigation water (3W)	
Total	\$ 36,000

B. Repair and Maintenance

This account provides for the general repair and maintenance of the reclamation facilities.

Electrical Parts/Circuit Boards	\$ 23,210
Mechanical Parts	20,978
Lubricants & Misc.	800
Paint	700
Miscellaneous	<u>1,000</u>
Total	\$ 46,688

C. Utilities

This account provides for utilities used in the reclamation facilities, including water and electricity for distribution system pumps.

D. Professional Services

This account provides for professional services not included in other line items, CCC programing and testing, for example.

III. **Capital Outlay:**

A. *Machinery and Equipment*

This account provides for the purchase of equipment for use in the reclamation plant:

B. Capital Projects

This account provides for the construction of capital projects for the wastewater reclamation facilities.

The following projects have been budgeted:

Filter Building CIP Design (Instrumentation)	\$ 30,000
Filter Building CIP Design (Mechanical)	75,000
LIM Torque Valves	45,171
Chlorine pump skid	45,000
Filter Building CIP Construction (Instrumentation)	9,390
Filter Building CIP Construction (Mechanical)	26,726

Total Capital Projects	\$ 231,287
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CAPITAL PROJECTS SUMMARY FISCAL YEAR 2025-26

The following projects will be funded from the replacement reserve fund #4655.

Collection System:

1. Capital Improvement Projects Budgeted for FY 2025-26	
a. Manhole raising program additional	\$ 40,000
b. GSD 2025-26 CIP Lines project design, additional	30,000
c. Manhole Inspection Program	100,000
d. GSD 2025-26 CIP Lines projects	500,000
2. Capital Improvement Projects Budgeted for FY 2021-22	
a. Manhole raising program	\$ 80,000
b. GSD 2025-26 CIP Lines project design	70,000
3. Capital Improvement Projects Budgeted for FY 2021-22	
a. GSD 2021 Lines CIP projects	\$ 141,624
Total	\$ 961,624

Firestone Lift Station:

1. Capital Improvement Projects Budgeted for FY 2021-22	
a. Jocky pump to regulate flows	\$ 50,000
Total	\$ 50,000

Laboratory:

1. Capital Improvement Projects Budgeted included in FY 2023-24 Budget	
a. Continuation of the HVAC Air Scrubber project	\$ 159,026
Total	\$ 159,026

Wastewater Treatment Facilities:

The following projects will be funded from the Capital replacement fund #4650.

1. Capital Improvement Projects Budgeted for FY 2025-26	
a. Biosolids & Energy Strategic Plan (BESP) continuation	\$ 5,038,096
b. BESP Solids-Handling-Improvement-Project continuation	2,500,000
c. Energy Storage Project (ESP) design	415,000
d. Lystek Purchase and Rehab	177,632
2. Capital Improvement Projects Budgeted for FY 2023-24	
a. Biosolids & Energy Strategic Plan (BESP) continuation	\$ 728,794
b. BESP Solids-Handling-Improvement-Project continuation	351,113
c. Lystek Purchase and Rehab, additional	32,368
Total	\$ 9,243,003

Additionally, a BESP Loan Payments will be made in FY 2025-26 of \$ 944,049

The following projects will be funded from the replacement reserve fund #4655.

Plant:

1. Capital Improvement Projects Budgeted for FY 2025-26		
a. Conex Boxes	\$	15,000
b. Trailer Jetter		65,000
c. Digester #2 and #3 Gas System Rehabilitation		215,000
d. Secondary Clarifier #3 and #4 housing bearings		50,000
e. Replacement Carts for Maintenance		35,000
f. Elevator Smoke Controller		25,000
g. Main Switchboard Breaker		50,000
h. Main MCC Breaker		40,000
i. Headworks, Operator Interface Pannels (4 each)		25,000
2. Capital Improvement Projects Budgeted for FY 2023-24		
a. PM Building AHU Replacement additional	\$	50,000
b. Neuros Variable Frequency Drive VFD spare		25,000
3. Capital Improvement Projects Budgeted for FY 2022-23		
a. Chemical Storage Discharge Pump	\$	12,558
4. Capital Improvement Projects Budgeted for FY 2021-22		
a. Hypochlorite Feed Piping	\$	35,000
b. Wemco Grit Pump CCW		35,000
Total	\$	677,558

Outfall:

1. Capital Improvement Projects Budgeted		
a. Cathodic Well Replacement Project additional	\$	53,200
b. Outfall line inspection and possible rehabilitation		150,000
Total	\$	203,200

Reclamation Facilities:

1. Capital Improvement Projects Budgeted the facility		
a. Filter Building CIP Design (Instrumentation)	\$	30,000
b. Filter Building CIP Design (Mechanical)		75,000
c. LIM Torque Valves		45,171
d. Chlorine pump skid		45,000
e. Filter Building CIP Construction (Instrumentation)		9,390
f. Filter Building CIP Construction (Mechanical)		26,726
Total	\$	231,287

Total District Capital Projects FY 2025-26 \$ 12,469,746

AGENDA ITEM #2

AGENDA ITEM: 2**MEETING DATE: July 7, 2025****I. NATURE OF ITEM**

Discussion and Action on Annual Audit Services Contract

II. BACKGROUND INFORMATION

Moss, Levy and Hartzheim (MLH) of Santa Maria was hired to prepare the District's annual audit and review its financial statements from 2013 until 2018. In 2018 the District elected to issue a Request for Proposals (RFP) for the Fiscal Year 2017-18 (FY18) audit services and engaged Fechter & Company CPAs (Fechter) from the list of respondents. While Fechter is a qualified audit services firm and completed the District's FY18 audit report, staff had some difficulties with their process and found that they were not quick to correct errors once identified. As such, the Board supported re-hiring MLH for audit services for FY19, and MLH has continued to complete the District's annual audit since. Staff is recommending MLH be hired once again to complete the FY25 audit. By law, MLH partner, Adam Guise, cannot serve as the lead, as this would be his seventh consecutive year. MLH partner, Travis Hole, will serve as Partner in Charge and Christopher Padilla, will serve as Manager in Charge.

Assembly Bill 1345 added section 12410.6.(b) to Government Code regarding auditor rotation requirements of public accounting firms providing audit services to local agencies.

Government Code section 12410.6.(b) indicates that commencing in FY14, a local agency shall not employ a public accounting firm to provide audit services to a local agency if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years. For purposes of calculating the six consecutive fiscal years, the local agency shall not take into account any time that a public accounting firm was employed by that local agency prior to FY14. The Controller may waive this requirement if he or she finds that another eligible public accounting firm is not available to perform the audit.

MLH has been serving many local agencies for over 40 years and performed well for the District. The proposal from MLH for FY25 audit services is attached for Board consideration and approval.

III. COMMENTS AND RECOMMENDATIONS

Staff recommends the Board approve retaining MLH to conduct the District's annual audit for FY25 in an amount not to exceed \$18,000, as described in the attached proposal from MLH.

IV. REFERENCE MATERIAL

Proposal from MLH



June 19, 2025

To the Board of Directors
Goleta Sanitary District
1 Moffett Place
Goleta, CA 93117

We are pleased to confirm our understanding of the services we are to provide Goleta Sanitary District for the fiscal year ended June 30, 2025.

Audit Scope and Objectives

We will audit the financial statements of the business-type activities including the major fund and the disclosures, which collectively comprise the basic financial statements of Goleta Sanitary District as of and for the fiscal year ended June 30, 2025. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Proportionate Share of Net Pension Liability
- 3) Schedule of Pension Contributions
- 4) Schedule of Changes in the Net OPEB Liability and Related Ratios
- 5) Schedule of OPEB Contributions

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Goleta Sanitary District and other procedures we consider necessary to enable us to

express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Goleta Sanitary District in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial

statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Moss, Levy & Hartzheim LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to [Name of Regulator] or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Moss, Levy & Hartzheim LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Travis Hole is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately July 14, 2025 and to issue our reports no later than November 30, 2025.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$18,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of Goleta Sanitary District's financial statements. Our report will be addressed to management and the Board of Directors of Goleta Sanitary District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a

separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Goleta Sanitary District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Goleta Sanitary District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Moss, Levy & Hartzheim LLP

Moss, Levy & Hartzheim LLP

RESPONSE:

This letter correctly sets forth the understanding of Goleta Sanitary District.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

AGENDA ITEM #3

AGENDA ITEM: 3**MEETING DATE: July 7, 2025****I. NATURE OF ITEM**

Consideration of Authorization of Additional Change Order Authority for the Biosolids and Energy Phase 1 Project Construction Contract

II. BACKGROUND INFORMATION

On June 5, 2023, the Board authorized the General Manager to execute a construction contract with Gateway Pacific Contractors, Inc. for the Biosolids and Energy Strategic Plan Phase 1 project in an amount-not-to-exceed \$9,765,442. The Board also authorized the General Manager to approve contract change orders as needed up to an amount-not-to-exceed 5% of the construction contract amount, or \$488,272.

