CENTRAL COAST WATER AUTHORITY

A CALIFORNIA JOINT POWERS AUTHORITY

FY 2026/27 PRELIMINARY BUDGET

Central Coast Water Authority

A CALIFORNIA JOINT POWERS AUTHORITY

Fiscal Year
2026/27 Budget

Erosion repair at Polonio Pass Water Treatment Plant entrance

Budget Foreword

The Budget Foreword section of the FY 2026/27 Budget contains the Budget Transmittal Letter, narrative discussion on the financial policies, goals and objectives of the Authority, an overview of the Authority's organizational structure, and the budget process.

Authority Overview

General Information

• Form of Government	Joint Powers Authority
• Government Code Section	Section 6500, Article 1, Chapter 5, Division 7, Title 1
• Date of Organization	August 1, 1991
• Member Agencies	8
• Associate Members	1
• Areas served	Santa Barbara County San Luis Obispo County
• Project Participants	13 - Santa Barbara County 11 - San Luis Obispo County
• Estimated total population served	440,668 - Santa Barbara County 41,000 - San Luis Obispo County
• Fiscal Year End	June 30th
• Santa Barbara County Table A	39,078 acre-feet
• Drought Buffer Table A	3,908 acre-feet
• San Luis Obispo County Table A	4,830 acre-feet

Operational Information

• Administrative Offices	Buellton
• Water Treatment Plant	Polonio Pass, Shandon
Capacity	50 million gallons per day
• Pumping Plant	Santa Ynez
Capacity	13 million gallons per day
• Authority Pipeline (in miles)	42
• Coastal Branch Phase II Pipeline (in miles)	101
• Number of water storage tanks	7
• Number of turnouts	10
• Number of full-time equivalent Positions	32.25

Central Coast Water Authority

Reader's Guide

Fiscal Year 2026/27 Budget

The organization and presentation of the Central Coast Water Authority's fiscal year budget is designed to satisfy the needs of citizens, ratepayers, public officials and Authority employees. It is organized and structured to meet external and internal managerial needs. As a comprehensive management and balanced financial plan, this document describes the programs, services and resources being provided by the Authority as well as policies and long-term financial plans.

The Authority's budget is divided into the following nine (9) major sections with sub-sections included in each major section:

I. **BUDGET FOREWORD** An introductory section that contains the budget transmittal letter; narrative discussion on the financial policies, goals and objectives of the Authority; and narrative discussion on the budget process.

II. **BUDGET SUMMARY** A past, present and future overview of the Authority's budget and financial plans.

III. **REVENUES AND SOURCES OF CASH** Narrative, graphs and spreadsheets describing the Authority's revenue and other sources of cash for the past and present fiscal year and revenue projections.

IV. **DEPARTMENT OF WATER RESOURCES (DWR)** Narrative, graphs and spreadsheets describing the DWR charges which are paid by the member agencies and other project participants of the Authority.

V. **OPERATING EXPENSES** The operating expense section of the budget is comprised of the Administration, Water Treatment Plant, and Distribution Departments and includes narrative discussion on the operating expenses for each department as well as graphs and spreadsheets.

VI. **PROJECTS** The projects section of the budget is comprised of the Capital, Non-Capital and Extraordinary Projects and includes a narrative discussion on the capitalization criteria and funding detail

VII. **RESERVES AND CASH MANAGEMENT** The reserves and cash management section includes information regarding the Authority's O&M reserve fund, rate coverage reserve fund, DWR reserve fund, and cash management information.

VIII. **TEN YEAR FINANCIAL PLAN** The ten year financial plan section of the budget provides the ten year pro forma projections for each project participant.

IX. **APPENDIX** The appendix includes a glossary of terms, acronyms and other items relevant to the Authority's budget.

To aid the reader in finding specific information quickly, a Table of Contents is provided at the beginning of this document.

Eric Friedman
Chairman

Jeff Clay
Vice Chairman

Ray Stokes
Executive Director

Brownstein Hyatt
Farber Schreck
General Counsel

Member Agencies

City of Buellton

Carpinteria Valley
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water
Conservation District,
Improvement District #1

Associate Member

La Cumbre Mutual
Water Company

April 23, 2026

Board of Directors
Central Coast Water Authority

Dear Members of the Board:

Submitted herewith is the Fiscal Year (FY) 2026/27 Budget for the Central Coast Water Authority. This letter of transmittal presents the budget highlights and addresses the main points and major decisions made in compiling this document. As CCWA's policy makers, you play a critical role in making decisions regarding the direction the organization will take in FY 2026/27.

The basic purpose of the budgetary process is to determine CCWA activities and projects to be undertaken and to identify resources and revenues available to fund them. In addition, the budget is more than just a financial document. The budget represents a process through which CCWA pursuits for the ensuing year are established.

Financial control is the traditional function of a budget. This comprehensive budget also contains a vast amount of additional information including manpower requirements, equipment needs, and programs and services being provided. This level of detail provides you an opportunity to identify all the resources needed to accomplish CCWA's goals and objectives.

The budget also serves as a guide for policy implementation, making it a thorough and valuable document.

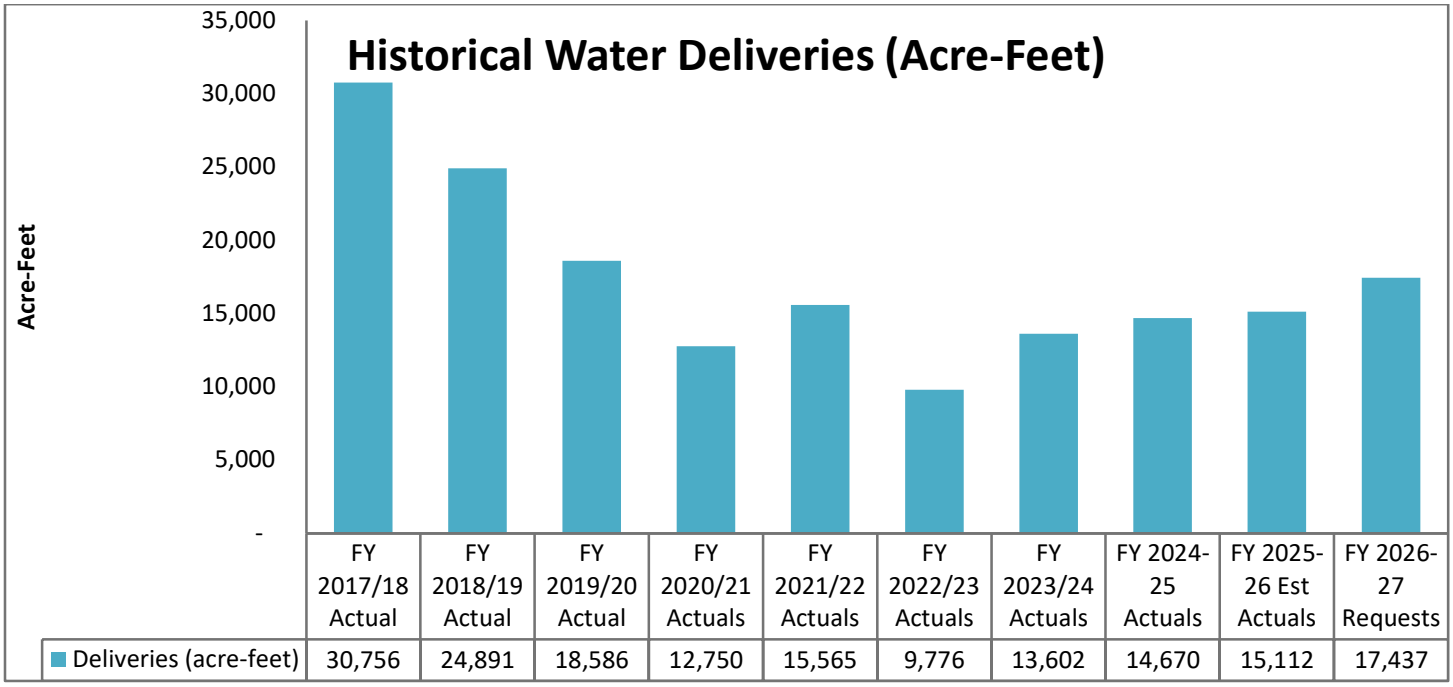
For twenty-seven consecutive years, CCWA has received the Government Finance Officers Association (GFOA) "Distinguished Budget Presentation" award." We will also submit the FY 2026/27 Budget for consideration of the GFOA budget award.

AN OVERVIEW OF LAST FISCAL YEAR

The following are some of the major highlights from FY 2025/26:

Water Deliveries

Total deliveries during FY 2025/26 by CCWA to the Santa Barbara and San Luis Obispo County project participants are estimated to be 15,112 acre-feet compared to the actual FY 2024/25 deliveries of 14,670 acre-feet. The graph on the following page shows water deliveries for the last ten fiscal years.



	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Actual	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024-25 Actuals	FY 2025-26 Est Actuals	FY 2026-27 Requests
Deliveries (acre-feet)	30,756	24,891	18,586	12,750	15,565	9,776	13,602	14,670	15,112	17,437

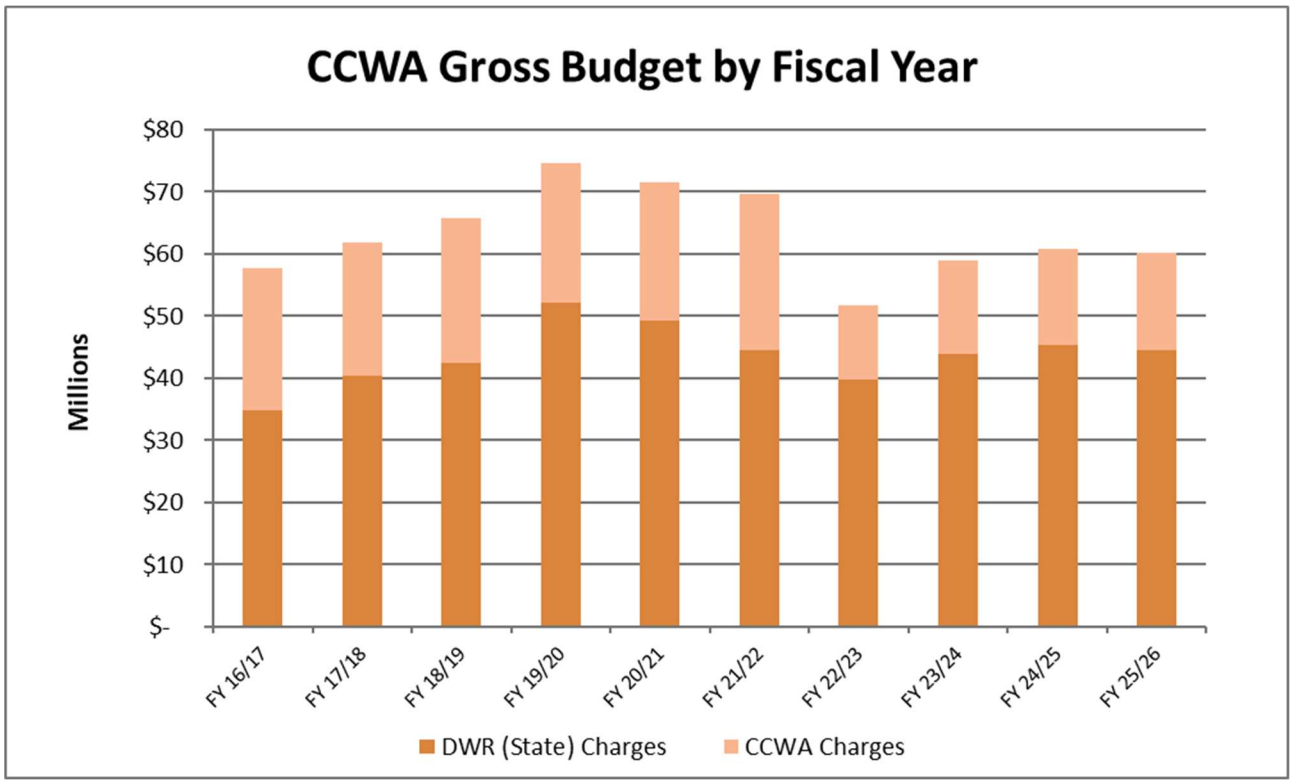
CCWA Credits

Actual CCWA operating expenses for FY 2025/26 are anticipated to be approximately $1.6 million less than the budgeted amounts. CCWA estimates receipt of $0.7 million as investment income. Estimated personnel expenses are $0.6 million less than the approved budget due to savings in vacant positions; utility expenses are $0.1 million lower due to reduced water lake deliveries and corresponding reduced pumping costs at SYPP; supplies and equipment are projected with $0.5 million in savings due to lower variable chemical costs and dues, other expenses are $0.2 million less than the budgeted amounts.

These unexpended operating assessments will either be returned to the CCWA project participants as credit in FY 2026/27 or transferred to the DWR Reserve Fund based on the election of each participant.

CCWA Budget History

The following graph shows the CCWA gross budget (total budget excluding CCWA credits and prepayments) broken down between CCWA costs and DWR costs from FY 2016/17 to FY 2026/27.



Awards and Competitions

Over the past year, CCWA received the GFOA "Distinguished Budget Presentation" award for the FY 2025/26 Budget and the GFOA "Excellence in Financial Reporting" award for the FY 2024/25 Comprehensive Annual Financial Report.

AN OVERVIEW OF THIS FISCAL YEAR

Water Delivery Projections

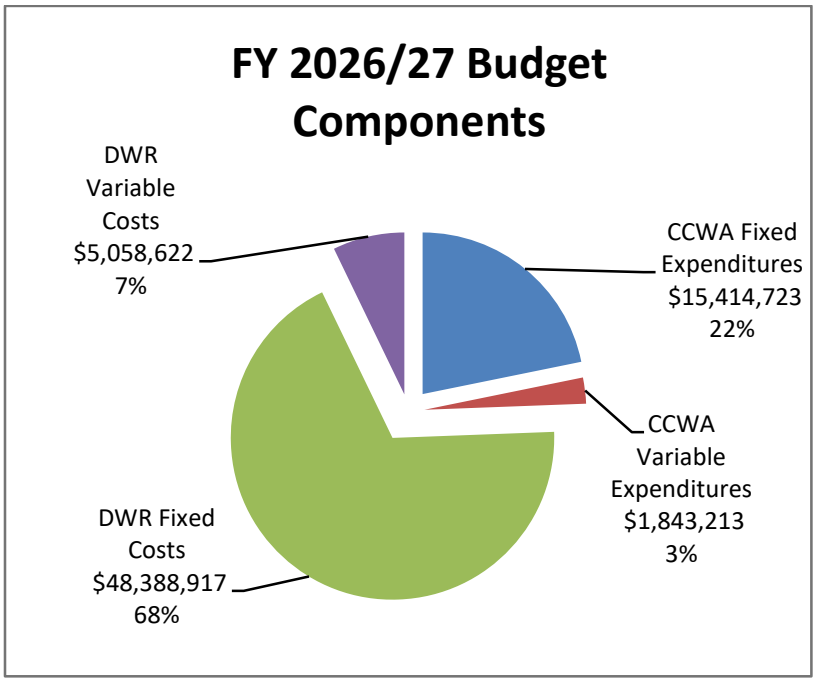
For calendar years 2026 and 2027, Santa Barbara and San Luis Obispo County project participants have requested State water deliveries of 17,088 and 17,076 acre-feet, respectively.

Department of Water Resources Activities and Related Costs

During FY 2026/27, CCWA staff will continue to work through the State Water Contractor (SWC) board and committees that interact with the Department of Water Resources (DWR) which impact CCWA and the California water agencies as a whole. There are many significant issues on which DWR and the SWC are working which have water supply, operational, and fiscal impacts on CCWA. Some of these activities could potentially have a significant fiscal impact to CCWA in the current and future years. Therefore, staff will place a high priority on working through the various available venues to minimize the fiscal impacts to CCWA and ensure that we continue to meet our goal of providing reliable, high quality supplemental water.

FY 2026/27 BUDGET SUMMARY

The FY 2026/27 budget calls for total project participant payments of $58.5 million compared to the FY 2025/26 budget of $60.2 million, a $1.7 million decrease. These amounts include $2.3 million in CCWA credits for FY 2026/27. The following graph shows the breakout of the various cost components in the CCWA FY 2026/27 Budget:



The following table compares the total FY 2026/27 Budget and the FY 2025/26 Budget:

Budget Item	Final FY 2025/26 Budget	Preliminary FY 2026/27 Budget	Increase (Decrease)
CCWA Expenses			
CCWA Operating Expenses - Fixed	$ 11,871,913	$ 12,267,596	$ 395,684
CCWA Operating Expenses - Variable	1,819,728	1,843,213	23,484
Capital/Non-Capital Projects	2,947,718	3,108,727	161,009
Total CCWA Expenses:	16,639,359	17,219,536	580,177
Pass-Through Expenses			
DWR Fixed Costs	43,943,586	48,388,917	4,445,331
DWR Variable Costs	4,660,309	5,058,622	398,313
Warren Act and Trust Fund Payments	52,440	38,400	(14,040)
Total Pass-Through Expenses:	48,656,334	53,485,938	4,829,604
Subtotal Gross Budget:	65,295,693	70,705,474	5,409,781
CCWA (Credits) Due	(2,281,509)	-	2,281,509
TOTAL:	$ 63,014,184	$ 70,705,474	$ 7,691,290

CCWA Operating Expense Budget

The FY 2026/27 CCWA operating expense budget total is $14.1 million, or approximately 20% of the total CCWA budget. This is a $.4 million increase over the FY 2025/26 operating expense budget, a 3.06% increase.

The following table shows CCWA operating expenses by the expense type for FY 2026/27 and FY 2025/26 and the changes from the prior fiscal year budget along with the allocation between the fixed and variable expenses.

Central Coast Water Authority

Consolidated Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Name	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
Personnel Expenses	$ 7,169,825	$ 6,568,833	$ 7,488,598	$ 318,773	4.45%
Office Expenses	23,300	24,776	24,000	700	3.00%
Supplies and Equipment	1,713,077	1,202,000	1,835,661	122,584	7.16%
Monitoring Expenses	148,100	158,310	154,000	5,900	3.98%
Repairs and Maintenance	420,860	393,666	439,660	18,800	4.47%
Professional Services	2,119,115	1,990,249	2,075,000	(44,115)	-2.08%
General and Administrative	313,700	292,656	314,450	750	0.24%
Utilities	644,804	526,417	572,751	(72,053)	-11.17%
Other Expenses	1,109,643	939,930	1,168,339	58,696	5.29%
Turnouts	29,217	25,000	38,350	9,133	31.26%
Total Operating Expenses	$ 13,691,641	$ 12,121,836	$14,110,809	$ 419,168	3.06%
Fixed Operating Expenses (1)	$ 11,871,913	$ 10,914,734	$12,267,596	$ 395,684	3.33%
Variable Operating Expenses	1,819,728	1,207,102	1,843,213	23,484	1.29%
Total Operating Expenses	$ 13,691,641	$ 12,121,836	$14,110,809	$ 419,168	3.06%

(1) Does not include Capital and Non-Capital Projects.

Additional highlights and detailed explanations are available in the operating expenses and departmental sections of the budget.

CCWA Capital Improvement Projects

The FY 2026/27 Budget includes $3,108,727 for capital improvement and non-capital projects, a $161,009 increase over the prior year amount. All capital improvement and non-capital projects are funded on a current basis from project participant assessments.

Please refer to the "*Project*" section of this FY 2026/27 Budget for additional information on the budgeted capital improvement and non-capital projects.

Warren Act and Trust Fund Payments

The FY 2026/27 Budget includes $38,400 for Warren Act and Trust Fund MOU payments based on $120 per acre foot for 320 acre feet of water to be delivered to Cachuma Lake.

CCWA Credits

The FY 2026/27 budget includes the following credits:

CCWA O&M Credits		
O&M Reserve Fund Interest Income	$	79,090
Rate Coverage Reserve Fund Interest		390,233
Credit payable		1,787,350
Prepayments and Other Credits		24,835
Total	**$**	**2,281,509**

DWR Charges

The FY 2026/27 DWR fixed charges total $48 million, which is $5 million more than the FY 2025/26 Budget. The DWR variable charges total $5 million, which is $0.4 million more than the prior year amount.

Please refer to the DWR section of the budget for a detailed discussion on the DWR charges.

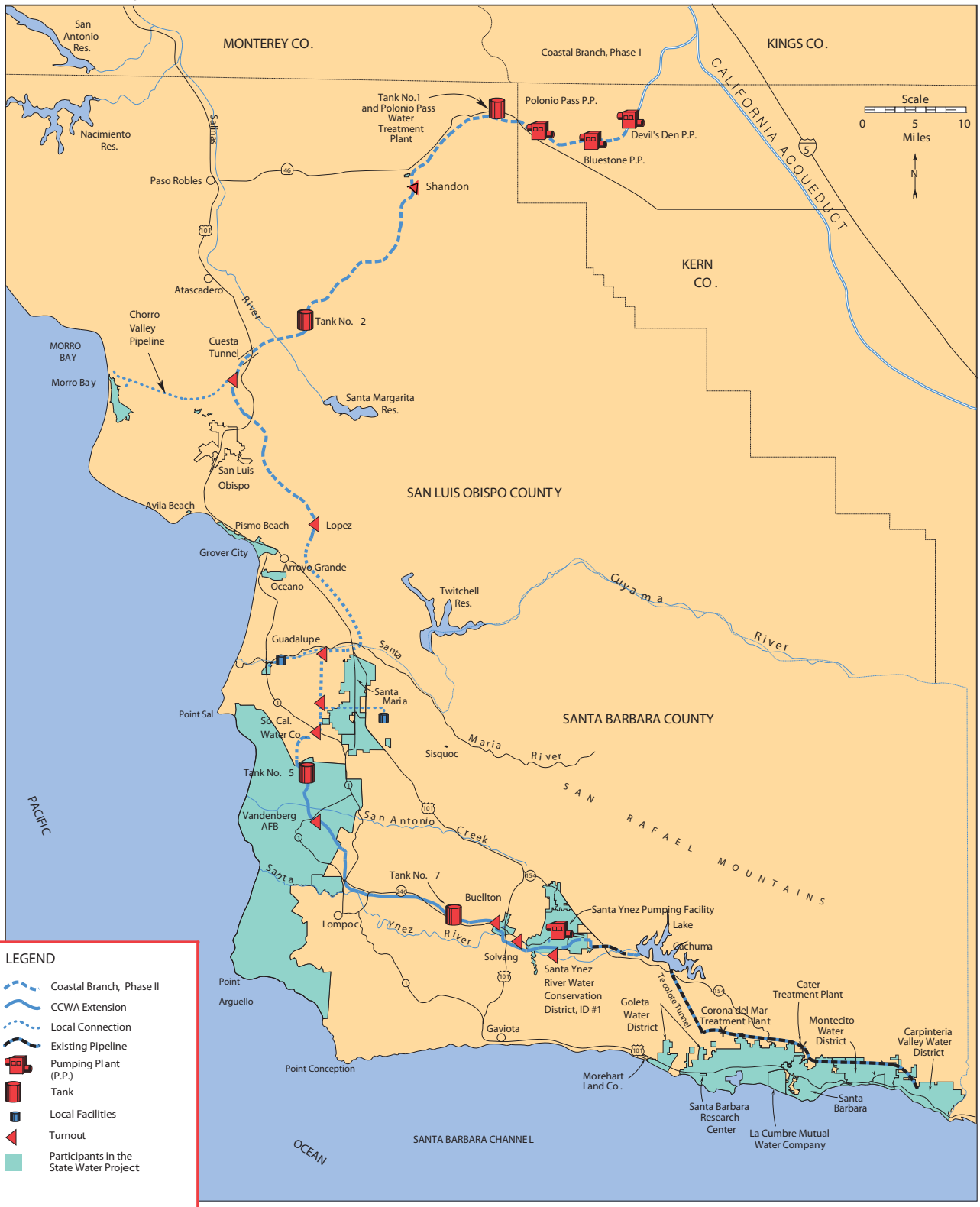
CONCLUSION

We are proud of the many accomplishments achieved during the past year through the combined efforts of CCWA staff and project participants. We look forward to successfully overcoming the challenges of the upcoming year.

Sincerely,

Ray Stokes
Executive Director

Project Map



CENTRAL COAST WATER AUTHORITY

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The Authority is a public entity duly organized and existing under a Joint Exercise of Powers Agreement – Central Coast Water Authority, dated as of August 1, 1991, by and among nine public agencies in Santa Barbara County, two of which have subsequently merged. The members entered into the Agreement to exercise their common power to acquire, construct, operate and maintain works and facilities for the development and use of water resources and water rights including without limitation, works and facilities to divert, store, pump, treat and deliver water for beneficial uses. In particular, the members expressed their desire to create the Authority to finance, develop, operate, and maintain the Authority's facilities for their mutual benefit and to act on behalf of the members with respect to the Department of Water Resources (DWR) facilities. The Authority currently has a staff of 28 full-time and 3 part-time employees.

The Authority is presently composed of eight members, all of which are public agencies: the Cities of Buellton, Guadalupe, Santa Barbara and Santa Maria, Carpinteria Valley Water District, Goleta Water District, Montecito Water District and Santa Ynez River Water Conservation District, Improvement District No. 1 (in which the City of Solvang is located). (A founding member of the Authority, the Summerland Water District, was merged into the Montecito Water District.) In addition, the Authority has an Associate Member, the La Cumbre Mutual Water Company. Each member appoints a representative to the Authority's Board of Directors. San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD and/or San Luis Obispo Water Purchasers) has expressed an interest in joining the Authority. However, any decision to do so must be approved by the unanimous vote of the present members.

The member agencies are represented on the CCWA Board of Directors by an individual chosen by each public entity's Board or City Council. Each vote on the Authority's Board of Directors is weighted roughly in proportion to the entity's allocation of State water entitlement. The following table outlines the voting percentage for each member of the CCWA Board of Directors.

Board of Directors Voting Percentages

City of Guadalupe	1.15%
City of Santa Maria	43.19%
City of Buellton	2.21%
Santa Ynez RWCD, Improvement District #1	7.64%
Goleta Water District	17.20%
City of Santa Barbara	11.47%
Montecito Water District	9.50%
Carpinteria Valley Water District	7.64%
TOTAL	100.00%

CCWA Committees

There are two Authority committees. They consist of the Personnel Committee and Operating Committee.

The Operating Committee is composed of the general managers, city administrators and water supply managers of the various water agencies and cities served by the Authority. The Operating Committee typically meets once a month to act on matters such as project construction, operations and financial issues and recommends actions to the Authority's Board of Directors.

Santa Barbara County Project Participants

Each Santa Barbara County project participant is a water purveyor or user located in Santa Barbara County which obtained contractual rights to receive water from the State Water Project prior to 1991. Those rights have been assigned to the Authority pursuant to the terms of the Water Supply Agreements.

Santa Barbara County Project Participant Table A Amounts

Agency	Table A (1)
City of Buellton	578
Carpinteria Valley Water District	2,000
Goleta Water District	4,500
City of Guadalupe	550
La Cumbre Mutual Water Company	1,000
Montecito Water District	3,000
Morehart Land Company	200
City of Santa Barbara	3,000
Raytheon Systems Company (SBRC)	50
City of Santa Maria	16,200
Santa Ynez River W.C.D., ID #1	2,000
Golden State Water (SCWC)	500
Vandenberg Space Force Base	5,500
TOTAL	39,078

(1) In acre-feet per year. The amounts do not include the Authority's 3,908 acre-feet per year "drought buffer" entitlement and 2,500 acre-feet per year additional entitlement which has been acquired by Goleta Water District.

San Luis Obispo County Water Purchasers

Each San Luis Obispo County water purchaser is a water purveyor or user located in San Luis Obispo County which obtained contractual rights from San Luis Obispo County Flood Control and Water Conservation District (SLOCFCWCD) to receive water from the State Water Project.

San Luis Obispo County Project Participant Table A Amounts

Agency	Table A
Avila Beach Community Services District	100
Avila Valley Mutual Water Co., Inc.	20
California Men's Colony (State)	400
County of SLO C.S.A. No. 16, I.D. #1	100
County of SLO (Op. Center & Reg. Park)	425
City of Morro Bay	1,313
Oceano Community Services District	750
City of Pismo Beach	1,240
San Luis Coastal Unified School District	7
San Miguelito Mutual Water Company	275
SLO Co. Comm. Coll. District (Cuesta College)	200
TOTAL	4,830

Water Supply Agreements

Each Santa Barbara County project participant has entered into a Water Supply Agreement with the Authority in order to provide for the development, financing, construction, operation and maintenance of the Authority's facilities and to designate the Authority to act on behalf of the Santa Barbara County project participants with respect to the DWR facilities. The purpose of the Water Supply Agreements is to assist in carrying out the purposes of the Authority with respect to the Authority project by (1) requiring the Authority to sell, and the Santa Barbara County project participants to buy, a specified amount of project allotment from the Authority, and (2) assigning the Santa Barbara County project participants' Table A rights in the State Water Project to the Authority.

Local Water Treatment Agreements

Each San Luis Obispo County water purchaser has entered into a Local Water Treatment Agreement with SLOCFCWCD and SLOCFCWCD has entered into the Master Water Treatment Agreement with the Authority to cause the Authority to provide for the development, financing, construction, operation and maintenance of the Authority's facilities. The purpose of the Local Water Treatment Agreements is to provide the terms and conditions of the treatment of the San Luis Obispo County water purchaser's water to be delivered from the State Water Project and to provide for the financing of certain local improvements.

State Water Project

The State Water Project is one of the largest water supply projects undertaken in the history of water development. It encompasses a complex of reservoirs, pumping plants, power plants, canals, and tunnels owned and operated by the DWR. State water, which primarily originates north of the Sacramento-San Joaquin Delta, is transported from the Delta to serve water contractors in the San Francisco Bay area, the San Joaquin Valley, and Southern California. All of the initially planned 642-mile aqueduct and pipeline system is operational with the last 100 miles of the Coastal Branch Phase II substantially completed and placed into operation in August 1997.

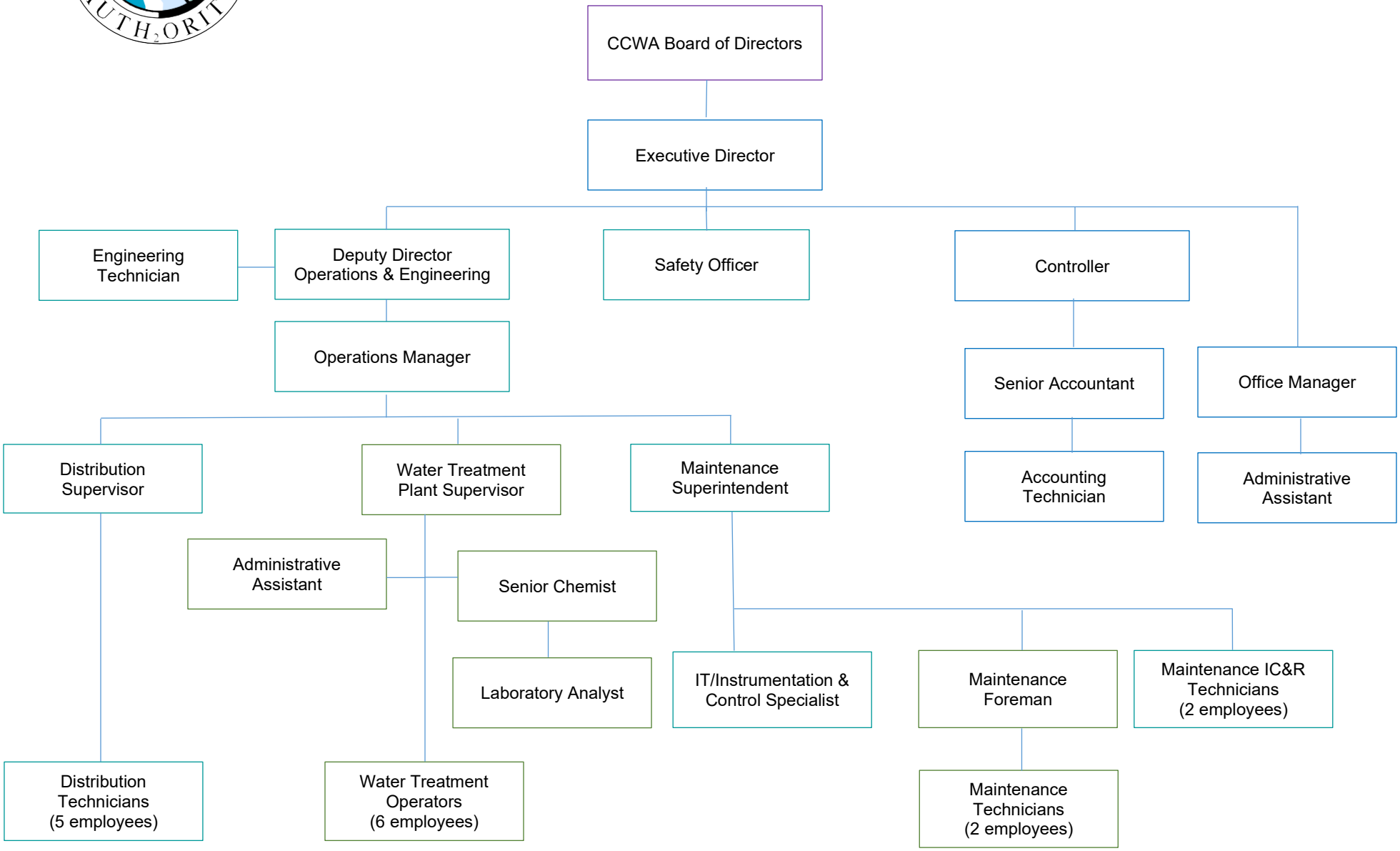
DWR has previously completed what is known as the Coastal Branch Phase I, which branches off the California Aqueduct in the southwestern corner of Kings County near Interstate 5. The Coastal Branch Phase I is a 15-mile canal that ends near Devils Den in northwestern Kern County.

The Coastal Branch Phase II pipeline, which was constructed by DWR between 1995 and 1997 to supply State water to San Luis Obispo and Santa Barbara Counties, runs from the Coastal Branch Phase I terminus over the coastal mountains to and through the County of San Luis Obispo to a terminus in northern Santa Barbara County. Its largest diameter is 57 inches between the Devils Den Pumping Plant and Tank 1 and its smallest diameter is 42 inches along the southerly-most 48 miles.

The CCWA Extension begins at a diameter of 39 inches at Tank 5, continuing south to a point near Lompoc where it turns east, reducing to a diameter of 30 inches along the way. Water flows by gravity to the Santa Ynez Pumping Plant. At this facility, the chloramines used for disinfection are removed (a process called dechloramination) and the water is then pumped into Lake Cachuma through a 30-inch diameter pipe that was originally used to deliver Cachuma Project water to the Santa Ynez River Water Conservation District, Improvement District No. 1.

The water treatment plant receives raw water from the Coastal Branch Phase II and, after treatment, returns the water to the Coastal Branch Phase II. The plant is sized at 50 million gallons per day to accommodate the maximum annual entitlement of both counties. The plant uses conventional modern treatment units for filtration and disinfection of surface water in conformance with the relevant regulations of the California Department of Public Health.

Central Coast Water Authority
Organization Chart
FY 2026/27



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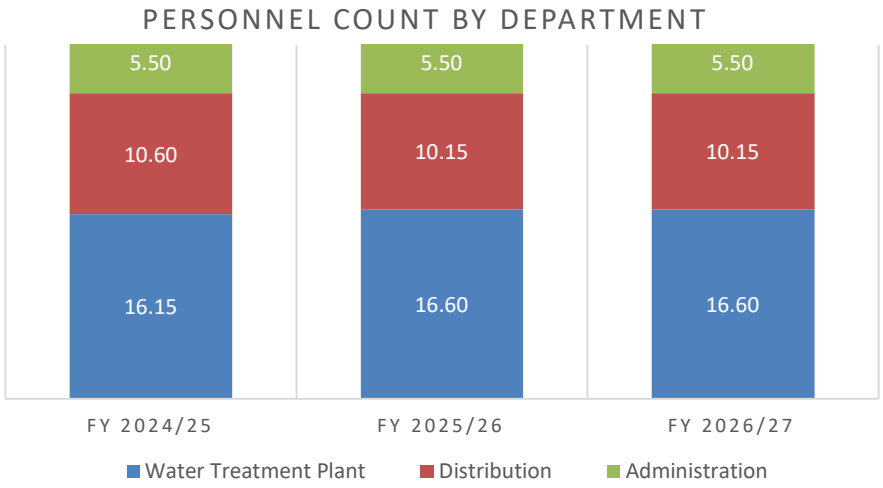
Central Coast Water Authority

Personnel Count Summary

All Departments

Fiscal Year 2026/27 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number Authorized FY 2024/25	Number Authorized FY 2025/26	Number Requested FY 2026/27	Change Over FY 2024/25	Change Over FY 2025/26
Executive Director	1.00	1.00	1.00	-	-
Deputy Director of Operations	1.00	1.00	1.00	-	-
Operations Manager	1.00	1.00	1.00	-	-
Safety Officer	1.00	1.00	1.00	-	-
Controller	1.00	1.00	1.00	-	-
Office Manager	1.00	1.00	1.00	-	-
Administrative Assistant	1.50	1.50	1.50	-	-
Senior Accountant	1.00	1.00	1.00		-
Accounting Technician	0.75	0.75	0.75	-	-
WTP Supervisor	1.00	1.00	1.00	-	-
Distribution Supervisor	1.00	1.00	1.00	-	-
Maintenance Superintendent	1.00	1.00	1.00	-	-
Maintenance Foreman	1.00	1.00	1.00	-	-
Senior Chemist	1.00	1.00	1.00	-	-
Laboratory Analyst	1.00	1.00	1.00	-	-
IT/Instrumentation & Control Specialist	1.00	1.00	1.00	-	-
Engineering Technician	1.00	1.00	1.00	-	-
Maintenance Technician	2.00	2.00	2.00	-	-
Maintenance/IC&R Technician	2.00	2.00	2.00	-	-
WTP Operator	5.00	6.00	5.00	-	(1.00)
Distribution Technician	5.00	5.00	5.00	-	-
WTP Operator trainee	1.00	-	1.00	-	1.00
TOTAL:	32.25	32.25	32.25	-	-



Fiscal Year Budget

The Authority's fiscal year budget is one of the most important documents prepared by the Authority. Through the process of planning and preparing the budget, the Authority is given the opportunity to reassess its plans and goals for the coming and future years. The process also provides direction for management and staff.