As with all projects involving existing underground infrastructure, there are unknowns that cannot be completely designed around nor fully investigated ahead of breaking ground. The construction contractor is doing a diligent job, and the original project design was thorough. Even so, many challenges have arisen during construction, necessitating contract change orders to ensure successful project delivery. Six contract change orders have been executed for changes that were beyond the original scope of the project, totaling \$482,729. Another change order is being negotiated, which will exceed the General Manager's change order authority approved by the Board.

Beyond the current change order, there is additional underground work to be done, and more change orders are likely. In order to keep this project moving forward as planned, staff is seeking the Board's approved of additional change order authority.

III. COMMENTS AND RECOMMENDATIONS

Authorization of additional change order authority would allow staff to efficiently manage construction without seeking additional Board authorization for each successive change order. Staff estimates that increasing the General Manager's change order authority from 5% to 10% of the original contract amount (an additional \$488,272 over the current change order authority), will be sufficient to close out the project.

Staff will continue to monitor the project and only approve change orders that are warranted. Any unused change order authority will not be spent. While staff does not anticipate that the entirety of the increased change order authority will be used, the actual amount needed is unknown at this time. Staff will continue to provide updates to the Board as needed through completion of the BESP Phase 1 project.

Staff recommends that the Board authorize the General Manager to approve change orders on the BESP Phase 1 Construction Contract in an amount not-to-exceed 10% of the construction contract cost (\$976,544). Additional budget monies will only be encumbered at the time that a change order is executed.

IV. REFERENCE MATERIAL

None

GENERAL MANAGER'S REPORT

GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT

The following summary report describes the District's activities from June 17, 2025, through July 7, 2025. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

1. COLLECTION SYSTEM REPORT

LINES CLEANING

Staff has been conducting routine lines cleaning in the area of North Kellogg Avenue and Huntington Drive. Staff has also been conducting priority lines cleaning throughout the District.

CCTV INSPECTION

Staff has been conducting routine Closed-Circuit Television (CCTV) inspections in the area of Randolph Road and Via Bolzano. Staff has also been conducting priority CCTV inspections throughout the District.

REPAIR AND MAINTENANCE

Cal Portland Construction (Cal Portland) started work on Monday, June 2, 2025, for the County of Santa Barbara's Fiscal Year 24-25 Pavement Rehabilitation Project. Cal Portland is adjusting approximately 30 of the District's manhole and cleanout frames and covers as part of this paving project. Staff is coordinating the work with the County of Santa Barbara and Cal Portland staff. Cal Portland staff has begun adjusting frames and covers to grade following paving work. Staff is providing replacement frames and covers as needed.

Granite Construction was recently awarded the contract for the City of Goleta's 2025 Arterial Pavement Project. Based on the preliminary project information provided by the City of Goleta, the number of manhole and cleanout frames and covers to be adjusted is 61. Granite Construction will be adjusting the District's frames and covers as part of this paving project. Staff is coordinating the work with City of Goleta and Granite Construction staff. Staff will be providing replacement frames and covers as needed.

CUESTA VERDE ODOR ISSUE

Staff continues to collect gas monitor readings on Cuesta Verde in response to an ongoing odor issue associated with the force main lateral from the Santa Barbara Wildlife Care Network (SBWCN) effluent pumpstation.

As part of a no-cost trial, Consibio, along with their vendor, West Coast Equipment and Safety Supply installed a combined water level and hydrogen sulfide remote monitoring device in a manhole on Cuesta Verde. The Consibio monitor provides real-time data that is accessible through computers and mobile devices. In addition to the hydrogen sulfide data provided by the monitor for this odor issue, staff will assess the level monitoring features of the device to determine if this device should be recommended for purchase by the District. Staff is currently working with Consibio on configuring the hydrogen sulfide monitor installation.

LINES CLEANING TRUCK

As previously reported, the Vactor RamJet truck was towed to the Gibbs Truck Centers location in Oxnard on Thursday, June 12, 2025. Gibbs staff has not yet determined the cause of the truck's failure to start. The truck is still under the manufacturer's base coverage warranty. The Vactor combination sewer cleaning truck remains fully operational and is in use by staff.

2025 SEWER SYSTEM MANAGEMENT PLAN UPDATE

Staff is working with Fischer Compliance, LLC on updating the District's Sewer System Management Plan (SSMP). The State Water Resources Control Board (SWRCB) Statewide Waste Discharge Requirements General Order (the Order) for Sanitary Sewer Systems requires systems serving populations between 10,000 and 100,000 to submit a Plan Update by August 2, 2025. Staff is planning to present a draft of the Plan Update to the Board at the July 21, 2025 Board of Directors Meeting. The Order requires that future Plan Updates by the District be submitted every six years going forward.

2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT

Plant flows for the month of June 2025 averaged 5.3 million gallons a day (MGD). The Reclamation Plant is online and the average reclaimed water produced for Goleta Water District is 1.25 MGD.

Construction of the Biosolids and Energy (BESP) Phase 1 project continues. The excavation around Digester #4 has been backfilled, and the surrounding utility work has resumed, including the construction of a new duct bank and the replacement of the 24-inch Primary Effluent pipe to Biofilter #1. The interior of Digester #4 has been coated.

Operations staff has repaired one of the sample pumps at the Reclamation Plant, and the new LMI dosing pumps have been installed for the polymer feed. Staff is working on getting the drains fixed in Secondary Clarifiers #1 and #2. Now that the dredge is fixed and back in service, the Solids Building is back online and sludge hauling has resumed.

3. GENERAL AND ADMINISTRATIVE ITEMS

Financial Report

The District account balances as of July 7, 2025, shown below, are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

Operating Checking Accounts:	\$ 1,158,618
Investment Accounts (including interest earned):	<u>\$ 44,160,598</u>
Total District Funds:	\$ 45,319,216

The following transactions are reported herein for the period 06/17/2025 – 07/07/2025

Regular, Overtime, Cash-outs, and Net Payroll:	\$ 328,558
Claims:	\$ 1,104,637
Total Expenditures:	\$ 1,433,195

Total Deposits:	\$ 1,406,234
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Transfers of funds:

LAIF to Community West Bank Operational (CWB):	\$ - 0 -
CWB Operational to CWB Money Market:	\$ - 0 -
CWB Money Market to CWB Operational:	\$ 1,000,000
CWB Operational to CA-Class Investment Account	\$ - 0 -
CA-Class Investment Account to CWB Operational	\$ - 0 -

The District's investments comply with the District's Investment Policy adopted per Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

Local Agency Investment Fund (LAIF)

LAIF Monthly Statement – May, 2025

LAIF Quarterly Report – Previously reported

PMIA/LAIF Performance – Previously reported

PMIA Effective Yield – Previously reported

Community West Bank (CWB)

CWB Money Market and ICS Accounts – June, 2025

CA-Class Investment Account

CA-Class Investment Account – June, 2025

Deferred Compensation Accounts

CalPERS 457 Deferred Compensation Plan – May, 2025

Lincoln 457 Deferred Compensation Plan – June, 2025

Personnel

A verbal personnel update will be provided at the meeting.

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

July 02, 2025

[LAIF Home](#)
[PMIA Average Monthly](#)
[Yields](#)

GOLETA SANITARY DISTRICT

GENERAL MANAGER
 ONE WILLIAM MOFFETT PLACE
 GOLETA, CA 93117

[Tran Type Definitions](#)

Account Number: 70-42-002

June 2025 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	4,147.13
Total Withdrawal:	0.00	Ending Balance:	4,147.13

7100 N. Financial Dr. STE 101
Fresno, CA 93720

GOLETA SANITARY DISTRICT
1 WILLIAM MOFFETT PL
GOLETA CA 93117-3901



Local Deposits are used to Make Local Loans

Your deposits help drive economic growth and build stronger communities.

Summary of Accounts

Account Type	Account Number	Ending Balance
PUBLIC MONEY MARKET	XXXXXXXXXXXX554	\$250,000.00

PUBLIC MONEY MARKET - XXXXXXXXXXXXXXX554

Account Summary

Date	Description	Amount
05/31/2025	Beginning Balance	\$250,000.00
	2 Credit(s) This Period	\$1,000,945.72
	2 Debit(s) This Period	\$1,000,945.72
06/30/2025	Ending Balance	\$250,000.00

Interest Summary

Description	Amount
Interest Earned From 05/31/2025 Through 06/30/2025	
Annual Percentage Yield Earned	4.55%
Interest Days	31
Interest Earned	\$945.72
Interest Paid This Period	\$945.72
Interest Paid Year-to-Date	\$6,312.62
Minimum Balance	\$250,000.00
Average Ledger Balance	\$250,000.00

Other Credits

Date	Description	Amount
06/25/2025	TRANSFER FROM ICS SHADOW MMA ACCOUNT XXXXXXXXXXXXXXX8650	\$1,000,000.00
06/30/2025	INTEREST	\$945.72
		2 item(s) totaling \$1,000,945.72

Electronic Debits

Date	Description	Amount
06/25/2025	Transfer to Operating Account	\$1,000,000.00
		1 item(s) totaling \$1,000,000.00

PUBLIC MONEY MARKET - XXXXXXXXXXXXXXX554 (continued)

Other Debits		
Date	Description	Amount
06/30/2025	TRANSFER TO ICS SHADOW MMA ACCOUNT XXXXXXXXXXXXXXX8650	\$945.72
		1 item(s) totaling \$945.72

Overdraft and Returned Item Fees

	Total for this period	Total year-to-date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

Community West Bank
7100 N Financial Dr Ste 101
Fresno, CA 93720

RETURN SERVICE REQUESTED



135326-30A
Goleta Sanitary District
One William Moffett Place
Goleta, CA 93117

Contact Us
559-298-1775
www.communitywestbank.com



Account
Goleta Sanitary District

Date
06/30/2025

Page
1 of 6

IntraFi Cash ServiceSM, or ICS[®], Monthly Statement

The following information is a summary of activity in your account(s) for the month of June 2025 and the list of FDIC-insured institution(s) that hold your deposits as of the date indicated. These deposits have been placed by us, as your agent and custodian, in deposit accounts through IntraFi Cash Service. Funds in your deposit accounts at the FDIC-insured institutions at which your funds have been placed will be "deposits," as defined by federal law. Certain conditions must be satisfied for "pass-through" FDIC deposit insurance coverage to apply. To meet the conditions for pass-through FDIC deposit insurance, deposit accounts at FDIC-insured banks in IntraFi's network that hold deposits placed using an IntraFi service are titled, and deposit account records are maintained, in accordance with FDIC regulations for pass-through coverage.

Summary of Accounts

Account ID	Deposit Option	Interest Rate	Opening Balance	Ending Balance
*****554	Demand	4.09%	\$40,022,947.00	\$38,158,786.21
TOTAL			\$40,022,947.00	\$38,158,786.21

DETAILED ACCOUNT OVERVIEW

Account ID: *****554

Account Title: Goleta Sanitary District

Account Summary - Demand

Statement Period	6/1-6/30/2025	Average Daily Balance	\$38,895,143.46
Previous Period Ending Balance	\$40,022,947.00	Interest Rate at End of Statement Period	4.09%
Total Program Deposits	1,073.38	Annual Percentage Yield Earned	4.30%
Total Program Withdrawals	(2,000,000.00)	YTD Interest Paid	880,733.03
Interest Capitalized	134,765.83		
Current Period Ending Balance	\$38,158,786.21		

Account Transaction Detail

Date	Activity Type	Amount	Balance
06/02/2025	Deposit	\$1,073.38	\$40,024,020.38
06/02/2025	Withdrawal	(1,000,000.00)	39,024,020.38
06/26/2025	Withdrawal	(1,000,000.00)	38,024,020.38
06/30/2025	Interest Capitalization	134,765.83	38,158,786.21

Summary of Balances as of June 30, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Alerus Financial, N.A.	Grand Forks, ND	3931	\$247,855.82
Amerant Bank, N.A.	Coral Gables, FL	22953	247,855.82
Ameris Bank	Atlanta, GA	20504	247,855.82
Anderson Brothers Bank	Mullins, SC	9923	33.90
Apple Bank	New York, NY	16068	247,855.81
Associated Bank, N.A.	Green Bay, WI	5296	247,855.82
Atlantic Union Bank	Glen Allen, VA	34589	247,855.82
Axos Bank	San Diego, CA	35546	247,855.82
BOKF, National Association	Tulsa, OK	4214	247,855.82
Banc of California	Los Angeles, CA	24045	247,855.82
Bangor Savings Bank	Bangor, ME	18408	247,855.82
Bank OZK	Little Rock, AR	110	247,855.82
Bank of Baroda	New York, NY	33681	247,855.81
Bank of Charles Town	Charles Town, WV	9023	247,821.90
Bank of India	New York, NY	33648	247,855.80
Bank of New Hampshire	Laconia, NH	18012	247,855.82
Bank of the Bluegrass and Trust Co.	Lexington, KY	21161	33.91
BankUnited	Miami Lakes, FL	58979	247,821.90
Bankers Trust Company	Des Moines, IA	953	247,855.77
Banner Bank	Walla Walla, WA	28489	247,855.82
Bar Harbor Bank & Trust	Bar Harbor, ME	11971	247,855.82
Barclays Bank Delaware	Wilmington, DE	57203	247,855.80
Bell Bank	Fargo, ND	19581	247,855.82

DETAILED ACCOUNT OVERVIEW

Account ID: *****554

Account Title: Goleta Sanitary District

**Summary of Balances as of June 30, 2025**

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Benchmark Community Bank	Kenbridge, VA	20484	247,855.82
Bradesco Bank	Coral Gables, FL	21265	247,855.71
Bridgewater Bank	Saint Louis Park, MN	58210	247,855.81
Busey Bank	Champaign, IL	16450	248,572.55
CIBC Bank USA	Chicago, IL	33306	247,855.82
Cadence Bank	Tupelo, MS	11813	247,855.81
California Bank of Commerce, N.A.	San Diego, CA	57044	247,855.82
Cathay Bank	Los Angeles, CA	18503	247,855.80
Cedar Rapids Bank and Trust Company	Cedar Rapids, IA	57244	247,855.82
Central National Bank	Waco, TX	22396	247,855.82
Choice Financial Group	Grafton, ND	9423	247,855.82
Citizens Bank, National Association	Providence, RI	57957	247,855.82
City National Bank of Florida	Miami, FL	20234	247,855.82
Coastal Carolina National Bank	Myrtle Beach, SC	58864	247,855.82
Coastal Community Bank	Everett, WA	34403	247,855.82
Colony Bank	Fitzgerald, GA	22257	247,855.82
Columbia Bank	Fair Lawn, NJ	28834	247,855.82
Column National Association	Chico, CA	58224	717.40
Comerica Bank	Dallas, TX	983	33.90
Community State Bank	Ankeny, IA	18272	247,855.82
Country Club Bank	Kansas City, MO	8888	247,855.82
Cross River Bank	Teaneck, NJ	58410	247,855.81
Customers Bank	Malvern, PA	34444	247,855.82
Dime Community Bank	Hauppauge, NY	6976	247,855.82
East West Bank	Pasadena, CA	31628	717.39
Eastern Bank	Boston, MA	32773	247,855.81
Encore Bank	Little Rock, AR	34562	247,855.82
Equity Bank	Andover, KS	25858	247,855.82
F&M Bank of Central CA	Lodi, CA	1331	329.41
Farmers National Bank of Danville	Danville, KY	2740	247,855.82
First Bank	Creve Coeur, MO	12229	247,855.82
First Bank Chicago	Highland Park, IL	17470	247,855.82
First Bank of Owasso	Owasso, OK	18592	732.73
First Commonwealth Bank	Indiana, PA	7468	247,855.82
First Foundation Bank	Irvine, CA	58647	233,874.63
First Guaranty Bank	Hammond, LA	14028	247,855.82
First Horizon Bank	MEMPHIS, TN	4977	247,855.82
First Internet Bank of Indiana	Fishers, IN	34607	247,855.82
First Interstate Bank	Billings, MT	1105	247,855.82