In December of each year, the Authority's staff prepares a list of goals and objectives by department and general area of responsibility. The annual goals and objectives are reviewed by the Executive Director and refined as appropriate. The goals are then presented to the Board of Directors.

Ten Year Financial Plan

The Ten Year Financial Plan is prepared to provide the project participants pro forma projections of the Authority's expenditures and includes projections for both the CCWA and DWR portions of the budget. DWR provides projections for each of these years for both the fixed and variable costs, and the CCWA expenses are generally projected with a 5% inflation factor to all operating expenses.

The Ten Year Financial Plan is prepared only as an informational tool and is not formally adopted by the Board of Directors. The financial plan is presented to the Operating Committee and is used by the member agencies and other project participants for their planning and long-term budgeting purposes.

The various components of the budget are compiled, including "pass-through" charges from the Department of Water Resources (DWR) and Warren Act charges paid to the U.S. Bureau of Reclamation *(see the Revenues and Sources of Cash section for a description of Warren Act Charges)*. While these expenditures are not considered expenses for the Authority, the charges are collected by the Authority and paid to the respective agencies; therefore, they are included in the budget.

The requested budget is prepared recognizing the Board approved organization-wide and departmental goals. All Authority goals must be funded within the budget to allow each goal to be accomplished. Stated another way, there are no unfunded mandates.

Committee Review of the Budget

The initial review of the budget is presented to the Operating Committee each March for input to staff regarding the requested budget. As required by California's Brown Act and

Public Records Act, both meetings are posted at least 72 hours, and typically one week, in advance of the meetings inviting the public to attend and provide input regarding the proposed budget.

Board Adoption of the Fiscal Year Budget

Initial review of the preliminary budget by the Board of Directors occurs during its March regular meeting. The Board reviews the proposed budget and makes changes as it deems appropriate. After staff amends the budget reflecting the Board's direction, the amended budget is then resubmitted to the Board for final review and adoption. This process may continue until staff and the Board have reached a budget suitable for Board approval. Approval of the final budget typically occurs at the regular April Board meeting. The budget is approved by motion and majority vote of the Board. All of these meetings are posted for public participation.

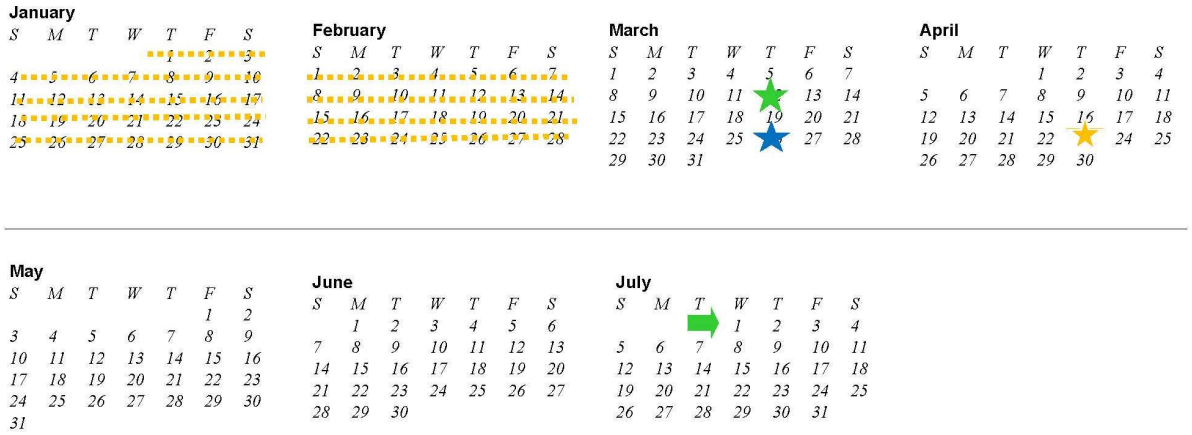
Budget Amendment Process

The budget may only be amended during the year by Board action. This process involves requests by staff to the Board for additional funding. The Board considers the requests of staff at regularly scheduled meetings and approves or rejects the requests by motion and majority vote.

CCWA Financial Schedule FY 2026/27

The Financial Schedule on the following page provides a graphical overview of the major financial milestones that occur for the budget preparation and the corresponding revenue and expenditure cycles.

CCWA Budget Planning Schedule
FY 2026/27 Budget



Receive DWR Statement of Charges (for following calendar year)	July 1, 2025
Prepare Draft Budget	November 1, 2025- February 28, 2026
Submit Preliminary Budget to Operating Committee	March 12, 2026
Submit Preliminary Budget to Board of Directors	March 26, 2026
Board Approval of Final Budget	April 23, 2026
Beginning of 2026/27 Budget Expenditure Cycle	July 1, 2026

Budget Reporting

For budgetary reporting purposes, the Central Coast Water Authority uses the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred. Non-cash expense items such as depreciation expense for fixed assets and accrued compensated absences are excluded from the budget.

The Authority operates under one fund for budgetary purposes. However, the Authority's various departments and budget preparation are segregated into sub-sections as follows:

Administration

Water Treatment Plant

Distribution

- CCWA Reaches
  - Mission Hills II
  - Santa Ynez I
  - Santa Ynez II
- DWR Reaches
  - Reach 33B
  - Reach 34
  - Reach 35
  - Reach 37
  - Reach 38

For further information on the various cost centers within the Distribution Department subsection, please see the discussion of financial reaches in the section titled "Distribution Department."

Financial Statement Reporting

The Authority operates as a proprietary fund-type and uses the modified accrual basis of accounting. All proprietary fund-types are accounted for on a flow of economic resources measurement focus. Under this measurement focus, all assets and liabilities associated with the operation of these funds are included on the statement of net position. Where appropriate, net total assets (i.e., fund equity) are segregated into contributed capital and retained earnings. Proprietary fund-type operating statements present increases (revenues) and decreases (expenses) in net position.

Budget Policy and Strategy

The Fiscal Year 2026/27 Budget document has been prepared after analyzing, evaluating, and justifying both the financial and non-financial objectives and goals of the Authority for the current year and beyond. The Authority's budget is a comprehensive document which enables the Board of Directors and Authority staff to evaluate the Authority's past and future.

The Authority's management believes that a successful budget should contain the following ingredients for it to be useful to the individuals using the information:

1. **Worthy Purpose** - There should be clear goals for the budget. The goals and objectives of the Authority should dictate the Authority's budget.

2. **Participative Ownership -** Budget ownership and the motivation to make it work will only occur when there is significant decision making involvement at the levels of implementation.

3. **Reporting System -** A good budgeting system must be fully integrated with the Authority's reporting (i.e., accounting) system. That is, the accounting system and the budgeting system should be consistent in account classifications and methods of accounting for data, time periods, etc. Ease of understanding is enhanced when the budgeted data and the accounting system mirror each other.

4. **Support of Management -** In any well-organized budgeting system, support from top management is essential for the system to be effective. By being involved in establishing the budget concepts and procedures as well as reviewing budget variations, the Board will lend support to the rest of the Authority and create acceptance and promote effective use of the budgeting system by all.

BUDGET POLICIES

- The primary budgetary objective is to provide the highest possible level of service to the Authority's project participants without impairing the Authority's sound financial condition. Continual efforts will be made to improve productivity, lower costs, and enhance services.

- The Authority will endeavor to keep current expenditures less than current revenues. Current expenditures are defined as operating expenses and capital improvement expenditures. The Authority will strive to operate within the approved budgetary amounts to avoid subsequent billings to the member agencies and other project participants for over-expenditures.

- The Authority will maintain a budgetary control system to ensure adherence to the budget and will prepare regular reports comparing actual revenues and expenditures/expenses to budgeted amounts.

- Laws and policies limiting revenue sources and expenditures must be explicitly addressed in the budget process.

- No Unfunded Mandates - The Board of Directors will not establish a goal or policy without also providing the necessary funding to accomplish those goals or policies.

- Budget Change Policy - The adopted budget may only be changed by Board action. Budget change requests may be made by staff to the Board of Directors at a regularly scheduled Board meeting. The Board will then consider the requests based on staff's recommendations and approve or deny the requests by a majority vote.

- Reconciliation of Charges - The Authority will endeavor to reconcile differences between actual expenditures incurred and amounts billed to the member agencies and other project participants in a timely manner. Under-expenditures in the budget will be returned to project participants as credits in subsequent billings.

- Investment Income Allocation - The Authority will endeavor to provide timely allocation of investment income to the member agencies and other project participants for payments covering DWR charges.

- DWR Charges and Credits - The Authority will endeavor to provide sufficient information to the member agencies and other project participants regarding the DWR charges to enable them to gain a full understanding of the charges. Additionally, the Authority will provide credits given by DWR on the next available billing sent to the project participants.

- Ten Year Financial Plan - In conjunction with preparation of the fiscal year budget, the Authority will also prepare and make available a ten year financial plan which provides estimates of the total State water costs for the ten-year period.

- Distribution Department Financial Reach Allocation Percentages - The Authority will amend the Distribution Department financial reach allocation percentages for fixed O&M costs based on the actual costs incurred by financial reach. These percentages will be based on the actual percentages from the Yearend Budget Report two years prior to the current budget year.

- Spare Parts Inventory - The Authority will track the purchase of spare parts inventory greater than $2,000 and allocate costs to the appropriate financial reach when the spare parts are actually used at a specific location or financial reach.

- Appropriated Contingency - No expenditure will be made from the Appropriated Contingency account without prior approval from the Board of Directors.

- Staff Salary Pool Policy - The overall salary pool will consist of two separate pools: (1) a pool for all employees excluding the Executive Director, and (2) a pool – i.e., proposed salary treatment – for the Executive Director.

  The Authority will calculate the salary pool percentage which shall be either 5% of the actual regular salaries budget or the actual December to December percentage change in the Los Angeles-Long Beach-Anaheim, CA Consumer Price Index for All Urban Consumers, whichever is greater.

  The employee pool will be calculated by multiplying the resulting salary pool percentage by the actual annual salaries for all employees at the time the budget is prepared based on full staffing (excluding the Executive Director). The Executive Director's pool will be calculated by multiplying the resulting salary pool percentage by his or her actual annual salary at the time the budget is prepared. The two pools are then added together to determine the overall salary pool for budget purposes.

  The CCWA Board of Directors shall administer the Executive Director's pay treatment separate from the employee salary pool and the Executive Director shall administer the pay treatment (i.e., the employee pool) for all other CCWA employees.

- Employee Benefits Funding Benchmark - The Authority will calculate the Employee Benefits Percentage (EBP) in conjunction with the Budget preparation. The EBP calculation will include retirement, health insurance, cafeteria plan benefits, dental/vision insurance, long-term disability, and life insurance as a proportion of the full-time regular wages budget for the fiscal year.

- Budget Transfer Policy - If CCWA staff determine funds are available in an Operations and Maintenance or Project account, staff may transfer available funds to other accounts and/or projects which were not anticipated in the CCWA Board adopted budget with the approval of the CCWA Board Chairperson. Transfer of funds for projects and/or one-time expenditures cannot exceed $25,000. Staff will prepare a summary of the Budget Fund Transfers which will include the source and destination of the funds,

financial reaches impacted and justification for the transfer. A summary of the approved transfers will be included on the CCWA Board Consent Calendar as part of the next regularly scheduled Board meeting.

- Self-Funded Dental/Vision Plan Annual Limits and Premium Amounts - The CCWA self-funded Dental/Vision plan annual limit on total expenditures for each covered employee and the corresponding premium amount will increase at the beginning of each plan year by the December to December percentage change of the Los Angeles-Long Beach-Anaheim, CA Consumer Price Index for All Urban Consumers.

CAPITAL IMPROVEMENTS POLICY

- Long-Range CIP Plan - The Authority will identify long-range capital projects and capital improvements of all types which will be coordinated with the annual operating budget to maintain full utilization of available revenue sources.

- CIP Paid from Current Revenues - When appropriate, capital improvements will be paid through current revenue sources rather than financing capital projects over a period of time.

DEBT POLICY

- Debt Financing - The Authority will use debt financing when it is judged to be appropriate based on the long-term capital needs of the Authority and the Authority's ability to repay the indebtedness has been evaluated in light of all sources and uses of cash.

- Long-Term Debt - The Authority will only incur long-term debt for the financing of capital improvements that are not expected to recur and are long-lived. Conversely, if the capital requirements are recurring, of relative small scale, or are for short-lived improvements, the cost of these improvements should be paid from current revenues.

RESERVE POLICY

- The Authority will maintain an Operations and Maintenance Reserve Fund in the amount of $2 million. Monies held in the O&M Reserve Fund may be expended only upon authorization of the Board of Directors for unanticipated operating and maintenance activities.

INVESTMENT POLICY

- The Authority will operate its idle cash investments under the "Prudent Investor Standard" per Government Code section 53600.3 which states: "…care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency".

- The criteria for selecting investments and the order of priority:

  (1) Safety, which refers to the potential loss of principal, interest or a combination of the two.

  (2) Liquidity, which refers to the ability to "cash-in" at any moment in time with a minimal chance of losing some portion of principal or interest.

  (3) Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

- Monthly Budget Reports - The Authority's Controller will produce monthly budget reports covering the activity for the current period.

- Independent Audit - The Authority will employ an independent accounting firm to perform an annual audit of the Authority's financial statements, and make the audit available to all required and interested parties.

- Budget Preparation - The Authority will prepare an annual budget document that provides a basic understanding of the Authority's planned financial operations for the coming fiscal year. Copies of the proposed and final budget will be made available to all interested parties and opportunities will be provided for participant input prior to final adoption of the budget.

- Accounting System - The accounting system will maintain records on a basis consistent with accepted standards for local government accounting. The Authority will submit the Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers' Association (GFOA) annually for consideration of the Certificate of Achievement for Excellence in Financial Reporting from GFOA.

- Budget Awards - The Authority will annually submit its budget to the Government Finance Officers' Association for consideration of the Distinguished Budget Presentation Award.

Performance Measures & Strategic Goals

The Authority's mission and objectives are achieved with strategic plan goals and tasks. Action plans and their tasks are the framework against which the achievement of these goals can be measured.

Administration Department

WORK WITH THE DEPARTMENT OF WATER RESOURCES AND OTHER STATE, FEDERAL AND LOCAL AGENCIES TO ACHIEVE OUR MUTUAL OBJECTIVES		
Task - Strategic Plan Goal	Target Date	Comments
Pursue resolution of the outstanding CCWA Statement of Charges protest items with DWR which could potentially total many millions of dollars	ongoing	by 12/31/2027

ASSIST PROJECT PARTICIPANTS IN THEIR EFFORTS TO REDUCE GROUNDWATER OVERDRAFT		
Task - Strategic Plan Goal	Target Date	Comments
Provide Monthly water delivery report to participants showing water available, water delivered, and remaining water available	by 10th of each month	ongoing

Water Treatment Plant

MONITOR AND TRACK VARIABLE CHEMICAL COST PER AF NOT TO EXCEED BUDGETED COST		
Task - Strategic Plan Goal	Jul-Dec	Jan-Jun
Actual WTP cost per AF(Variable) not to exceed $97.32		

EFFICIENTLY TREAT WATER DELIVERED THROUGH THE COASTAL AQUEDUCT TO SAN LUIS OBISPO AND SANTA BARBARA COUNTIES		
Task - Strategic Plan Goal	Target Date	Comments
Evaluate WTP performance utilizing state of the art assessment tools to better balance treatment cost and production activities by acquiring a laboratory charge analyzer.	30-Jun-26	

Distribution Department

RELIABLY DELIVER WATER THROUGH THE COASTAL AQUEDUCT TO SAN LUIS OBISPO AND SANTA BARBARA COUNTIES		
Task - Strategic Plan Goal	Target Date	Comments
Facilitate reliable and continuous pipeline operations by proactively repairing two SYPP pumps, cleaning and inspecting four potable water tanks and replacing corroded riser piping at nine locations.	30-Jun-26	These are capital expenditures budgeted in FY 25-26. Projects to be completed with CCWA staff and outside contractors.

TREAT AND DELIVER WATER THROUGH THE COASTAL AQUEDUCT TO SAN LUIS OBISPO AND SANTA BARBARA COUNTIES		
Task - Strategic Plan Goal	Target Date	Comments
Perform water system valve exercise on the pipeline	June 2025	performed annually

Water Treatment Plant/Distribution

MINIMIZE ENVIRONMENTAL IMPACTS AND PROTECT THE ENVIRONMENT DURING OPERATION OF OUR FACILITIES		
Task - Strategic Plan Goal	Target Date	Comments
Implement avoidance measures included in CCWA's Habitat Conservation Plan by performing operations and maintenance activites during certain period of the year, conducting biological surveys in adance of certain activities and adhere to annual reporting requirements.	30-Jun-26	

MEET CLEAN ENERGY STATE REGULATIONS		
Task - Strategic Plan Goal	Target Date	Comments
Begin electrifying the CCWA fleet by installing charging stations at the WTP and SYPP. Replacement of two existing internal combustion engine vehicles with electric vehicles.	30-Jun-26	Plan and design completed as of 5/2025

INITIATE FACILITIES CONDITION ASSESSMENT FOR FUTURE CAPITAL IMPROVEMENT PLANNING		
Task - Strategic Plan Goal	Target Date	Comments
Initiate a facilities condition assessment to assess and document the condition of WTP and Distribution facilities, and begin identification of capital needs over short and long-term horizons.	30-Jun-26	CCWA has engaged the services of HDR engineering to complete the study.

KEEP ANNUAL # OF COMPLAINTS ON WATER QUALITY TO LESS THAN THREE		
Task - Strategic Plan Goal	Jul-Dec	Jan-Jun
Submit a water quality complaints report to DOD-# of complaints<3		

ENSURE OUR WATER SUPPLY MEETS OR EXCEEDS HEALTH AND SAFETY STANDARDS		
Task - Strategic Plan Goal	Target Date	Comments
Drinking Water Regulations Compliance - meet all water quality regulations	ongoing	

Backwash filter pump replacement project at Polonio Pass Water Treatment Plant

Budget Summary

The Budget Summary section of the FY 2026/27 Budget includes tables and graphs which summarize all revenues and expenditures included in the budget document as well as cost per acre-foot amounts based on the FY 2026/27 Budget.

Highlights

Budget Summary

• FY 2025/26 Gross Budget	$ 60,760,439
• FY 2024/25 Gross Budget	60,722,600
Increase:	$ 37,839
• FY 2025/26 CCWA Credits	$ 2,281,509
• FY 2024/25 CCWA Credits	546,086
Decrease:	$ (1,735,422)
• FY 2025/26 Net Budget (After CCWA Credits)	$ 58,478,930
• FY 2024/25 Net Budget (After CCWA Credits)	60,176,514
Decrease:	$ (1,697,584)

Significant Budget Changes

- DWR Fixed cost decrease of $0.5 million due to a decrease of DWR Transportation Minimum and WSRB costs as compared to prior years, offset by an increase in Transportation Capital and Delta Water Charge costs
- CCWA Fixed O&M Expense budget increase of $792,601
- CCWA Variable O&M Expense budget decrease of $206,626
- CCWA capital improvement projects and non-capital projects combined budget increase of $296,027
- Warren Act and Trust Fund budget decrease of $164,520

Central Coast Water Authority

Budget Summary

Fiscal Year 2026/27 Budget

	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Change from FY 2025/26 Est. Actual
Beginning Cash Balance	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000		
SOURCES OF CASH						
CCWA Operating Expenses [1]	11,717,056	13,344,997	13,344,997	14,110,809	765,813	765,813
Capital/Non-Capital Projects	2,806,978	2,947,718	2,947,718	3,108,727	161,009	161,009
Non-Annual Recurring Expenses	-	-	-	-	-	-
Investment Income and Other		-	762,140	-	-	(762,140)
CCWA (Credits)		(2,281,509)	(2,281,509)	-	2,281,509	2,281,509
Subtotal Revenues	14,524,034	14,011,205	14,773,345	17,219,536	3,208,331	2,446,191
Pass-Through Expenses						
DWR Fixed Costs	45,763,350	43,943,586	43,893,585	48,388,917	4,445,331	4,495,331
DWR Variable Costs	2,646,937	4,660,309	4,338,872	5,058,622	398,313	719,750
Warren Act Charges	18,318	52,440	16,555	38,400	(14,040)	21,845
Subtotal Pass-Through Expenses	48,428,605	48,656,334	48,249,012	53,485,938	4,829,604	5,236,927
TOTAL SOURCES OF CASH	62,952,639	62,667,539	63,022,357	70,705,474	8,037,935	7,683,117
USES OF CASH						
CCWA Operating Expenses						
Personnel	6,659,424	7,174,825	6,568,833	7,488,598	313,773	919,765
Office Expenses	12,689	23,300	24,776	24,000	700	(776)
Supplies and Equipment	1,142,667	1,713,077	1,202,000	1,835,661	122,584	633,662
Monitoring Expenses	124,576	148,100	158,310	154,000	5,900	(4,310)
Repairs and Maintenance	382,055	420,860	393,666	439,660	18,800	45,994
Professional Services	1,391,170	1,767,470	1,990,249	2,075,000	307,530	84,751
General and Administrative	214,256	313,700	292,656	314,450	750	21,794
Utilities	579,144	644,804	526,417	572,751	(72,053)	46,334
Other Expenses	1,211,075	1,138,860	939,930	1,206,689	67,828	266,759
Total Operating Expenses	11,717,056	13,344,996	12,096,836	14,110,809	765,813	2,013,973
Other Expenditures						
Warren Act Charges	18,318	52,440	16,555	38,400	(14,040)	21,845
Capital/Non-Capital Projects [1]	2,806,978	2,947,718	2,947,718	3,108,727	161,009	161,009
CCWA Credits	-	(2,281,509)	(2,281,509)	-	2,281,509	2,281,509
Unexpended O&M Assessments		-	2,010,301	-	-	-
Total Other Expenditures	2,825,296	718,649	2,693,065	3,147,127	2,428,478	2,464,363
Total CCWA Expenditures	14,542,352	14,063,645	14,789,900	17,257,936	3,194,291	4,478,336
DWR Charges						
Fixed DWR Charges	45,763,350	43,943,586	43,893,585	48,388,917	4,445,331	4,495,331
Variable DWR Charges	2,646,937	4,660,309	4,338,872	5,058,622	398,313	719,750
Total DWR Charges	48,410,287	48,603,894	48,232,457	53,447,538	4,843,644	5,215,082
TOTAL USES OF CASH	62,952,639	62,667,539	63,022,357	70,705,474	8,037,935	9,693,418
Ending Cash Balance	$ 2,000,000	$ 2,000,000	$ 2,000,000	$ 2,000,000	-	-
Non-Annual Recurring Balance	$ -	$ -	-	-		
Operating Reserve Balance	$ 2,000,000	$ 2,000,000	2,000,000	2,000,000		
General Fund Balance	$ 0.02	$ 0	$ (0)	$ -		

(1) Includes carryover revenues from the prior year.

Central Coast Water Authority

Total Expenditures Summary

Fiscal Year 2026/27 Budget

Project Participant	Unadjusted Fixed CCWA Operating Expense [1]	Unadjusted Variable CCWA Operating Expense	Exchange Agreement Adjustment Fixed	Exchange Agreement Adjustment Variable	Regional WTP Allocation	Regional WTP Allocation Credit	Adjusted Charge	Warren Act Charges	2016A Revenue Bond Debt Service	Subtotal FY 2026/27 CCWA	Non-Annual Recurring Expenses	CCWA (Credits) Amount Due	Total FY 2026/27 CCWA
Guadalupe	$ 167,638	$ 4,757	$ -	$ -	$ 27,964	$ -	$ 200,359	$ -	$ -	$ 200,359	$ -		$ 200,359
Santa Maria	4,803,174	646,898	-	-	$835,964	-	6,286,035	-	-	6,286,035	-		6,286,035
Golden State Water	154,580	17,599	-	-	$25,744	-	197,923	-	-	197,923	-		197,923
Vandenberg SFB	1,852,053	269,224	-	-	$285,017	-	2,406,294	-	-	2,406,294	-		2,406,294
Buellton	222,676	25,686	-	-	$29,890	-	278,251	-	-	278,251	-		278,251
Santa Ynez (Solvang)	574,031	56,128	-	-	$77,313	-	707,472	-	-	707,472	-		707,472
Santa Ynez	192,094	-	367,145	204,724	$139,247	-	903,209	-	-	903,209	-		903,209
Goleta	2,109,224	73,743	(132,247)	(73,743)	$188,605	($635,481)	1,530,101	-	-	1,530,101	-		1,530,101
Morehart Land	93,743	-	-	-	$10,127	($34,121)	69,749	-	-	69,749	-		69,749
La Cumbre	468,716	214,838	-	-	$51,373	($201,049)	533,879	38,400	-	572,279	-		572,279
Raytheon	23,436	-	-	-	$2,532	($8,530)	17,437	-	-	17,437	-		17,437
Santa Barbara	1,406,149	49,035	(87,937)	(49,035)	$125,804	($423,882)	1,020,135	-	-	1,020,135	-		1,020,135
Montecito	1,406,149	49,035	(87,937)	(49,035)	$125,804	($423,882)	1,020,135	-	-	1,020,135	-		1,020,135
Carpinteria	937,433	32,912	(59,023)	(32,912)	$83,751	($282,190)	679,972	-	-	679,972	-		679,972
Shandon	21,393	-	-	-	-	-	21,393	-	-	21,393	-		21,393
Chorro Valley	449,209	209,100	-	-	-	-	658,309	-	-	658,309	-		658,309
Lopez	494,624	194,260	-	-	-	-	688,884	-	-	688,884	-		688,884
TOTAL:	$ 15,376,323	$ 1,843,213	$ (0)	$ (0)	$ 2,009,134	$ (2,009,134)	$ 17,219,536	$ 38,400	$ -	$ 17,257,936	$ -	$ -	$ 17,257,936

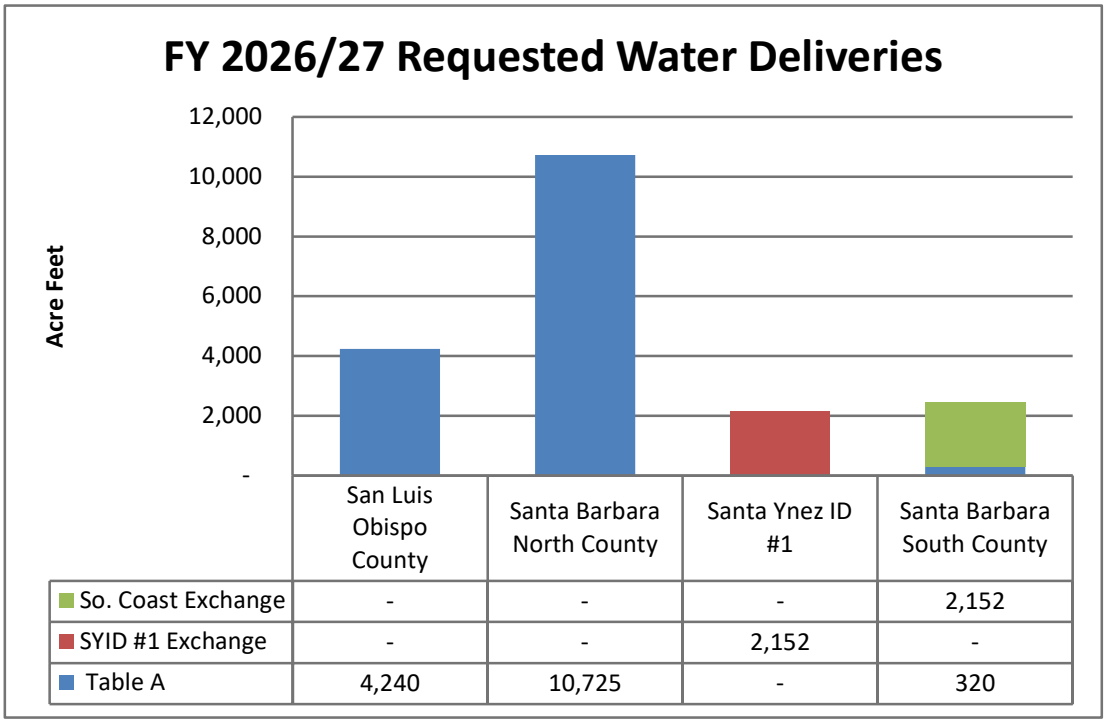
(1) Includes Capital and Non-Capital Projects.

	DWR FIXED CHARGES							*DWR VARIABLE CHARGES*					
Project Participant	Transportation Capital Through Reach 35	Transportation Capital Reach 37	Transportation Capital Reach 38	Transportation Minimum OMP&R	Water System Revenue Bond	Delta Water Charges	Total Fixed	Off-Aqueduct Charges	Variable OMP&R	Total Variable	DWR Interest Income	Total DWR Charges	TOTAL DWR and CCWA
Guadalupe	$ 346,235	$ -	$ -	$ 204,312	$ 24,496	$ 63,997	$ 639,040	$ 47	$ 28,123	$ 28,170	$ -	$ 667,210	$ 867,569
Santa Maria	10,198,194	502,531	-	6,017,907	721,522	1,885,000	19,325,154	5,132	2,359,441	2,364,573	-	21,689,726	27,975,762
Golden State Water	314,759	15,510	-	185,738	22,269	58,179	596,455	99	62,036	62,135	-	658,590	856,514
Vandenberg SFB	3,462,350	170,612	279,766	2,043,117	244,961	639,969	6,840,775	2,219	893,780	895,999	-	7,736,773	10,143,067
Buellton	363,861	17,930	29,401	214,713	25,743	67,276	718,924	211	89,565	89,776	-	808,700	1,086,951
Santa Ynez (Solvang)	930,549	46,531	76,300	542,488	58,480	158,670	1,813,018	452	239,388	239,840	-	2,052,858	2,760,330
Santa Ynez	328,487	15,510	25,433	200,463	30,596	74,046	674,536	-	14,221	14,221	-	688,757	1,591,966
Goleta	2,832,832	139,592	228,899	1,671,641	200,423	523,611	5,596,997	581	303,042	303,623	-	5,900,620	7,430,721
Morehart Land	125,904	6,204	10,173	74,295	8,908	23,272	248,755	-	2,005	2,005	-	250,761	320,509
La Cumbre	629,518	31,020	50,866	371,476	44,538	116,358	1,243,777	263	124,502	124,764	-	1,368,542	1,940,820
Raytheon	31,476	1,551	2,543	18,574	2,227	5,818	62,189	-	1,447	1,447	-	63,636	81,073
Santa Barbara	1,888,554	93,061	152,599	1,114,427	133,615	349,074	3,731,332	387	409,624	410,010	-	4,141,342	5,161,476
Montecito	1,888,554	93,061	152,599	1,114,427	133,615	349,074	3,731,332	387	379,699	380,085	-	4,111,417	5,131,551
Carpinteria	1,259,036	62,041	101,733	742,951	89,077	232,716	2,487,554	259	141,716	141,975	-	2,629,529	3,309,501
Goleta 2500 AF	120,733	-	-	177,904	115,991	264,450	679,078			-	-	679,078	679,078
Shandon	-	-	-	-	-	-	-	-	-	-	-	-	21,393
Chorro Valley	-	-	-	-	-	-	-	-	-	-	-	-	658,309
Lopez	-	-	-	-	-	-	-	-	-	-	-	-	688,884
TOTAL:	$ 24,721,044	$ 1,195,155	$ 1,110,314	$ 14,694,433	$ 1,856,462	$ 4,811,509	$ 48,388,917	$ 10,036	$ 5,048,586	$ 5,058,622	$ -	$ 53,447,538	$ 70,705,474

Central Coast Water Authority

FY 2026/27 Delivery Requests (Acre Feet)

Project Participant	Requested Deliveries	Exchange Deliveries	Net Deliveries
Shandon	-	-	-
Lopez	2,042	-	2,042
Chorro Valley	2,198	-	2,198
Guadalupe	50	-	50
Santa Maria	6,800	-	6,800
Golden State Water	185	-	185
VSFB	2,830	-	2,830
Buellton	270	-	270
Solvang	590	-	590
Santa Ynez	-	2,152	2,152
Goleta	775	(775)	-
Morehart	-	-	-
La Cumbre	320	-	320
Raytheon	-	-	-
Santa Barbara	515	(515)	-
Montecito	515	(515)	-
Carpinteria	346	(346)	-
TOTAL:	17,437	-	17,437

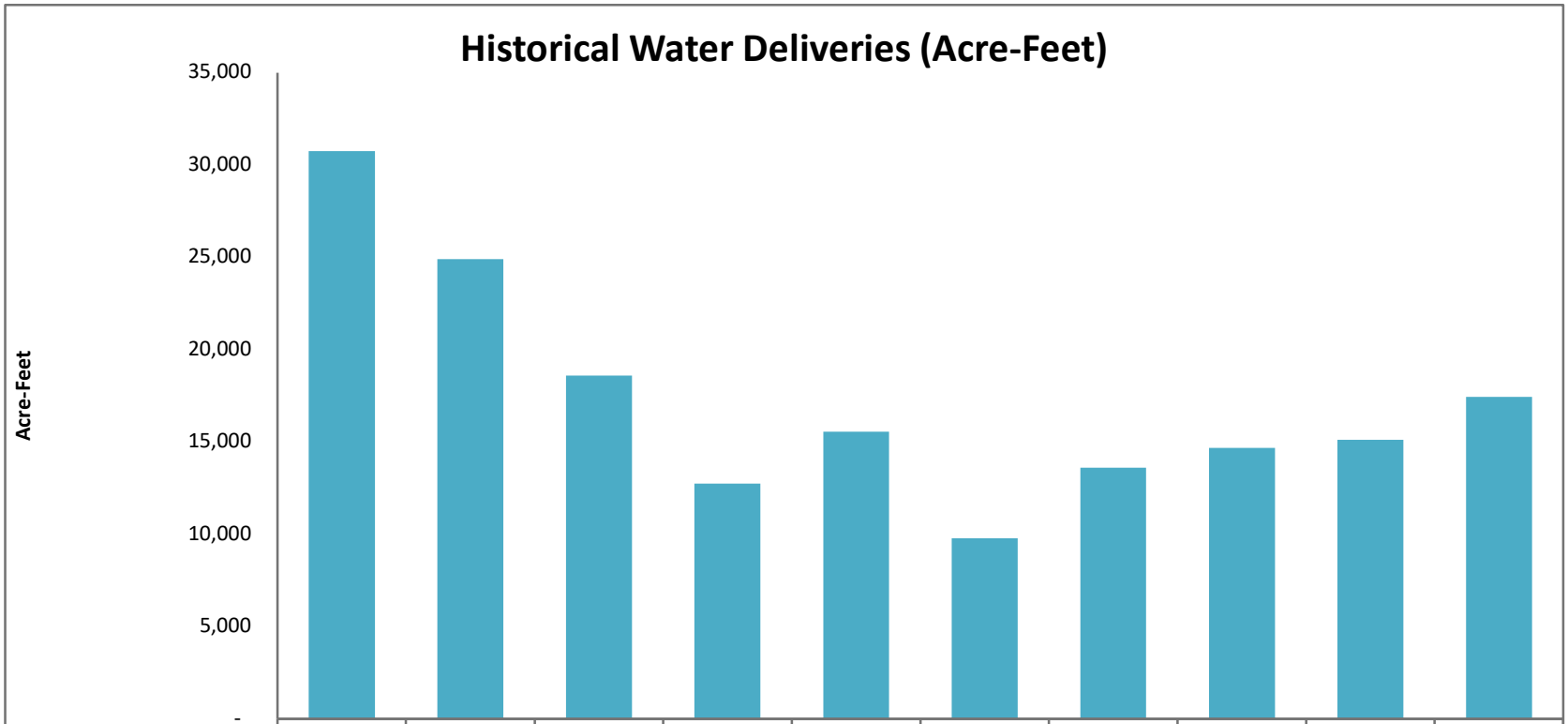


Santa Ynez ID#1 exchanges its Cachuma Lake entitlement for an equal amount of the Santa Barbara County south coast project participant State water. The amounts in the graph above show both the Santa Ynez ID#1 exchanged State water and the south coast Cachuma water taken in the exchange.

Central Coast Water Authority

Ten-Year Water Delivery History

(Fiscal Year)



	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Actual	FY 2020/21 Actuals	FY 2021/22 Actuals	FY 2022/23 Actuals	FY 2023/24 Actuals	FY 2024-25 Actuals	FY 2025-26 Est Actuals	FY 2026-27 Requests
Deliveries (acre-feet)	30,756	24,891	18,586	12,750	15,565	9,776	13,602	14,670	15,112	17,437

To calculate the cost per acre-foot of water to the CCWA project participants, one must distinguish between the various "cost-types" and the various "water-types."

Cost-Types

The two cost-types are fixed and variable costs.

Fixed costs include all CCWA and DWR costs which do not vary with the quantity of water delivered to the project participant, and generally, include CCWA fixed operations and maintenance costs, CCWA revenue bond payments and DWR fixed costs.

Variable costs include all CCWA and DWR costs which are only incurred if the project participant takes water deliveries. These include power (electrical) costs to pump the water and chemical costs to treat the water.

Water-Types

When discussing the cost per acre-foot, there are generally three (3) different "cost types" of water delivered by CCWA, fixed, variable and exchange. Following are descriptions for each cost type.

FY 2026/27 Table A Fixed Cost Per Acre-Foot

As described above, this includes all costs which do not vary with the quantity of water delivered to the project participant.