DETAILED ACCOUNT OVERVIEW

Account ID: *****554

Account Title: Goleta Sanitary District

Summary of Balances as of June 30, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
First Merchants Bank	Muncie, IN	4365	247,855.82
First National Bank of Michigan	Kalamazoo, MI	58259	247,855.82
First National Bank of Oklahoma	Oklahoma City, OK	4211	247,855.81
First National Bank of Pennsylvania	Greenville, PA	7888	247,855.81
First State Community Bank	Farmington, MO	17323	247,855.82
First United Bank and Trust Company	Durant, OK	4239	247,855.80
First Utah Bank	Salt Lake City, UT	22738	247,855.82
First-Citizens Bank & Trust Company	Raleigh, NC	11063	247,855.82
Firststar Bank	Sallisaw, OK	19288	247,855.82
Flagstar Bank, N.A.	Hicksville, NY	32541	247,855.82
Fulton Bank, N.A.	Lancaster, PA	7551	247,855.82
Great Southern Bank	Reeds Spring, MO	29546	247,855.82
Guaranty Bank	Springfield, MO	58892	247,855.82
Gulf Coast Bank and Trust Company	New Orleans, LA	32974	247,855.82
Hanover Community Bank	Mineola, NY	58675	247,855.82
HomeStreet Bank	Seattle, WA	32489	247,855.82
INB	Springfield, IL	3664	247,855.82
INTRUST Bank NA	Wichita, KS	4799	247,855.82
Independent Bank	Ionia, MI	27811	247,855.82
Inwood National Bank	Dallas, TX	19080	247,855.82
Israel Discount Bank of New York	New York City, NY	19977	247,855.82
Johnson Bank	Racine, WI	20296	247,537.65
KeyBank National Association	Cleveland, OH	17534	247,855.82
Lake Forest Bank & Trust Co., N.A.	Lake Forest, IL	27589	247,854.70
Lead Bank	Kansas City, MO	8283	247,855.81
Liberty National Bank	Lawton, OK	11522	247,855.82
Live Oak Banking Company	Wilmington, NC	58665	247,855.78
MVB Bank, Inc	Fairmont, WV	34603	247,855.82
Mascoma Bank	Lebanon, NH	18013	247,855.82
Mercantile Bank	Grand Rapids, MI	34598	247,855.81
Merchants National Bank	Hillsboro, OH	6605	33.91
MidFirst Bank	Oklahoma City, OK	4063	247,855.82
Middletown Valley Bank	Middletown, MD	14017	247,855.82
Midland States Bank	Effingham, IL	1040	247,855.82
Modern Bank, National Association	New York, NY	22398	247,855.82
Morton Community Bank	Morton, IL	18429	247,855.82
NBH Bank	Greenwood Village, CO	59052	247,855.82
Northeast Bank	Lewiston, ME	19690	247,855.82
Northwest Bank	Warren, PA	28178	247,855.82

DETAILED ACCOUNT OVERVIEW

Account ID: *****554

Account Title: Goleta Sanitary District

**Summary of Balances as of June 30, 2025**

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Oakstar Bank	Springfield, MO	58115	247,855.82
Old National Bank	Evansville, IN	3832	247,855.80
Origin Bank	Ruston, LA	12614	247,855.82
Outdoor Bank	Manhattan, KS	17685	247,855.82
Parkway Bank and Trust Company	Harwood Heights, IL	19008	247,855.82
Peoples National Bank, N.A.	Mt. Vernon, IL	3809	247,855.82
Peoples Trust Company of St. Albans	St. Albans, VT	14168	247,854.70
Pinnacle Bank	Nashville, TN	35583	247,855.82
Pinnacle Bank	Omaha, NE	10634	247,855.82
Pinnacle Bank	Keene, TX	20231	247,855.82
PlainsCapital Bank	Lubbock, TX	17491	247,833.77
Planters Bank, Inc.	Hopkinsville, KY	34254	247,855.82
Preferred Bank	Los Angeles, CA	33539	247,855.82
Primis Bank	McLean, VA	57968	247,855.82
Provident Bank	Jersey City, NJ	12010	247,855.82
Raymond James Bank	St. Petersburg, FL	33893	247,855.82
Regent Bank	Nowata, OK	4160	247,855.82
River City Bank	Sacramento, CA	18983	247,855.82
Seacoast National Bank	Stuart, FL	131	247,855.82
Security First Bank	Rapid City, SD	5415	247,855.82
Shore United Bank, N.A.	Easton, MD	4832	247,855.82
Simmons Bank	Pine Bluff, AR	3890	247,855.82
South State Bank, N.A.	Winter Haven, FL	33555	247,855.82
SouthEast Bank	Farragut, TN	57348	247,855.82
Southern Bank	Poplar Bluff, MO	28332	247,855.82
Southside Bank	Tyler, TX	18297	247,855.80
State Bank of India	New York City, NY	33682	247,855.80
Stifel Bank	St. Louis, MO	57358	247,855.82
Summit State Bank	Santa Rosa, CA	32203	247,855.82
Sunflower Bank NA	Salina, KS	4767	247,855.82
Susser Bank	Arlington, TX	34885	247,855.82
Synovus Bank	Columbus, GA	873	247,855.80
Texas Capital Bank	Dallas, TX	34383	247,855.82
Texas Partners Bank	San Antonio, TX	58581	247,855.82
The Camden National Bank	Camden, ME	4255	247,855.82
The Farmers & Merchants State Bank	Archbold, OH	5969	247,855.82
The First National Bank of Carmi	Carmi, IL	3777	247,855.00
The Huntington National Bank	Columbus, OH	6560	247,855.82
The Middlefield Banking Company	Middlefield, OH	13716	247,855.37

DETAILED ACCOUNT OVERVIEW

Account ID: *****554

Account Title: Goleta Sanitary District

Summary of Balances as of June 30, 2025

FDIC-Insured Institution	City/State	FDIC Cert No.	Balance
Town Bank, N.A.	Hartland, WI	34717	247,855.82
Tradition Capital Bank	Edina, MN	58057	247,855.82
Traditional Bank, Inc.	Mount Sterling, KY	2711	247,855.81
Tri Counties Bank	Chico, CA	21943	247,855.82
TriState Capital Bank	Pittsburgh, PA	58457	247,855.82
Truist Bank	Charlotte, NC	9846	247,855.82
UMB Bank, National Association	Kansas City, MO	8273	247,855.82
Umpqua Bank	Roseburg, OR	17266	247,855.82
UniBank for Savings	Whitinsville, MA	90290	247,855.82
Union Bank & Trust	Lincoln, NE	13421	247,855.82
United Bank	Fairfax, VA	22858	247,855.82
United Bank of Union	Union, MO	14334	33.89
United Community Bank	Greenville, SC	16889	247,855.82
United Fidelity Bank, fsb	Evansville, IN	29566	247,855.82
Valley National Bank	Morristown, NJ	9396	247,855.82
Washington Federal Bank	Seattle, WA	28088	247,855.82
Webster Bank, National Association	Waterbury, CT	18221	247,855.82
WesBanco Bank, Inc.	Wheeling, WV	803	247,855.82
West Bank	West Des Moines, IA	15614	247,855.82
Western Alliance Bank	Phoenix, AZ	57512	247,855.82
Wilmington Savings Fund Society, FSB	Wilmington, DE	17838	247,855.82
Woodforest Natl Bank	The Woodlands, TX	23220	247,855.81
Zions Bancorporation, N. A.	Salt Lake City, UT	2270	247,855.82



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Goleta Sanitary District
1 William Moffett Place
Goleta, CA 93117

California CLASS

California CLASS

Average Monthly Yield: 4.3433%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Goleta Sanitary District	5,726,266.37	0.00	0.00	20,452.99	123,452.29	5,726,948.14	5,746,719.36
TOTAL	5,726,266.37	0.00	0.00	20,452.99	123,452.29	5,726,948.14	5,746,719.36



Goleta Sanitary District

Account Summary

Average Monthly Yield: 4.3433%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
California CLASS	5,726,266.37	0.00	0.00	20,452.99	123,452.29	5,726,948.14	5,746,719.36

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
06/01/2025	Beginning Balance			5,726,266.37	
06/30/2025	Income Dividend Reinvestment	20,452.99			
06/30/2025	Ending Balance			5,746,719.36	

**California CLASS****California CLASS**

Date	Dividend Rate	Daily Yield
06/01/2025	0.000000000	4.3731%
06/02/2025	0.000119541	4.3631%
06/03/2025	0.000119420	4.3588%
06/04/2025	0.000119203	4.3509%
06/05/2025	0.000118678	4.3317%
06/06/2025	0.000356079	4.3323%
06/07/2025	0.000000000	4.3323%
06/08/2025	0.000000000	4.3323%
06/09/2025	0.000118839	4.3376%
06/10/2025	0.000118727	4.3336%
06/11/2025	0.000118676	4.3317%
06/12/2025	0.000118426	4.3225%
06/13/2025	0.000354540	4.3136%
06/14/2025	0.000000000	4.3136%
06/15/2025	0.000000000	4.3136%
06/16/2025	0.000118444	4.3232%
06/17/2025	0.000118904	4.3400%
06/18/2025	0.000237954	4.3427%
06/19/2025	0.000000000	4.3427%
06/20/2025	0.000356484	4.3372%
06/21/2025	0.000000000	4.3372%
06/22/2025	0.000000000	4.3372%
06/23/2025	0.000118791	4.3359%
06/24/2025	0.000118706	4.3328%
06/25/2025	0.000119020	4.3442%
06/26/2025	0.000119757	4.3711%
06/27/2025	0.000359763	4.3771%
06/28/2025	0.000000000	4.3771%
06/29/2025	0.000000000	4.3771%
06/30/2025	0.000122462	4.3829%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**

CalPERS 457 Plan

May 31, 2025

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to [**https://calpers.voya.com**](https://calpers.voya.com).