Project Participant	Table A Amount	Fixed Cost Per Acre-Foot: Fixed Costs Excluding CCWA Credits	Fixed Cost Per Acre-Foot: Fixed Cost Per Acre-Foot
Guadalupe	550	$ 834,480	$ 1,517.24
Santa Maria	16,200	24,948,384	1,540.02
Golden State Water Co.	500	776,450	1,552.90
VSFB	5,500	8,970,818	1,631.06
Buellton	578	970,843	1,679.66
Santa Ynez (Solvang)	1,500	2,463,056	1,642.04
Santa Ynez (1)	500	1,001,628	1,785.32
Goleta	4,500	7,127,098	1,583.80
Morehart	200	318,504	1,592.52
La Cumbre	1,000	1,592,446	1,592.45
Raytheon	50	79,626	1,592.52
Santa Barbara	3,000	4,751,466	1,583.82
Montecito	3,000	4,751,466	1,583.82
Carpinteria	2,000	3,167,526	1,583.76
TOTAL:	39,078	$ 61,753,791	

(1) Santa Ynez fixed cost amounts exclude the fixed and exchange agreement modifications, which are shown under the Exchange Agreement cost per acre-foot analysis. Also adjusted for the retreatment allocation charge to the exchange deliveries.

FY 2026/27 Table A Variable Cost Per Acre-Foot

This represents the variable costs for all water deliveries excluding exchange water deliveries to the South Coast project participants. Generally, these amounts include the CCWA power and chemical costs, adjustments for the variable Regional Water Treatment Plant Allocation (retreatment charge and credits), DWR variable costs and Warren Act and Trust Fund payments for Table A deliveries into Cachuma Lake for the South Coast project participants (*please refer to the Water Treatment Plant section of this Budget for additional information on the Regional Water Treatment Plant Allocation).*

Central Coast Water Authority

Cost Per Acre-Foot Analysis

Fiscal Year 2026/27 Budget

		FY 2026/27 Requested Deliveries			Variable Cost Per Acre-Foot TABLE A DELIVERIES							
Project Participant	Table A Amount	Requested Deliveries	Exchange Deliveries	Net Deliveries	CCWA WTP Variable	CCWA SYPF Variable	Retreatment Variable Charge	Retreatment Variable Credit	DWR Variable	Warren Act Charges	Total Variable	Table A Variable Cost/AF
Guadalupe	550	50	-	50	$ 4,757	-	$ 115	$ -	$ 13,788	$ -	$ 18,660	$ 373.20
Santa Maria	16,200	6,800	-	6,800	646,898	-	15,686	-	1,875,171	-	2,537,754	373.20
Golden State Water Co.	500	185	-	185	17,599	-	427	-	51,016	-	69,042	373.20
VSFB	5,500	2,830	-	2,830	269,224	-	6,528	-	780,402	-	1,056,154	373.20
Buellton	578	270	-	270	25,686	-	623	-	74,455	-	100,764	373.20
Santa Ynez (Solvang)	1,500	590	-	590	56,128	-	1,361	-	162,699	-	220,188	373.20
Santa Ynez (1)	500	-	2,152	2,152	-	-	4,964	-	-	-	4,964	-
Goleta	4,500	775	(775)	-	73,743	-	-	-	213,758	-	287,501	-
Morehart	200	-	-	-	-	-	-	-	-	-	-	-
La Cumbre	1,000	320	-	320	30,442	184,396	738	(30,442)	88,243	38,400	311,778	974.30
Raytheon	50	-	-	-	-	-	-	-	-	-	-	-
Santa Barbara	3,000	515	(515)	-	49,035	-	-	-	142,138	-	191,173	-
Montecito	3,000	515	(515)	-	49,035	-	-	-	142,138	-	191,173	-
Carpinteria	2,000	346	(346)	-	32,912	-	-	-	95,402	-	128,314	-
TOTAL:	39,078	13,197	-	13,197	$ 1,255,457	$ 184,396	$ 30,442	$ (30,442)	$ 3,639,211	$ 38,400	$5,117,463	

(1) Santa Ynez fixed cost amounts exclude the fixed and exchange agreement modifications, which are shown under the Exchange Agreement cost per acre-foot analysis. Also adjusted for the retreatment allocation charge to the exchange deliveries.

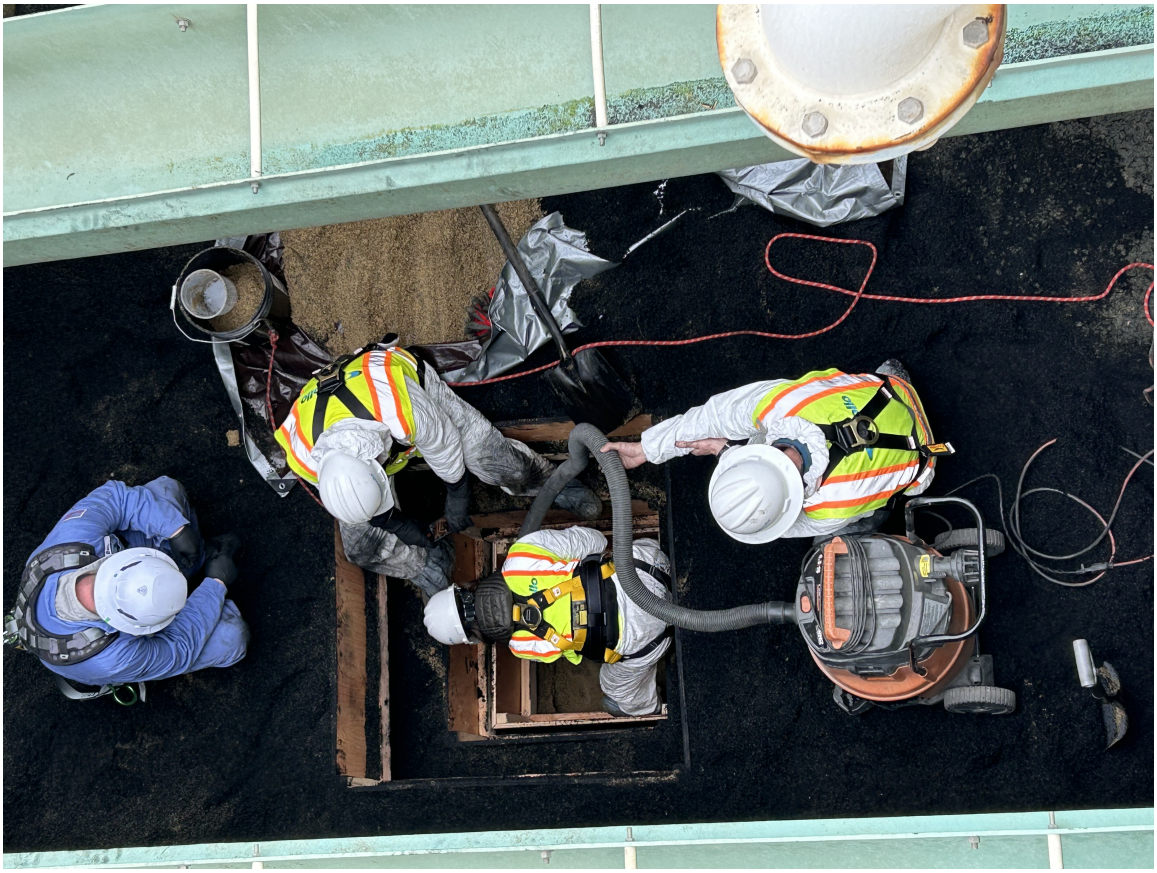
FY 2026/27 Exchange Variable Cost Per Acre-Foot

This represents the cost per acre-foot for water exchanged between the Santa Ynez River Water Conservation District, ID#1 (Santa Ynez, ID#1) and the South Coast exchange participants *(please refer to the Water Treatment Plant section of this Budget for additional information on the Santa Ynez Exchange Agreement)*. These costs include the CCWA variable costs paid by Santa Ynez, ID#1, the Polonio Pass Water Treatment Plant fixed and capital amounts paid by Santa Ynez, ID#1 to the South Coast project participants, and the DWR variable costs paid by the South Coast exchange participants.

Variable Cost Per Acre-Foot - EXCHANGE DELIVERIES						
Project Participant	Exchange Deliveries	CCWA Exchange Variable	CCWA Fixed Exchange	DWR Variable	Total Exchange Costs	Exchange Variable Cost/AF
Guadalupe						
Santa Maria						
Golden State Water Co.						
VSFB						
Buellton						
Santa Ynez (Solvang)						
Santa Ynez	2,152	$ 204,724	$ 367,145	$ -	$ 571,869	$ 265.74
Goleta	(775)			213,758	213,758	275.76
Morehart	-	-	-	-	-	-
La Cumbre	-	-	-	-	-	-
Raytheon (SBRC)	-	-	-	-	-	-
Santa Barbara	(515)			142,138	142,138	275.76
Montecito	(515)			142,138	142,138	275.76
Carpinteria	(346)			95,402	95,402	275.76
TOTAL:	-	$ 204,724	$ 367,145	$ 593,436	$ 1,165,305	

Year-End Reconciliation and Adjustments to Cost Per Acre-Foot Amounts

At the close of each fiscal year all costs are reconciled or "trued-up" to the fiscal year budget and actual billings to the project participants. This reconciliation process results in adjustments to all cost components. Additionally, the amounts included in the CCWA budget for DWR variable costs, generally exclude certain credits that are returned on an annual basis. Therefore, when the DWR variable costs are trued-up, the total cost per acre-foot generally decreases when compared to the calculated amount in the budget.



Evaluation of treatment filter media

Revenues and Sources of Cash

The Revenues and Sources of Cash section of the FY 2026/27 Budget includes information on the Authority's revenues, pass-through receipts and a narrative explanation on the Authority's billing procedures and cash management.

The Authority's Revenue budget is comprised of payments made by member agencies and other project participants for Authority operating expenses, and investment income. Additionally, there are other payments made by the project participants that are treated as pass-through expenses. These pass-through expenses represent payments for the Department of Water Resources and Warren Act charges paid to the U.S. Bureau of Reclamation; they are not considered revenues for the Authority. These payments are collected by the Authority and paid directly to the two agencies by the Authority.

Assumptions for Revenue Projections

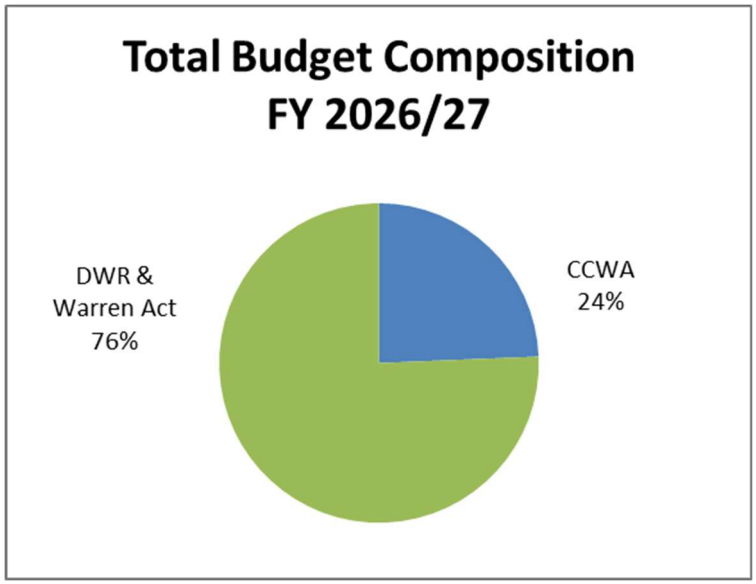
Since the Authority is a "pass-through" organization, ***all revenues are equal to the expenditures included in the budget.*** As such, there is no difference between the revenue estimates and the expenditures because the revenues are equal to the expenditures. Since all excess "revenues" are returned to the project participants or applied to reserves, and any "deficits" are collected from project participants, the general fund balance, defined as total cash minus reserves, is projected to be zero. However, since the Authority receives assessment income in advance of the anticipated payment date, the actual cash balance will be positive.

Revenues and Other Sources of Cash

Revenues	FY 2024/25 Actual	FY 2025/26 Estimated Actual	FY 2026/27 Budget
CCWA Operating Expenses [1]	$ 11,717,056	$ 13,344,997	$ 14,110,809
Capital Improvement Projects (CIP)	2,806,978	2,947,718	3,108,727
Investment Income	-	762,140	-
Subtotal Revenues	14,524,034	17,054,854	17,219,536
Pass-Through Expenses			
DWR Fixed Costs	46,104,772	43,893,585	48,388,917
DWR Variable Costs	2,646,937	4,338,872	5,058,622
DWR Account Interest	(341,422)	-	-
Warren Act Charges [1]	18,318	16,555	38,400
Subtotal Pass Through Expenses	48,428,605	48,249,012	53,485,938
Gross Budget Before Credits	62,952,639	65,303,866	70,705,474
(Credits) Due and Prepayments	-		-
TOTAL SOURCES OF CASH	$ 62,952,639	$ 65,303,866	$ 70,705,474

(1) Adjusted for Santa Ynez Exchange Agreement modifications.

Revenues and Other Sources of Cash



<u>FY 2026/27 Actual Cash Receipts</u>

The actual cash receipts for FY 2026/27 are anticipated to be less than the actual expenditures for the year because of credits given to the project participants for (1) unexpended operating expense assessments for FY 2025/26, (2) interest income for FY 2025/26, and (3) differences between the DWR actual fixed payments and the budgeted fixed payments.

CCWA Operating Expense Revenues

The Authority's operating expense revenues are billed directly to project participants in accordance with their Water Supply Agreements. After the total operating expense budget has been determined, it is adjusted based on the "Santa Ynez Exchange Agreement" modifications (*see the Water Treatment Plant section of this document for further information on the Exchange Agreement*). These Exchange Agreement modifications decrease the electrical costs at the Santa Ynez Pumping Facility. This modified amount is billed to the affected member agencies.

The amounts billed to the member agencies and other Santa Barbara County project participants are further adjusted for the "WTP Regional Allocation" (*see the Water Treatment Plant section of this document for further information on the WTP Regional Allocation*). The WTP Regional Allocation does not adjust the <u>total</u> revenues received by the Authority, but it does affect the amount of the payments by the various member agencies and other project participants.

The following table shows the Authority's operating expense budget and capital improvement projects modified because of the Regional Water Treatment Plant modifications and the Santa Ynez Exchange Agreement resulting in the net operating expense revenues to the Authority.

TOTAL CCWA FY 2026/27 OPERATING EXPENSES AND CAPITAL IMPROVEMENT PROJECTS

Project Participant	CCWA Fixed Operating Expenses	CCWA Variable Operating Expenses	Regional WTP Allocation	Regional WTP Allocation Credit	Exchange Agreement Adjustment Fixed	Exchange Agreement Adjustment Variable	Adjusted CCWA Operating Expenses
Guadalupe	$ 167,638	$ 4,757	$ 27,964	$ -	$ -	$ -	$ 200,359
Santa Maria	4,803,174	646,898	835,964	-	-	-	6,286,035
Golden State Water Co.	154,580	17,599	25,744	-	-	-	197,923
Vandenberg SFB	1,852,053	269,224	285,017	-	-	-	2,406,294
Buellton	222,676	25,686	29,890	-	-	-	278,251
Santa Ynez (Solvang)	574,031	56,128	77,313	-	-	-	707,472
Santa Ynez	192,094	-	139,247	-	367,145	204,724	903,209
Goleta	2,109,224	73,743	188,605	(635,481)	(132,247)	(73,743)	1,530,101
Morehart Land	93,743	-	10,127	(34,121)	-	-	69,749
La Cumbre	468,716	214,838	51,373	(201,049)	-	-	533,879
Raytheon	23,436	-	2,532	(8,530)	-	-	17,437
Santa Barbara	1,406,149	49,035	125,804	(423,882)	(87,937)	(49,035)	1,020,135
Montecito	1,406,149	49,035	125,804	(423,882)	(87,937)	(49,035)	1,020,135
Carpinteria	937,433	32,912	83,751	(282,190)	(59,023)	(32,912)	679,972
Shandon	21,393	-	-	-	-	-	21,393
Chorro Valley	449,209	209,100	-	-	-	-	658,309
Lopez	494,624	194,260	-	-	-	-	688,884
TOTAL:	$ 15,376,323	$ 1,843,213	$ 2,009,134	$ (2,009,134)	$ -	$ -	$ 17,219,536

The adjusted total CCWA Operating Expense revenues, including capital improvement projects funded with CCWA O&M assessments for Fiscal Year 2026/27, are $17,219,536.

Please refer to the *"Operating Expenses"* section of this budget for additional information regarding the Operating Expense reimbursement payments from the CCWA project participants.

FY 2026/27 CCWA Credits

The following table shows a summary of the FY 2026/27 amount (due) for each project participant. Certain project participants have elected to apply their credits against Authority assessments over a number of years or to apply credits to their DWR Reserve.

Investment Income and Cash Management

The Authority does not include investment income in the revenue budget. However, all cash balances are invested by the Treasurer and investment earnings are allocated to the various project participants depending on the funds being invested.

The Authority's Treasurer is responsible for the investment of all Authority funds within the parameters of the Board adopted investment policy.

Bank Account Cash Balances

The Authority has two demand deposit bank accounts, and two money market accounts. These accounts earn interest income based on the average outstanding balance for each period the funds are available. Interest income associated with these accounts is allocated by financial reach (*see the Distribution Department section for information on financial reaches*) based on the average outstanding balance for the month.

Investment Income

Investment income associated with DWR payments is not treated as investment income for CCWA. It is instead recorded as a liability to the project participants until the income is paid to the participants.

DWR Payment Investments

Payments made by project participants for subsequent payments to DWR are held in a separate account and invested in accordance with CCWA's investment policy with investment maturities corresponding to the anticipated payment dates to DWR. Investment income in this account is allocated to the various project participants based on their proportional amount initially paid. Investment income associated with the DWR payments is not treated as investment income for the Authority but is instead recorded as a liability to the project participants until paid to them.

CCWA Operating Expense Revenue

Revenues from assessments for the Authority's operating expense budget are invested in the Local Agency Investment Fund and money market accounts with the Authority's bank. Investment income from these accounts is treated as investment income for the Authority.

Pass-Through Expenses

Certain amounts paid to the Authority by the project participants are treated as "pass-through" expenses for purposes of the budget. These expenses include payments to DWR and Warren Act charges.

As these expenses are paid by the project participants to the Authority, they are recorded as a liability, payable to the respective project participants. They are not considered revenues.

Warren Act Charges

Warren Act charges represent the cost of wheeling water through Cachuma Project facilities. These costs are paid to the U.S. Bureau of Reclamation for each acre-foot of water delivered to the lake.

There are two components to the Warren Act charges: (1) Trust Fund payments of $43 an acre-foot and (2) Warren Act charges of $77 per acre foot.

The following table shows the calculation of the Warren Act and Trust Fund payments for FY 2026/27.

Warren Act and Trust Fund Charges

Project Participant	Total FY 2026/27 Deliveries to Lake Cachuma (AF)	Total Warren Act and Trust Fund Payments ($120/AF)
Goleta	-	$ -
Morehart Land Co.	-	-
LaCumbre	320	38,400
Raytheon	-	-
Santa Barbara	-	-
Montecito	-	-
Carpinteria	-	-
TOTAL:	320	$ 38,400

The following table represents the Fiscal Year 2026/27 DWR and Warren Act charges to be collected and paid by the Authority (*see the Department of Water Resources section of this document for further information on the DWR charges*).

Project Participant	FY 2026/27 DWR Fixed Charges	FY 2026/27 DWR Variable Charges	FY 2026/27 Interest Income	FY 2026/27 Warren Act Charges [1]	Total Pass-Through Expenses
Guadalupe	$ 639,040	$ 28,170	$ -	$ -	$ 667,210
Santa Maria	19,325,154	2,364,573	-	-	21,689,726
Golden State Water Co.	596,455	62,135	-	-	658,590
Vandenberg SFB	6,840,775	895,999	-	-	7,736,773
Buellton	718,924	89,776	-	-	808,700
Santa Ynez (Solvang)	1,813,018	239,840	-	-	2,052,858
Santa Ynez	674,536	14,221	-	-	688,757
Goleta	6,276,075	303,623	-	-	6,579,698
Morehart Land	248,755	2,005	-	-	250,761
LaCumbre	1,243,777	124,764	-	38,400	1,406,942
Raytheon	62,189	1,447	-	-	63,636
Santa Barbara	3,731,332	410,010	-	-	4,141,342
Montecito	3,731,332	380,085	-	-	4,111,417
Carpinteria	2,487,554	141,975	-	-	2,629,529
Shandon	N/A	N/A	-	-	-
Chorro Valley	N/A	N/A	-	-	-
Lopez	N/A	N/A	-	-	-
TOTAL:	$48,388,917	$ 5,058,622	$ -	$ 38,400	$53,485,938

(1) Adjusted for Santa Ynez Exchange Agreement modifications.

Authority Billing Procedures

All expenses of the Authority including operating expenses, debt service payments, capital purchases, and pass-through expenses are paid by the Authority's project participants.

The Water Supply Agreements provide guidelines to be followed when billing the Santa Barbara County project participants for the Authority charges. The Master Water Treatment Agreement, the Agreements for Construction, Operation and Maintenance of the Chorro Valley, Lopez and Shandon Turnouts, and the Agreement for Coastal Branch Operations and Maintenance provide the guidelines to be followed when billing the San Luis Obispo County project participants for the Authority charges.

The agreements stipulate that the Fixed Authority and DWR costs will be billed to the project participants once a year and be due and payable on June 1st of each year. The Variable charges, which are based on the requested deliveries by each project participant, are billed on a quarterly basis in advance of when the water is projected to be delivered.

The project participants are billed for the Authority expenses based on the Board adopted fiscal year budget. Additionally, the fixed portion of the DWR charges is billed based on the most recent calendar year Statement of Charges and DWR projections.

DWR prepares its Statement of Charges on a calendar year basis. The DWR State Water Project Analysis Office (SWPAO) also supplies the Authority with projected estimates of the following calendar year charges. The current calendar year Statement of Charges and the SWPAO estimated charges are used to calculate the amount payable by the project participants for the budgeted fiscal year.

At the close of each fiscal year, a reconciliation is prepared comparing the actual expenditures for the Authority to the amount billed to the project participants. Under-expenditures in the budget including investment income are refunded to each project participant based on the actual results for the year. Over-expenditures are charged to each participant based on the actual results for the year.

Water Delivery Requests and Variable O&M Cost Invoices

Water Delivery Requests from Project Participants

In October of each year, DWR requests that each State water project contractor (SWPC) submit delivery requests for a five-year period on a calendar year basis commencing with the next calendar year.

Variable O&M Cost Billings to Project Participants

Pursuant to the Water Supply Agreements with each project participant, all CCWA costs are paid in advance of when the actual costs will be incurred. Fixed costs are paid annually on June 1st of each year for the ensuing fiscal year which begins on July 1st. Variable costs are paid quarterly, in advance of the quarter for which the costs are intended.

The basis for the fixed billings to the CCWA project participants is the annual fiscal year budget.

In calendar year 2022, CCWA implemented a revised billing methodology for CCWA and DWR variable costs Under the revised billing procedures, CCWA established a Variable Cost Deposit for each CCWA participant equal to the greater of either 25% of their respective Table A amounts times the estimated cost per acre-foot for the various variable cost components, or the actual requested water deliveries for the billing period times the estimated cost per acre-foot for the various variable cost components. True-up of the estimated variable costs are performed half-way through the fiscal year and again after the close of the fiscal year.

The following table provides a breakdown of the various revenues and pass-through expenses for Fiscal Year 2026/27 for each project participant.

Project Participant	FY 2026/27 Operating Expenses (1)	FY 2026/27 DWR Costs	FY 2026/27 Warren Act Charges (2)	FY 2026/27 CCWA (Credits) Due	FY 2026/27 Total Payments	Percent of Total Payments by Participant
Guadalupe	$ 200,359	$ 667,210	$ -	$ -	$ 867,569	1.23%
Santa Maria	6,286,035	21,689,726	-	-	27,975,762	39.57%
Golden State Water Co.	197,923	658,590	-	-	856,514	1.21%
Vandenberg SFB	2,406,294	7,736,773	-	-	10,143,067	14.35%
Buellton	278,251	808,700	-	-	1,086,951	1.54%
Santa Ynez (Solvang)	707,472	2,052,858	-	-	2,760,330	3.90%
Santa Ynez	903,209	688,757	-	-	1,591,966	2.25%
Goleta	1,530,101	6,579,698	-	-	8,109,799	11.47%
Morehart Land	69,749	250,761	-	-	320,509	0.45%
La Cumbre	533,879	1,368,542	38,400	-	1,940,820	2.74%
Raytheon	17,437	63,636	-	-	81,073	0.11%
Santa Barbara	1,020,135	4,141,342	-	-	5,161,476	7.30%
Montecito	1,020,135	4,111,417	-	-	5,131,551	7.26%
Carpinteria	679,972	2,629,529	-	-	3,309,501	4.68%
Shandon	21,393	N/A	-	-	21,393	0.03%
Chorro Valley	658,309	N/A	-	-	658,309	0.93%
Lopez	688,884	N/A	-	-	688,884	0.97%
TOTAL:	$ 17,219,536	$ 53,447,538	$ 38,400	$ -	$ 70,705,474	100.00%

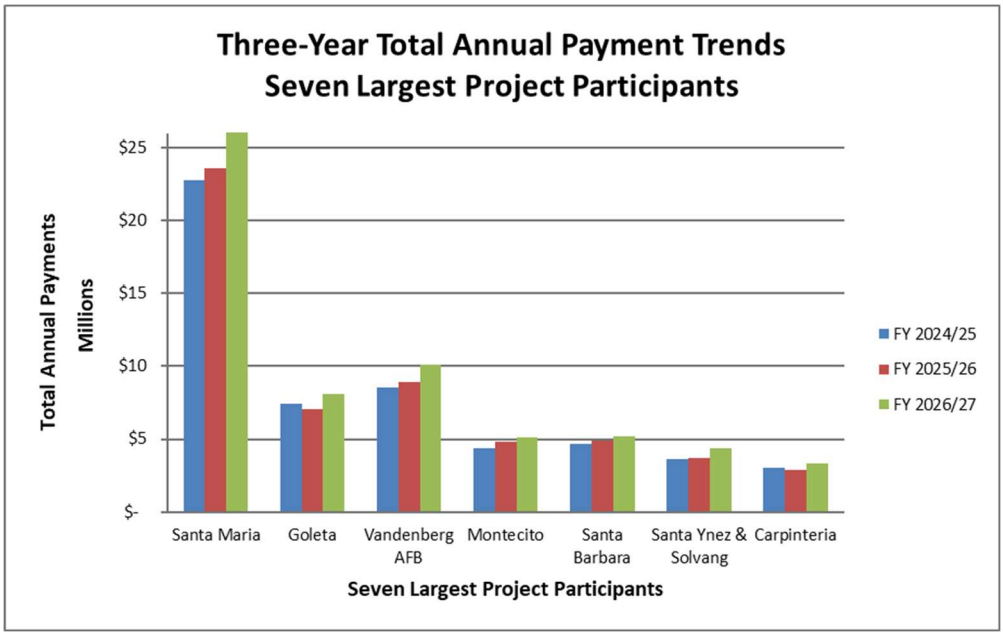
(1) Adjusted for Santa Ynez Exchange Agreement Modifications and Regional WTP Treatment Allocation.
(2) Adjusted for Santa Ynez Exchange Agreement Modifications.

The following table shows the total budgeted payments by project participant for FY 2025/26 and total payments shown on the FY 2026/27 Budget and the corresponding increase or (decrease).

Two-Year Total Combined Fixed and Variable Payments History by Project Participant

Project Participant	Total Payments FY 2025/26	Total Payments FY 2026/27	Change FY 2025/26 to FY 2026/27
Guadalupe	$ 706,275	$ 867,569	$ 161,293
Santa Maria	23,565,373	27,975,762	4,410,389
Golden State Wat	756,713	856,514	99,800
Vandenberg SFB	8,918,973	10,143,067	1,224,094
Buellton	853,757	1,086,951	233,195
Santa Ynez (Solva	2,543,686	2,760,330	216,644
Santa Ynez	1,125,045	1,591,966	466,922
Goleta	7,079,705	8,109,799	1,030,094
Morehart Land	314,922	320,509	5,587
La Cumbre	1,751,844	1,940,820	188,976
Raytheon	58,777	81,073	22,296
Santa Barbara	4,858,831	5,161,476	302,645
Montecito	4,800,223	5,131,551	331,329
Carpinteria	2,897,904	3,309,501	411,597
Shandon	15,602	21,393	5,790
Chorro Valley	508,098	658,309	150,211
Lopez	536,580	688,884	152,304
TOTAL:	$ 61,292,309	$ 70,705,474	$ 9,413,166

The following chart shows the three-year trend in total annual payments for the seven largest CCWA project participants.



Golden Mussels in ONeill Forebay
(Photo Courtesy of DWR)

Department of Water Resources Charges

The Department of Water Resources (DWR) section of the FY 2026/27 Budget provides information on the Authority's payments to DWR. This section includes information on the allocation of the fixed and variable DWR costs and other information regarding the FY 2026/27 DWR charges.

Highlights

Total FY 2026/27 DWR Charges **$ 53,447,538**

- DWR Fixed Charges $ 48,388,917
- DWR Variable Charges $ 5,058,622

Fixed Charge Highlights

- Total fixed charges increase over FY 2025/26 of $4,445,331

- DWR Fixed cost decrease of $4.5 million due to an increase of $1.5 million in the Transportation Minimum costs, a $1.3 million increase in Transportation Capital Charges, an increase of $1 million in Water System Revenue Bond costs over prior year, and an increase of $0.7 million in Delta Water Charges.

Variable Charge Highlights

- DWR Variable cost increase of $0.4 million over FY 2025/26.

- Estimated Variable OMP&R unit rate for 2026: $275.00; 2027: $275.00

Department of Water Resources Charges

Through the Santa Barbara County Flood Control and Water Conservation District (SBCFC&WCD), the Authority holds a contract with the Department of Water Resources (DWR) to purchase up to 45,486 acre-feet of water per year. The costs for this water are charged to the various Authority project participants.

The DWR charges include both fixed and variable components. The fixed costs represent costs that must be paid independent of the amount of water requested by the project participants. The variable costs vary based on delivery amounts and are comprised of power and power related costs.

DWR Billing Procedures

The DWR prepares its annual bill ("Statement of Charges") on a calendar year basis and submits the bill to the Authority. The variable portion of the bill is based on the requested deliveries of the Authority's project participants, which the Authority provides to DWR in October of the prior year. The fixed portion of the bill is based on the Authority's State water Table A amount. The Delta Water Charge is billed by DWR net of Table A entitlement reductions *(see the sections entitled "Delta Water Charges" and "Table A Entitlement Reductions")*.

The Statement of Charges is allocated on a financial reach basis (*see the Distribution Department section of this budget for further information on financial reaches*). Invoices are then prepared by the Authority and forwarded to its project participants.

Summary of FY 2026/27 DWR Charges

The DWR charges for the first half of FY 2026/27 are based on the 2026 Statement of Charges. The DWR charges for the second half of FY 2026/27 are based on forecasts prepared by the DWR State Water Project Analysis Office. DWR transportation capital charges starting in 1998 are based on a Coastal Branch Phase II project cost of approximately $481 million. Coastal Branch Extension capital charges are based on the allocation share of debt service principal and interest payments from the various DWR revenue bond debt issues allocated to repay the capital costs of the Coastal Branch Phase II.

The fixed DWR charges are allocated to the various project participants based on their State water Table A allocation. The variable DWR charges are allocated in proportion to the project participant requested deliveries. San Luis Obispo County pays DWR directly for its DWR costs. The table "DWR Charges" at the end of this section shows fixed and variable DWR costs for each project participant.

The following table provides a comparison of the FY 2024/25 through the FY 2026/27 DWR charges.

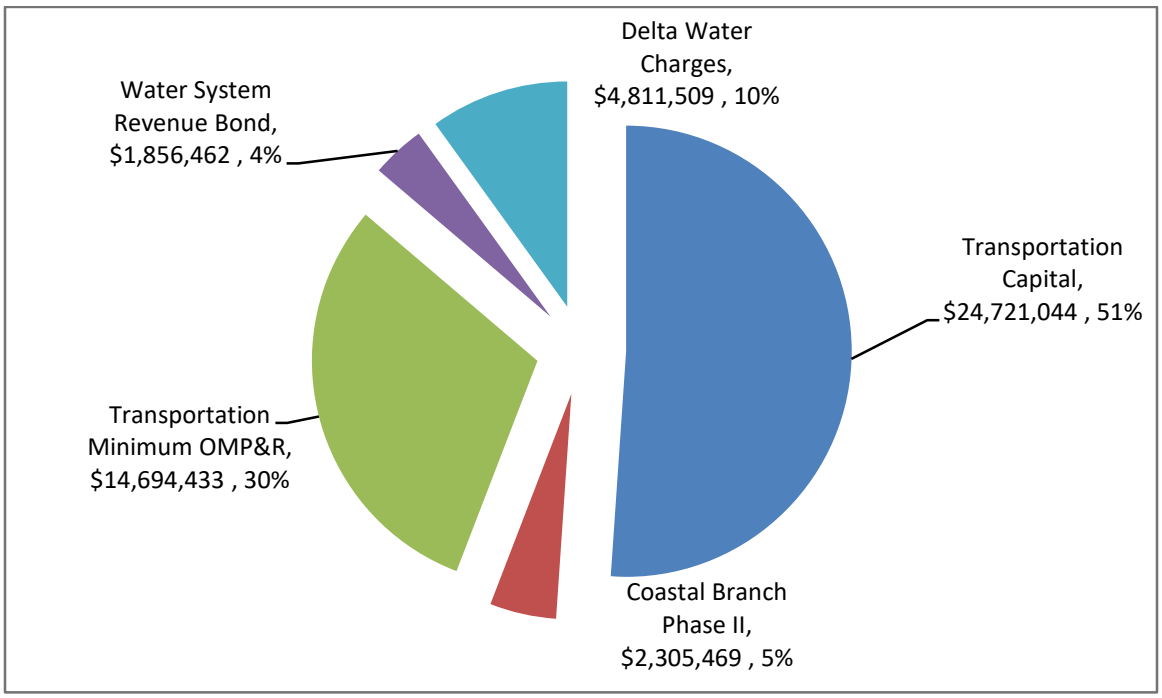
DWR Fixed and Variable Cost Comparison

Cost Component	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Est. Actual [1]	FY 2026/27 Budget	FY 2025/26 Budget to FY 2026/27 Budget Increase (Decrease)
Transportation Capital	$ 20,964,455	$ 23,431,674	$ 23,431,674	$ 24,721,044	$ 1,289,370
Coastal Branch Phase II	2,966,369	2,316,703	2,266,703	2,305,469	(11,234)
Transportation Minimum OMP&R	13,371,355	13,203,776	13,203,776	14,694,433	1,490,656
Water System Revenue Bond	348,893	869,579	869,579	1,856,462	986,883
Delta Water Charges	4,275,361	4,121,854	4,121,854	4,811,509	689,655
Subtotal Fixed DWR Charges	41,926,433	43,943,586	43,893,585	48,388,917	4,445,331
Off-Aqueduct Charges	3,617	32,078	9,666	10,036	(22,042)
Variable OMP&R	2,643,319	4,628,231	4,329,206	5,048,586	420,356
Subtotal Variable DWR Charges	2,646,936	4,660,308	4,338,872	5,058,622	398,314
DWR Account Investment Income	(365,099)	(894,979)	-	-	894,979
Total DWR Charges	$ 44,208,270	$ 47,708,915	$ 48,232,457	$ 53,447,538	$ 5,738,624

(1) Includes the actual credits provided by DWR which were included in the fiscal year budget projections.

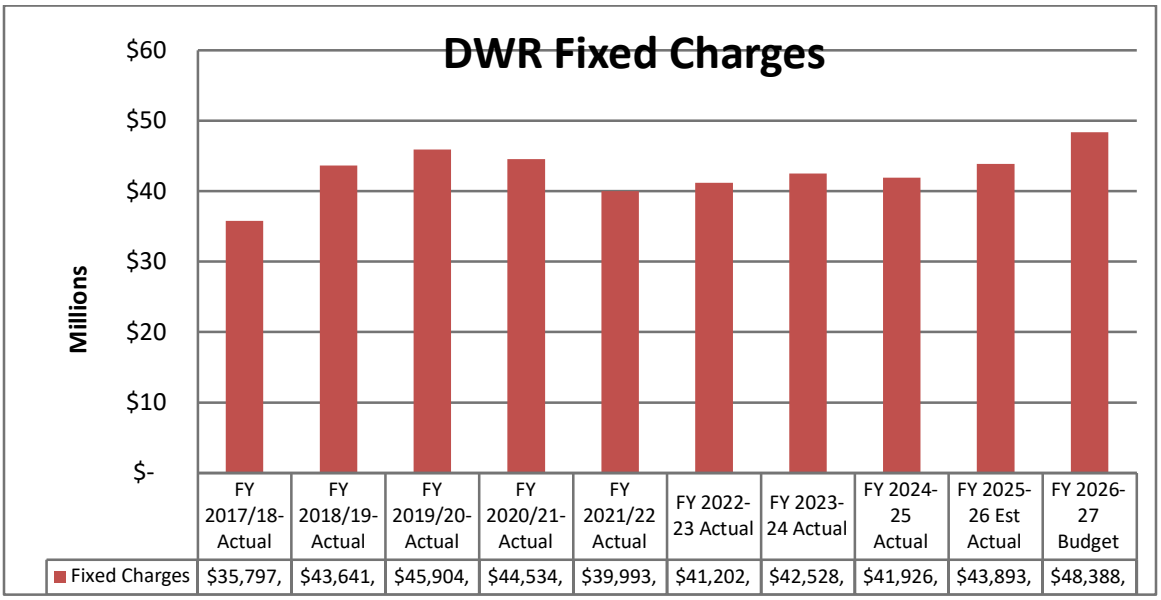
DWR FIXED COSTS

The DWR fixed costs are comprised of the following cost components:



The FY 2026/27 DWR fixed charges total $48,388,917 which is $4,445,331 higher than the FY 2025/26 Budget. The reasons for the cost component variances are described later in this section.

The following graph shows the ten-year trend in the DWR fixed costs.



	FY 2017/18-Actual	FY 2018/19-Actual	FY 2019/20-Actual	FY 2020/21-Actual	FY 2021/22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Est Actual	FY 2026-27 Budget
Fixed Charges	$35,797,	$43,641,	$45,904,	$44,534,	$39,993,	$41,202,	$42,528,	$41,926,	$43,893,	$48,388,

Transportation Capital

The Transportation Capital cost component covers the use of facilities to transport water to the vicinity of each State water contractor's turnouts. Generally, the charge represents each contractor's proportionate share of the reimbursable capital costs and fixed operating costs.

The following table shows the allocation of the FY 2026/27 Transportation Capital charges to each of the CCWA project participants:

TRANSPORTATION CAPITAL CHARGES

Project Participant	Table A	Percentage	Reaches 1 to 35 (1)	One-Shot Adjustment	FY 2026/27 Transportation Capital Charges
Guadalupe	550	1.41%	$ 341,314	$ 4,921	$ 346,235
Santa Maria	16,200	41.46%	10,053,245	144,949	10,198,194
Golden State Water Co.	500	1.28%	310,285	4,474	314,759
VSFB	5,500	14.07%	3,413,139	49,211	3,462,350
Buellton	578	1.48%	358,690	5,172	363,861
Santa Ynez (Solvang)(3)	1,500	3.84%	917,128	13,421	930,549
Santa Ynez (3)	500	1.28%	324,013	4,474	328,487
Goleta	4,500	11.52%	2,792,568	40,264	2,832,832
Morehart	200	0.51%	124,114	1,789	125,904
La Cumbre	1,000	2.56%	620,571	8,947	629,518
Raytheon	50	0.13%	31,029	447	31,476
Santa Barbara	3,000	7.68%	1,861,712	26,842	1,888,554
Montecito	3,000	7.68%	1,861,712	26,842	1,888,554
Carpinteria	2,000	5.12%	1,241,141	17,895	1,259,036
Subtotal:	39,078	100.00%	$ 24,250,661	$ 349,650	$ 24,600,311
Goleta Additional Table A	2,500	5.50%	120,733	-	120,733
CCWA Drought Buffer	3,908	-	-	-	-
TOTAL:	45,486		$ 24,371,394	$ 349,650	$ 24,721,044

(1) Reach 36 was deleted during project design. DWR Reaches to the end of Coastal Branch Phase II consist of Reaches 1 to 35. The Coastal Branch Branch Extension consists of Reaches 37 and 38.
(2) Adjusted for transfer of the Solvang 150 acre foot drought buffer Table A to Santa Ynez.
(3) No rate management credits estimated for CY 2026 and CY 2027.

The FY 2026/27 Transportation capital charges are increasing by $1,289,370 due to the following:

Transportation Capital Budget-to-Budget Changes	FY 2025/26	FY 2026/27	Change
Calculated Component	$ 25,413,170	$ 24,371,394	$ (1,041,777)
Prior Year Overcollection Credit	(1,209,618)	-	1,209,618
Other Adjustments	(33,178)	349,650	382,828
Addtl Amount Due (Credit)	(228,678)		228,678
Debt Service Reserve Fund Credit	(510,023)	-	510,023
Total:	$ 23,431,674	$ 24,721,044	$ 1,289,370

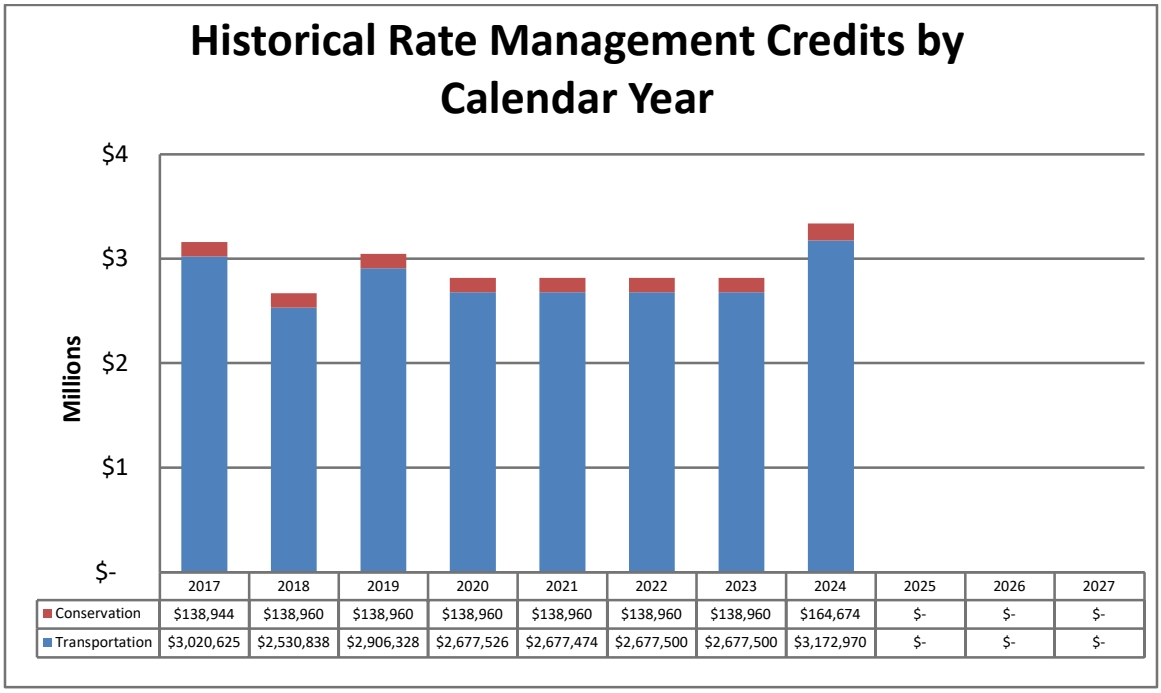
Rate Management Credits

One provision of the contract between CCWA and the Department of Water Resources provides for the reduction of capital charges based on excess revenues collected by DWR due to differences between collections from the State Water Project Contractors and the actual amounts paid for capital related charges. These credits are referred to as “rate management credits” and are allocated to each Contractor in proportion to their total repayment of

capital charges to DWR. As such, CCWA receives a large portion of the annual rate management credits (currently about 10.00%) because our facilities were constructed in the 1990's while most other Contractor's facilities were constructed in the 1960's so that CCWA's capital repayments to DWR are quite high when compared to other Contractors.

Each year, DWR prepares a financial analysis to determine the revenues that are available to pay rate management credits. Pursuant to the Contract, the maximum amount of rate management credits in any one year does not exceed $48 million to all Contractors.

CCWA estimates no rate management credits in Calendar year 2027.



	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Conservation	$138,944	$138,960	$138,960	$138,960	$138,960	$138,960	$138,960	$164,674	$-	$-	$-
Transportation	$3,020,625	$2,530,838	$2,906,328	$2,677,526	$2,677,474	$2,677,500	$2,677,500	$3,172,970	$-	$-	$-

Coastal Branch Extension-Transportation Capital Reach 37 and 38

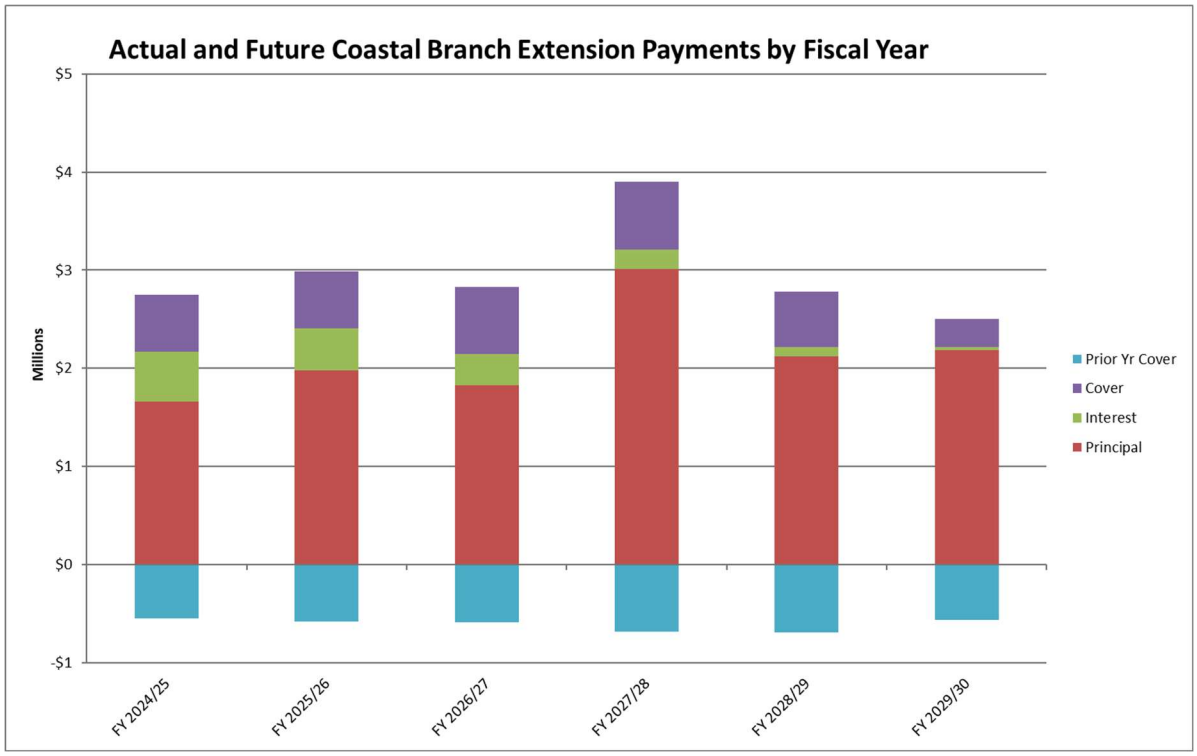
This represents the debt service for the Coastal Branch Extension bonds issued by DWR for the Coastal Branch Extension facilities in Santa Barbara County south of the Santa Maria River. CCWA is solely responsible for repayment of the debt service on these bonds to DWR. The charges are allocated according to DWR's actual construction costs for the project with 51.84% allocated to Reach 37 and 48.16% allocated to Reach 38.

Coastal Branch Extension debt service payments for FY 2026/27 total $2,305,469, which is $11,326 lower than the prior year amount due to the following:

Coastal Branch Extension Debt Service			
	FY 2025/26	FY 2026/27	Change
Principal Payments	$ 1,979,366	$ 1,828,763	$ (150,603)
Interest Payments	426,456	313,673	(112,783)
Bond Cover	582,630	683,807	101,177
Rate Management Credits		-	-
Return of Prior Year Cover	(613,294)	(520,774)	92,520
Prior year amount due (credit)	(58,455)		58,455
		-	-
	-	-	-
Total:	$ 2,316,703	$ 2,305,469	$ (11,234)

Principal, Interest and Bond Cover Changes

Over the years, DWR has refinanced some of the original bonds used to finance these facilities and the resulting debt service repayment fluctuates significantly between years as can be seen in the following graph.



In addition to the revenue bond principal and interest, DWR also collects bond cover or an additional 25% of revenue bond payments as an additional security for the bond holders. DWR holds one year of bond cover and then returns the prior year bond cover payments as credits.

Coastal Branch Extension Bond Allocation

CCWA is challenging DWR's allocation of revenue bond debt service payments to CCWA for the Coastal Branch Extension. Total construction and finance related costs were around $35 million for the project, but DWR is allocating approximately $46 million in revenue bond principal payments to CCWA. Recently, DWR agreed that the allocation of additional bonds above the construction costs is incorrect and that the bonds should be reallocated to the general water system for the State Water Project away from the Coastal Branch Extension.

DWR still has not finalized the corrections to the Coastal Branch Extension debt service schedules for the over allocation of revenue bonds above the construction costs. The corrections, once implemented, will reduce the total debt service costs for the Coastal Branch Extension facilities.

The following tables show the allocation of the DWR Coastal Branch Extension debt service amounts for FY 2026/27.

TRANSPORTATION CAPITAL-COASTAL BRANCH EXTENSION

	Reach 37				
Project Participant	Table A	Percentage	Transportation Capital	Reach 37 Credits [1]	Net Reach 37 Transp. Costs
Guadalupe	-	0.00%	$ -	$ -	$ -
Santa Maria	16,200	42.05%	616,046	(113,515)	502,531
Golden State Water Co.	500	1.30%	19,014	(3,504)	15,510
VSFB	5,500	14.28%	209,151	(38,539)	170,612
Buellton	578	1.50%	21,980	(4,050)	17,930
Santa Ynez (Solvang)	1,500	3.89%	57,041	(10,511)	46,531
Santa Ynez	500	1.30%	19,014	(3,504)	15,510
Goleta	4,500	11.68%	171,124	(31,532)	139,592
Morehart	200	0.52%	7,606	(1,401)	6,204
La Cumbre	1,000	2.60%	38,028	(7,007)	31,020
Raytheon	50	0.13%	1,901	(350)	1,551
Santa Barbara	3,000	7.79%	114,083	(21,021)	93,061
Montecito	3,000	7.79%	114,083	(21,021)	93,061
Carpinteria	2,000	5.19%	76,055	(14,014)	62,041
Total:	38,528	100.00%	$ 1,465,124	$ (269,969)	$ 1,195,155

(1) Includes credits for the return of bond cover of $520,774

TRANSPORTATION CAPITAL-COASTAL BRANCH EXTENSION

	Reach 38					FY 2026/27
Project Participant	Table A	Percentage	Transportation Capital	Reach 38 Credits [1]	Net Reach 38 Transp. Costs	Transportation Capital Charges
Guadalupe	-	0.00%	$ -	$ -	$ -	$ -
Santa Maria	-	0.00%	-	-	-	502,531
Golden State Water Co.	-	0.00%	-	-	-	15,510
VSFB	5,500	25.20%	342,961	(63,195)	279,766	450,378
Buellton	578	2.65%	36,042	(6,641)	29,401	47,331
Santa Ynez (Solvang)	1,500	6.87%	93,535	(17,235)	76,300	122,830
Santa Ynez	500	2.29%	31,178	(5,745)	25,433	40,943
Goleta	4,500	20.62%	280,604	(51,705)	228,899	368,491
Morehart	200	0.92%	12,471	(2,298)	10,173	16,377
La Cumbre	1,000	4.58%	62,357	(11,490)	50,866	81,887
Raytheon	50	0.23%	3,118	(575)	2,543	4,094
Santa Barbara	3,000	13.74%	187,070	(34,470)	152,599	245,661
Montecito	3,000	13.74%	187,070	(34,470)	152,599	245,661
Carpinteria	2,000	9.16%	124,713	(22,980)	101,733	163,774
Total:	21,828	100.00%	$ 1,361,119	$ (250,805)	$ 1,110,314	$ 2,305,469

(1) Includes credits for the return of bond cover of $520,774

Transportation Minimum OMP&R

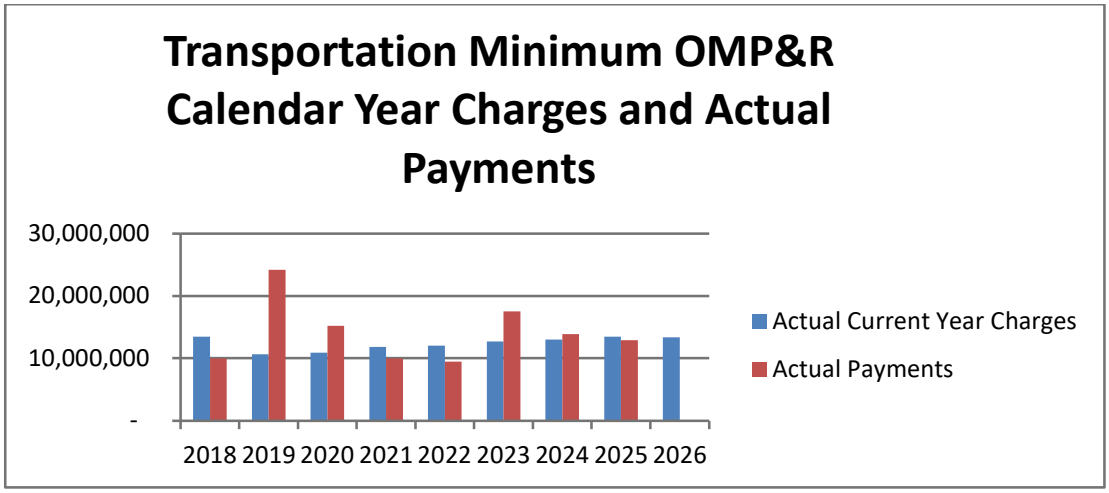
Transportation Minimum OMP&R charges are the operations and maintenance costs incurred by DWR to operate the State Water Project that

generally do not depend on or vary with the quantities of water delivered to CCWA.

For FY 2026/27, total Transportation Minimum OMP&R charges are $14,694,433 which is $1,490,656 more than the prior year amount due to the following:

Transportation Minimum OMP&R			
	FY 2025/26	**FY 2026/27**	**Change**
Calculated Component	$ 13,746,293	$ 14,425,941	$ 679,648
Prior Year (Over)/Under Collection	71,727	268,492	196,766
Prior Year Amount Due (Credit)	(614,243)	-	614,243
Total:	$ 13,203,776	$ 14,694,433	$ 1,490,657

DWR estimates the calendar year charges for each Contractor and then reconciles for a “true-up” of the actual charges incurred in the following year(s) resulting in either an over or under-payment of charges. The following graph shows the actual charges by calendar year and the actual payments from CCWA in that year, with the difference being either the over or under-collection.



The following table shows the allocation of the FY 2026/27 Transportation Minimum OMP&R charges to each of the CCWA project participants.

TRANSPORTATION MINIMUM OMP&R

Project Participant	Table A	Percentage	Calculated Component FY 2026/27	Prior Year(s) Undercollections	FY 2026/27 Transportation Minimum OMP&R
Guadalupe	550	1.41%	$ 200,579	$ 3,733	$ 204,312
Santa Maria	16,200	41.46%	5,907,950	109,957	6,017,907
Golden State Water Co.	500	1.28%	182,344	3,394	185,738
VSFB	5,500	14.07%	2,005,785	37,331	2,043,117
Buellton	578	1.48%	210,790	3,923	214,713
Santa Ynez (Solvang) (1)	1,500	3.84%	532,576	9,912	542,488
Santa Ynez (1)	500	1.28%	196,801	3,663	200,463
Goleta	4,500	11.52%	1,641,097	30,544	1,671,641
Morehart	200	0.51%	72,938	1,357	74,295
La Cumbre	1,000	2.56%	364,688	6,787	371,476
Raytheon	50	0.13%	18,234	339	18,574
Santa Barbara	3,000	7.68%	1,094,065	20,362	1,114,427
Montecito	3,000	7.68%	1,094,065	20,362	1,114,427
Carpinteria	2,000	5.12%	729,377	13,575	742,951
Subtotal:	39,078	100.00%	$ 14,251,288	$ 265,241	$ 14,516,529
Goleta Additional Table A	2,500	-	174,653	3,251	$ 177,904
CCWA Drought Buffer	3,908	-	-		-
TOTAL:	45,486		$ 14,425,941	$ 268,492	$ 14,694,433

(1) Adjusted for the transfer of 150 acre feet drought buffer Table A from Solvang to Santa Ynez.

Water System Revenue Bond Surcharge

The Water System Revenue Bond Surcharge (WSRB) represents the difference between the capital payments to DWR from the Contractors and the actual revenue bond debt service payments paid by DWR. For FY 2026/27, the WSRB is $986,883 higher than the prior year amount.

The following table shows the allocation of the WSRB for each CCWA project participant.

WATER SYSTEM REVENUE BOND SURCHARGE

Project Participant	Table A	Percentage	Gross WSRB Charges	Return of Bond Cover [2]	Refund of Power Debt Service[3]	FY 2026/27 WSRB Charges
Guadalupe	550	1.41%	$ 74,539	$ (33,277)	$ (16,766)	$ 24,496
Santa Maria	16,200	41.46%	2,195,504	(980,150)	(493,832)	$ 721,522
Golden State Water Co.	500	1.28%	67,762	(30,252)	(15,242)	$ 22,269
VSFB	5,500	14.07%	745,387	(332,767)	(167,659)	$ 244,961
Buellton	578	1.48%	78,333	(34,971)	(17,619)	$ 25,743
Santa Ynez (Solvang) [1]	1,500	3.84%	188,253	(84,047)	(45,725)	$ 58,480
Santa Ynez [1]	500	1.28%	82,797	(36,959)	(15,242)	$ 30,596
Goleta	4,500	11.52%	609,862	(272,264)	(137,176)	$ 200,423
Morehart	200	0.51%	27,105	(12,101)	(6,097)	$ 8,908
La Cumbre	1,000	2.56%	135,525	(60,503)	(30,483)	$ 44,538
Raytheon	50	0.13%	6,776	(3,025)	(1,524)	$ 2,227
Santa Barbara	3,000	7.68%	406,575	(181,509)	(91,450)	$ 133,615
Montecito	3,000	7.68%	406,575	(181,509)	(91,450)	$ 133,615
Carpinteria	2,000	5.12%	271,050	(121,006)	(60,967)	$ 89,077
Subtotal	39,078	100.00%	$ 5,296,045	$ (2,364,340)	$ (1,191,234)	$ 1,740,471
Goleta Additional Table A	2,500	-	$ 245,319	(109,434)	(19,894)	$ 115,991
CCWA Drought Buffer	3,908	-	-	-		-
TOTAL:	45,486		$ 5,541,364	$ (2,473,774)	$ (1,211,128)	$ 1,856,462

(1) Adjusted for the transfer of Solvang 150 acre foot drought buffer Table A to Santa Ynez.
(2) WSRB return of bond cover for July 2025 and January 2026 payments.
(3) WSRB Refund of power debt surcharge in April 2027 for Jan 2026 and July 2026 payments.

Delta Water Charge

The Delta Water Charge is a unit charge applied to each acre-foot of State water Table A amount net of Table A reductions (*see "Table A Reductions" in the section discussing "Other DWR Charges and Credits")*. The unit charge covers repayment of all outstanding reimbursable costs of the DWR Project Conservation Facilities with appropriate interest, by the end of the State water contract repayment period in 2035.

No Table A reductions are assumed for FY 2026/27.

The FY 2026/27 Delta Water Charge totals $4,811,509, which is $689,655 higher than the prior year amount for the following reasons.

Delta Water Charge			
	FY 2025/26	**FY 2026/27**	**Change**
Rate per acre-foot	$ 96.25	$ 105.78	$ 9.53
Delta Water Charge	4,378,159	4,811,509	433,350
Rate Management Credits		-	-
Prior year amount due (credit)	(256,305)	-	256,305
Total:	$ 4,121,854	$ 4,811,509	$ 689,655

As shown in the previous table, the FY 2026/27 rate per acre-foot totals $105.78, which is $9.53/AF higher than the prior year amount.

The FY 2026/27 rate includes an estimated $20.00/AF increase for calendar year 2026 for potential other conservation and delta related facilities ($10.00/AF on a fiscal year basis).

The following table shows the allocation of the FY 2026/27 Delta Water Charge to each of the CCWA project participants.

DELTA WATER CHARGE

Project Participant	Table A Including Drought Buffer	Percentage	Gross Delta Water Charges	FY 2026/27 Delta Water Charges
Guadalupe	605	1.41%	$ 63,997	$ 63,997
Santa Maria	17,820	41.46%	1,885,000	1,885,000
Golden State Water Co.	550	1.28%	58,179	58,179
Buellton	636	1.48%	67,276	67,276
Santa Ynez (Solvang)	1,500	3.49%	158,670	158,670
Santa Ynez	700	1.63%	74,046	74,046
Goleta	4,950	11.52%	523,611	523,611
Morehart	220	0.51%	23,272	23,272
La Cumbre	1,100	2.56%	116,358	116,358
Raytheon	55	0.13%	5,818	5,818
Santa Barbara	3,300	7.68%	349,074	349,074
Montecito	3,300	7.68%	349,074	349,074
Carpinteria	2,200	5.12%	232,716	232,716
Subtotal	42,986	100.00%	$ 4,547,059	$ 4,547,059
Goleta Additional Table A	2,500	5.50%	$ 264,450	$ 264,450
		-	-	-
TOTAL:	45,486		$ 4,811,509	$ 4,811,509

2026 COST PER AF:	**$**	**95.7800**
Increase for 2026 SOC per AF /2	**$**	**10.0000**
Estimated rate for FY 2025/26	**$**	**105.7800**

DWR VARIABLE COSTS

The DWR variable charges are comprised of the following two cost components:

- Off-Aqueduct Charge
- Variable OMP&R

The DWR variable charges for FY 2026/27 total $5,058,622 which is $398,314 more than the budgeted FY 2025/26 variable payments.

Off-Aqueduct Charges

Off-aqueduct charges are the bond debt service, bond cover, reserve, and operations and maintenance expenses allocated to power facilities not located on the State water aqueduct.

For FY 2026/27, the off-aqueduct charges total $10,036 which is $22,043 less than the prior year budget.

The following table shows the allocation of off-aqueduct charges for FY 2026/27.

OFF-AQUEDUCT CHARGES

	July 2026 to December 2026				January 2027 to June 2027				TOTAL
Project Participant	Requested Delivery AF (1)	Delivery Percentage	2026 Off-Aqueduct (1 & 2)	Half-Year 2026 Charges	Requested Delivery AF (1)	Delivery Percentage	2027 Off-Aqueduct (3)	Half-Year 2027 Charges	FY 2026/27 Off-Aqueduct
Guadalupe	14	0.18%	$ 15	$ 8	36	0.67%	$ 78	$ 39	$ 47
Santa Maria	4,110	52.42%	4,414	2,207	2,690	50.21%	5,851	2,926	5,132
Golden State Water Co.	185	2.36%	199	99	-	0.00%	-	-	99
VSFB	1,560	19.90%	1,675	838	1,270	23.71%	2,762	1,381	2,219
Buellton	150	1.91%	161	81	120	2.24%	261	131	211
Santa Ynez (Solvang) (5)	345	4.40%	370	185	245	4.57%	533	266	452
Santa Ynez (6)	-	0.00%	-	-	-	0.00%	-	-	-
Goleta	476	6.07%	511	256	299	5.58%	651	325	581
Morehart	-	0.00%	-	-	-	0.00%	-	-	-
La Cumbre	155	1.98%	166	83	165	3.08%	359	179	263
Raytheon	-	0.00%	-	-	-	0.00%	-	-	-
Santa Barbara	316	4.03%	339	170	199	3.72%	434	217	387
Montecito	316	4.03%	339	170	199	3.72%	434	217	387
Carpinteria	213	2.72%	229	114	133	2.48%	289	145	259
	7,840	100.00%	$ 8,419	$ 4,210	5,357	100.00%	$ 11,652	$ 5,826	$ 10,036

(1) Off-aqueduct charges are billed to the project participants based on requested deliveries. South coast deliveries include exchange deliveries with Santa Ynez ID#1.
(2) Source: DWR invoice dated July 1, 2025 for Calendar Year 2026 Statement of Charges
(3) Source: 2027 OAC projected at half of 2026 SOC Attach 3
(4) Adjusted for the transfer of Solvang 150 acre foot drought buffer Table A to Santa Ynez.
(5) Pursuant to the Exchange Agreement, Santa Ynez only pays Off-Aqueduct charges on its Table A deliveries. The South Coast project participants which participate in the Exchange Agreement pay the Off-Aqueduct charges for exchange water they accept.

Variable OMP&R Charges

Variable OMP&R costs basically represent power costs to pump the water and represent costs that are based on and vary with the amount of State water deliveries.

For FY 2026/27, the variable OMP&R charges total $5,048,586 which is $420,356 more than the prior year amount. The budget is based on estimated water deliveries of 13,197 acre-feet.

The cost per acre-foot for water deliveries in the first half of FY 2026/27 is estimated to be $275/AF and $275/AF for the second half of the fiscal year.

The following table shows the allocation of the FY 2026/27 variable OMP&R costs.

VARIABLE OMP&R CHARGES

	July 1, 2026 to Dec 31, 2026 (1)			$275/AF (2)	Jan 1, 2027 to June 30, 2027 (3)			$275/AF (4)		TOTAL
Project Participant	Requested Delivery	SYID#1 Exchanges	Net Deliveries	2025 Var OMP&R	Requested Delivery	SYID#1 Exchanges	Net Deliveries	2026 Var OMP&R	FY 2026/27 True-up	FY 2026/27 Var. OMP&R
Guadalupe	14	-	14	$ 3,850	36	-	36	$ 9,900	$ 14,373	$ 28,123
Santa Maria	4,110	-	4,110	1,130,250	2,690	-	2,690	739,750	489,441	2,359,441
Golden State Water Co.	185	-	185	50,875	-	-	-	-	11,161	62,036
VSFB	1,560	-	1,560	429,000	1,270	-	1,270	349,250	115,530	893,780
Buellton	150	-	150	41,250	120	-	120	33,000	15,315	89,565
Santa Ynez (Solvang)	345	-	345	94,875	245	-	245	67,375	77,138	239,388
Santa Ynez (6)	-	1,321	1,321	-	-	831	831	-	14,221	14,221
Goleta	476	(476)	-	130,900	299	(299)	-	82,269	89,873	303,042
Morehart	-	-	-	-	-	-	-	-	2,005	2,005
La Cumbre	155	-	155	42,625	165	-	165	45,375	36,502	124,502
Raytheon	-	-	-	-	-	-	-	-	1,447	1,447
Santa Barbara	316	(316)	-	86,900	199	(199)	-	54,846	267,878	409,624
Montecito	316	(316)	-	86,900	199	(199)	-	54,846	237,953	379,699
Carpinteria	213	(213)	-	58,575	133	(133)	-	36,564	46,577	141,716
Total	7,840	-	7,840	$ 2,156,000	5,357	-	5,357	$1,473,175	$ 1,419,411	$ 5,048,586

(1) 2026 Requested Deliveries based on anticipated actual demand by each project participant without regard to the current DWR delivery allocation percentage.
(2) Source: 2026 IIR Analysis from DWR
(3) 2027 Requested Deliveries based on anticipated actual demand by each project participant without regard to the current DWR delivery allocation percentage.
(4) Source: IIR Analysis from DWR
(5) Pursuant to the Exchange Agreement, Santa Ynez only pays Variable OMP&R charges on its entitlement deliveries. The South Coast project participants which participate in the Exchange Agreement pay the Variable OMP&R charges for exchange water they accept.

Central Coast Water Authority

DWR Charges

Fiscal Year 2026/27 Budget

Project Participant	DWR FIXED CHARGES							DWR VARIABLE CHARGES				
	Transportation Capital Through Reach 35	Transportation Capital Reach 37	Transportation Capital Reach 38	Transportation Minimum OMP&R	Water System Revenue Bond	Delta Water Charges	Total Fixed	Off-Aqueduct Charges	Variable OMP&R	Total Variable	DWR Account Interest	Total DWR Charges
Guadalupe	$ 346,235	$ -	$ -	$ 204,312	$ 24,496	$ 63,997	$ 639,040	$ 47	$ 28,123	$ 28,170		$ 667,210
Santa Maria	10,198,194	502,531	-	6,017,907	721,522	1,885,000	19,325,154	5,132	2,359,441	2,364,573		21,689,726
Golden State Water Co.	314,759	15,510	-	185,738	22,269	58,179	596,455	99	62,036	62,135		658,590
Vandenberg SFB	3,462,350	170,612	279,766	2,043,117	244,961	639,969	6,840,775	2,219	893,780	895,999		7,736,773
Buellton	363,861	17,930	29,401	214,713	25,743	67,276	718,924	211	89,565	89,776		808,700
Santa Ynez (Solvang)	930,549	46,531	76,300	542,488	58,480	158,670	1,813,018	452	239,388	239,840		2,052,858
Santa Ynez	328,487	15,510	25,433	200,463	30,596	74,046	674,536	-	14,221	14,221		688,757
Goleta	2,832,832	139,592	228,899	1,671,641	200,423	523,611	5,596,997	581	303,042	303,623		5,900,620
Morehart Land	125,904	6,204	10,173	74,295	8,908	23,272	248,755	-	2,005	2,005		250,761
La Cumbre	629,518	31,020	50,866	371,476	44,538	116,358	1,243,777	263	124,502	124,764		1,368,542
Raytheon	31,476	1,551	2,543	18,574	2,227	5,818	62,189	-	1,447	1,447		63,636
Santa Barbara	1,888,554	93,061	152,599	1,114,427	133,615	349,074	3,731,332	387	409,624	410,010		4,141,342
Montecito	1,888,554	93,061	152,599	1,114,427	133,615	349,074	3,731,332	387	379,699	380,085		4,111,417
Carpinteria	1,259,036	62,041	101,733	742,951	89,077	232,716	2,487,554	259	141,716	141,975		2,629,529
Goleta 2500 AF	120,733	-	-	177,904	115,991	264,450	679,078	-	-	-		679,078
Total	$ 24,721,044	$ 1,195,155	$ 1,110,314	$ 14,694,433	$ 1,856,462	$ 4,811,509	$ 48,388,917	$ 10,036	$ 5,048,586	$ 5,058,622	$ -	$ 53,447,538

CCWA staff member accessing chlorine scrubber readings

Operating Expenses

The Operating Expenses section of the FY 2026/27 Budget contains a summary of the consolidated department operating expenses and allocation of the Authority's operating expenses to its project participants.

Highlights

Summary Information

• **Total FY 2026/27 Operating Expenses**	**$**	**14,110,809**
• Fixed expense increase	$	395,684
• Variable expense increase	$	23,484
• Increase over FY 2025/26 Budget	$	419,168
• Percentage increase		3.06%

Significant Operating Expense Changes

- Variable electric costs are estimated to be $102,394 less than the FY 2025/26 budget, a decrease of 52.63%.

- Chemical costs are budgeted at $79.54 an acre-foot (excluding Santa Ynez Pumping facility chemical costs), which is a 5.9% increase over FY 2025/26 chemical budget.

- Budgeted employee benefits percentage for FY 2026/27: 52.22%

Operating Expense Overview

The Operating Expense section of the Authority's budget includes all expenses for the day-to-day operations of the Authority. These expenses include personnel, office expenses, supplies and equipment, monitoring expenses, repairs and maintenance, professional services, general and administrative and other expenses. The operating expense budget does not include capitalized purchases or reserve payments.

The Central Coast Water Authority's Operating Expense budget is separated into three (3) departments: Administration, Water Treatment Plant, and Distribution.

Administration - The **Administration Department** includes all expenses associated with the administration of the Authority including salaries and benefits for administration employees, auditing and legal fees, insurance, office expenses, and all other operating expenses for the administration department.

Operations and Maintenance - The operations and maintenance section of the budget is comprised of the **Water Treatment Plant Department** and the **Distribution Department.**

The Operations and Maintenance staff comprise the bulk (23) of the 32 Authority employees. They are charged with the mission of providing San Luis Obispo and Santa Barbara Counties with reliable, high quality supplemental water and the objectives of protecting the environment, cost effectively operating and maintaining all facilities and ensuring the water supply meets or exceeds health and safety standards.

Operating Expense Budget and Exchange Agreement Modifications

The Operating Expense Budget presented in this document represents the anticipated expenses to operate the Authority for Fiscal Year 2026/27. These expenses are billed to the project participants based on the individual Water Supply Agreements for each agency (*see the Revenues and Sources of Cash section of this document for further information on billings*).

When the anticipated expenses for the fiscal year have been determined, certain adjustments are made to the budget based on the "Santa Ynez Exchange Agreement" (*see the "Water Treatment Plant" section of this document for further information about the Santa Ynez Exchange Agreement*). These adjustments reduce the variable costs (chemicals and electrical) in the budget based on the provisions of the Exchange Agreement. The project participants are billed for the Authority's operating expenses budget based on the adjusted expenses which include the Exchange Agreement modifications. These adjustments are not reflected in the Operating Expense departmental budgets that follow.

The Santa Ynez Exchange Agreement modifications for the Fiscal Year 2026/27 budget are as follows:

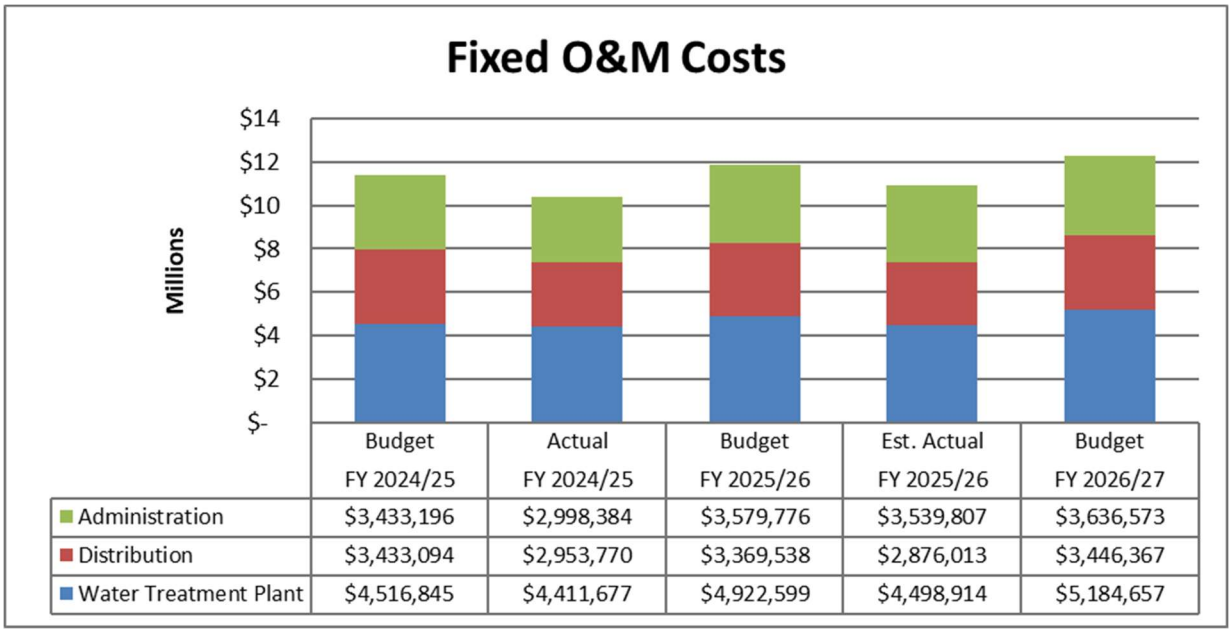
- Decrease in Warren Act and Trust Fund charges of $14,040 (Warren Act and Trust Fund charges are not included in the Operating Expense budget and are treated as a pass-through expense).