A free paper copy of the information available on the website can be obtained by contacting:

Voya Financial
Attn: CalPERS 457 Plan
P.O. Box 389
Hartford, CT 06141
(800) 260-0659

Document Summary

This document has two parts. Part I consists of performance information for the plan investment options. This part shows you how well the investments have performed in the past. Part I also shows the total annual operating expenses of each investment option.

Part II provides additional information concerning Plan administrative fees that may be charged to your individual account.

CalPERS 457 PLAN

Part I. Performance Information For Periods Ended May 31, 2025

<https://calpers.voya.com>

Table 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods¹. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an investment option's principal risks is available on the website listed above.

Table 1 also shows the Total Annual Operating Expenses of each investment option. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option². The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the U.S. Department of Labor's website for an example showing the long-term fees and expenses at <http://www.dol.gov/ebsa>. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

Table 1 - Variable Net Return Investments

Name of Fund / Name of Benchmark	Performance		Annualized Performance				Total Annual Operating Expenses ³	
	3 Month	1 Year	5 Years	10 Years	Since Inception	Inception Date	As a %	Per \$1000
Equity Funds								
State Street Russell All Cap Index Fund - Class I	-0.58	12.89	15.10	11.89	12.41	10/07/13	0.19%	\$1.90
Russell 3000 Index	-0.54	13.12	15.34	12.21	12.74			
State Street Global All Cap Equity ex-US Index Fund - Class I	8.32	12.94	10.34	5.42	5.26	10/07/13	0.20%	\$2.00
MSCI ACWI ex-USA IMI Index (net)	8.63	13.46	10.36	5.51	5.40			
Fixed Income								
State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I	1.06	5.65	1.21	1.40	1.27	10/07/13	0.20%	\$2.00
Bloomberg US 1-3 yr Gov't/Credit Bond Index	1.09	5.85	1.49	1.78	1.67			
State Street US Bond Fund Index - Class I	-0.32	5.29	-1.15	1.20	1.59	10/07/13	0.19%	\$1.90
Bloomberg US Aggregate Bond Index	-0.29	5.46	-0.90	1.49	1.86			
Real Assets								
State Street Real Asset Fund - Class A	2.59	6.57	10.27	4.70	3.89	10/08/13	0.32%	\$3.20
State Street Custom Benchmark ⁴	2.68	6.82	10.58	5.01	4.23			
Cash (Cash Equivalents)								
State Street STIF	1.09	4.82	2.68	1.83	1.69	09/02/14	0.21%	\$2.10
ICE BofA US 3-Month Treasury Bill Index	1.05	4.76	2.70	1.94	1.81			
Target Retirement Date Funds⁵								
CalPERS Target Income Fund	0.95	7.84	4.11	3.79	4.96	12/01/08	0.20%	\$2.00
SIP Income Policy Benchmark ⁶	1.01	8.05	4.30	3.99	5.40			
CalPERS Target Retirement 2020	1.11	8.29	5.68	4.40	6.49	12/01/08	0.20%	\$2.00
SIP 2020 Policy Benchmark ⁶	1.18	8.51	5.87	4.60	6.92			
CalPERS Target Retirement 2025	1.40	9.34	7.41	5.41	7.43	12/01/08	0.20%	\$2.00
SIP 2025 Policy Benchmark ⁶	1.47	9.59	7.59	5.59	7.85			
CalPERS Target Retirement 2030	1.78	10.24	9.02	6.15	8.32	12/01/08	0.20%	\$2.00
SIP 2030 Policy Benchmark ⁶	1.87	10.51	9.19	6.37	8.73			
CalPERS Target Retirement 2035	2.09	11.17	10.71	7.01	9.13	12/01/08	0.20%	\$2.00
SIP 2035 Policy Benchmark ⁶	2.19	11.47	10.87	7.22	9.58			
CalPERS Target Retirement 2040	2.42	12.19	12.22	7.83	9.79	12/01/08	0.20%	\$2.00
SIP 2040 Policy Benchmark ⁶	2.54	12.50	12.37	8.04	10.22			
CalPERS Target Retirement 2045	2.55	12.67	12.55	8.24	10.03	12/01/08	0.20%	\$2.00
SIP 2045 Policy Benchmark ⁶	2.67	13.00	12.70	8.45	10.49			
CalPERS Target Retirement 2050	2.55	12.67	12.55	8.24	10.09	12/01/08	0.20%	\$2.00
SIP 2050 Policy Benchmark ⁶	2.67	13.00	12.70	8.45	10.49			
CalPERS Target Retirement 2055	2.55	12.67	12.55	8.24	8.16	10/07/13	0.20%	\$2.00
SIP 2055 Policy Benchmark ⁶	2.67	13.00	12.70	8.45	8.43			
CalPERS Target Retirement 2060	2.56	12.67	12.55	-	10.60	11/01/18	0.20%	\$2.00
SIP 2060 Policy Benchmark ⁶	2.67	13.00	12.70	-	10.78			
CalPERS Target Retirement 2065	2.55	12.66	-	-	14.73	12/01/22	0.20%	\$2.00
SIP 2065 Policy Benchmark ⁶	2.67	13.00	-	-	15.03			
Broad-Based Benchmarks⁷								
Russell 3000 Index	-0.54	13.12	15.34	12.21	-	-	-	-
MSCI ACWI ex-USA IMI Index (net)	8.63	13.46	10.36	5.51	-	-	-	-
Bloomberg US Aggregate Bond Index	-0.29	5.46	-0.90	1.49	-	-	-	-

Part II. Explanation of CalPERS 457 Plan Expenses

May 31, 2025

<https://calpers.voya.com>

Table 2 provides information concerning Plan administrative fees and expenses that may be charged to your individual account if you take advantage of certain features of the Plan. In addition to the fees and expenses described in Table 2 below, some of the Plan's administrative expenses are paid from the Total Annual Operating Expenses of the Plan's investment options.

Table 2 - Fees and Expenses				
Individual Expenses ⁸				
Service	Fee Amount	Frequency	Who do you pay this fee to?	Description
Loan Origination Fee	\$50	Per loan application	Voya	The charge covers the processing of your loan and applies each time you request a loan from your retirement account. This fee is deducted from your Plan account.
Maintenance Fee (For loans taken on or after April 1, 2020)	\$35 (\$8.75 assessed quarterly)	Annual	Voya	The charge covers the maintenance costs of your loan and applies on a quarterly basis. This fee is deducted from your Plan account.
Self-Managed Account (SMA) Maintenance Fee	\$50	Annual fee deducted monthly on a pro-rata basis	Voya	Schwab Personal Choice Retirement Account is available to you if your Employer has elected it as an option. This fee is deducted pro rata on a monthly basis from your core fund investments ⁹ in your CalPERS 457 account. For more information about SMAs, including a complete list of fees charged by Schwab for different types of investment transactions, please contact Schwab at (888) 393-PCRA (7272). Fees may also be incurred as a result of actual brokerage account trades. Before purchasing or selling any investment through the SMA, you should contact Schwab at (888) 393-PCRA (7272) to inquire about any fees, including any undisclosed fees, associated with the purchase or sale of such investment.
Self-Managed Account (SMA) Plan Administrative Fee	0.19% (\$1.90 per \$1,000)	Annual fee deducted monthly on a pro-rata basis	Voya	The SMA Plan Administrative fee pays for recordkeeping costs for assets in your SMA account. This fee is deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account. The SMA Plan Administrative Fee is subject to change based on total Plan assets.

Footnotes for Table 1 and Table 2:

¹ Fund returns shown are net of investment management and administrative expenses and fees unless otherwise noted. Benchmark performance returns do not reflect any management fees, transaction costs or expenses. Benchmarks are unmanaged. You cannot invest directly in a benchmark.

² Historical annual operating expenses are not available. Reported annual operating expenses are estimated based on SSGA investment management, Voya recordkeeping, and SSGA capped operating expenses.

³ Total annual operating expenses are comprised of investment management and administrative expenses and fees incurred by the funds.

⁴ State Street Real Asset Fund has a custom benchmark comprised of 25% Bloomberg Enhanced Roll Yield Index, 25% S&P® Global Large MidCap Commodity and Resources Index, 10% Dow Jones US Select REIT Index, 20% Bloomberg US Government Inflation-Linked 1-10 Year Bond Index, and 20% S&P® Global Infrastructure Index.