Fixed and Variable Operating Expenses

The Authority's Operating Expense budget is separated by department and further subdivided into Fixed and Variable O&M costs.

Fixed O&M Costs refer to all costs of the Authority that do not vary with the amount of water processed. Examples of these expenses include personnel costs, professional services, and general and administrative costs.

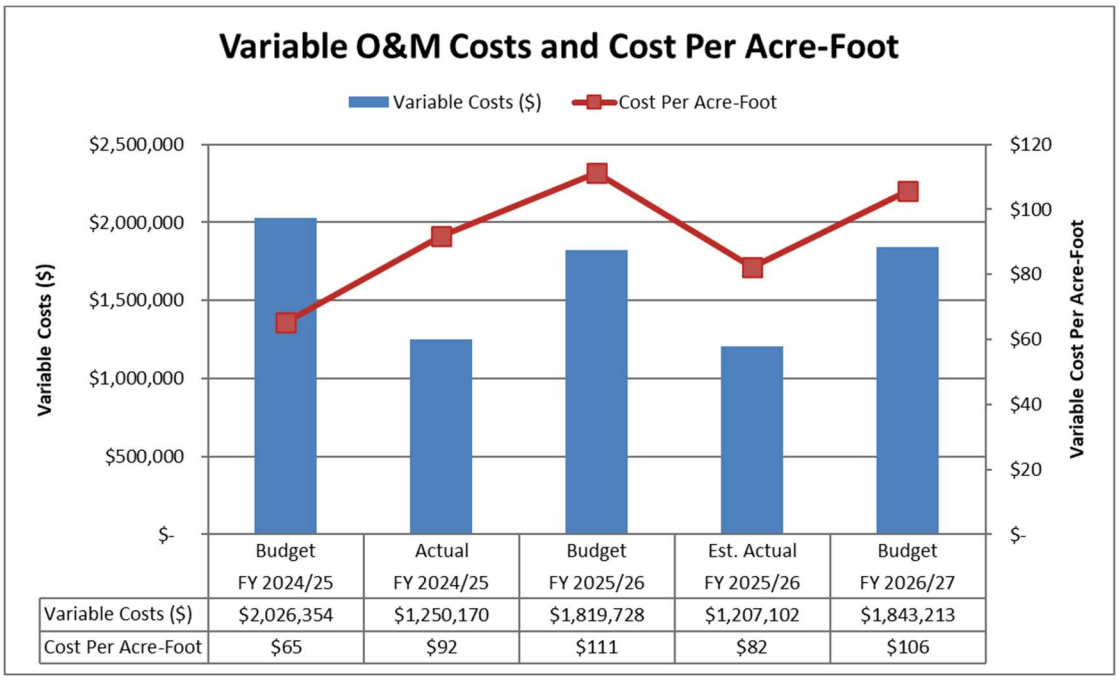
The following chart shows the three-year history of the fixed O&M costs in total and for each of the three departments.



	Budget FY 2024/25	Actual FY 2024/25	Budget FY 2025/26	Est. Actual FY 2025/26	Budget FY 2026/27
Administration	$3,433,196	$2,998,384	$3,579,776	$3,539,807	$3,636,573
Distribution	$3,433,094	$2,953,770	$3,369,538	$2,876,013	$3,446,367
Water Treatment Plant	$4,516,845	$4,411,677	$4,922,599	$4,498,914	$5,184,657

Variable O&M Costs refer to all costs that vary with the amount of water processed. These costs include all chemical and electrical costs for the Water Treatment Plant and Distribution Departments.

The following chart shows the variable O&M costs compared to the requested and actual variable cost per acre-foot for the same period.



	Budget FY 2024/25	Actual FY 2024/25	Budget FY 2025/26	Est. Actual FY 2025/26	Budget FY 2026/27
Variable Costs ($)	$2,026,354	$1,250,170	$1,819,728	$1,207,102	$1,843,213
Cost Per Acre-Foot	$65	$92	$111	$82	$106

The Fiscal Year 2026/27 Consolidated Departmental Operating Expense Budget totals $14,110,809 which is $419,168 higher than the Fiscal Year 2025/26 Budget, a 3.06% increase. Explanations for the various changes within the budget are discussed below and are also included in the various departmental sections of this Budget document.

Personnel Expenses

Personnel expenses are increasing by about $318,773 which includes the following changes from the prior year:

- The FY 2026/27 total salaries and wages budget for all departments is increasing $69,543 as compared to the prior fiscal year budget, representing an increase of 1.63%. This increase includes anticipated staff salary pool and merit increases.

- CalPERS retirement expenses are increasing by approximately $96,553. The combined CCWA paid employer, employee and unfunded actuarial liability contribution rates for the FY 2026/27 total 43.446% as compared to the prior year amount of 33.516%, for a combined increase of 9.93%. In FY 2017/18 CCWA employees began paying 50% of the increase in the "normal" PERS employer contribution. Additionally, CCWA now has 19 PEPRA employees.

- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by about $91,221 due to; 1) The 2026 CalPERS health insurance plan with the lowest premiums increased by 10.58% over the 2025 premiums, as opposed to the increase of 10% budgeted for the calendar year 2026; 2) The FY 2026/27 Budget also includes an estimated 12% increase in the health insurance premiums effective January 1, 2027. The health plan estimates are based on the elections of each employee at the time the budget is prepared.

- The FY 2026/27 Budget includes a $252,606 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums for employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of CCWA service.

Supplies and Equipment

Supplies and equipment are increasing by $122,584 primarily due to the increased cost of chemicals needed. Estimates are based on historical data and the costs of treatment are directly related to changes in water quality.

Monitoring Expenses

Monitoring expenses are increasing by $5,900 due to larger lab supplies and equipment needed as identified by the Senior Chemist.

Repairs and Maintenance

Repairs and maintenance costs are increasing by $18,800 due to increased building maintenance including painting.

Professional Services

Professional Services are decreasing by $44,115 due primarily to a decrease in legal and professional costs.

General and Administrative

General and Administrative costs are increasing by only about $750 due to an increase in dues and memberships.

Utilities

Utility expenses are decreasing by $72,053 largely due to a decrease in variable electrical expenses based on expected lake deliveries.

Other Expenses

Other expenses are increasing by $58,696 due to increased insurance costs and computer expenses.

Approximately 53% of the operating expense budget represents personnel expenses. This is followed by 15% for professional services and 13% for supplies and equipment, with the balance being comprised of other expenses.

The chart Consolidated Department Operating Expenses provides a detailed breakdown of the components of the FY 2026/27 budget.

CCWA Employee Benefits Percentage

In December 2003, the CCWA Board of Directors established the following Budget policy, with regard to employer paid employee benefits:

> *Employee Benefits Funding Benchmark*: The Authority will calculate the Employee Benefits Percentage (EBP) in conjunction with the Budget preparation. The EBP calculation will include PERS retirement, health insurance, cafeteria plan benefits, dental/vision insurance, long-term disability and life insurance as a proportion of the full-time wages budget for the fiscal year.

The following table shows the Employee Benefits Percentage calculation for the actual, estimated actual, and budget for the years 2024/25 through 2026/27.

	FY 2024/25 Actual	FY 2025/26 Est. Actual (1)	FY 2026/27 Budget (1)
Total Regular Salaries	$ 3,792,436	$ 3,952,199	$ 4,340,770
Benefits			
Retirement (1)	1,076,720	1,138,635	1,235,476
Health/Dental/Vision Plans	726,317	891,717	982,938
Long-Term Disability	17,151	23,489	22,081
Life Insurance	24,192	25,973	26,456
Total Benefits:	$ 1,844,380	$ 2,079,814	$ 2,266,950
Employee Benefits Percenta	48.63%	52.62%	52.22%

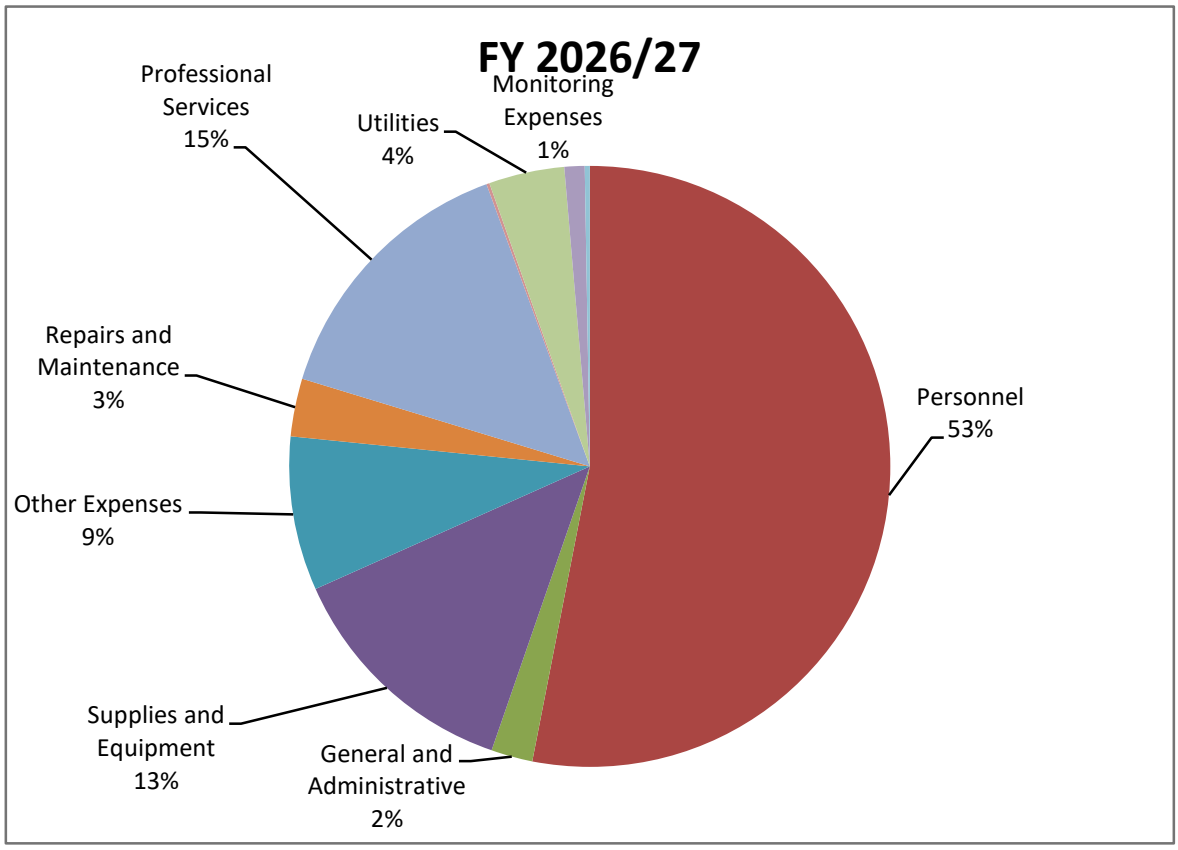
(1) The PERS Retirement for FY 2018/19 thru FY 2025/26 in the above benefit percentage calculations does not include the additional $125,000 payment towards CCWA's unfunded accrued liabilty, which is included in the operating expense sections of the budget. Also not included in the above calculations are the GASB 68 actuarial adjustments to pension expenses.

Central Coast Water Authority

Consolidated Department Operating Expenses

Fiscal Year 2026/27 Budget

Item	FY 2026/27 Budget
Personnel	$ 7,488,598
Office Expenses	24,000
Supplies and Equipment	1,835,661
Monitoring Expenses	154,000
Repairs and Maintenance	439,660
Professional Services	2,075,000
General and Administrative	314,450
Utilities	572,751
Other Expenses	1,168,339
Turnouts	38,350
TOTAL:	$ 14,110,809

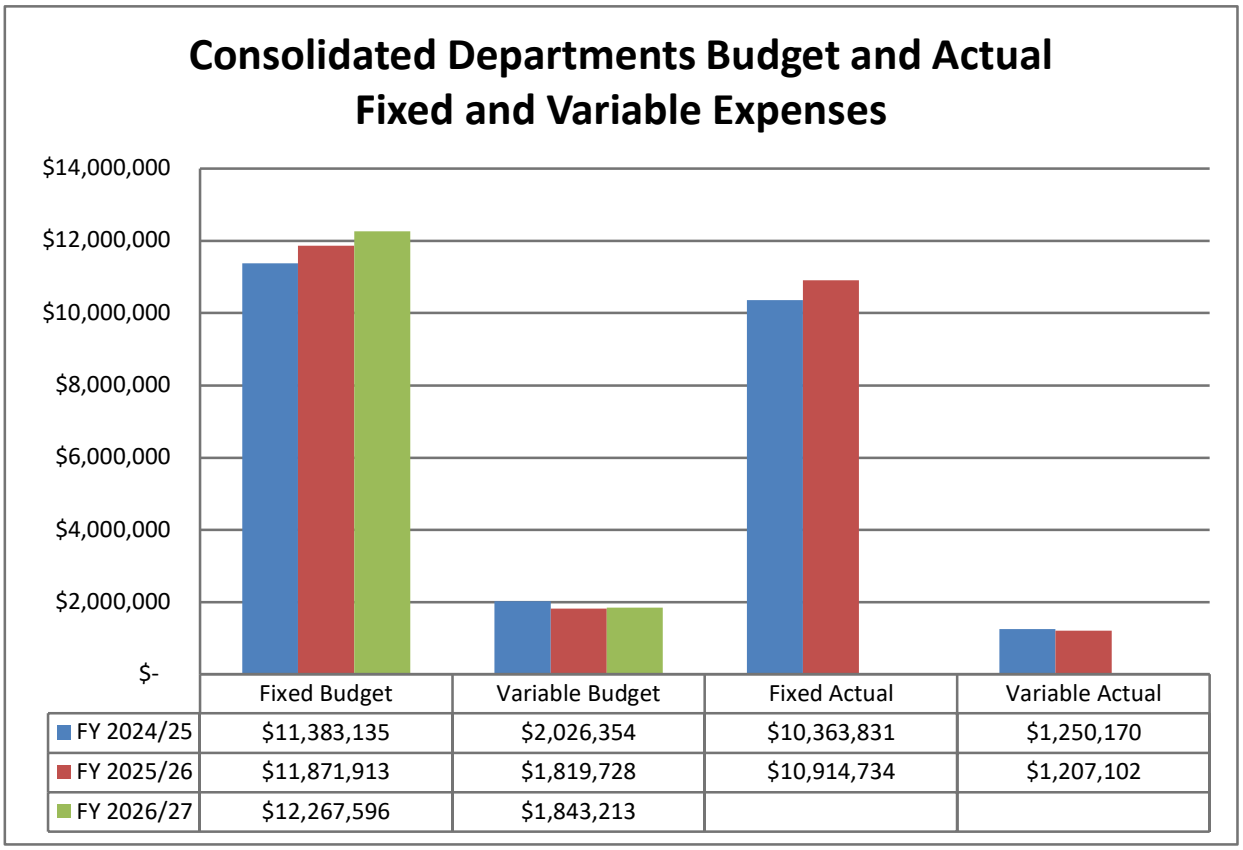


Central Coast Water Authority

Consolidated Department Operating Expenses

Fiscal Year 2026/27 Budget

Item	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget
Personnel	$ 6,929,913	$ 6,771,277	$ 7,169,825	$ 6,568,833	$ 7,488,598
Office Expenses	22,800	12,689	23,300	24,776	24,000
Supplies and Equipment	1,602,500	1,142,103	1,713,077	1,202,000	1,835,661
Monitoring Expenses	120,497	124,576	148,100	158,310	154,000
Repairs and Maintenance	378,800	382,055	420,860	393,666	439,660
Professional Services	2,103,270	1,391,170	2,119,115	1,990,249	2,075,000
General and Administrative	308,229	214,258	313,700	292,656	314,450
Utilities	933,181	579,143	644,804	526,417	572,751
Other Expenses	985,281	976,590	1,109,643	939,930	1,168,339
Turnouts	25,018	20,142	29,217	25,000	38,350
Total:	$ 13,409,489	$ 11,614,001	$ 13,691,641	$ 12,121,836	$ 14,110,809



Central Coast Water Authority

Consolidated Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	PERSONNEL EXPENSES							
5000.10	Full-Time Regular Wages	$ 4,086,757	$ 3,807,954	$ 4,271,226	$ 3,781,762	$ 4,340,770	$ 69,543	1.63%
1300.60	Capitalized Wages and Overtime	-	-	-	-	-	-	N/A
5000.20	Overtime	196,669	227,371	199,844	200,345	202,745	2,900	1.45%
5000.40	Standby Pay	72,214	70,514	75,283	74,409	74,731	(552)	-0.73%
5000.50	Shift Differential Pay	29,306	28,960	29,765	29,765	30,242	477	1.60%
5100.10	PERS Retirement	1,093,056	1,349,146	1,098,923	1,103,923	1,195,476	96,553	8.79%
5100.15	Medicare Taxes	64,373	62,563	67,299	62,470	68,418	1,120	1.66%
5100.20	Health/Dental/Vision Plans	824,635	729,031	891,717	795,038	982,938	91,221	10.23%
5100.25	Workers' Compensation	80,072	58,645	65,061	65,060	65,828	767	1.18%
5100.30	Vehicle Expenses	-	-	-	-	-	-	N/A
5100.35	Retiree Medical Future Liability Dep.	237,476	237,476	225,252	225,252	282,606	57,354	25.46%
5100.50	Long-Term Disability	20,809	17,214	21,731	21,712	22,081	350	1.61%
5100.55	Life Insurance	22,608	24,285	25,972	26,985	26,456	484	1.86%
5100.60	Employee Physicals	3,360	1,485	3,550	2,250	3,550	-	0.00%
5000.30	Certification Incentive Pay	26,899	24,610	28,072	24,150	25,008	(3,064)	-10.91%
5100.80	Employee Incentive Programs/457K Plan	169,429	132,023	163,380	154,712	165,000	1,620	0.99%
5100.65	Employee Education Reimbursement	2,250	-	2,750	1,000	2,750	-	0.00%
5100.86	Benefits Overhead E-Projects	-	-	-	-	-	-	N/A
	Total Personnel Expenses:	6,929,913	6,771,277	7,169,825	6,568,833	7,488,598	318,773	4.45%

Central Coast Water Authority

Consolidated Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	OFFICE EXPENSES							
5200.20	Office Supplies	10,800	5,410	11,300	12,776	12,000	700	6.19%
5200.30	Misc. Office Expenses	12,000	7,279	12,000	12,000	12,000	-	0.00%
	Total Office Expenses:	22,800	12,689	23,300	24,776	24,000	700	3.00%
	SUPPLIES AND EQUIPMENT							
5500.10	Uniform Expenses	25,655	22,863	30,000	30,000	30,000	-	0.00%
5500.15	Minor Tools and Equipment	12,000	10,939	15,000	15,000	15,000	-	0.00%
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equipment and Supplies	1,500	-	2,500	1,500	2,500	-	0.00%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	1,357,240	955,301	1,443,077	955,000	1,566,661	123,584	8.56%
5500.35	Maintenance Supplies/Hardware	20,000	8,850	20,000	20,000	20,000	-	0.00%
5500.40	Safety Supplies	28,500	39,248	42,000	42,000	42,000	-	0.00%
5500.45	Fuel and Lubricants	148,105	104,713	151,000	129,000	150,000	(1,000)	-0.66%
5500.50	Seed/Erosion Control Supplies	9,000	-	9,000	9,000	9,000		0.00%
5500.55	Backflow Prevention Supplies	500	190	500	500	500	-	0.00%
	Total Supplies and Equipment:	1,602,500	1,142,103	1,713,077	1,202,000	1,835,661	122,584	7.16%
	MONITORING EXPENSES							
5600.10	Lab Supplies	101,834	111,119	130,000	124,222	125,000	(5,000)	-3.85%
5600.20	Lab Tools and Equipment	2,600	4,309	2,600	9,000	13,000	10,400	400.00%
5600.30	Lab Testing	16,063	9,148	15,500	25,088	16,000	500	3.23%
	Total Monitoring Expenses:	120,497	124,576	148,100	158,310	154,000	5,900	3.98%

Central Coast Water Authority

Consolidated Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	REPAIRS AND MAINTENANCE							
5700.10	Equipment Repairs and Maintenance	234,000	248,742	260,500	241,386	262,000	1,500	0.58%
5700.20	Vehicle Repairs and Maintenance	36,000	33,936	40,000	50,000	40,000	-	0.00%
5700.30	Building Maintenance	89,080	76,310	89,200	73,534	117,000	27,800	31.17%
5700.40	Landscape Maintenance	19,720	23,066	31,160	28,746	20,660	(10,500)	-33.70%
	Total Repairs and Maintenance:	378,800	382,055	420,860	393,666	439,660	18,800	4.47%
	PROFESSIONAL SERVICES							
5400.10	Professional Services	437,880	150,003	475,090	350,204	397,000	(78,090)	-16.44%
5400.20	Legal Services	1,407,067	1,055,422	1,381,645	1,381,645	1,350,000	(31,645)	-2.29%
5400.30	Engineering Services	60,000	69,783	70,000	70,000	100,000	30,000	42.86%
5400.40	Permits	62,450	52,854	63,200	59,200	63,500	300	0.47%
5400.50	Non-Contractual Services	4,120	2,686	4,180	4,200	4,500	320	7.66%
5400.60	Accounting Services	131,753	60,421	125,000	125,000	160,000	35,000	28.00%
	Total Professional Services:	2,103,270	1,391,170	2,119,115	1,990,249	2,075,000	(44,115)	-2.08%

Central Coast Water Authority

Consolidated Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	GENERAL AND ADMINISTRATIVE							
5300.10	Meetings and Travel	58,000	37,094	60,000	60,000	60,000	-	0.00%
5300.20	Mileage Reimbursement	1,650	-	1,650	400	1,650	-	0.00%
5300.30	Dues and Memberships	187,135	132,894	186,700	186,700	187,000	300	0.16%
5300.40	Publications	4,750	2,937	4,750	4,750	4,700	(50)	-1.05%
5300.50	Training	39,794	31,553	43,500	23,856	43,500	-	0.00%
5300.60	Advertising	6,000	3,604	6,000	2,000	6,000	-	0.00%
5300.70	Printing and Binding	2,000	961	2,000	2,000	2,000	-	0.00%
5300.80	Postage	8,900	5,216	9,100	12,950	9,600	500	5.49%
	Total General and Administrative:	308,229	214,258	313,700	292,656	314,450	750	0.24%
	UTILITIES							
5800.20	Natural Gas	10,570	16,917	10,570	14,387	12,000	1,430	13.53%
5800.30	Electric-Fixed	196,752	220,456	211,713	211,802	236,000	24,287	11.47%
5800.35	Electric-Variable	669,114	294,869	376,651	252,102	276,551	(100,100)	-26.58%
5800.40	Water	5,080	4,850	5,080	5,100	4,900	(180)	-3.54%
5800.50	Telephone	33,950	20,592	22,840	21,526	22,800	(40)	-0.18%
5800.60	Waste Disposal	17,715	21,459	17,950	21,500	20,500	2,550	14.21%
	Total Utilities:	933,181	579,143	644,804	526,417	572,751	(72,053)	-11.17%

Central Coast Water Authority

Consolidated Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	OTHER EXPENSES							
5900.10	Insurance	298,238	282,050	329,518	323,628	382,219	52,701	15.99%
5900.30	Non-Capitalized Projects (1)	-		-	-	-	-	N/A
5900.40	Equipment Rental	70,932	46,655	74,800	74,500	77,300	2,500	3.34%
5900.50	Non-Capitalized Equipment	22,500	208,256	29,000	29,000	39,000	10,000	34.48%
5900.60	Computer Expenses	383,198	439,629	450,913	438,407	430,031	(20,882)	-4.63%
5900.70	Appropriated Contingency	210,413	-	225,413	74,395	239,789	14,376	6.38%
	Total Other Expenses:	985,281	976,590	1,109,643	939,930	1,168,339	58,696	5.29%
	Turnout Expenses	25,018	20,142	29,217	25,000	38,350	9,133	31.26%
	TOTAL OPERATING EXPENSES	$ 13,409,489	$ 11,614,001	$ 13,691,641	$ 12,121,836	$ 14,110,809	$ 419,168	3.06%

(1) Effective July 1, 2018 Non-Capitalized Projects will be found in the Capital & Extraordinary Projects Sections of the Budget.

SWPP				-			
Fixed Operating Expenses (1)	11,383,135	10,363,831	11,871,913	10,914,734	12,267,596	395,684	3.33%
Variable Expenses	2,026,354	1,250,170	1,819,728	1,207,102	1,843,213	23,484	1.29%
TOTAL	13,409,489	11,614,001	13,691,641	12,121,836	14,110,809	419,168	

(1) Does not include Capital and Non-Capital Projects.

Fixed O&M Budget					
Administration Fixed Expenses	11,528,198	5900.30			
WTP Fixed Expenses	(85,803)	(5,408)	(65,930)	92,051	
Distribution Fixed Expenses					
Total Fixed Expenses:					
Variable O&M Budget					
WTP Variable-All Participants					
WTP Variable-w/o SLO County					
Distribution Variable-All Participants					
Distribution Variable-Mission Hills II					
Distribution Variable-Santa Ynez I					

Central Coast Water Authority

Operating, Maintenance and Project Expense Allocation by Department

Fiscal Year 2026/27 Budget

	Administration Department			Water Treatment Plant Department Fixed Costs						
Project Participant	Table A	Percentage	Administration Expenses	Table A	Percentage	WTP Fixed	WTP Fixed Retreatment	Exchange Fixed Adjustments	Total Fixed WTP Costs	Turnout Costs
Shandon	-	-	$ -	100	0.23%	$ 17,061	-	-	**17,061**	$ 2,500
Chorro Valley	-	-	-	2,338	5.32%	398,878	-	-	**398,878**	7,500
Lopez	-	-	-	2,392	5.45%	408,090	-	-	**408,090**	24,083
Guadalupe	550	1.41%	51,552	550	1.25%	93,833	27,849	-	**121,682**	5,700
Santa Maria	16,200	41.46%	1,518,443	16,200	36.90%	2,763,822	820,278	-	**3,584,100**	5,400
Golden State Water Co.	500	1.28%	46,866	500	1.14%	85,303	25,317	-	**110,620**	6,500
VSFB	5,500	14.07%	515,521	5,500	12.53%	938,335	278,489	-	**1,216,824**	2,000
Buellton	578	1.48%	54,177	578	1.32%	98,610	29,267	-	**127,877**	2,350
Santa Ynez (Solvang)	1,500	3.84%	140,597	1,500	3.42%	255,909	75,952	-	**331,861**	2,250
Santa Ynez	500	1.28%	46,866	500	1.14%	85,303	134,282	367,145	**586,730**	1,500
Goleta	4,500	11.52%	421,790	4,500	10.25%	767,728	(446,876)	(132,247)	**188,605**	-
Morehart Land	200	0.51%	18,746	200	0.46%	34,121	(23,994)	-	**10,127**	-
La Cumbre	1,000	2.56%	93,731	1,000	2.28%	170,606	(119,972)	-	**50,634**	-
Raytheon (SBRC)	50	0.13%	4,687	50	0.11%	8,530	(5,999)	-	**2,532**	-
Santa Barbara	3,000	7.68%	281,193	3,000	6.83%	511,819	(298,077)	(87,937)	**125,804**	-
Montecito	3,000	7.68%	281,193	3,000	6.83%	511,819	(298,077)	(87,937)	**125,804**	-
Carpinteria	2,000	5.12%	187,462	2,000	4.55%	341,213	(198,438)	(59,023)	**83,751**	-
TOTAL:	39,078	100.00%	$ 3,662,823	43,908	100.00%	$ 7,490,982	$ -	-	**$ 7,490,982**	$ 59,782

	Distribution Department Fixed Costs									Total Fixed Operating & Project Costs
Project Participant	Reach 33B	Reach 34	Reach 35	Reach 37	Reach 38	Mission Hills II	Santa Ynez I	Santa Ynez II	Total Fixed Distribution Costs	
Shandon	1,832	-	-	-	-	-	-	-	1,832	**21,393**
Chorro Valley	42,831	-	-	-	-	-	-	-	42,831	**449,209**
Lopez	43,821	18,631	-	-	-	-	-	-	62,451	**494,624**
Guadalupe	10,076	4,284	2,193	-	-	-	-	-	16,552	**195,487**
Santa Maria	296,778	126,180	64,586	27,965	-	-	-	-	515,509	**5,623,452**
Golden State Water Co.	9,160	3,894	1,993	863	-	-	-	-	15,911	**179,897**
VSFB	100,758	42,839	21,928	9,494	24,237	196,942	-	-	396,197	**2,130,542**
Buellton	10,589	4,502	2,304	998	2,547	20,697	25,903	-	67,540	**251,943**
Santa Ynez (Solvang)	27,479	11,683	5,980	2,589	6,610	53,711	67,222	-	175,276	**649,983**
Santa Ynez	9,160	3,894	1,993	863	2,203	17,904	22,407	-	58,425	**693,521**
Goleta	82,438	35,050	17,941	7,768	19,830	161,134	201,665	393,879	919,706	**1,530,101**
Morehart Land	3,664	1,558	797	345	881	7,162	8,963	17,506	40,876	**69,749**
La Cumbre	18,320	7,789	3,987	1,726	4,407	35,808	44,815	87,529	204,379	**348,745**
Raytheon (SBRC)	916	389	199	86	220	1,790	2,241	4,376	10,219	**17,437**
Santa Barbara	54,959	23,367	11,960	5,179	13,220	107,423	134,444	262,586	613,137	**1,020,135**
Montecito	54,959	23,367	11,960	5,179	13,220	107,423	134,444	262,586	613,137	**1,020,135**
Carpinteria	36,639	15,578	7,974	3,452	8,813	71,615	89,629	175,057	408,758	**679,972**
TOTAL:	804,378	323,004	155,797	66,509	96,189	781,608	731,732	1,203,520	4,162,736	**$ 15,376,323**
										-

Central Coast Water Authority

Operating, Maintenance and Project Expense Allocation by Department

Fiscal Year 2026/27 Budget

Project Participant	Distribution Department Variable Costs	Water Treatment Plant Variable Costs				Total Variable Operating Costs	Total Fixed, Variable & Project Costs
	Santa Ynez II	WTP Variable	WTP Variable Retreatment	WTP Variable Exchange Adjustments	Total WTP Variable Costs		
Shandon	$ -	$ -			$ -	$ -	$ 21,393
Chorro Valley	-	209,100			209,100	209,100	658,309
Lopez	-	194,260			194,260	194,260	688,884
Guadalupe	-	4,757	115		4,872	4,872	200,359
Santa Maria	-	646,898	15,686		662,583	662,583	6,286,035
Golden State Water Co.	-	17,599	427		18,026	18,026	197,923
VAFB	-	269,224	6,528		275,752	275,752	2,406,294
Buellton	-	25,686	623		26,308	26,308	278,251
Santa Ynez (Solvang)	-	56,128	1,361		57,489	57,489	707,472
Santa Ynez	-	-	4,964	204,724	209,688	209,688	903,209
Goleta	-	73,743	-	(73,743)	-	-	1,530,101
Morehart Land	-	-	-	-	-	-	69,749
La Cumbre	184,396	30,442	(29,704)	-	738	185,134	533,879
S.B. Research	-	-	-	-	-	-	17,437
Santa Barbara	-	49,035	-	(49,035)	-	-	1,020,135
Montecito	-	49,035	-	(49,035)	-	-	1,020,135
Carpinteria	-	32,912	-	(32,912)	-	-	679,972
TOTAL:	$ 184,396	$ 1,658,817	$ (0)	(0)	1,658,817	1,843,213	$ 17,219,536

Summary of Total Costs	
Fixed O&M Costs	
Administration	$ 3,636,573
Water Treatment Plant	5,184,657
Distribution	3,446,367
Total Fixed O&M Costs	12,267,596
Variable O&M Costs	
Water Treatment Plant	1,658,817
Distribution	184,396
Total Variable O&M Costs	1,843,213
Capital & Non-Capital Projects	3,108,727
Total O&M and Project Costs:	**$ 17,219,536**

Staff member providing a tour of treatment plant filter backwash line

Administration Department

The Administration Department is comprised of the Executive Director, Accounting and Finance, Engineering and support staff. The department is responsible for administration of the Authority and provides support to the Board of Directors, various Authority committees, and operations and maintenance departments of the Authority.

Highlights

Department Information

- Number of employees 5.50
- Number of Board members 8
- Number of Authority Committees 2
- Board of Directors meetings Fourth Thursday of each month
- Operating Committee meetings Second Thursday, quarterly
- Other Committee meetings As needed

Budget Information

- Total FY 2026/27 O&M Budget $ 3,636,573
- O&M Budget increase over FY 2025/26 $ 56,797
- Percentage increase over FY 2025/26 1.59%

Significant Accomplishments during 2025/26

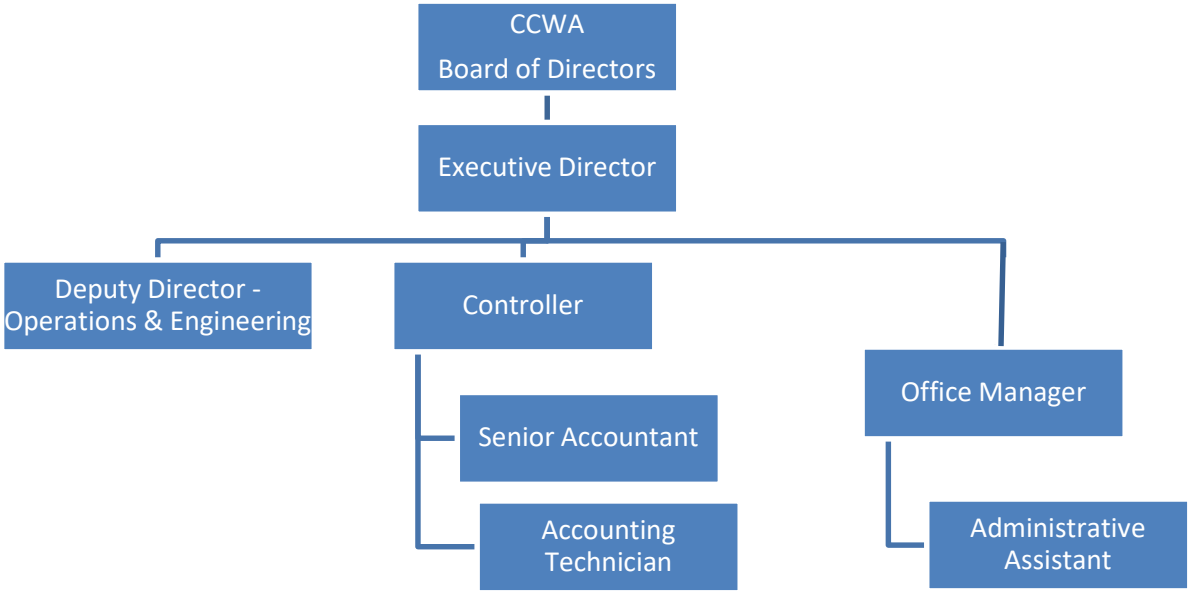
- Continued work on resolving the outstanding Statement of Charges protest times filed by CCWA associated with the DWR capital charges.

Significant Goals for FY 2026/27

- Develop a robust succession plan for CCWA for the next two to five years with the possible assistance of an outside consultant to help guide our efforts, including an analysis of current staffing levels with potential adjustments in the future.
- Continue pursuit of water storage opportunities including groundwater banks, and other exchange or transfer opportunities to assist CCWA participants in maximizing the benefit of their State Water supplies.
- Pursue resolution of the outstanding CCWA Statement of Charges protest items with DWR which have been outstanding for many years, and which could potentially total many millions of dollars.
- Protect CCWA's interests as DWR pursues a resolution of billing errors which could have a significant negative financial impact on CCWA.

The Administration Department is comprised of the Executive Director, Deputy Director of Operations and Engineering, Controller, Deputy Controller, Office Manager and support staff. The department is responsible for administration of the Authority and provides support to the (1) Board of Directors and various Authority committees and (2) operations and maintenance departments of the Authority.

The Authority's Administration Department has three main functions: Executive, which provides oversight and management of the Authority; Finance/Treasury, which is the central fiscal control and accounting agency of the Authority and which invests all cash balances of the Authority; and Administrative Services, which coordinates and administers the employee benefits program, human resource functions and the Authority's auto, property and liability insurances.



EXECUTIVE DIRECTOR

The Executive Director is the chief executive officer and administrative head of the Authority, with the responsibility for planning, organizing, staffing, coordinating, budgeting, and directing the administrative activities and operations of the Authority. The Executive Director is appointed by and serves at the pleasure of the Authority Board of Directors. The Executive Director appoints the supervisors of all departments and is responsible for implementation of policies established by the Board of Directors.

The Executive Director is responsible for providing and exercising overall supervision and disciplinary control over the necessary administrative and operating staff to carry out official Board policies. The Executive Director is responsible for the execution of contracts and other documents on behalf of the Authority to the extent provided by the Board of Directors. The Executive Director serves as the Treasurer for the Authority.

DEPUTY DIRECTOR – Operations and Engineering

The Deputy Director of Operations and Engineering serves as the operations officer for the Authority and is responsible for all operational and engineering related activities, including planning and directing the operations and maintenance of the water treatment plant, laboratory, distribution system and network system. In addition, the Deputy Director of Operations and Engineering is responsible for all engineering work and oversees project management related to CCWA's distribution pipeline, water treatment plant, and ancillary facilities.

The Deputy Director of Operations and Engineering is charged with the responsibility for construction contract administration and management, and provides technical oversight to the operations and maintenance departments, including evaluating, designing, and implementing operational and capital improvements for the Authority. Additional secondary duties include oversight of professional consultants and detailed analysis and design for engineering work performed in-house.

CONTROLLER

The Controller manages the finance department's daily finance/accounting activities including payroll and audits, preparation of the operating and capital budgets, preparation of the comprehensive annual financial reports, debt management, risk management, and cash management. The Controller provides oversight of the employee benefits program for the Authority. Additionally, the Controller monitors the general ledger and supervises staff in areas such as accounts payable and payroll.

SENIOR ACCOUNTANT

The Senior Accountant assists the Controller in planning, organizing, directing, coordinating and performing accounting and fiscal activities of CCWA, including assisting with the preparation of the monthly financial and quarterly investment reports for the Board of Directors, and assisting the Controller with the preparation of the CCWA fiscal year budget and long term budget plans. The Senior Accountant is responsible for the water accounting and reporting to the Department of Water Resources. Additionally, the Senior Accountant provides back-up to staff in areas such as accounts payable and payroll.

OFFICE MANAGER

The Authority's Office Manager administers the employee benefits program, which includes health insurance, life insurance, dental and vision insurance, deferred compensation, Section 125 cafeteria plan, and the Public Employees' Retirement System (PERS). The Office Manager maintains vendor risk management related to

auto, property and liability insurances. Additionally, the Office Manager serves as Secretary to the Board of Directors.

ADMINISTRATION DEPARTMENT OPERATING EXPENSE OVERVIEW

The Administration Department expenses are treated as fixed expenses for purposes of billing to the project participants. All project participants pay the Administration Department expenses based primarily on their proportional share of Table A amounts.

The Administration Department operating expense budget for FY 2026/27 is increasing by $56,797 or 1.59% when compared to the FY 2025/26 Budget. The total FY 2026/27 budget is $3,636,573 compared to the FY 2025/26 budget of $3,579,776. The following items represent the major changes in the Administration Department budget.

Personnel Expenses Total personnel expenses are increasing by approximately $93,275 due to the following:

- The FY 2026/27 total salaries and wages budget for the Administration Department increased by just $23,293 when compared to the prior fiscal year budget.

- CalPERS retirement expenses are increasing by $23,846 over the prior fiscal year. The CCWA employer paid portion for "Classic" members in FY 25/26 is 18.376% as compared to the prior year amount of 18.396%, for a 0.02% decrease. The Unfunded Accrued Liability (UAL) as a percentage of payroll for "Classic" employees increased to 25.07% as compared to the prior year amount of 15.12%. As of FY 2026/27 the Administration Department has 2 CalPERS PEPRA member employee. The PEPRA employer contribution rate in FY 2026/27 decreased from 8.27% in FY 2025/26 to 8.24% in FY 2026/27 for a decrease in employer paid PEPRA contribution rate of 0.03%. Currently, the Administration Department has 2 "Classic" 2nd tier member employee. The 2nd tier member employer contribution rate in FY 2026/27 is 13.36%.

- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by $26,076. This is due to; 1) The 2026 CalPERS health insurance plan with the lowest premiums increased 10.58% over the 2025 premiums, as opposed to the increase of 10% budgeted for the calendar year 2026. 2) The FY 2026/27 Budget also includes an estimated 12% increase in the health insurance premiums effective January 1, 2027. The health plan estimates are based on the elections of each employee at the time the budget is prepared.

- The FY 2026/27 Budget includes a $49,497 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Professional/Legal Services Professional Services are decreasing by $68,525 due primarily to a decrease in recruitment costs.

Repairs and Maintenance Other expenses are increasing in total by $30,700 due to an increase in building maintenance including painting the board room.

Central Coast Water Authority

Personnel Services Summary
Administration Department

Fiscal Year 2026/27 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number Auth. FY 2024/25	Number Auth. FY 2025/26	Number Requested FY 2026/27	Change Over FY 2024/25	Change Over FY 2025/26
Executive Director (1)	0.50	0.50	0.50	-	-
Deputy Director of Operations (2)	0.25	0.25	0.25	-	-
Operations Manager (3)	0.25	0.25	0.25	-	-
Controller	1.00	1.00	1.00	-	-
Senior Accountant	1.00	1.00	1.00		-
Office Manager	1.00	1.00	1.00	-	-
Accounting Technician	0.75	0.75	0.75	-	-
Administrative Assistant	0.75	0.75	0.75	-	-
TOTAL:	5.50	5.50	5.50	-	-

PERSONNEL WAGE SUMMARY						
Position Title	No. of Emp.	Position Classification	Minimum Monthly Salary	Maximum Monthly Salary	FY 2025/26 Total Annual Salary	Allocation to Admin Department
Executive Director (1)	1	N/A	N/A	N/A	$ 325,000	$ 162,500
Deputy Director of Operations (2)	1	62	$ 18,443	$ 22,500	$ 261,539	$ 65,385
Operations Manager (3)	1	46	$ 13,655	$ 16,659	$ 170,000	$ 42,500
Controller	1	43	$ 12,803	$ 15,620	$ 175,094	$ 175,094
Senior Accountant	1	25	$ 8,700	$ 10,614	$ 112,923	$ 112,923
Office Manager	1	31	$ 9,896	$ 12,073	$ 137,426	$ 137,426
Accounting Technician	1	12	$ 6,581	$ 8,029	$ 62,400	$ 62,400
Administrative Assistant	1	11	$ 6,441	$ 7,858	$ 59,560	$ 59,560
FY 2025/26 Salary Pool						$ 32,764
TOTAL:	8					$ 850,552

(1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).

(2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).

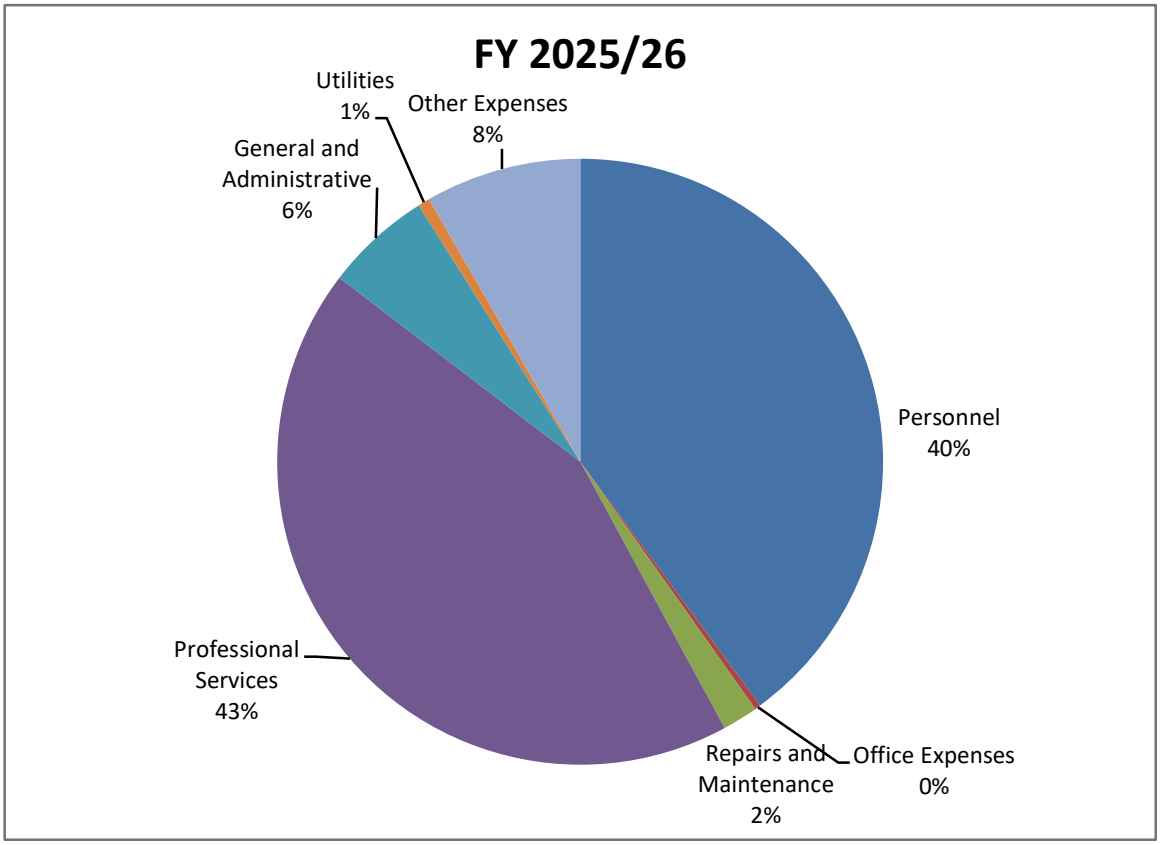
(3) The Operations Manager is allocated to Administration(25%), Water Treatment Plant(35%) and Distribution (40%).

Central Coast Water Authority

Administration Department Operating Expenses

Fiscal Year 2026/27 Budget

Item	FY 2026/27 Budget
Personnel	$ 1,449,801
Office Expenses	12,000
Repairs and Maintenance	68,660
Professional Services	1,574,500
General and Administrative	206,200
Utilities	22,900
Other Expenses	302,512
TOTAL:	$ 3,636,573



Central Coast Water Authority

Administration Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	PERSONNEL EXPENSES							
5000.10	Full-Time Regular Wages	$ 787,270	$ 721,043	$ 827,259	$ 809,445	$ 850,552	$ 23,293	2.82%
1300.60	Capitalized Wages and Overtime					-	-	N/A
5000.20	Overtime	5,000	-		500	500	500	N/A
5000.40	Standby Pay					-	-	N/A
5000.50	Shift Differential Pay					-	-	N/A
5100.10	PERS Retirement	228,071	525,967	243,850	248,850	267,697	23,846	9.78%
5100.15	Medicare Taxes	11,651	13,380	12,243	14,450	12,538	295	2.41%
5100.20	Health/Dental/Vision Plans	139,549	108,723	150,022	150,022	176,097	26,076	17.38%
5100.25	Workers' Compensation	4,268	3,223	3,462	3,462	3,561	99	2.85%
5100.30	Vehicle Expenses	-		-		-	-	N/A
5100.35	Retiree Medical Future Liability Dep.	74,011	74,011	77,583	77,583	79,497	1,914	2.47%
5100.45	Dental/Vision Plan		-	-		-	-	N/A
5100.50	Long-Term Disability	4,094	3,239	4,302	4,302	4,423	121	2.82%
5100.55	Life Insurance	3,832	4,145	4,555	4,555	4,685	131	2.87%
5100.60	Employee Physicals	-		-		-	-	N/A
5100.80	Employee Incentive/457K Plan	34,340	34,340	33,000	45,000	50,000	17,000	51.52%
5100.65	Employee Education Reimbursement	250	-	250		250	-	0.00%
5100.86	Benefits Overhead E-Projects	-	-	-		-	-	N/A
	Total Personnel Expenses:	1,292,336	1,488,071	1,356,526	1,358,169	1,449,801	93,275	6.88%
			-					
	OFFICE EXPENSES							
5200.20	Office Supplies	6,300	3,427	6,300	7,776	7,000	700	11.11%
5200.30	Miscellaneous Office Expenses	5,000	3,298	5,000	5,000	5,000	-	0.00%
	Total Office Expenses:	11,300	6,725	11,300	12,776	12,000	700	6.19%

Central Coast Water Authority

Administration Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	REPAIRS AND MAINTENANCE							
5700.10	Equipment Repairs and Maintenance	5,500	3,079	5,500	10,252	7,000	1,500	27.27%
5700.20	Vehicle Repairs and Maintenance	-		-		-	-	N/A
5700.30	Building Maintenance	25,020	39,829	26,800	23,564	53,500	26,700	99.63%
5700.40	Landscape Maintenance	10,220	9,478	5,660	9,246	8,160	2,500	44.17%
	Total Repairs and Maintenance:	40,740	52,386	37,960	43,062	68,660	30,700	80.87%
		updated						
	PROFESSIONAL SERVICES							
5400.10	Professional Services	110,433	5,888	132,200	103,204	60,000	(72,200)	-54.61%
5400.20	Legal Services	1,357,067	1,004,891	1,381,645	1,381,645	1,350,000	(31,645)	-2.29%
5400.30	Engineering Services	-		-		-	-	N/A
5400.40	Permits	-		-		-	-	N/A
5400.50	Non-Contractual Services	4,120	2,686	4,180	4,200	4,500	320	7.66%
5400.60	Accounting Services	131,753	60,421	125,000	125,000	160,000	35,000	28.00%
	Total Professional Services:	1,603,373	1,073,886	1,643,025	1,614,049	1,574,500	(68,525)	-4.17%
	GENERAL AND ADMINISTRATIVE							
5300.10	Meeting and Travel	20,000	13,881	20,000	20,000	20,000	-	0.00%
5300.20	Mileage Reimbursement	1,000	-	1,000	400	1,000	-	0.00%
5300.30	Dues and Memberships	172,395	120,842	172,000	172,000	172,000	(0)	0.00%
5300.40	Publications	1,250	396	1,250	1,250	1,200	(50)	-4.00%
5300.50	Training	3,544	179	3,500	1,100	3,500	-	0.00%
5300.60	Advertising	2,500	1,832	2,500	-	2,500	-	0.00%
5300.70	Printing and Binding	2,000	961	2,000	2,000	2,000	-	0.00%
5300.80	Postage	3,300	2,406	3,500	3,500	4,000	500	14.29%
	Total General and Administrative:	205,989	140,497	205,750	200,250	206,200	450	0.22%

Central Coast Water Authority

Administration Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	UTILITIES							
5800.20	Natural Gas	500	664	500	500	500	-	0.00%
5800.30	Electric-Fixed	8,944	7,787	9,317	9,400	10,000	683	7.33%
5800.35	Electric-Variable	-		-		-	-	N/A
5800.40	Water	2,580	2,454	2,580	2,600	2,400	(180)	-6.98%
5800.50	Telephone	3,780	3,414	4,440	4,500	4,500	60	1.35%
5800.60	Waste Disposal	5,120	5,683	5,150	5,500	5,500	350	6.80%
	Total Utilities:	20,924	20,002	21,987	22,500	22,900	913	4.15%
	OTHER EXPENSES							
5900.10	Insurance	37,894	34,617	41,167	39,706	48,175	7,008	17.02%
5900.30	Non-Capitalized Projects (1)	-		-		-	-	N/A
5900.40	Equipment Rental	5,132	4,935	6,300	6,000	5,800	(500)	-7.94%
5900.50	Non-Capitalized Equipment	2,500	988	2,500	2,500	2,500	-	0.00%
5900.60	Computer Expenses	157,986	176,277	189,867	177,400	174,731	(15,135)	-7.97%
5900.70	Appropriated Contingency	55,022		63,395	63,395	71,305	7,911	12.48%
	Total Other Expenses:	258,534	216,817	303,228	289,001	302,512	(716)	-0.24%
	TOTAL OPERATING EXPENSES	$ 3,433,196	$ 2,998,384	$ 3,579,776	$ 3,539,807	$ 3,636,573	$ 56,797	1.59%

(1) Effective July 1, 2018 Non-Capitalized Projects will be found in the Capital Improvement and Non-Capital Projects section of the budget.

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5000.10 **ACCOUNT TITLE:** Full-Time Regular Salaries

Description: Funds for the Administration Department regular employees. Includes $32,764 for the FY 2026/27 salary pool.

FY 26/27 Requested Budget	850,552
FY 25/26 Estimated Actual	809,445
Increase (Decrease)	41,108

ACCOUNT NUMBER: 5000.20 **ACCOUNT TITLE:** Overtime

Description: Overtime expenses for non-exempt Administration employees.

FY 26/27 Requested Budget	500
FY 25/26 Estimated Actual	500
Increase (Decrease)	-

ACCOUNT NUMBER: 5100.10 **ACCOUNT TITLE:** PERS Retirement

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 43.446% contribution rate for FY 2026/27, which includes the required Unfunded Accrued Liability (UAL) payment.

FY 26/27 Requested Budget	267,697
FY 25/26 Estimated Actual	248,850
Increase (Decrease)	18,847

Required Contributions	$	114,873	18.376%
UAL current fiscal year		130,064	25.070%
UAL additional payment		22,759	fixed
TOTAL	$	267,697	

ACCOUNT NUMBER: 5100.15 **ACCOUNT TITLE:** Medicare

Description: Funds for the employer portion of Medicare taxes for the Administration Department. Amount is equal to 1.45% of regular and overtime wages and employer paid deferred compensation contributions.

FY 26/27 Requested Budget	12,538
FY 25/26 Estimated Actual	14,450
Increase (Decrease)	(1,912)

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5100.20 **ACCOUNT TITLE:** Health Insurance

FY 26/27 Requested Budget	143,534
FY 25/26 Estimated Actual	127,101
Increase (Decrease)	16,433

Description: Funds for employer paid portion of health insurance for Administration employees. Based on employee 2026 Café Plan elections and dependent status. Includes an estimated 12% increase in 2027 plan rates.

	2026 Allowance	*2027 Allowance Est*
Family	$ 29,836	$ 33,416
Emp + 1	22,951	25,705
Employee only	11,475	12,852

ACCOUNT NUMBER: 5100.25 **ACCOUNT TITLE:** Workers' Compensation Insurance

FY 26/27 Requested Budget	3,561
FY 25/26 Estimated Actual	3,462
Increase (Decrease)	99

Description: Funds for Workers' Compensation insurance for the Administration Department. Based on an X-Mod rate of 62% and economy of size rate of 90%.

ACCOUNT NUMBER: 5100.35 **ACCOUNT TITLE:** Retiree Medical Future Liability Deposit

FY 26/27 Requested Budget	79,497
FY 25/26 Estimated Actual	77,583
Increase (Decrease)	1,914

Description: Actuarially determined contributions to fund the estimated future liability for the required minimum contribution component (PEMHCA) of the CalPERS health plan and the retiree health costs for vested employees age 62 and over retiring from CCWA with at least 10 years of CCWA service. Costs are based on the number of active and covered employees and retirees.

ACCOUNT NUMBER: 5100.40 **ACCOUNT TITLE:** Cafeteria Plan Benefits

FY 26/27 Requested Budget	13,667
FY 25/26 Estimated Actual	8,660
Increase (Decrease)	5,007

Description: Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the Administrative employees based on each employee's benefit election.

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5100.45 **ACCOUNT TITLE:** Dental/Vision Plan

FY 26/27 Requested Budget	18,897
FY 25/26 Estimated Actual	14,261
Increase (Decrease)	4,636

Description: Funds for the self-funded dental/vision plan. The plan provides $5,327 per year per family for dental and vision expenses. Budgeted amount is $3,995 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

ACCOUNT NUMBER: 5100.50 **ACCOUNT TITLE:** Long-Term Disability Insurance

FY 26/27 Requested Budget	4,423
FY 25/26 Estimated Actual	4,302
Increase (Decrease)	121

Description: Funds for premiums paid for long-term disability insurance. Based on a rate of $0.52 per $100 of salary.

ACCOUNT NUMBER: 5100.55 **ACCOUNT TITLE:** Life Insurance

FY 26/27 Requested Budget	4,685
FY 25/26 Estimated Actual	4,555
Increase (Decrease)	130

Description: Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employee's annual salary to a maximum of $250,000.

ACCOUNT NUMBER: 5100.65 **ACCOUNT TITLE:** Employee Education Reimbursement

FY 26/27 Requested Budget	250
FY 25/26 Estimated Actual	-
Increase (Decrease)	250

Description: Funds for reimbursement of employee educational expenses under the policy established by CCWA.

ACCOUNT NUMBER: 5100.80 **ACCOUNT TITLE:** Employee Incentives and 457 K Plan

FY 26/27 Requested Budget	50,000
FY 25/26 Estimated Actual	45,000
Increase (Decrease)	5,000

Description: Funds to encourage employee safety, efficiency and innovation through the Employee Achievement Awards Program (EAAP).

EAAP	$	1,500
457 K Plan		48,500
TOTAL:	$	50,000

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5200.20 **ACCOUNT TITLE:** Office Supplies

Description: Funds for Office supplies for the Administration Department. Based on $580 per month in office supply expenses.

FY 26/27 Requested Budget	7,000
FY 25/26 Estimated Actual	7,776
Increase (Decrease)	(776)

ACCOUNT NUMBER: 5200.30 **ACCOUNT TITLE:** Miscellaneous Office Expenses

Description: Funds for miscellaneous expenses such as business cards and kitchen supplies.

FY 26/27 Requested Budget	5,000
FY 25/26 Estimated Actual	5,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.10 **ACCOUNT TITLE:** Meetings and Travel

Description: Funds for meetings and travel expenses for the Administration Department employees and SWC Consultant.

FY 26/27 Requested Budget	20,000
FY 25/26 Estimated Actual	20,000
Increase (Decrease)	-

$	2,000	ACWA Conferences
	12,000	SWC Meetings ($1,000 per month)
	2,500	DWR/Sacramento/MWQI
	3,500	Other miscellaneous meetings
$	20,000	TOTAL

ACCOUNT NUMBER: 5300.20 **ACCOUNT TITLE:** Mileage Reimbursement

Description: Funds for mileage reimbursement based on the IRS current standard mileage rate.

FY 26/27 Requested Budget	1,000
FY 25/26 Estimated Actual	-
Increase (Decrease)	1,000

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5300.30 **ACCOUNT TITLE:** Dues and Memberships

FY 26/27 Requested Budget	172,000
FY 25/26 Estimated Actual	172,000
Increase (Decrease)	-

Description: Funds for professional dues.

$	128,000	SWC Dues
	29,000	ACWA
	7,000	SWPCA MWQI charges
	2,000	Support various water education programs
	3,500	Employee Professional Dues and Misc.
	2,500	California Special District Association
$	172,000	TOTAL

ACCOUNT NUMBER: 5300.40 **ACCOUNT TITLE:** Publications

FY 26/27 Requested Budget	1,200
FY 25/26 Estimated Actual	1,250
Increase (Decrease)	(50)

Description: Funds for publications received by CCWA

$	500	Personnel related subscriptions
	500	Employee professional publications
	200	Other Publications - General
$	1,200	TOTAL

ACCOUNT NUMBER: 5300.50 **ACCOUNT TITLE:** Training

FY 26/27 Requested Budget	3,500
FY 25/26 Estimated Actual	1,100
Increase (Decrease)	2,400

Description: Funds for training of CCWA personnel. Does not include educational reimbursement expenses.

ACCOUNT NUMBER: 5300.60 **ACCOUNT TITLE:** Advertising

FY 26/27 Requested Budget	2,500
FY 25/26 Estimated Actual	-
Increase (Decrease)	2,500

Description: Funds for public relations expenses for CCWA including advertising for open positions.

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5300.70 **ACCOUNT TITLE:** Printing and Binding

Description: Funds for the printing and binding of CCWA documents including the Board packets, the annual budget, and the Annual Comprehensive Financial Report (ACFR).

FY 26/27 Requested Budget	2,000
FY 25/26 Estimated Actual	2,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.80 **ACCOUNT TITLE:** Postage

Description: Funds for all postal and mail expenses.

$	3,500	Postage meter expenses ($290 per month)
	500	Overnight and shipping svcs ($25 per month)
$	4,000	TOTAL

FY 26/27 Requested Budget	4,000
FY 25/26 Estimated Actual	3,500
Increase (Decrease)	500

ACCOUNT NUMBER: 5400.10 **ACCOUNT TITLE:** Professional Services

Description: Funds for miscellaneous consultants and other services.

$	5,000	BAO office alarm system, DMV monitoring fee
	52,000	Compensation study consultant
	3,000	Personnel Team Building
$	60,000	TOTAL

FY 26/27 Requested Budget	60,000
FY 25/26 Estimated Actual	103,204
Increase (Decrease)	(43,204)

ACCOUNT NUMBER: 5400.20 **ACCOUNT TITLE:** Legal Services

Description: Funds for CCWA legal services.

$	720,000	Brownstein Hyatt Farber General Counsel
	50,000	Stradling Yocca Carlsen Personnel Counsel
	580,000	Annual Settlement-County District
$	1,350,000	TOTAL

FY 26/27 Requested Budget	1,350,000
FY 25/26 Estimated Actual	1,381,645
Increase (Decrease)	(31,645)

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5400.50 **ACCOUNT TITLE:** Non-Contractual Services

Description: Funds for miscellaneous non-contractual services such as the Section 125 plan administration fees and the employee assistance program.

FY 26/27 Requested Budget	4,500
FY 25/26 Estimated Actual	4,200
Increase (Decrease)	300

$	2,000	IRC 125 Plan administration fees ($150 per mo)
	1,500	Employee Assistance Program
	1,000	Other miscellaneous
$	4,500	TOTAL

ACCOUNT NUMBER: 5400.60 **ACCOUNT TITLE:** Accounting Services

Description: Funds for the annual audit of the FY 2020/21 Financial Statements and DWR Statement of Charges (SOC)

FY 26/27 Requested Budget	160,000
FY 25/26 Estimated Actual	125,000
Increase (Decrease)	35,000

$	29,000	Glenn Burdette - Annual Audit
	20,000	Ernst & Young - SWC SOC Audit
	90,000	Ernst & Young - CCWA SOC Audit
	21,000	Bartel Assoc - Pension/OPEB Actuarial Reports
$	160,000	TOTAL

ACCOUNT NUMBER: 5700.10 **ACCOUNT TITLE:** Equipment Repairs and Maintenance

Description: Funds for repairs to administration office equipment including maintenance agreements.

FY 26/27 Requested Budget	7,000
FY 25/26 Estimated Actual	10,252
Increase (Decrease)	(3,252)

$	4,500	Copier maintenance agreement
	2,500	Other misc. equipment repairs
$	7,000	TOTAL

ACCOUNT NUMBER: 5700.30 **ACCOUNT TITLE:** Building Maintenance

Description: Funds for minor repairs to the Administration office building and janitorial services.

FY 26/27 Requested Budget	53,500
FY 25/26 Estimated Actual	23,564
Increase (Decrease)	29,936

$	2,000	Monthly Pest Control
	16,800	Janitorial services and supplies
	31,000	Building repairs, maintenance
	1,700	HVAC quarterly maintenance
	2,000	Building Security
$	53,500	TOTAL

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5700.40 **ACCOUNT TITLE:** Landscape Maintenance

Description: Funds for landscape maintenance at the Administration office building.

FY 26/27 Requested Budget	8,160
FY 25/26 Estimated Actual	9,237
Increase (Decrease)	(1,077)

$	3,600	Gardener ($300 per month)
	1,560	Irrigation Water ($110 per month)
	3,000	Miscellaneous
$	8,160	TOTAL

ACCOUNT NUMBER: 5800.20 **ACCOUNT TITLE:** Natural Gas

Description: Funds for natural gas service to the Administration building ($42 per month).

FY 26/27 Requested Budget	500
FY 25/26 Estimated Actual	500
Increase (Decrease)	-

ACCOUNT NUMBER: 5800.30 **ACCOUNT TITLE:** Electric

Description: Funds for electrical service to the Administration building ($835 per month).

FY 26/27 Requested Budget	10,000
FY 25/26 Estimated Actual	9,400
Increase (Decrease)	600

ACCOUNT NUMBER: 5800.40 **ACCOUNT TITLE:** Water and Sewer

Description: Funds for water and sewer service for the Administration building ($200 per month).

FY 26/27 Requested Budget	2,400
FY 25/26 Estimated Actual	2,600
Increase (Decrease)	(200)

ACCOUNT NUMBER: 5800.50 **ACCOUNT TITLE:** Telephone

Description: Funds for long distance, local and cellular phone service.

FY 26/27 Requested Budget	4,500
FY 25/26 Estimated Actual	4,500
Increase (Decrease)	-

$	200	Long distance and 800# ($15 per month)
	600	Cell phones and airtime ($50 per month)
	900	Conference calls ($75 per month)
	2,800	Local Long Distance ($230 per month)
$	4,500	TOTAL

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5800.60 **ACCOUNT TITLE:** Waste Disposal

Description: Funds for waste disposal services for the Administration building.

FY 26/27 Requested Budget	5,500
FY 25/26 Estimated Actual	5,500
Increase (Decrease)	-

$	5,160	Waste Disposal service ($430 per month)
	340	Hazardous Waste Disposal
$	5,500	TOTAL

ACCOUNT NUMBER: 5900.10 **ACCOUNT TITLE:** Insurance

Description: Funds for insurance related expenses.

FY 26/27 Requested Budget	48,175
FY 25/26 Estimated Actual	39,706
Increase (Decrease)	8,469

$	4,697	Property and auto insurance based on allocation provided by JPIA
$	33,210	General Liability and E&O apportioned by payroll percentages
$	10,268	Excess crime and cyber liability
$	48,175	TOTAL

ACCOUNT NUMBER: 5900.40 **ACCOUNT TITLE:** Equipment Rental

Description: Funds for rental of equipment.

FY 26/27 Requested Budget	5,800
FY 25/26 Estimated Actual	6,000
Increase (Decrease)	(200)

$	2,200	Postage meter ($180 per month)
	2,500	Copier lease ($200 per month)
	1,100	Storage Rental ($90 per month)
$	5,800	TOTAL

ACCOUNT NUMBER: 5900.50 **ACCOUNT TITLE:** Non-Capitalized Equipment

Description: Funds for the purchase of non-capitalized equipment purchases. These equipment purchases are generally under $10,000 in cost with an estimated useful life under 5 years.

FY 26/27 Requested Budget	2,500
FY 25/26 Estimated Actual	2,500
Increase (Decrease)	-

CENTRAL COAST WATER AUTHORITY
ADMINISTRATION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5900.60 **ACCOUNT TITLE:** Computer Expenses

Description: Funds for computer expenses including minor software purchases, minor equipment purchases and service contracts.

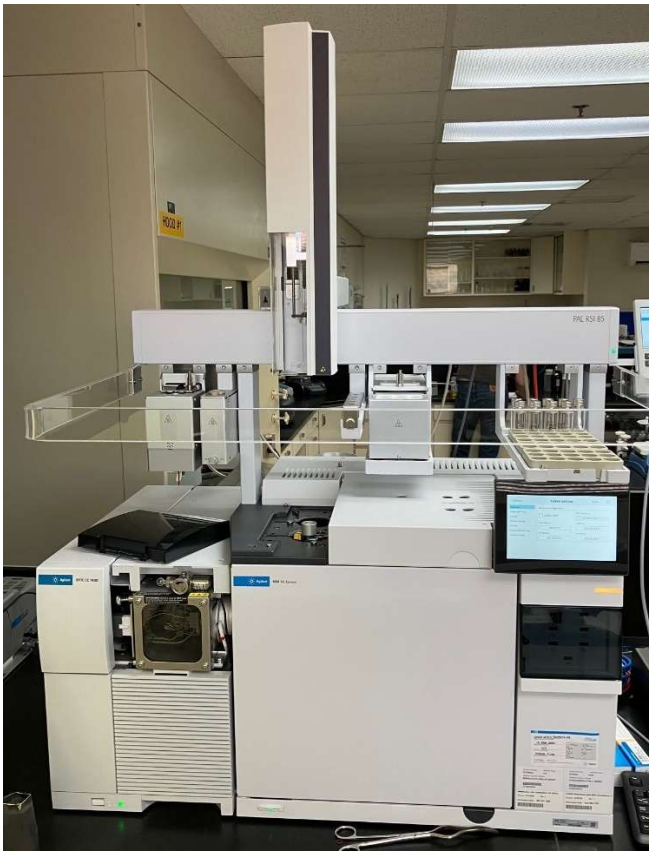
FY 26/27 Requested Budget	174,731
FY 25/26 Estimated Actual	177,400
Increase (Decrease)	(2,669)

$	170,006	Converged, Annual Service Agreements and Software Subscriptions
$	4,725	Software and other computer services
$	174,731	TOTAL

ACCOUNT NUMBER: 5900.70 **ACCOUNT TITLE:** Appropriated Contingency

Description: 2.0% of operating expenses

FY 26/27 Requested Budget	71,305
FY 25/26 Estimated Actual	63,395
Increase (Decrease)	7,911



Laboratory Thingymabob for water testing stuff

Water Treatment Plant Department

The Water Treatment Plant Department receives raw water from DWR and operates and maintains the Polonio Pass Water Treatment Plant. The Department treats the water utilizing full conventional treatment technologies to meet all state and federal potable water standards and performs all chemical and biologic analyses required by the California Department of Public Health and the U.S. Environmental Protection Agency.

Highlights

Department Information

- Number of employees 16.60
- Polonio Pass Water Treatment Plant capacity 50 million gallons per day
- FY 2026/27 requested water deliveries 17,437 acre-feet

Budget Information

- Total FY 2026/27 O&M Budget $ 6,843,473
- O&M Budget increase over FY 2025/26 $ 283,246
  - Fixed cost increase over FY 2025/26 $ 262,057
  - Variable cost increase over FY 2025/26 $ 21,190
- Percentage increase 4.32%
- Fixed O&M Expenses $ 5,184,657
- Variable O&M Expenses $ 1,658,817
- FY 2026/27 budgeted chemical cost $ 79.54 per acre-foot
- Regional Water Treatment Plant Cost Per AF:
  - Fixed $ 50.63
  - Variable $ 2.31
- Exchange Agreement Modifications Per AF:
  - Fixed $ 170.61
  - Variable $ 95.13

Significant Accomplishments during FY 2025/26

- Completed a filter condition assessment which included an on-site filter inspection by collecting and analyzing samples from the filter media, inspection of filter underdrains,
  identification of backwash anomalies such as air or water maldistribution, visual evaluation of concrete and the functionality and general condition of appurtenances such backwash troughs, piping, valves, and instrumentation.

- Continued the replacement of critical WTP components, including backwash pumps, filter-to-waste pumps and sludge removal system. Initiated replacement of the utility water header piping system.

- Completed important WTP tasks including the cleanout of sludge Lagoons A and C, replacement of two supervisory control and data acquisition system servers and Control Room screen and workstation upgrades.

- Successfully recruited for a Water Treatment Plant Operator Trainee. The Water Treatment Plant Operator Trainee will receive on-the-job training and is anticipated to be ready to enter shift rotation prior to the retirements of up to two Water Treatment Plant Operators within FY 2026/27.

Significant Goals for FY 2026/27

- Use the filter condition assessment report in the design of the filter multimedia and underdrain nozzle replacement project. This project is a priority because of the criticality of filters in the treatment process and continued regulatory compliance.

- Complete important WTP tasks including potable water reservoir dive inspections for Tank 1, replacement of filter effluent valve actuators and cleanout of sludge Lagoons B and C.

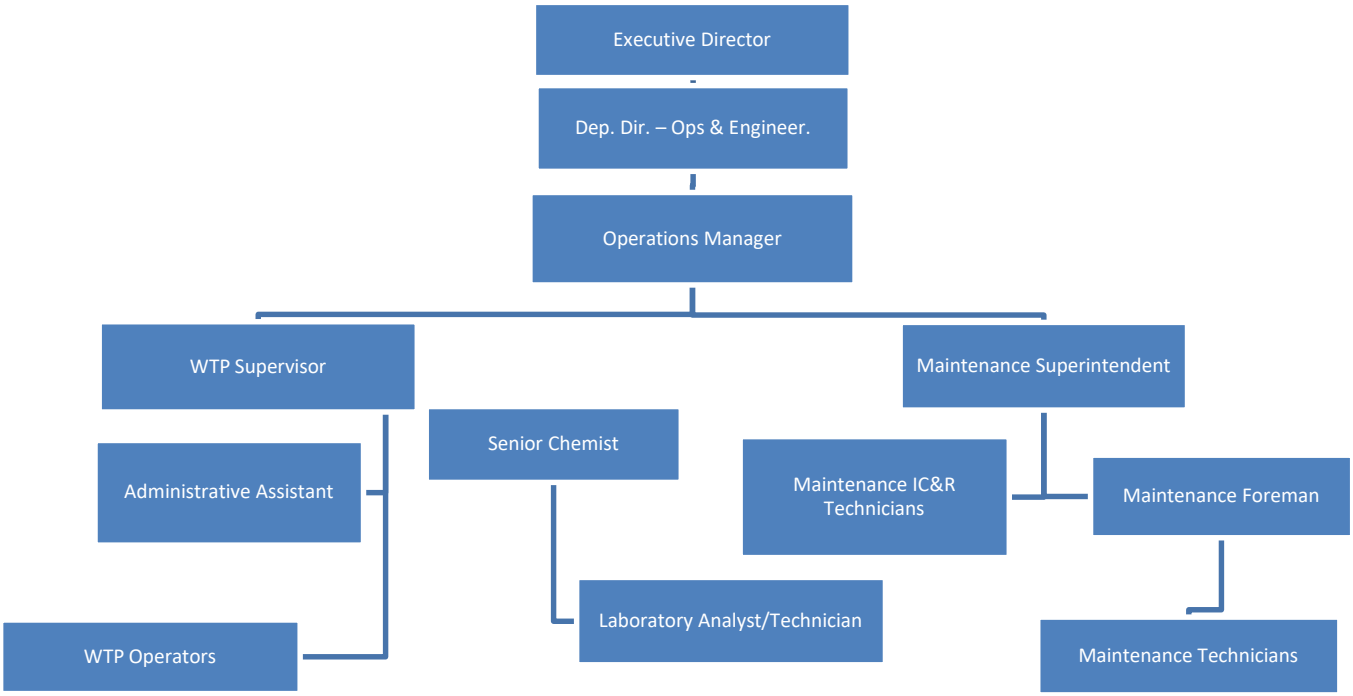
- Procure a lab charge analyzer to assist in coagulation optimization tool and facilitate a quick response time to rapidly changing raw water conditions. Jar testing is currently used to determine the coagulant dosage needed to successfully treat raw water and is a time intensive process. A lab charge analyzer will enable the coagulant dosage to be optimized more quickly, leading to chemical cost savings over time.

- Begin electrifying CCWA's vehicle fleet by installing an electrical vehicle charging station at the WTP and replacing an existing laboratory internal combustion engine vehicle with an electric battery vehicle.

- Initiate a facilities condition assessment to assess and document the condition of WTP and Distribution facilities. The majority of CCWA's facilities have been in operation for approximately 30 years and the assessment will increase the knowledge of their current state and assist with identification of capital needs over short and long-term horizons.

The Water Treatment Plant Department receives raw water from DWR, operates and maintains the Polonio Pass Water Treatment Plant and performs all chemical and biologic analyses required by the California Department of Public Health.