⁵ If the ending market value (EMV) falls to zero in any one month, the inception date resets to the next month with an EMV. Performance is then calculated from the new inception date.

⁶ The benchmark for each Target Retirement Date Fund is a composite of asset class benchmarks that are weighted according to each Fund's policy target weights. The asset class benchmarks are Russell 3000 Index, MSCI ACWI ex-USA IMI Index (net), Bloomberg US Aggregate Bond Index, the SSGA customized benchmark for Real Assets (see footnote 4), and ICE BofA US 3-Month Treasury Bill Index.

⁷ Broad-based benchmarks grouped here provide comparative performance standards for domestic equity, international equity and fixed income.

⁸ The CalPERS Board of Administration periodically reviews the plan administrative fees and adjusts fees to reflect expenses incurred by the Plan. Participant fees are charged to reimburse CalPERS for actual administrative fees of the Plan.

⁹ Core fund investments are listed in Table 1 above the Target Retirement Date funds. Core funds include: State Street Russell All Cap Index Fund (Class I), State Street Global All Cap Equity ex-US Index Fund (Class I), State Street US Short Term Government/Credit Bond Index Fund (Class I), State Street US Bond Fund Index (Class I), State Street Real Asset Fund (Class A), and State Street Short Term Investment Fund ("STIF").

Multi-Fund[®] Select

Performance Update

Quoted performance data represents past performance. Past performance does not guarantee nor predict future performance. Current performance may be lower or higher than the performance data quoted. Please keep in mind that double-digit returns are highly unusual and cannot be sustained.

Variable products are sold by prospectus. Consider the investment objectives, risks, charges, and expenses of the variable product and its underlying investment options carefully before investing. The prospectus contains this and other information about the variable product and its underlying investment options. Please review the prospectus available online for additional information. Read it carefully before investing.

Investment return and principal value of an investment will fluctuate so that an investor's unit values, when redeemed, may be worth more or less than their original cost.

Monthly hypothetical performance adjusted for contract fees *

INVESTMENT OPTIONS	ASSET CLASS	INCEP. DATE	CHANGE FROM PREVIOUS DAY 07/01/2025	YTD AS OF 07/01/2025	YTD AS OF 06/30/2025	1 MO. AS OF 06/30/2025	3 MO. AS OF 06/30/2025	AVERAGE ANNUAL TOTAL RETURN (%) AS OF 6/30/2025				
								1 YR	3 YR	5 YR	10 YR	SINCE INCEP.
MAXIMUM CAPITAL APPRECIATION MCA												
DWS Alternative Asset Allocation VIP Portfolio - Class B1, 2, 3, 4, 5	Maximum Capital Appreciation	02/02/2009	0.15	4.93	4.77	1.47	1.81	7.57	4.13	5.61	2.49	3.80
LVIP Baron Growth Opportunities Fund - Service Class8, 9	Maximum Capital Appreciation	10/01/1998	0.69	-3.29	-3.95	1.61	1.55	3.65	7.57	6.42	7.55	9.69
LVIP Franklin Templeton Multi-Factor Emerging Markets Equity Fund - Service Class1, 7, 9	Maximum Capital Appreciation	06/18/2008	0.48	16.34	15.79	6.81	11.80	15.18	10.02	9.89	2.79	2.83
LVIP Macquarie SMID Cap Core Fund - Service Class8, 9, 12	Maximum Capital Appreciation	07/12/1991	0.95	-0.14	-1.09	3.94	5.94	8.34	10.84	11.37	7.20	8.56
LVIP SSGA Small-Cap Index Fund - Service Class8, 9, 22	Maximum Capital Appreciation	04/18/1986	0.94	-1.62	-2.53	5.28	8.06	6.00	8.24	8.29	5.36	6.23
LVIP T. Rowe Price Structured Mid-Cap Growth Fund - Service Class8, 9	Maximum Capital Appreciation	02/03/1994	-0.84	9.08	10.01	4.94	18.61	25.18	19.34	11.51	11.04	7.19
LONG TERM GROWTH LTG												
American Funds Global Growth Fund - Class 2 ¹	Long Term Growth	04/30/1997	-0.37	10.21	10.62	5.73	13.97	9.78	16.22	10.11	9.95	9.03
American Funds Growth Fund - Class 2	Long Term Growth	02/08/1984	-1.15	8.31	9.57	6.57	18.28	23.62	24.86	17.25	15.88	12.32
American Funds International Fund - Class 2 ¹	Long Term Growth	05/01/1990	-0.30	11.13	11.47	4.13	12.51	6.70	9.97	5.01	3.60	6.11
Fidelity [®] VIP Contrafund [®] Portfolio - Service Class 2	Long Term Growth	01/03/1995	-0.95	8.88	9.92	6.73	16.68	16.87	24.35	15.86	12.97	10.93
Fidelity [®] VIP Growth Portfolio - Service Class 2	Long Term Growth	10/09/1986	-0.58	4.79	5.41	6.05	15.33	10.68	21.49	15.77	15.24	10.24
LVIP BlackRock Real Estate Fund - Service Class1, 8, 9, 14, 15	Long Term Growth	04/30/2007	0.24	6.19	5.94	1.43	4.92	10.67	2.97	4.05	2.40	0.68
LVIP Dimensional U.S. Core Equity 1 Fund - Service Class9	Long Term Growth	12/28/1981	0.40	4.35	3.94	4.81	9.00	11.32	15.85	14.60	10.65	9.59
LVIP Macquarie Mid Cap Value Fund - Service Class8, 9, 12	Long Term Growth	12/28/1981	1.06	3.09	2.01	3.48	7.06	11.65	10.59	13.92	7.55	9.77
LVIP Mondrian International Value Fund - Service Class1, 9	Long Term Growth	05/01/1991	0.52	22.74	22.10	1.00	9.62	22.87	14.17	11.32	4.49	5.42
LVIP SSGA International Index Fund - Service Class1, 9, 22, 23	Long Term Growth	04/30/2008	-0.27	19.27	19.59	2.34	11.22	16.56	14.27	9.58	4.98	2.52
LVIP SSGA S&P 500 Index Fund - Service Class9, 22, 24	Long Term Growth	05/01/2000	-0.11	5.30	5.41	4.95	10.53	13.46	17.94	14.93	11.97	6.31
LVIP Vanguard Domestic Equity ETF Fund - Service Class3, 4	Long Term Growth	04/29/2011	0.01	4.81	4.79	4.93	10.25	13.18	16.77	13.96	11.11	10.79
LVIP Vanguard International Equity ETF Fund - Service Class1, 3, 4	Long Term Growth	04/29/2011	0.03	17.34	17.30	3.71	11.56	15.70	11.63	8.32	4.73	3.66
Macquarie VIP Small Cap Value Series - Service Class8, 12	Long Term Growth	12/27/1993	1.79	0.94	-0.83	3.63	4.88	6.19	7.35	12.27	5.99	8.49
MFS [®] VIT Utilities Series - Service Class14	Long Term Growth	01/03/1995	0.75	7.09	6.29	0.17	5.33	15.52	5.73	8.16	5.79	9.18
GROWTH AND INCOME GI												
American Funds Growth-Income Fund - Class 2	Growth and Income	02/08/1984	-0.17	7.29	7.46	5.58	11.11	16.35	19.57	14.49	11.62	10.33
Fidelity [®] VIP Freedom 2020 Portfolio SM - Service Class 23, 6	Growth and Income	04/26/2005	-0.08	7.10	7.19	2.72	5.34	8.74	7.96	5.41	5.19	5.24
Fidelity [®] VIP Freedom 2025 Portfolio SM - Service Class 23, 6	Growth and Income	04/26/2005	-0.06	7.81	7.87	3.03	6.10	9.34	8.96	6.29	5.74	5.80
Fidelity [®] VIP Freedom 2030 Portfolio SM - Service Class 23, 6	Growth and Income	04/26/2005	-0.06	8.25	8.31	3.21	6.76	9.88	9.90	7.31	6.47	6.14
Fidelity [®] VIP Freedom 2035 Portfolio SM - Service Class 23, 6	Growth and Income	04/08/2009	-0.07	8.93	9.01	3.58	7.70	10.71	11.68	9.15	7.48	10.11

									AVERAGE ANNUAL TOTAL RETURN (%) AS OF 6/30/2025				
Fidelity [®] VIP Freedom 2040 Portfolio SM - Service Class 23, 6	Growth and Income	04/08/2009	-0.11	9.95	10.07	4.05	9.24	11.98	13.70	10.84	8.25	10.68	
Fidelity [®] VIP Freedom 2045 Portfolio SM - Service Class 23, 6	Growth and Income	04/08/2009	-0.07	10.52	10.61	4.22	9.98	12.55	14.33	11.19	8.42	10.85	
Fidelity [®] VIP Freedom 2050 Portfolio SM - Service Class 23, 6	Growth and Income	04/08/2009	-0.08	10.49	10.57	4.24	10.02	12.55	14.33	11.18	8.41	10.93	
LVIP BlackRock Equity Dividend Fund - Service Class9, 12	Growth and Income	07/28/1988	1.08	3.30	2.20	4.02	2.78	5.20	5.53	8.40	6.09	7.24	
LVIP JPMorgan Retirement Income Fund - Service Class2, 9, 12	Growth and Income	04/27/1983	-0.03	5.49	5.52	2.53	4.70	8.27	7.33	4.10	3.40	6.05	
LVIP Macquarie U.S. REIT Fund - Service Class8, 9, 12, 14, 15	Growth and Income	05/04/1998	0.53	-1.08	-1.61	-0.74	-1.42	6.46	3.26	6.02	3.54	6.37	
LVIP Macquarie Wealth Builder Fund - Service Class2, 9, 12	Growth and Income	08/03/1987	0.36	4.25	3.87	3.23	4.20	6.93	6.75	5.19	3.72	5.48	
INCOME IN													
LVIP BlackRock Inflation Protected Bond Fund - Service Class1, 9, 13	Income	04/30/2010	0.00	3.42	3.43	0.82	1.13	4.50	2.13	1.67	1.29	1.38	
LVIP Fidelity Institutional AM [®] Total Bond Fund - Service Class9, 12, 13	Income	05/16/2003	0.04	2.78	2.73	1.50	0.62	4.54	1.90	-1.28	0.78	2.96	
LVIP Macquarie Bond Fund - Service Class9, 12, 13	Income	12/28/1981	-0.05	3.26	3.31	1.63	1.07	4.89	1.61	-1.77	0.58	5.56	
LVIP Macquarie Diversified Floating Rate Fund - Service Class9, 12, 13, 18, 19	Income	04/30/2010	0.01	1.57	1.56	0.48	0.98	3.83	3.99	1.88	1.13	0.78	
LVIP Macquarie High Yield Fund - Service Class9, 12, 13, 20	Income	07/28/1988	0.09	4.54	4.45	1.80	3.75	8.39	7.74	4.10	3.24	5.01	
LVIP Mondrian Global Income Fund - Service Class1, 9, 10, 13	Income	05/04/2009	0.16	6.51	6.34	1.41	3.64	6.35	-0.33	-3.72	-0.94	0.51	
LVIP SSGA Bond Index Fund - Service Class9, 13, 22	Income	04/30/2008	-0.05	3.17	3.22	1.41	0.81	4.43	0.96	-2.29	0.17	1.17	
PIMCO VIT Total Return Portfolio - Administrative Class7, 13	Income	12/31/1997	-0.10	3.89	3.99	1.66	0.89	5.74	2.20	-1.33	0.94	3.37	
PRESERVATION OF CAPITAL PC													
LVIP Government Money Market Fund - Service Class 7-Day Current (Net/Gross) Yield as of 05/30/2025: 3.73%/4.35%9, 17	Preservation of Capital	01/07/1982	0.01	1.38	1.37	0.22	0.68	3.12	3.01	1.40	0.50	2.49	
RISK MANAGED - ASSET ALLOCATION RMAA													
LVIP Global Conservative Allocation Managed Risk Fund - Service Class1, 2, 3, 9, 16	Risk Managed - Asset Allocation	05/03/2005	0.03	3.50	3.47	2.61	3.34	6.88	5.28	2.99	2.68	3.89	
LVIP Global Growth Allocation Managed Risk Fund - Service Class1, 2, 3, 9, 16	Risk Managed - Asset Allocation	05/03/2005	0.11	5.04	4.92	3.28	5.50	9.09	7.85	5.17	3.58	3.97	
LVIP Global Moderate Allocation Managed Risk Fund - Service Class1, 2, 3, 9, 16	Risk Managed - Asset Allocation	05/03/2005	0.08	3.80	3.72	3.12	4.13	7.71	6.63	4.18	3.12	3.98	
LVIP SSGA Global Tactical Allocation Managed Volatility Fund - Service Class1, 2, 3, 9, 11	Risk Managed - Asset Allocation	05/03/2005	0.13	5.21	5.07	2.84	3.83	8.13	8.43	6.80	3.77	3.56	
ASSET ALLOCATION ASA													
Fidelity [®] VIP Freedom 2055 Portfolio SM - Service Class 23, 7	Asset Allocation	04/11/2019	-0.14	10.45	10.60	4.28	10.01	12.58	14.34	11.19	N/A	9.89	
Fidelity [®] VIP Freedom 2060 Portfolio SM - Service Class 23, 7	Asset Allocation	04/11/2019	-0.07	10.51	10.59	4.22	9.99	12.58	14.34	11.19	N/A	9.90	
LVIP BlackRock Global Allocation Fund - Service Class1, 2, 9	Asset Allocation	04/26/2019	-0.16	9.70	9.87	4.01	10.27	12.08	10.13	6.96	N/A	6.73	
LVIP T. Rowe Price 2020 Fund - Service Class3, 6, 9	Asset Allocation	05/01/2007	0.04	5.53	5.49	2.50	4.78	8.45	8.23	5.75	4.49	3.71	
LVIP T. Rowe Price 2030 Fund - Service Class3, 6, 9	Asset Allocation	05/01/2007	0.05	6.25	6.21	2.92	5.93	9.38	10.10	7.62	5.28	4.12	
LVIP T. Rowe Price 2040 Fund - Service Class3, 6, 9	Asset Allocation	05/01/2007	0.06	7.41	7.35	3.54	7.73	11.03	12.72	9.87	6.35	4.42	
LVIP T. Rowe Price 2050 Fund - Service Class3, 6, 9	Asset Allocation	04/29/2011	0.07	7.95	7.88	3.78	8.51	11.86	13.77	10.75	6.98	5.77	
LVIP T. Rowe Price 2060 Fund - Service Class3, 6, 9	Asset Allocation	04/30/2020	0.05	8.02	7.96	3.82	8.59	11.95	13.84	11.17	N/A	12.39	
RISK MANAGED - US LARGE CAP RMUSL													
LVIP BlackRock Dividend Value Managed Volatility Fund - Service Class9, 10, 11	Risk Managed - US Large Cap	02/03/1994	1.25	3.28	2.01	3.59	-1.63	6.06	8.18	11.14	6.50	6.43	
LVIP Blended Large Cap Growth Managed Volatility Fund - Service Class9, 10, 11	Risk Managed - US Large Cap	02/03/1994	-0.93	-4.38	-3.48	5.18	7.68	3.37	16.88	13.12	9.82	7.17	
RISK MANAGED - US MID CAP RMUSM													
LVIP Blended Mid Cap Managed Volatility Fund - Service Class8, 9, 10, 11	Risk Managed - US Mid Cap	05/01/2001	-1.07	2.93	4.05	4.59	11.60	14.22	12.75	8.38	7.60	4.59	
LVIP JPMorgan Select Mid Cap Value Managed Volatility Fund - Service Class8, 9, 10, 11	Risk Managed - US Mid Cap	05/01/2001	1.14	-3.03	-4.12	2.56	-1.68	3.82	7.89	10.96	4.69	5.65	
RISK MANAGED - GLOBAL/INTERNATIONAL RMGI													
LVIP Franklin Templeton Global Equity Managed Volatility Fund - Service Class1, 9, 10, 11	Risk Managed - Global/International	08/01/1985	0.35	3.61	3.25	4.27	3.28	6.27	11.33	10.17	4.97	6.66	
LVIP SSGA International Managed Volatility Fund - Service Class1, 3, 9, 11	Risk Managed - Global/International	12/31/2013	-0.27	13.65	13.96	2.38	6.14	10.69	11.89	7.62	2.56	1.83	

Agenda Packet Page 1

								AVERAGE ANNUAL TOTAL RETURN (%) AS OF 6/30/2025				
ESG/SOCIALLY CONSCIOUS ESC												
AB VPS Sustainable Global Thematic Portfolio - Class B1	ESG/Socially Conscious	01/11/1996	0.03	5.87	5.84	4.72	13.40	5.54	9.47	7.65	8.19	5.44
LVIP Macquarie Social Awareness Fund - Service Class9, 12, 21	ESG/Socially Conscious	05/02/1988	-0.15	4.99	5.15	6.17	12.97	12.18	18.00	14.34	10.69	9.84

* These returns are measured from the inception date of the fund and predate its availability as an investment option in the variable annuity (separate account). This hypothetical representation depicts how the investment option would have performed had the fund been available in the variable annuity during the time period. It includes deductions for the M&E charge and the contract administrative fee. If selected above, the cost for the i4LIFE[®] Advantage feature or a death benefit will be reflected. The cost for other riders with quarterly charges is not reflected. No surrender charge and no annual contract charge is reflected.