The Water Treatment Plant Department is supervised by the Water Treatment Plant Supervisor who is responsible for the day-to-day treatment plant operations, maintenance and laboratory functions.
The six (6) Plant Operators and one (1) Plant Operator Trainee operate the treatment plant and monitor the distribution pipeline on a full-time 24 hour per day basis. They place raw water orders to DWR based on system demand, treat the water according to current plant operating parameters, perform water quality analyses, monitor the plant and pipeline Supervisory Control and Data Acquisition (SCADA) system, and assist the maintenance and laboratory sections as required.



The Operations Manager will oversee CCWA's capital improvement projects and planning of construction and oversight of construction.

The Maintenance Superintendent oversees plant maintenance and supervises the two (2) Maintenance/IC&R Technicians and the Maintenance Lead. Together with available operations staff, they keep the treatment plant in full operation.

The Maintenance Foreman schedules the daily plant maintenance and directs the work of two (2) Maintenance Technicians.

The Senior Chemist and Laboratory Analyst operate the plant laboratory. All analyses required by the Environmental Protection Agency and Department of Public Health or needed for plant process control are either performed in-house or sent to a contract laboratory by the Senior Chemist. The Senior Chemist also submits all federal and state mandated reports, provides laboratory data to project participants, oversees the water sampling program, maintains all laboratory equipment, and trains Operations and Maintenance staff in laboratory safety and procedures.

The Maintenance Instrumentation Calibration and Repair Technicians repair instruments and electronics both at the Water Treatment Plant and along the Pipeline.

WATER TREATMENT PLANT DEPARTMENT OPERATING EXPENSE OVERVIEW

The expenses associated with operating the Water Treatment Plant are divided into fixed and variable O&M costs.

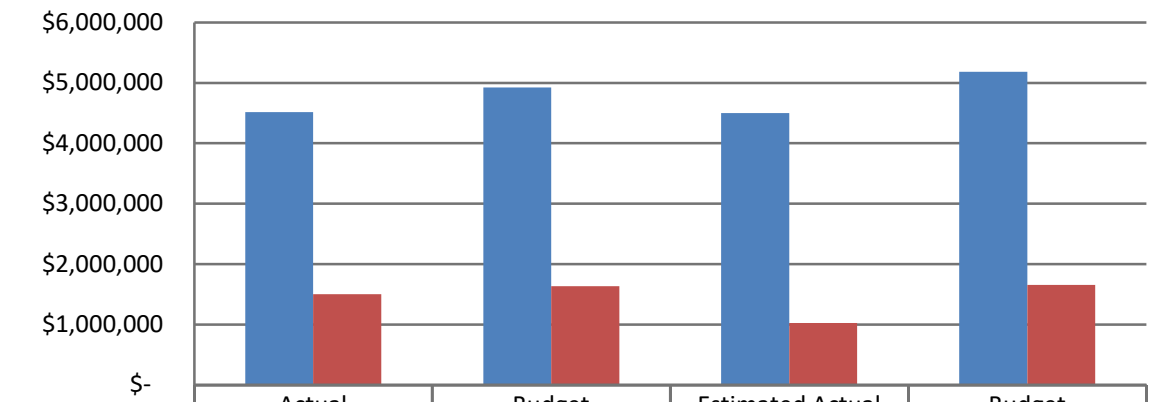
Fixed O&M Costs are costs of the treatment plant that do not vary with the amount of water processed at the treatment plant. These include personnel costs, professional services, general and administrative costs.

For FY 2026/27, the Water Treatment Plant fixed O&M costs total $5,184,657 or $262,058 more than the FY 2025/26 budget.

Variable O&M Costs are costs that vary with the amount of water processed at the treatment plant. These costs include chemical and electrical costs.

For FY 2026/27, the Water Treatment Plant variable O&M costs total $1,658,817 which is an increase of $21,190 from the FY 2025/26 budget. The FY 2026/27 variable O&M budget is comprised of $1,566,661 for chemical expenses and $92,155 for electrical costs based on treatment and delivery of 17,437 acre-feet of water for the year.

The following graph shows the allocation of fixed and variable O&M costs at the plant for the fiscal years indicated.



	Actual FY 2024/25	Budget FY 2025/26	Estimated Actual FY 2025/26	Budget FY 2026/27
Fixed Costs	$4,516,845	$4,922,599	$4,498,914	$5,184,657
Variable Costs	$1,504,754	$1,637,627	$1,025,000	$1,658,817

Variable O&M Costs Excluding San Luis Obispo County: San Luis Obispo County (SLO) does not pay for costs of dechloraminating water at the Santa Ynez Pumping Facility before the water is discharged into Lake Cachuma.

Allocation of Water Treatment Plant Expenses: All project participants pay for fixed costs at the Water Treatment Plant based on their State Water Table A allocation.

Fiscal Year 2026/27 Operating Expense Budget

The FY 2026/27 Water Treatment Plant operating expense budget is $6,843,473 which is $283,247 more than the previous year's budget of $6,560,226, a 4.32% increase.

The personnel expense section of the Water Treatment Plant budget represents approximately 54% of the budget. Supplies and equipment comprise 25% with other expenses making up the balance of the budget. The variable O&M expenses are included in the supplies and equipment and utilities section of the budget. The chart Regional Water Treatment Plant Allocation and Credit shows the allocation of the various components of the water treatment plant operating expense budget.

Personnel Expenses Total personnel expenses are increasing by about $209,286 when compared to the FY 2025/26 budget for the following reasons.

- The FY 2026/27 total salaries and wages budget for the Water Treatment Plant Department is increasing by $44,363 when compared to the prior fiscal year budget due to the 5% salary pool and reallocation of personnel between the Distribution and Water Treatment Plant departments.

- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by about $55,828. This is due to; 1) The 2026 CalPERS health insurance plan with the lowest premiums increased by 10.58% over the 2025 premiums, as opposed to the increase of 10% budgeted for the calendar year 2026; 2) The FY 2026/27 Budget also includes an estimated 12% increase in the health insurance premiums effective January 1, 2027. The health plan estimates are based on the elections of each employee at the time the budget is prepared.

- CalPERS retirement expenses are increasing by $93,456 over the prior fiscal year. The CCWA employer paid portion for "Classic" members in FY 25/26 is 18.376% as compared to the prior year amount of 18.396%, for a 0.02% decrease. The Unfunded Accrued Liability (UAL) as a percentage of payroll for "Classic" employees increased to 25.07% as compared to the prior year amount of 15.12%. As of FY 2026/27 the Water Treatment Plant Department has 11 CalPERS PEPRA member employees. The PEPRA employer contribution rate in FY 2026/27 decreased from 8.27% in FY 2025/26 to 8.24% in FY 2026/27 for a decrease in employer paid PEPRA contribution rate of 0.03%.

- The FY 2026/27 Budget includes $124,232 for deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Supplies and Equipment Supplies and equipment are increasing by about $123,584 because of an increased amount and price of chemicals. Estimates are based on historical data and the costs of treatment are directly related to changes in water quality.

Monitoring Expenses Monitoring expenses are increasing $5,900 due to additional lab supplies and equipment needed as identified by the Senior Chemist for FY 2026/27.

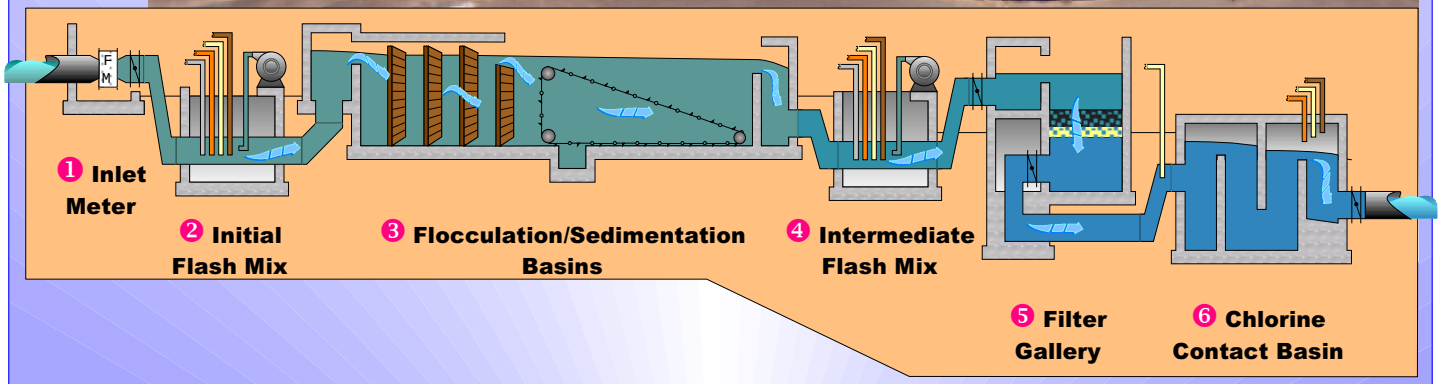
Repairs and Maintenance Repairs and Maintenance expenses are decreasing by $12,200 over the prior year due to a decrease in anticipated landscape maintenance.

Professional Services Professional service expenses are increasing by $5,000 over the prior year largely due to a need for additional engineering services.

General and Administrative General and administrative expenses increased about $300.

Utilities Utility expenses are decreasing by approximately $94,081 due to variable and fixed electric expenses based on expected deliveries.

Other Expenses Other expenses are increasing by approximately $45,458 due to an increase in insurance costs, computer expenses and equipment rental.



Polonio Pass Water Treatment Plant

Central Coast Water Authority

Regional Water Treatment Plant Allocation

Instead of building a pipeline around or through Lake Cachuma to the South Coast to convey State water to the South Coast project participants, the Authority is conveying State water using the lake and existing conveyance facilities. The water is dechloraminated (de-treated) at the Santa Ynez Pumping Facility before it is discharged into the lake.

Since the South Coast project participants must "re-treat" the State water that is delivered from Lake Cachuma, they would effectively be paying twice to treat the water if the Regional Water Treatment Plant Allocation agreement was not in place. Initial treatment occurs at the Polonio Pass Water Treatment Plant and retreatment occurs at the various South Coast project participants' treatment plants.

The Regional Water Treatment Plant Allocation is a credit financed by Santa Barbara County project participants which directly receive treated State water from the Coastal Branch Extension or CCWA pipeline. The credit is applied to the South Coast project participants to cover their costs to retreat State water. In short, the purpose of this credit is to ensure that all Authority project participants pay the same cost to treat State water. The treatment plant capital and fixed and variable operating and maintenance costs are included in the Regional Water Treatment Plant Allocation calculation.

The Regional Water Treatment Plant Allocation computations also take into account the effect of the Santa Ynez Exchange Agreement on certain project participants (*see "Santa Ynez Exchange Agreement" included in this section of the Budget*).

The following tables show the calculation of the FY 2026/27 Regional Water Treatment Plant Allocation and Credit.

Central Coast Water Authority

Regional Water Treatment Plant Allocation and Credit

FY 2026/27 Budget

Project Participant	*Allocated Table A* [1] Table A Amount	Exchange Deliveries	Allocated Table A	Allocated Table A Percentage	*Unadjusted Fixed* WTP Fixed Operating Costs [2]	Imputed WTP Debt Service Costs	Total Unadjusted Fixed	*Adjusted Fixed* [4] Capital Retreatment Adjustment	Fixed O&M Retreatment Adjustment	Total Adjusted Fixed	**Fixed Retreatment Charge** [5] Allocated Table A % SB County	Fixed Retreatment Adjustments	Cost Per AF of Allocated Table A Amount
Guadalupe	550		550	1.25%	$ 93,833		$ 93,833	$ -	$ 121,682	$ 121,682	1.41%	$ 27,849	$ 50.63
Santa Maria	16,200		16,200	36.90%	2,763,822		2,763,822	-	3,584,100	3,584,100	41.46%	820,278	50.63
Golden State Water	500		500	1.14%	85,303		85,303	-	110,620	110,620	1.28%	25,317	50.63
VAFB	5,500		5,500	12.53%	938,335		938,335	-	1,216,824	1,216,824	14.07%	278,489	50.63
Buellton	578		578	1.32%	98,610		98,610	-	127,877	127,877	1.48%	29,267	50.63
Santa Ynez (Solvang)	1,500		1,500	3.42%	255,909		255,909	-	331,861	331,861	3.84%	75,952	50.63
Santa Ynez	500	2,152	2,652	6.04%	452,448		452,448	-	586,730	586,730	6.79%	134,282	50.63
Goleta	4,500	(775)	3,725	8.48%	635,481		635,481	-	824,086	824,086	9.53%	188,605	50.63
Morehart	200	-	200	0.46%	34,121		34,121	-	44,248	44,248	0.51%	10,127	50.63
La Cumbre	1,000	-	1,000	2.28%	170,606		170,606	-	221,241	221,241	2.56%	50,634	50.63
Raytheon	50	-	50	0.11%	8,530		8,530	-	11,062	11,062	0.13%	2,532	50.63
Santa Barbara	3,000	(515)	2,485	5.66%	423,882		423,882	-	549,686	549,686	6.36%	125,804	50.63
Montecito	3,000	(515)	2,485	5.66%	423,882		423,882	-	549,686	549,686	6.36%	125,804	50.63
Carpinteria	2,000	(346)	1,654	3.77%	282,190		282,190	-	365,941	365,941	4.23%	83,751	50.63
SB County Subtotal:	39,078	-	39,078	89.00%	6,666,953	-	6,666,953	-	8,645,645	8,645,645	100.00%	1,978,692	50.63
SLO County	4,830	-	4,830	11.00%	824,028		824,028	-	-	-		-	
TOTAL:	43,908		43,908	100.00%	$ 7,490,982		$ 7,490,982	$ -	$ 8,645,645	$ 8,645,645	100.00%	$ 1,978,692	

Fixed Retreatment Allocation Factor

Total South Coast Table A	11,598
Total SB County Table A	39,078
Subtotal:	50,676
South Coast Retreated %	**1.30**

Total Adjusted Fixed (SB County)	$ 8,645,645
Total Unadjusted Fixed Costs (SB County)	6,666,953
Fixed WTP Allocation Amount	$ 1,978,692

Project Participant	*South Coast Fixed Retreatment Credits* [6] South Coast Allocated Table A	South Coast Allocated Table A %	South Coast Fixed Credit	Credit/AF On Allocated Table A
Guadalupe				
Santa Maria				
Golden State Water				
VAFB				
Buellton				
Santa Ynez (Solvang)				
Santa Ynez				
Goleta	3,725	32.12%	$ (635,481)	$ (170.61)
Morehart	200	1.72%	(34,121)	(170.61)
La Cumbre	1,000	8.62%	(170,606)	(170.61)
Raytheon	50	0.43%	(8,530)	(170.61)
Santa Barbara	2,485	21.42%	(423,882)	(170.61)
Montecito	2,485	21.42%	(423,882)	(170.61)
Carpinteria	1,654	14.26%	(282,190)	(170.61)
SB County Subtotal:	11,598	100.00%	(1,978,692)	
SLO County	-	0.00%	-	
TOTAL:	11,598	100.00%	$ (1,978,692)	

(1) Allocated Table A represents Table A contract amount, minus exchange deliveries for the South Coast project participants plus exchange deliveries for Santa Ynez ID#1.
(2) Unadjusted Fixed Operating Costs represents the WTP fixed O&M costs allocated to all project participants in proportion to contract Table A amounts.
(4) Adjusted Fixed amounts represents the unadjusted WTP fixed costs times the Fixed Retreatment Allocation Factor.
(5) Fixed Retreatment Charge represents the difference between the unadjusted fixed costs and the adjusted fixed costs, allocated in proportion to the Santa Barbara County allocated Table A percentage.
(6) South Coast Fixed Retreatment Credits represents the fixed credits allocated to the South Coast agencies in proportion to the South Coast allocated Table A amounts.

Central Coast Water Authority

Regional Water Treatment Plant Allocation and Credit

FY 2026/27 Budget

Page 2

	WTP Requested Water Deliveries			***WTP Variable Operating Costs***				***South Coast Variable Retreatment Credits***				***TOTAL***	
Project Participant	Requested Deliveries	Exchange Deliveries	Net Deliveries	WTP Variable Costs	Variable Retreatment Adjustment	Retreatment Variable Allocation	Retreatment Variable Cost Per AF	South Coast Actual Deliveries	South Coast Delivery Percentage	South Coast Variable Credit	Credit/AF On Actual Deliveries	Fixed & Variable Retreatment	Fixed & Variable Credits
Guadalupe	50		50	$ 4,757	$ 4,872	$ 115	$ 2.31					$ 27,964	
Santa Maria	6,800		6,800	646,898	662,583	15,686	2.31					835,964	
Golden State Water	185		185	17,599	18,026	427	2.31					25,744	
VSFB	2,830		2,830	269,224	275,752	6,528	2.31					285,017	
Buellton	270		270	25,686	26,308	623	2.31					29,890	
Santa Ynez (Solvang)	590		590	56,128	57,489	1,361	2.31					77,313	
Santa Ynez	-	2,152	2,152	204,724	209,688	4,964	2.31					139,247	
Goleta	775	(775)	-	-	-	-		-	0.00%	$ -		188,605	$ (635,481)
Morehart	-	-	-	-	-	-		-	0.00%	-		10,127	(34,121)
La Cumbre	320	-	320	30,442	31,180	738	2.31	320	100.00%	(30,442)	(95.13)	51,373	(201,049)
Raytheon	-	-	-	-	-	-		-	0.00%	-		2,532	(8,530)
Santa Barbara	515	(515)	-	-	-	-		-	0.00%	-		125,804	(423,882)
Montecito	515	(515)	-	-	-	-		-	0.00%	-		125,804	(423,882)
Carpinteria	346	(346)	-	-	-	-		-	0.00%	-		83,751	(282,190)
SB County Subtotal:	13,197	-	13,197	1,255,457	1,285,899	30,442	2.31	320	100.00%	(30,442)		2,009,134	(2,009,134)
SLO County	4,240		4,240	403,360	-			-	0.00%	-		-	-
TOTAL:	17,437	-	17,437	$ 1,658,817	$ 1,285,899	$ 30,442		320	100.00%	$ (30,442)		$ 2,009,134	$ (2,009,134)

Variable Retreatment Allocation Factor

Total South Coast Deliveries	320
Total SB County Deliveries	13,197
Subtotal:	13,517

Santa Ynez Exchange Agreement

On January 1, 1995 the Authority purchased a five-mile long pipeline from Santa Ynez River Water Conservation District, Improvement District #1 (SYID#1) to convey State water into Lake Cachuma for delivery to certain Santa Barbara County South Coast project participants who are also Cachuma Project members.

SYID#1 has a contract with the U.S. Bureau of Reclamation for water from the Cachuma Project and, until January 1, 1995, owned the pipeline which extends from Lake Cachuma to the Santa Ynez area. This pipeline was used to deliver water from Lake Cachuma to SYID#1.

The Authority acquired the Cachuma pipeline from SYID#1 under the Santa Ynez River/State Water Project Exchange Agreement (the "Santa Ynez Exchange Agreement"). Also, water stored at Lake Cachuma which would normally be delivered to SYID#1 is exchanged for an equal amount of State water delivered to the Santa Ynez turnout. This State water originally ordered by the South Coast project participants is exchanged with SYID#1 Cachuma Lake water.

SYID#1 pays the variable and fixed costs to treat exchanged water as well as regional water treatment plant allocations (*see "Regional Water Treatment Plant Allocation" narrative included in this section*).

The benefits of exchange are:

- SYID#1 does not have to build a treatment plant to treat its Cachuma water because it will instead receive State water.

- The South Coast project participants obtain water at a reduced cost because they are purchasing less expensive Cachuma water from SYID#1. The South Coast project participants are also reimbursed for fixed capital and variable treatment costs for the State water that is delivered to and paid for by SYID#1. Additionally, the South Coast project participants do not pay for power and Warren Act charges for the exchanged State water that would otherwise be delivered to the lake.

- All the South Coast project participants' Santa Ynez II reach capital costs are reduced because an existing pipeline was acquired to convey State water from the Santa Ynez area to the lake. Otherwise, the Authority would have had to construct an additional five miles of new pipeline at much greater expense.

Under the Santa Ynez Exchange Agreement, the South Coast project participants are required to take delivery of an amount of water that equals or exceeds SYID#1's annual allocation of Cachuma water.

The following tables show the FY 2026/27 Santa Ynez Exchange Agreement modifications.

Central Coast Water Authority

Santa Ynez Exchange Agreement Modifications

FY 2026/27 Budget

	Table A Amounts			*WTP Fixed O&M Exchange Modifications*			*WTP Capital Exchange Modifications*			
Project Participant	Table A Amount	Exchange Deliveries	Table A Percentage	WTP Fixed Operating Costs	WTP Fixed O&M Cost Per AF	WTP Fixed O&M Exchange Adjustments	Imputed WTP Debt Service Costs	Imputed WTP Debt Service Per AF	WTP Capital Exchange Adjustments	Total Fixed Exchange Mods
Guadalupe	550		1.25%	$ 93,833	$ 170.61	$ -	$ -	$ -	$ -	$ -
Santa Maria	16,200		36.90%	2,763,822	170.61	-	-	-	-	-
Golden State Water	500		1.14%	85,303	170.61	-	-	-	-	-
VSFB	5,500		12.53%	938,335	170.61	-	-	-	-	-
Buellton	578		1.32%	98,610	170.61	-	-	-	-	-
Santa Ynez (Solvang)	1,500		3.42%	255,909	170.61	-	-	-	-	-
Santa Ynez	500	2,152	1.14%	85,303	170.61	367,145	-	-	-	367,145
Goleta	4,500	(775)	10.25%	767,728	170.61	(132,247)	-	-	-	(132,247)
Morehart	200	-	0.46%	34,121	170.61	-	-	-	-	-
La Cumbre	1,000	-	2.28%	170,606	170.61	-	-	-	-	-
Raytheon	50	-	0.11%	8,530	170.61	-	-	-	-	-
Santa Barbara	3,000	(515)	6.83%	511,819	170.61	(87,937)	-	-	-	(87,937)
Montecito	3,000	(515)	6.83%	511,819	170.61	(87,937)	-	-	-	(87,937)
Carpinteria	2,000	(346)	4.55%	341,213	170.61	(59,023)	-	-	-	(59,023)
SB County Subtotal:	39,078	-	89.00%	6,666,953		-	-		-	-
SLO County	4,830	-	11.00%	824,028			-			
TOTAL:	43,908		100.00%	$ 7,490,982		$ -	$ -			$ -

	WTP Requested Water Deliveries			*WTP Variable Exchange Modifications*			*Total Exchange Modifications*	
Project Participant	Requested Deliveries	Exchange Deliveries	Net Deliveries	WTP Variable Costs	WTP Variable Costs Per Acre-Foot	Variable Exchange Modifications	**TOTAL EXCHANGE MODIFICATIONS**	Cost (Credit) Per Acre-Foot
Guadalupe	50		50	$ 4,757	$ 95.13	-	-	
Santa Maria	6,800		6,800	646,898	95.13	-	-	
Golden State Water	185		185	17,599	95.13	-	-	
VSFB	2,830		2,830	269,224	95.13	-	-	
Buellton	270		270	25,686	95.13	-	-	
Santa Ynez (Solvang)	590		590	56,128	95.13	-	-	
Santa Ynez	-	2,152	2,152	-	95.13	$ 204,724	$ 571,869	$ 265.74
Goleta	775	(775)	-	73,743	95.13	(73,743)	(205,990)	$ (265.74)
Morehart	-	-	-	-	-	-	-	
La Cumbre	320	-	320	30,442	95.13	-	-	
Raytheon	-	-	-	-	-	-	-	
Santa Barbara	515	(515)	-	49,035	95.13	(49,035)	(136,972)	$ (265.74)
Montecito	515	(515)	-	49,035	95.13	(49,035)	(136,972)	$ (265.74)
Carpinteria	346	(346)	-	32,912	95.13	(32,912)	(91,935)	$ (265.74)
SB County Subtotal:	13,197	-	13,197	1,255,457		(0)		
SLO County	4,240		4,240	403,360		-		
TOTAL:	17,437	-	17,437	$ 1,658,817		$ (0)		$ -

Central Coast Water Authority

Personnel Services Summary

Water Treatment Plant Department

Fiscal Year 2026/27 Budget

PERSONNEL COUNT SUMMARY

Position Title	Number Auth. FY 2024/25	Number Auth. FY 2025/26	Number Requested FY 2026/27	Change Over FY 2024/25	Change Over FY 2025/26
Executive Director (1)	0.25	0.25	0.25	-	-
Deputy Director of Operations (2)	0.35	0.35	0.35	-	-
Operations Manager (3)	0.35	0.35	0.35	-	-
WTP Supervisor	1.00	1.00	1.00	-	-
Maintenance Superintendent (4)	0.60	0.60	0.60	-	-
Maintenance Foreman	1.00	1.00	1.00	-	-
Safety Officer (5)	0.25	0.50	0.50	0.25	-
Senior Chemist	1.00	1.00	1.00	-	-
Maintenance Technician	2.00	2.00	2.00	-	-
IT/Instrumentation & Control Specialist	-	0.20	0.20	0.20	-
Maintenance, IC&R Technicians (6)	1.60	1.60	1.60	-	-
WTP Operators	5.00	6.00	5.00	-	(1.00)
WTP Operator Trainee	1.00	-	1.00	-	1.00
Laboratory Analyst	1.00	1.00	1.00	-	-
Administrative Assistant	0.75	0.75	0.75	-	-
TOTAL:	16.15	16.60	16.60	0.45	-

PERSONNEL WAGE SUMMARY

Position Title	No. of Emp.	Position Classification	Minimum Monthly Salary	Maximum Monthly Salary	FY 2025/26 Total Annual Salary	Allocation to WTP Dept.
Executive Director (1)	1	N/A	N/A	N/A	$ 325,000	$ 81,250
Deputy Director of Operations (2)	1	62	$ 18,443	$ 22,500	$ 261,539	$ 91,539
Operations Manager (3)	1	46	$ 13,655	$ 16,659	$ 170,000	$ 59,500
WTP Supervisor	1	38	$ 11,500	$ 14,030	$ 159,474	$ 159,474
Maintenance Superintendent (4)	1	38	$ 11,500	$ 14,030	$ 160,805	$ 96,483
Safety Officer (5)	1	38	$ 11,500	$ 14,030	$ 163,446	$ 81,723
Senior Chemist	1	29	$ 9,480	$ 11,565	$ 134,722	$ 134,722
Maintenance Foreman	1	26	$ 8,888	$ 10,844	$ 120,765	$ 120,765
Maintenance Technicians	2	19	$ 7,648	$ 9,331	$ 202,197	$ 202,197
IT/Instrumentation & Control Specialist (7)	1	28	$ 9,278	$ 11,320	$ 112,923	$ 22,585
Maintenance, IC&R Technicians (6)	2	26	$ 8,888	$ 10,844	$ 221,520	$ 177,216
WTP Operators	5	23	$ 8,334	$ 10,168	$ 647,837	$ 555,610
WTP Trainee	1	20	$ 7,814	$ 9,533	$ 882,546	$ 92,227
Laboratory Analyst	1	19	$ 7,648	$ 9,331	$ 96,096	$ 96,096
Administrative Assistant	1	11	$ 6,441	$ 7,858	$ 65,707	$ 65,707
FY 2025/26 Salary Pool						$ 97,698
TOTAL:						$2,134,791

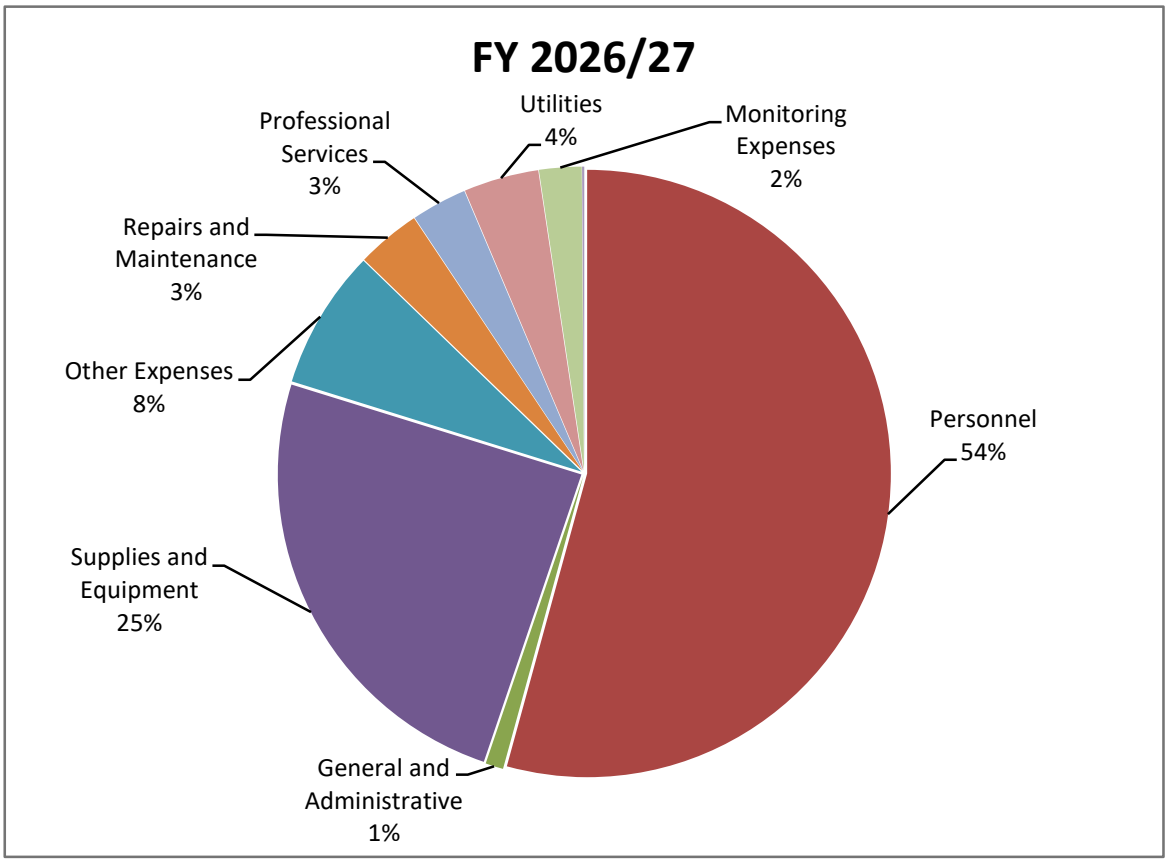
(1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).
(2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
(3) The Operations Manager is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
(4) The Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).
(5) The Safety Officer (previous title Regulatory Spec.) is allocated to Water Treatment Plant (50%) and Distribution (50%).
(6) The two Maintenance, IC&R Techs are allocated to Water Treatment Plant (80%) and Distribution (20%).
(7) The IT/Instrumentation & Control Specialist is allocated to Water Treatment Plant (20%) and Distribution (80%).

Central Coast Water Authority

Water Treatment Plant Department Operating Expenses

Fiscal Year 2026/27 Budget

Item	FY 2026/27 Budget
Personnel	$ 3,713,623
Office Expenses	8,000
Supplies and Equipment	1,682,161
Monitoring Expenses	154,000
Repairs and Maintenance	234,500
Professional Services	203,000
General and Administrative	65,000
Utilities	274,155
Other Expenses	509,034
TOTAL:	$ 6,843,473

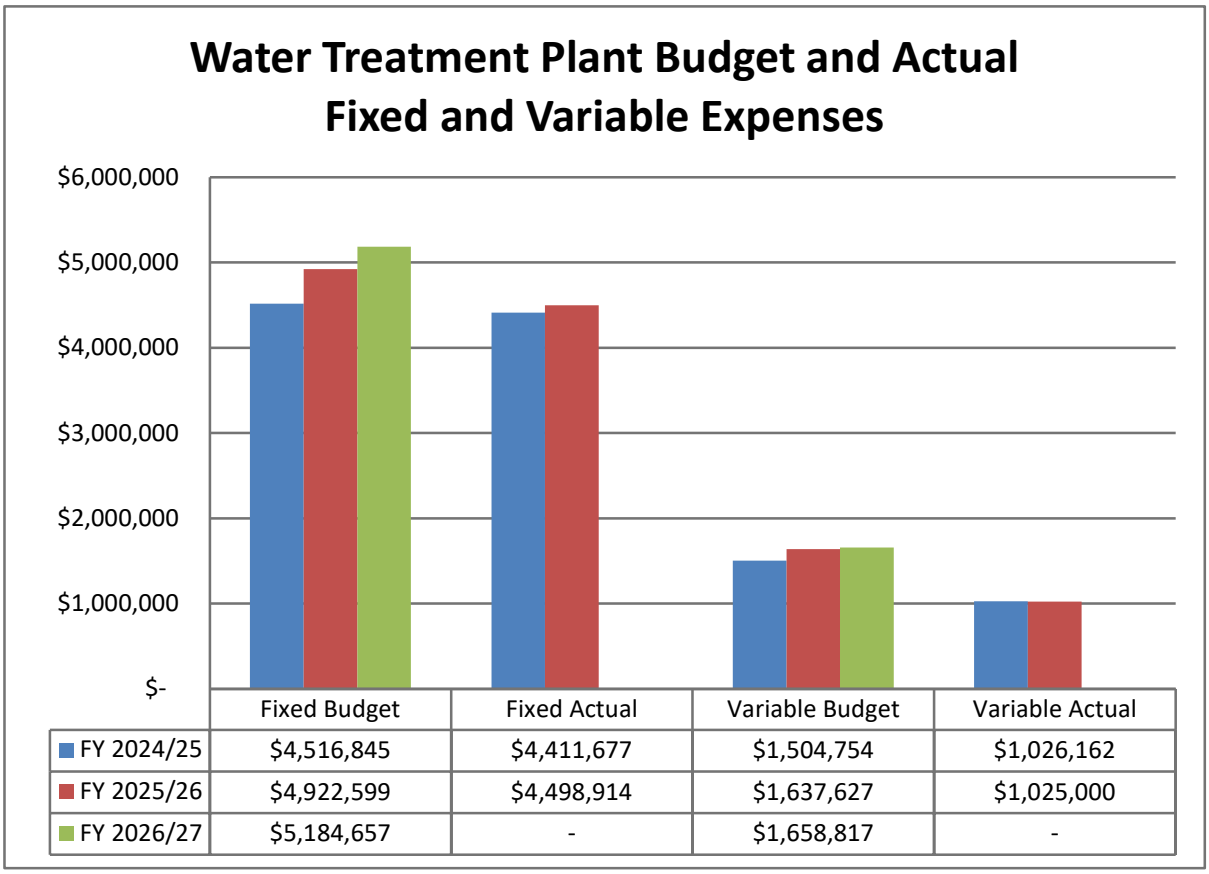


Central Coast Water Authority

Water Treatment Plant Department Operating Expenses

Fiscal Year 2026/27 Budget

Item	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget
Personnel	$ 3,300,956	$ 3,149,041	$ 3,504,337	$ 3,216,883	$ 3,713,623
Office Expenses	7,500	5,758	8,000	8,000	8,000
Supplies and Equipment	1,448,040	1,036,152	1,558,577	1,069,500	1,682,161
Monitoring Expenses	120,497	124,576	148,100	158,310	154,000
Repairs and Maintenance	202,100	242,818	246,700	206,218	234,500
Professional Services	174,402	177,559	198,000	194,000	203,000
General and Administrative	60,990	42,750	64,700	58,756	65,000
Utilities	314,525	244,504	368,236	247,532	274,155
Other Expenses	392,589	414,681	463,576	364,715	509,034
Total:	$ 6,021,599	$ 5,437,839	$ 6,560,226	$ 5,523,914	$ 6,843,473



Central Coast Water Authority

Water Treatment Plant Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	PERSONNEL EXPENSES							
5000.10	Full-Time Regular Wages	$ 1,937,932	$ 1,845,767	$ 2,090,427	$ 1,870,903	$ 2,134,791	$ 44,363	2.12%
5000.20	Overtime	96,897	127,697	104,521	104,521	106,740	2,218	2.12%
5000.40	Standby Pay	41,002	43,907	42,409	42,409	41,933	(476)	-1.12%
5000.50	Shift Differential Pay	29,306	28,960	29,765	29,765	30,242	477	1.60%
5100.10	PERS Retirement	496,460	483,501	512,731	512,731	606,187	93,456	18.23%
5100.15	Medicare Taxes	31,038	29,866	33,558	30,356	34,344	786	2.34%
5100.20	Health/Dental/Vision Plans	392,846	366,028	433,010	390,016	488,838	55,828	12.89%
5100.25	Workers' Compensation	45,621	32,607	38,474	38,474	39,233	758	1.97%
5100.30	Vehicle Expenses			-		-	-	
5100.35	Retiree Medical Future Liability Dep.	109,187	109,187	97,938	97,938	124,232	26,294	26.85%
5100.40	Cafeteria Plan Benefits	-		-		-	-	N/A
5100.45	Dental/Vision Plan	-		-		-	-	N/A
5100.50	Long-Term Disability	9,990	8,648	10,777	9,000	11,003	225	2.09%
5100.55	Life Insurance	11,216	12,481	13,008	14,020	13,371	363	2.79%
5100.60	Employee Physicals	1,615	815	1,750	1,750	1,750	-	0.00%
5000.30	Certification Incentive Pay	11,134	11,271	11,768	14,000	14,461	2,693	22.89%
5100.80	Employee Incentive Programs/457 Plan	85,712	48,306	82,700	60,000	65,000	(17,700)	-21.40%
5100.65	Employee Education Reimbursement	1,000		1,500	1,000	1,500	-	0.00%
5100.86	Benefits-Non-Capitalized Projects	-		-		-	-	N/A
	Total Personnel Expenses:	3,300,956	3,149,041	3,504,337	3,216,883	3,713,623	209,286	5.97%

Central Coast Water Authority

Water Treatment Plant Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	OFFICE EXPENSES							
5200.20	Office Supplies	3,000	1,829	3,500	3,500	3,500	-	0.00%
5200.30	Miscellaneous Office Expenses	4,500	3,929	4,500	4,500	4,500	-	0.00%
	Total Office Expenses:	7,500	5,758	8,000	8,000	8,000	-	0.00%
	SUPPLIES AND EQUIPMENT							
5500.10	Uniform Expenses	14,800	13,769	19,000	19,000	19,000	-	0.00%
5500.15	Minor Tools and Equipment	7,000	7,393	10,000	10,000	10,000	-	0.00%
5500.20	Spare Parts	-	-	-		-	-	N/A
5500.25	Landscape Equipment and Supplies	500	-	1,500	500	1,500	-	0.00%
5500.30	Chemicals-Fixed	-	-	-		-	-	N/A
5500.31	Chemicals-Variable	1,357,240	955,301	1,443,077	955,000	1,566,661	123,584	8.56%
5500.35	Maintenance Supplies/Hardware	10,000	3,213	10,000	10,000	10,000	-	0.00%
5500.40	Safety Supplies	11,500	21,533	25,000	25,000	25,000	-	0.00%
5500.45	Fuel and Lubricants	42,000	34,943	45,000	45,000	45,000	-	0.00%
5500.50	Seed/Erosion Control Supplies	5,000		5,000	5,000	5,000	-	0.00%
5500.55	Backflow Prevention Supplies	-	-	-	-	-	-	N/A
	Total Supplies and Equipment:	1,448,040	1,036,152	1,558,577	1,069,500	1,682,161	123,584	7.93%
	MONITORING EXPENSES							
5600.10	Lab Supplies	101,834	111,119	130,000	124,222	125,000	(5,000)	-3.85%
5600.20	Lab Tools and Equipment	2,600	4,309	2,600	9,000	13,000	10,400	400.00%
5600.30	Lab Testing	16,063	9,148	15,500	25,088	16,000	500	3.23%
	Total Monitoring Expenses:	120,497	124,576	148,100	158,310	154,000	5,900	3.98%

Central Coast Water Authority

Water Treatment Plant Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	REPAIRS AND MAINTENANCE							
5700.10	Equipment Repairs and Maintenance	148,500	192,862	175,000	137,250	175,000	-	0.00%
5700.20	Vehicle Repairs and Maintenance	6,000	11,301	10,000	20,000	10,000	-	0.00%
5700.30	Building Maintenance	42,600	28,869	40,700	33,968	41,500	800	1.97%
5700.40	Landscape Maintenance	5,000	9,786	21,000	15,000	8,000	(13,000)	-61.90%
	Total Repairs and Maintenance:	202,100	242,818	246,700	206,218	234,500	(12,200)	-4.95%
	PROFESSIONAL SERVICES							
5400.10	Professional Services	89,152	107,876	97,000	97,000	97,000	-	0.00%
5400.20	Legal Services	-	3,040	-		-	-	N/A
5400.30	Engineering Services	30,000	23,089	45,000	45,000	50,000	5,000	11.11%
5400.40	Permits	55,250	43,554	56,000	52,000	56,000	-	0.00%
5400.50	Non-Contractual Services	-		-		-	-	N/A
5400.60	Accounting Services	-	-	-	-	-	-	N/A
	Total Professional Services:	174,402	177,559	198,000	194,000	203,000	5,000	2.53%
	GENERAL AND ADMINISTRATIVE							
5300.10	Meeting and Travel	18,000	11,597	20,000	20,000	20,000	-	0.00%
5300.20	Mileage Reimbursement	500	-	500	-	500	-	0.00%
5300.30	Dues and Memberships	10,740	9,394	10,700	10,700	11,000	300	2.80%
5300.40	Publications	1,500	101	1,500	1,500	1,500	-	0.00%
5300.50	Training	23,250	17,940	25,000	15,256	25,000	-	0.00%
5300.60	Advertising	2,000	1,332	2,000	2,000	2,000	-	0.00%
5300.80	Postage	5,000	2,386	5,000	9,300	5,000	-	0.00%
	Total General and Administrative:	60,990	42,750	64,700	58,756	65,000	300	0.46%

Central Coast Water Authority

Water Treatment Plant Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	UTILITIES							
5800.20	Natural Gas	9,000	15,007	9,000	11,324	9,000	-	0.00%
5800.30	Electric-Fixed	136,256	142,864	149,886	149,892	156,000	6,114	4.08%
5800.31	Electric-Variable	147,514	70,861	194,550	70,000	92,155	(102,394)	-52.63%
5800.40	Water	-	-	-		-	-	N/A
5800.50	Telephone	15,085	5,404	8,000	6,316	8,000	-	0.00%
5800.60	Waste Disposal	6,670	10,368	6,800	10,000	9,000	2,200	32.35%
	Total Utilities:	314,525	244,504	368,236	247,532	274,155	(94,081)	-25.55%
	OTHER EXPENSES							
5900.10	Insurance	161,518	153,638	181,047	178,708	210,157	29,110	16.08%
5900.30	Non-Capitalized Projects (1)	-					-	N/A
5900.40	Equipment Rental	23,100	28,497	50,000	50,000	53,000	3,000	6.00%
5900.50	Non-Capitalized Equipment	10,000	105,158	10,000	10,000	20,000	10,000	100.00%
5900.60	Computer Expenses	109,405	127,388	126,007	126,007	124,217	(1,790)	-1.42%
5900.70	Appropriated Contingency	88,566	-	96,522	-	101,660	5,138	5.32%
	Total Other Expenses:	392,589	414,681	463,576	364,715	509,034	45,458	9.81%
	TOTAL OPERATING EXPENSES	$ 6,021,599	$ 5,437,839	$ 6,560,226	$ 5,523,914	$ 6,843,473	$ 283,247	4.32%

(1) Effective July 1, 2018 Non-Capitalized Projects will be found in the Capital Improvement and Non-Capital Projects section of the budget.