Risk disclosures: The following summarizes some of the risks associated with the underlying funds available for investment. For risks specific to each investment option, please see each fund's prospectus.

- 1: **International:** Investing internationally involves risks not associated with investing solely in the United States, such as currency fluctuation, political or regulatory risk, currency exchange rate changes, differences in accounting and the limited availability of information.
- 2: **Asset Allocation Portfolios:** Asset allocation does not ensure a profit, nor protect against loss in a declining market.
- 3: **Fund of funds:** Each fund is operated as a fund of funds that invests primarily in one or more other funds, rather than in individual securities. A fund of this nature may be more expensive than other investment options because it has additional levels of expenses. From time to time, the Fund's advisor may modify the asset allocation to the underlying funds and may add new funds. A Fund's actual allocation may vary from the target strategic allocation at any point in time. Additionally, the Fund's advisor may directly manage assets of the underlying funds for a variety of purposes.
- 4: **Exchange-traded funds:** Exchange-traded funds (ETFs) in this lineup are available through collective trusts or mutual funds. Investors cannot invest directly in an ETF.
- 5: **Alternative Funds:** Certain funds (sometimes called "alternative funds") expect to invest in (or may invest in some) positions that emphasize alternative investment strategies and/or nontraditional asset classes and, as a result, are subject to the risk factors of those asset classes and/or investment strategies. Some of those risks may include general economic risk, geopolitical risk, commodity-price volatility, counterparty and settlement risk, currency risk, derivatives risk, emerging markets risk, foreign securities risk, high-yield bond exposure, index investing risk, exchange-traded notes risk, industry concentration risk, leveraging risk, real estate investment risk, master limited partnership risk, master limited partnership tax risk, energy infrastructure companies risk, sector risk, short sale risk, direct investment risk, hard assets sector risk, active trading and "overlay" risks, event-driven investing risk, global macro strategies risk, temporary defensive positions and large cash positions. If you are considering investing in alternative investment funds, you should ensure that you understand the complex investment strategies sometimes employed and be prepared to tolerate the risks of such asset classes. For a complete list of risks, as well as a discussion of risk and investment strategies, please refer to the fund's prospectus. The fund may invest in derivatives, including futures, options, forwards and swaps. Investments in derivatives may cause the fund's losses to be greater than if it invested only in conventional securities and can cause the fund to be more volatile. Derivatives involve risks different from, or possibly greater than, the risks associated with other investments. The fund's use of derivatives may cause the fund's investment returns to be impacted by the performance of securities the fund does not own and may result in the fund's total investment exposure exceeding the value of its portfolio.
- 6: **Target-date funds:** The target date is the approximate date when investors plan to retire or start withdrawing their money. Some target-date funds make no changes in asset allocation after the target date is reached; other target-date funds continue to make asset allocation changes following the target date. (See the prospectus for the funds allocation strategy.) The principal value is not guaranteed at any time, including at the target date. An asset allocation strategy does not guarantee performance or protect against investment losses. A "fund of funds" may be more expensive than other types of investment options because it has additional levels of expenses.
- 7: **Emerging Markets:** Investing in emerging markets can be riskier than investing in well-established foreign markets. International investing involves special risks not found in domestic investing, including increased political, social and economic instability, all of which are magnified in emerging markets.
- 8: **Small & Mid Cap:** Funds that invest in small and/or midsize company stocks may be more volatile and involve greater risk, particularly in the short term, than those investing in larger, more established companies.
- 9: **Manager of managers funds:** Subject to approval of the fund's board, Lincoln Financial Investments Corporation (LFI) has the right to engage or terminate a subadvisor at any time, without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. LFI is responsible for overseeing all subadvisors for funds relying on this exemptive order.
- 10:**Multimanager:** For those LVIP funds that employ a multimanager structure, Lincoln Financial Investments Corporation (LFI) is responsible for overseeing the subadvisor(s). While the investment styles employed by the fund's subadvisors are intended to be complementary, they may not, in fact, be complementary, they may not, in fact, be complementary. A multimanager approach may result in more exposure to certain types of securities risks and in higher portfolio turnover.
- 11:**Managed Volatility Strategy:** The fund's managed volatility strategy is not a guarantee, and the fund's shareholders may experience losses. The fund employs hedging strategies designed to reduce overall portfolio volatility. The use of these hedging strategies may limit the upside participation of the fund in rising equity markets relative to unhedged funds, and the effectiveness of such strategies may be impacted during periods of rapid or extreme market events.
- 12:**Macquarie Investment Management:** Investments in Macquarie VIP Series, Delaware Funds, Ivy Funds, LVIP Macquarie Funds or Lincoln Life accounts managed by Macquarie Investment Management Advisers, a series of Macquarie Investments Management Business Trust, are not and will not be deposits with or liabilities of Macquarie Bank Limited ABN 46008 583 542 and its holding companies, including their subsidiaries or related companies, and are subject to investment risk, including possible delays in prepayment and loss of income and capital invested. No Macquarie Group company guarantees or will guarantee the performance of the series or funds or accounts, the repayment of capital from the series or funds or account, or any particular rate of return.
- 13:**Bonds:** The return of principal in bond funds is not guaranteed. Bond funds have the same interest rate, inflation, credit, duration, prepayment and market risks that are associated with the underlying bonds owned by the fund or account.

14: Sector Funds: Funds that target exposure to one region or industry may carry greater risk and higher volatility than more broadly diversified funds.

15: REIT: A real estate investment trust (REIT) involves risks such as refinancing, economic conditions in the real estate industry, declines in property values, dependency on real estate management, changes in property taxes, changes in interest rates and other risks associated with a portfolio that concentrates its investments in one sector or geographic region.

16: Risk Management Strategy: The fund's risk management strategy is not a guarantee, and the funds shareholders may experience losses. The fund employs hedging strategies designed to provide downside protection during sharp downward movements in equity markets. The use of these hedging strategies may limit the upside participation of the fund in rising equity markets relative to other unhedged funds, and the effectiveness of such strategies may be impacted during periods of rapid or extreme market events.

17: LVIP Government Money Market Fund: You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$10.00 per share for LVIP Government Money Market Fund, it cannot guarantee it will do so. An investment in the Fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor is not required to reimburse the Fund for losses, and you should not expect that the sponsor will provide financial support to the Fund at any time, including during periods of market stress.

The 7-day yield quotation more closely reflects the current earnings of the money market fund than the total return quotation.

18: Ultra Short Bond Funds: During periods of extremely low short-term interest rates, the fund may not be able to maintain a positive yield and, given a historically low interest rate environment, may experience risks associated with rising rates.

19: Floating rate funds: Floating rate funds should not be considered alternatives to CDs or money market funds and should not be considered as cash alternatives.

20: High-yield or mortgage-backed funds: High-yield funds may invest in high-yield or lower rated fixed income securities (junk bonds) or mortgage-backed securities with exposure to subprime mortgages, which may experience higher volatility and increased risk of nonpayment or default.

21: ESG: An environmental, social, governance (ESG) standards strategy (also referred to as engagement, green, impact, responsible, social aware, sustainable) generally prohibits investment in certain types of companies, industries and segments of the U.S. economy. Thus this strategy may (i) miss opportunities to invest in companies, industries or segments of the U.S. economy that are providing superior performance relative to the market as a whole and (ii) become invested in companies, industries and segments of the U.S. economy that are providing inferior performance relative to the market as a whole.

22: Index: An index is unmanaged, and one cannot invest directly in an index. Indices do not reflect the deduction of any fees.

23: MSCI: The fund described herein is indexed to an MSCI® index. It is not sponsored, endorsed, or promoted by MSCI®, and MSCI®; bears no liability with respect to any such fund or to an index on which a fund is based. The prospectus and statement of additional information contain a more detailed description of the limited relationship MSCI®; has with Lincoln Investment Advisors Corporation and any related funds.

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Limitations and exclusions may apply.

Lincoln Financial Group is the marketing name for Lincoln National Corporation and its affiliates. Affiliates are separately responsible for their own financial and contractual obligations.

**DISTRICT
CORRESPONDENCE**
Board Meeting of July 7, 2025



Date:

1. 06/20/2025

Correspondence Sent To:

Nick Patterson
City Ventures

Subject: Sewer Service Availability
Proposed Sewer Service Connection for a proposed project of
40 townhomes

APN 069-110-018 at 5955 Calle Real

Owner: QCI Real Estate Holdings, LLC

Hard Copies of the Correspondence are available at the District's Office for review