5,379,780

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5000.10 **ACCOUNT TITLE:** Full-Time Regular Salaries

Description: Funds for the WTP staff salaries. Includes $97,698 for the FY 2026/27 salary pool.

FY 26/27 Requested Budget	2,134,791
FY 25/26 Estimated Actual	1,870,903
Increase (Decrease)	263,887

ACCOUNT NUMBER: 5000.20 **ACCOUNT TITLE:** Overtime

Description: Funds for overtime expenses for non-exempt WTP employees. Overtime is set at 5% of salaries.

FY 26/27 Requested Budget	106,740
FY 25/26 Estimated Actual	93,545
Increase (Decrease)	13,194

ACCOUNT NUMBER: 5000.30 **ACCOUNT TITLE:** Certification Incentive Pay

Description: 2.5% pay increase for each certifcation above the required certification

FY 26/27 Requested Budget	14,461
FY 25/26 Estimated Actual	10,354
Increase (Decrease)	4,107

Total $ 14,461

ACCOUNT NUMBER: 5000.40 **ACCOUNT TITLE:** Stand-by Pay

Description: Funds for stand-by pay for one Distribution employee assigned to stand-by duty on a 24-hour basis. Based on $2.71 per hour (5% of average hourly rate) for 8,760 hours for WTP operators, and 8,760 hours at $3.12 per hour for Instrumentation and Control employee stand-by pay (2/3 to WTP and 1/3 to Distribution).

FY 26/27 Requested Budget	41,933
FY 25/26 Estimated Actual	41,750
Increase (Decrease)	183

ACCOUNT NUMBER: 5000.50 **ACCOUNT TITLE:** Shift Differential Pay

Description: Funds for shift employee pay for WTP operators is based on $3.40 per hour (5% or 7.5% of average hourly rate) for shift pay.

FY 26/27 Requested Budget	30,242
FY 25/26 Estimated Actual	24,662
Increase (Decrease)	5,579

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5100.10 **ACCOUNT TITLE:** PERS Retirement

FY 26/27 Requested Budget	606,187
FY 25/26 Estimated Actual	512,731
Increase (Decrease)	93,456

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 43.446% contribution rate for FY 2026/27 which includes the required Unfunded Accrued Liability (UAL) payment.

Required Contributions	$	283,150	18.376%
UAL current fiscal year		253,753	25.070%
UAL additional payment		69,284	fixed
TOTAL	$	606,187	

ACCOUNT NUMBER: 5100.15 **ACCOUNT TITLE:** Medicare

FY 26/27 Requested Budget	34,344
FY 25/26 Estimated Actual	30,356
Increase (Decrease)	3,988

Description: Funds for the employer portion of Medicare taxes for the WTP department. Amount is equal to 1.45% of all wages and salaries.

ACCOUNT NUMBER: 5100.20 **ACCOUNT TITLE:** Health Insurance

FY 26/27 Requested Budget	381,120
FY 25/26 Estimated Actual	338,673
Increase (Decrease)	42,448

Description: Funds for employer paid portion of health insurance for WTP employees. Based on employee 2026 Café Plan elections. Includes an estimated 12% premium increase in 2027 rates.

	2026 Allowance	*2027 Allowance Est*
Family	$ 29,836	$ 33,416
Emp + 1	22,951	25,705
Employee only	11,475	12,852

ACCOUNT NUMBER: 5100.25 **ACCOUNT TITLE:** Workers' Compensation Insurance

FY 26/27 Requested Budget	39,233
FY 25/26 Estimated Actual	38,474
Increase (Decrease)	759

Description: Funds for Workers' Compensation insurance for the WTP Department. Based on an X-Mod rate of 62% and economy of size rate of 90%.

ACCOUNT NUMBER: 5100.35 **ACCOUNT TITLE:** Retiree Medical Future Liability Deposit

FY 26/27 Requested Budget	124,232
FY 25/26 Estimated Actual	97,938
Increase (Decrease)	26,294

Description: Actuarially determined contributions to fund the estimated future liability for the required minimum contribution component (PEMHCA) of the CalPERS health plan and the retiree health costs for vested employees age 62 and over retiring from CCWA with at least 10 years of CCWA service. Costs are based on the number of active and covered employees and retirees.

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5100.40 **ACCOUNT TITLE:** Cafeteria Plan Benefits

FY 26/27 Requested Budget	40,399
FY 25/26 Estimated Actual	18,000
Increase (Decrease)	22,399

Description: Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the employees based on each employee's benefit election.

ACCOUNT NUMBER: 5100.45 **ACCOUNT TITLE:** Dental/Vision Plan

FY 26/27 Requested Budget	67,318
FY 25/26 Estimated Actual	33,343
Increase (Decrease)	33,975

Description: Funds for the self-funded dental/vision plan. The plan provides $5,327 per year per family for dental and vision expenses. Budgeted amount is $3,995 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

ACCOUNT NUMBER: 5100.50 **ACCOUNT TITLE:** Long-Term Disability

FY 26/27 Requested Budget	11,003
FY 25/26 Estimated Actual	9,000
Increase (Decrease)	2,003

Description: Funds for premiums paid for long-term disability insurance. Based on a rate of $0.52 per $100 of salary.

ACCOUNT NUMBER: 5100.55 **ACCOUNT TITLE:** Life Insurance

FY 26/27 Requested Budget	13,371
FY 25/26 Estimated Actual	14,020
Increase (Decrease)	(649)

Description: Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employee's annual salary to a maximum of $250,000.

ACCOUNT NUMBER: 5100.60 **ACCOUNT TITLE:** Employee Physicals

FY 26/27 Requested Budget	1,750
FY 25/26 Estimated Actual	1,750
Increase (Decrease)	-

Description: Funds for employee physicals paid by CCWA, including DOT, pre-employment, and respiratory evaluation.

$	1,110	6 physicals @ $185 each
$	640	5 Respiratory and Audio Exam @ $128 each
$	1,750	Total

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5100.65 **ACCOUNT TITLE:** Employee Education Reimbursement

FY 26/27 Requested Budget	1,500
FY 25/26 Estimated Actual	1,000
Increase (Decrease)	500

Description: Funds for reimbursement of employee education expenses under the policy established by CCWA. Employees will be taking welding, electrical/electronics, and laboratory classes.

ACCOUNT NUMBER: 5100.80 **ACCOUNT TITLE:** Employee Incentives and 457 K. Plan

FY 26/27 Requested Budget	65,000
FY 25/26 Estimated Actual	60,000
Increase (Decrease)	5,000

Description: Funds to encourage employee safety, efficiency and innovation through the Employee Achievement Awards Program (EAAP).

EAAP	$	3,000
457 K Plan		62,000
TOTAL:	$	65,000

ACCOUNT NUMBER: 5200.20 **ACCOUNT TITLE:** Office Supplies

FY 26/27 Requested Budget	3,500
FY 25/26 Estimated Actual	3,500
Increase (Decrease)	-

Description: Funds for office supplies for the WTP. Based on $292 per month in office supply expenses.

ACCOUNT NUMBER: 5200.30 **ACCOUNT TITLE:** Miscellaneous Office Expenses

FY 26/27 Requested Budget	4,500
FY 25/26 Estimated Actual	3,000
Increase (Decrease)	1,500

Description: Funds for miscellaneous expenses associated with CCWA. This includes awards, business cards, coffee, kitchen supplies, etc.

ACCOUNT NUMBER: 5300.10 **ACCOUNT TITLE:** Meetings and Travel

FY 26/27 Requested Budget	20,000
FY 25/26 Estimated Actual	
Increase (Decrease)	20,000

Description: Funds for WTP employee meetings and travel expenses. Includes State Water Contractor travel for Executive Director, Deputy Director, and Safety Officer Specialist.

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5300.20 **ACCOUNT TITLE:** Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

FY 26/27 Requested Budget	500
FY 25/26 Estimated Actual	-
Increase (Decrease)	500

ACCOUNT NUMBER: 5300.30 **ACCOUNT TITLE:** Dues and Memberships

Description: Funds for professional dues.

FY 26/27 Requested Budget	11,000
FY 25/26 Estimated Actual	10,700
Increase (Decrease)	300

$	500	AWWA dues
	7,500	Water Research Foundation dues
	1,500	Certification
	1,500	CWEA and ISA
$	11,000	TOTAL

ACCOUNT NUMBER: 5300.40 **ACCOUNT TITLE:** Publications

Description: Funds for publications received by the WTP.

FY 26/27 Requested Budget	1,500
FY 25/26 Estimated Actual	1,500
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.50 **ACCOUNT TITLE:** Training

Description: Funds for training of WTP personnel,including safety Does not include educational reimbursement.

FY 26/27 Requested Budget	25,000
FY 25/26 Estimated Actual	15,256
Increase (Decrease)	9,744

ACCOUNT NUMBER: 5300.60 **ACCOUNT TITLE:** Advertising

Description: Funds for advertising expenses for the WTP including open job position advertising.

FY 26/27 Requested Budget	2,000
FY 25/26 Estimated Actual	2,000
Increase (Decrease)	-

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5300.80 **ACCOUNT TITLE:** Postage

Description: Funds for all postal and mail expenses for the WTP, including 16 weekly taste and odor samplings.

FY 26/27 Requested Budget	5,000
FY 25/26 Estimated Actual	9,300
Increase (Decrease)	(4,300)

ACCOUNT NUMBER: 5400.10 **ACCOUNT TITLE:** Professional Services

Description: Outside professional services including:

FY 26/27 Requested Budget	97,000
FY 25/26 Estimated Actual	97,000
Increase (Decrease)	(0)

$	6,000	Fire system/extinguisher inspection
	2,700	Security
	4,800	Crane inspection
	1,679	Oil, coolant and diesel analysis
	4,000	Emergency generator/forklift service
	7,000	Equipment Calibration
	1,100	Fit testing equipment certification/service
	20,000	Third Party Confined Space Rescue
	12,500	Safety Consultant
	4,500	Safety Equipment (fall hoist, ect)
	25,000	Environmental services
	7,721	Personnel Team Building
$	97,000	TOTAL

ACCOUNT NUMBER: 5400.30 **ACCOUNT TITLE:** Engineering Services

Description: Funds for all non-capitalized engineering services and small projects.

FY 26/27 Requested Budget	50,000
FY 25/26 Estimated Actual	30,000
Increase (Decrease)	20,000

$	25,000	General Engineering
	5,000	Cathodic Protection
	15,000	PLC Support
	5,000	CalARP 5-year Seismic Assment
$	50,000	TOTAL

ACCOUNT NUMBER: 5400.40 **ACCOUNT TITLE:** Permits

Description: Funds for all required WTP permits.

FY 26/27 Requested Budget	56,000
FY 25/26 Estimated Actual	52,000
Increase (Decrease)	4,000

$	2,500	RWQCB NPDES
	33,000	Drinking Water Program
	11,000	ELAP Lab Accreditation
	3,000	Emergency Generator Permit
	6,500	Hazardous Materials Fees
$	56,000	TOTAL

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5500.10 **ACCOUNT TITLE:** Uniform Expenses

Description: Funds for employer provided uniforms and uniform expense employee reimbursements.

FY 26/27 Requested Budget	19,000
FY 25/26 Estimated Actual	19,000
Increase (Decrease)	-

$	12,000	Uniform Service ($1,000 per month)
	3,000	Blue jean pants ($300/yr emp allowance)
	3,500	Boots ($350/yr employee allowance)
	500	Misc. uniform requirements (jackets, etc.)
	19,000	TOTAL

ACCOUNT NUMBER: 5500.15 **ACCOUNT TITLE:** Minor Tools and Equipment

Description: Funds for the purchase of minor tools and equipment.

FY 26/27 Requested Budget	10,000
FY 25/26 Estimated Actual	10,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5500.25 **ACCOUNT TITLE:** Landscape Supplies

Description: Funds for the purchase of supplies for landscape maintenance at the WTP.

FY 26/27 Requested Budget	1,500
FY 25/26 Estimated Actual	500
Increase (Decrease)	1,000

$	1,500	Herbicide

ACCOUNT NUMBER: 5500.31 **ACCOUNT TITLE:** Chemicals-Variable

Description: Funds for the purchase of chemicals to operate the plant including chlorine, polymers, etc.

FY 26/27 Requested Budget	1,566,661
FY 25/26 Estimated Actual	955,000
Increase (Decrease)	611,661

(1) WTP Plant: $79.54 per acre foot and 17,437 acre feet of requests
(2) Santa Ynez Pumping Station: $8.40/AF for 320 AF pumped water
(3) Tank 5 and 7 Chlorination at $28.73/AF for 6,162AF

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5500.35 **ACCOUNT TITLE:** Maintenance Supplies/Hardware

FY 26/27 Requested Budget	10,000
FY 25/26 Estimated Actual	10,000
Increase (Decrease)	-

Description: Funds for the purchase of disposable tools, pipe and pipefittings, wood, steel and other metals, hardware, nuts and bolts, and other hardware materials.

$ 10,000 Maintenance Supplies/Hardware

ACCOUNT NUMBER: 5500.40 **ACCOUNT TITLE:** Safety Supplies

FY 26/27 Requested Budget	25,000
FY 25/26 Estimated Actual	25,000
Increase (Decrease)	-

Description: Purchases of minor safety supplies including first aid kit purchases and non-capitalized safety equipment purchases.

ACCOUNT NUMBER: 5500.50 **ACCOUNT TITLE:** Seed/Plants/Erosion Control Supplies

FY 26/27 Requested Budget	5,000
FY 25/26 Estimated Actual	5,000
Increase (Decrease)	-

Description: Funds for reseeding, replanting and erosion control supplies.

$ 5,000 Erosion maintenance

ACCOUNT NUMBER: 5500.45 **ACCOUNT TITLE:** Fuel and Lubricants

FY 26/27 Requested Budget	45,000
FY 25/26 Estimated Actual	45,000
Increase (Decrease)	-

Description: Funds for the purchase of fuel and lubricants for WTP vehicles, equipment and emergency generator. Does not include mileage reimbursement expenses.

ACCOUNT NUMBER: 5600.10 **ACCOUNT TITLE:** Laboratory Supplies

FY 26/27 Requested Budget	125,000
FY 25/26 Estimated Actual	124,222
Increase (Decrease)	778

Description: Funds for the purchase of laboratory supplies including chemicals.

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5600.20 **ACCOUNT TITLE:** Laboratory Tools and Equipment

Description: Funds for the purchase of non-capitalized tools and equipment for the laboratory.

FY 26/27 Requested Budget	13,000
FY 25/26 Estimated Actual	9,000
Increase (Decrease)	4,000

$	13,000	AmperometricTitrator
$	13,000	TOTAL

ACCOUNT NUMBER: 5600.30 **ACCOUNT TITLE:** Lab Testing

Description: Funds for outside lab services.

FY 26/27 Requested Budget	16,000
FY 25/26 Estimated Actual	25,088
Increase (Decrease)	(9,088)

$	4,000	Quarterly Monitoring (DBP)
	700	Monthly Monitoring (Aluminium)
	5,400	Annual Monitoring
	2,600	Misc. monitoring
	1,000	Lab DI Water Testing (Annual)
	2,300	PFAS Monitoring and TCP
$	16,000	TOTAL

ACCOUNT NUMBER: 5700.10 **ACCOUNT TITLE:** Equipment Repairs and Maintenance

Description: Funds for repairs and maintenance of WTP equipment including pumps, motors, valves, instrumentation, equipment, etc.

FY 26/27 Requested Budget	175,000
FY 25/26 Estimated Actual	137,250
Increase (Decrease)	37,750

ACCOUNT NUMBER: 5700.20 **ACCOUNT TITLE:** Vehicle Repairs and Maintenance

Description: Funds for the repair and maintenance of WTP vehicles.

FY 26/27 Requested Budget	10,000
FY 25/26 Estimated Actual	20,000
Increase (Decrease)	(10,000)

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5700.30 **ACCOUNT TITLE:** Building Maintenance

Description: Funds for the repair and maintenance of the WTP buildings.

FY 26/27 Requested Budget	41,500
FY 25/26 Estimated Actual	33,968
Increase (Decrease)	7,532

$	1,000	Miscellaneous repairs
	3,500	Site improvements (includes painting)
	21,000	Janitorial service
	10,000	HVAC
	6,000	Janitorial Supplies
$	41,500	TOTAL

ACCOUNT NUMBER: 5700.40 **ACCOUNT TITLE:** Landscape Maintenance

Description: Funds for the maintenance of the WTP facility landscape. Includes weed abatement for sludge lagoons and leachfield.

FY 26/27 Requested Budget	8,000
FY 25/26 Estimated Actual	15,000
Increase (Decrease)	(7,000)

ACCOUNT NUMBER: 5800.20 **ACCOUNT TITLE:** Natural Gas Service

Description: Funds for propane gas service to the WTP.

FY 26/27 Requested Budget	9,000
FY 25/26 Estimated Actual	11,324
Increase (Decrease)	(2,324)

ACCOUNT NUMBER: 5800.30 **ACCOUNT TITLE:** Electric Service-Fixed

Description: Funds for electrical service to the WTP.

FY 26/27 Requested Budget	156,000
FY 25/26 Estimated Actual	149,892
Increase (Decrease)	6,108

ACCOUNT NUMBER: 5800.31 **ACCOUNT TITLE:** Electric Service-Variable

Description: Funds for electrical service to the WTP. Variable electrical costs.

FY 26/27 Requested Budget	92,155	
FY 25/26 Estimated Actual	70,000	
Increase (Decrease)	22,155	

$	5.29	$/AF
	17,437	AF
$	92,155	TOTAL

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5800.40 **ACCOUNT TITLE:** Water/Sewer

Description: Funds for water and sewer service to the WTP.

FY 26/27 Requested Budget	-
FY 25/26 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5800.50 **ACCOUNT TITLE:** Telephone

Description: Funds for WTP phones including long distance and cellular phone bills.

FY 26/27 Requested Budget	8,000
FY 25/26 Estimated Actual	6,316
Increase (Decrease)	1,684

$	500	Tablet Service (2 tablets)
$	7,500	General Phone
$	8,000	TOTAL

ACCOUNT NUMBER: 5800.60 **ACCOUNT TITLE:** Waste Disposal

Description: Funds for trash service and removal of hazardous waste for the WTP.

FY 26/27 Requested Budget	9,000
FY 25/26 Estimated Actual	10,000
Increase (Decrease)	(1,000)

$	3,600	Garbage ($300 per month)
	2,600	Bulk Dumpster
	2,200	Waste Oil/Solvent
	600	Light Bulbs
$	9,000	TOTAL

ACCOUNT NUMBER: 5900.10 **ACCOUNT TITLE:** Insurance

Description: Funds for insurance coverage.

FY 26/27 Requested Budget	210,157
FY 25/26 Estimated Actual	178,708
Increase (Decrease)	31,449

$	126,804	Property and auto coverage based on the apportionment provided by JPIA.
$	83,353	General liability and E&O based on salary proportions.
$	210,157	TOTAL

CENTRAL COAST WATER AUTHORITY
WATER TREATMENT PLANT FY 2026/27 BUDGET

ACCOUNT NUMBER: 5900.40 **ACCOUNT TITLE:** Equipment Rental

Description: Funds for rental of equipment for the WTP.

FY 26/27 Requested Budget	53,000
FY 25/26 Estimated Actual	50,000
Increase (Decrease)	3,000

$	3,000	Copier lease ($250 per month)
	10,000	Motorized equipment
	40,000	Lagoon cleaning
$	53,000	TOTAL

ACCOUNT NUMBER: 5900.50 **ACCOUNT TITLE:** Non-Capitalized Fixed Assets

Description: Funds for the purchase of non-capitalized equipment. These equipment purchases are generally under $13,000 in cost with an estimated useful life under 5 years.

FY 26/27 Requested Budget	20,000
FY 25/26 Estimated Actual	
Increase (Decrease)	20,000

ACCOUNT NUMBER: 5900.60 **ACCOUNT TITLE:** Computer Expenses

Description: Funds for computer expenses including minor software purchases, minor equipment purchases and service contracts.

FY 26/27 Requested Budget	124,217
FY 25/26 Estimated Actual	126,007
Increase (Decrease)	(1,790)

$	117,917	CompuVision, Annual Service Agreements and Software Subscriptions
$	6,300	Software, New Computers and other computer services.
$	124,217	TOTAL

ACCOUNT NUMBER: 5900.70 **ACCOUNT TITLE:** Appropriated Contingency

Description: 2.0% of requested budget excluding chemcial and variable electric costs.

FY 26/27 Requested Budget	101,660
FY 25/26 Estimated Actual	-
Increase (Decrease)	101,660

Santa Ynez Pumping Plant Surge Tank removal during Surge Tank Pedestal Repair Project

Distribution Department

The Distribution Department is responsible for the daily operations and maintenance of the 130 miles of pipeline, seven storage tanks, ten turnouts, four isolation vaults, an energy dissipation vault, the Santa Ynez Pumping Facility and hundreds of valve, access and cathodic protection structures.

Highlights

Department Information

- Number of employees 10.15
- Authority pipeline (in miles) 42
- Coastal Branch Phase II pipeline (in miles) 101
- Number of water storage tanks 7
- Number of turnouts 10

Budget Information

• Total FY 2026/27 O&M Budget	$	3,620,837	
• O&M Budget increase over FY 2025/26	$	69,198	
Fixed cost increase over FY 2025/26	$	60,903	
Variable cost increase over FY 2025/26	$	2,294	
• Percentage increase		1.95%	
• Fixed O&M expenses	$	3,436,441	
• Variable O&M expenses	$	184,396	
• FY 2026/27 budgeted electrical cost	$	576	per acre-foot

Significant Accomplishments during FY 2025/26

- Completed the Santa Ynez Pumping Plant Pedestal Replacement Project which included removing and relining the existing surge tank and demolishing and reconstructing the concrete pedestals.

- Continued effort to improve nitrification control measures. These measures included upgrading the chlorine injection quill continued design for the Tank 5 Inlet Chloramination Station and upgrading equipment and treatment processes at the Tank 7 Inlet Chlorination System. Installed a power pole and security fencing at the Nipomo Chloramination Station site.

- Completed important pipeline tasks including upgrades of three ultrasonic flow meters, replacement of the carbon steel hydraulic lines with stainless steel lines at the Energy Dissipation Valve Facility, potable water reservoir dive inspections for Tank 5 and 7, repairs to the Santa Maria turnout inlet valve actuate and Guadalupe turnout sample line and the design for electrical vehicle charging stations in preparation of the eventual electrification of CCWA's fleet of vehicles.

Significant Goals for FY 2026/27

- Reconstruct Mesa Verde Road and the Tank 7 access road. The current age and condition of both roads has reached a point where an asphalt overlay is

required. CCWA access to the Santa Ynez Pumping Plant and Tank 7 is important for routine operation and maintenance activities.

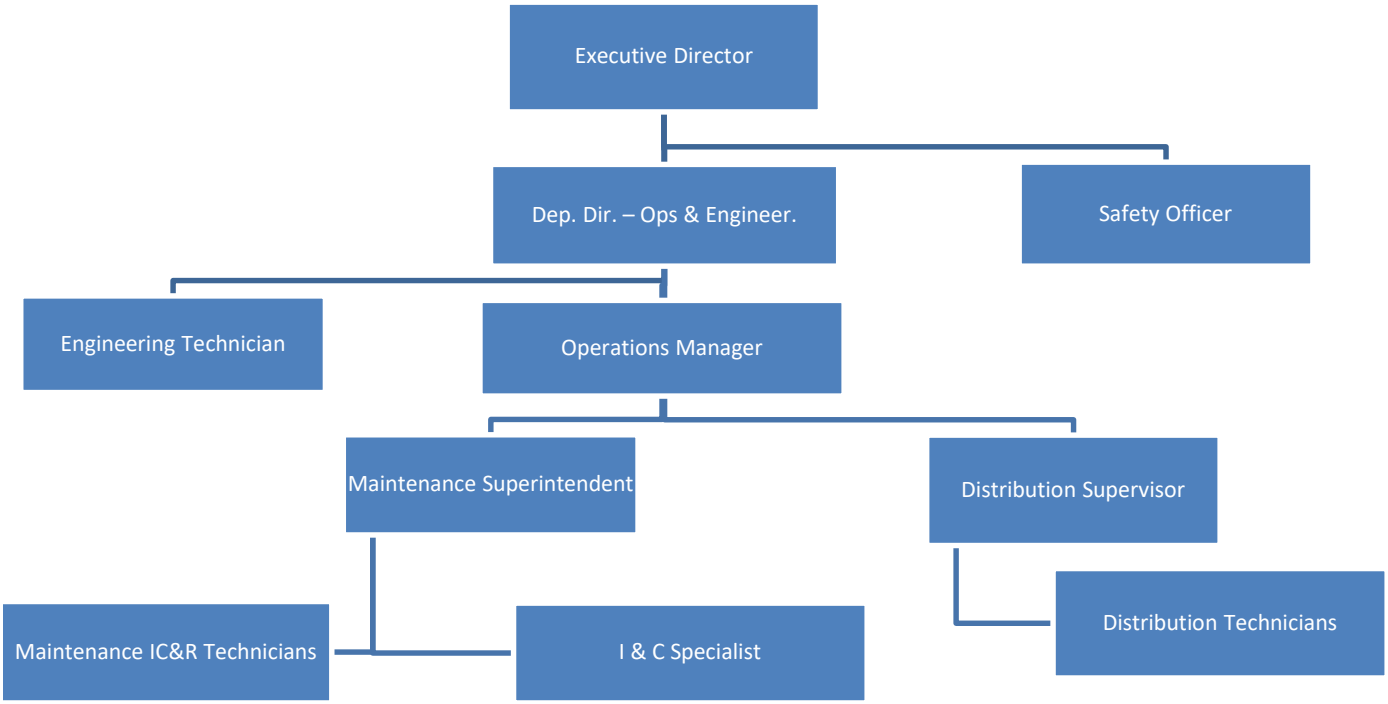
- Continue repairing corroded riser piping of identified air vacuum/air release valves along the pipeline. Air vacuum/air valves are an important component of pipeline operation by purging of air and preventing the generation of vacuum pressure within the pipeline. The corroded risers have the potential to leak and need to be repaired.

- Complete important pipeline tasks including the rehabilitation of two pumps at the Santa Ynez Pump Station, potable water reservoir dive inspections for Tank 2 and replacement of the Chorro Valley turnout sleeve valve.

- Begin electrifying CCWA's vehicle fleet by installing an electrical vehicle charging station at the SYPP and replacing an existing engineering technician internal combustion engine vehicle with an electric battery vehicle.

- Initiate a facilities condition assessment to assess and document the condition of WTP and Distribution facilities. The majority of CCWA's facilities have been in operation for approximately 30 years and the assessment will increase the knowledge of their current state and assist with identification of capital needs over short and long-term horizons.

The Distribution Department is responsible for maintaining the distribution system (i.e., pipeline and ancillary facilities).



The Distribution Department is comprised of the field Distribution Technicians, IT/Instrumentation and Control Specialist and Maintenance IC&R Technicians.

The field Distribution Technicians and Distribution Supervisor are responsible for the day-to-day water distribution system operations and maintenance including system operation, facility maintenance, rechloraminating and dechloraminating, erosion control, right-of-way issues, revegetation, environmental compliance, and fiber optic communications. They patrol over 130 miles of pipeline and operate and maintain seven storage tanks, ten turnouts, four isolation vaults, an energy dissipation vault, the Santa Ynez Pumping Facility and hundreds of valve, access, and cathodic protection structures. Additionally, they collect weekly water quality samples from each turnout and tank for the treatment plant laboratory.

IT/Instrumentation and Control Specialist and Maintenance/Instrumentation and Control Technicians report to the Maintenance Superintendent and maintain all distribution electrical, electronic, fiber optic and instrumentation systems. They also assist the Maintenance Superintendent in maintaining plant electrical, electronic and fiber optic systems.

The Distribution Maintenance and Instrumentation and Control staff are supported by the Maintenance Superintendent and Deputy Director of Operations,

who provide long term planning and establish priorities. The Operations Manager will oversee CCWA's capital improvement projects and planning of construction and oversight of construction.

The Operations Manager is responsible for capital improvement projects, planning and oversight of construction activities and supervision of staff, policy, and internal relationships.

The Safety Officer reports to the Executive Director and divides time between Distribution and Water Treatment Plant Departments. The Safety Officer is responsible for safety, environmental monitoring, and regulatory compliance.

The accomplishments, performance indicators ("Service Efforts and Accomplishments") and goals for the Distribution Department will be presented at a future meeting of the CCWA Board of Directors.

DISTRIBUTION DEPARTMENT OPERATING EXPENSE OVERVIEW

The distribution system for the State water facilities is divided into segments called "Financial Reaches." These financial reaches are the portions of the pipeline through which the project participants receive and pay for water in accordance with their Water Supply Agreements.

Participation in each financial reach is based on the location of a particular project participant's turnout. Each participant pays for its share of the Coastal Branch and Authority financial reaches down to the financial reach from which that participant takes delivery of water. For example, South Coast project participants pay for their share of all financial reaches since they take delivery from the terminus of the Authority pipeline.

The financial reaches for the distribution system include Authority reaches and DWR reaches. The facilities owned by the Authority are considered Authority reaches and those owned by DWR are considered DWR reaches.

The Distribution Department is responsible for maintaining both the Authority and the DWR reaches downstream of the Polonio Pass Water Treatment Plant.

The following is a list of the various financial reaches including the facilities and/or landmarks located in each reach.

DWR REACHES

- Reach 33B — Tank 1 through the Chorro Valley turnout
- Reach 34 — Chorro Valley turnout through the Lopez turnout
- Reach 35 — Lopez turnout through the Guadalupe turnout
- Reach 36 — Deleted
- Reach 37 — Guadalupe turnout to Southern Pacific Railroad crossing near Casmalia
- Reach 38 — Southern Pacific Railroad crossing near Casmalia through Tank 5

CCWA (Authority) REACHES

- Mission Hills — Tank 5 to La Purisima Road
- Santa Ynez I — La Purisima Road to the Santa Ynez Pumping Facility
- Santa Ynez II — Santa Ynez Pumping Facility to Lake Cachuma

The table and map "Coastal Branch Financial Reaches" shows the participation by project participant and by financial reach for each project participant in each reach.

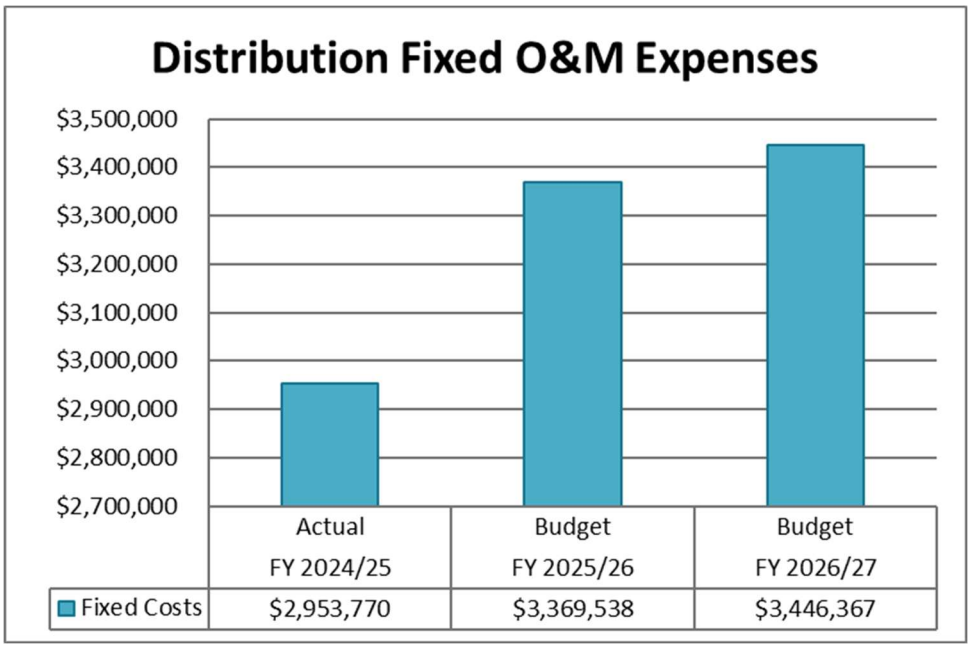
Distribution Allocation of Operating Expenses by Financial Reach

The Distribution Department operating expenses are allocated among the financial reaches listed above based on allocation percentages established by the Authority. These percentages are based on the FY 2024/25 actual operating expenses for each reach. The financial reach allocation percentages are adjusted each year based on the year-end budget status report actual operating expenses from the preceding fiscal year. The following table provides the allocation percentages for the Distribution Department operating expenses.

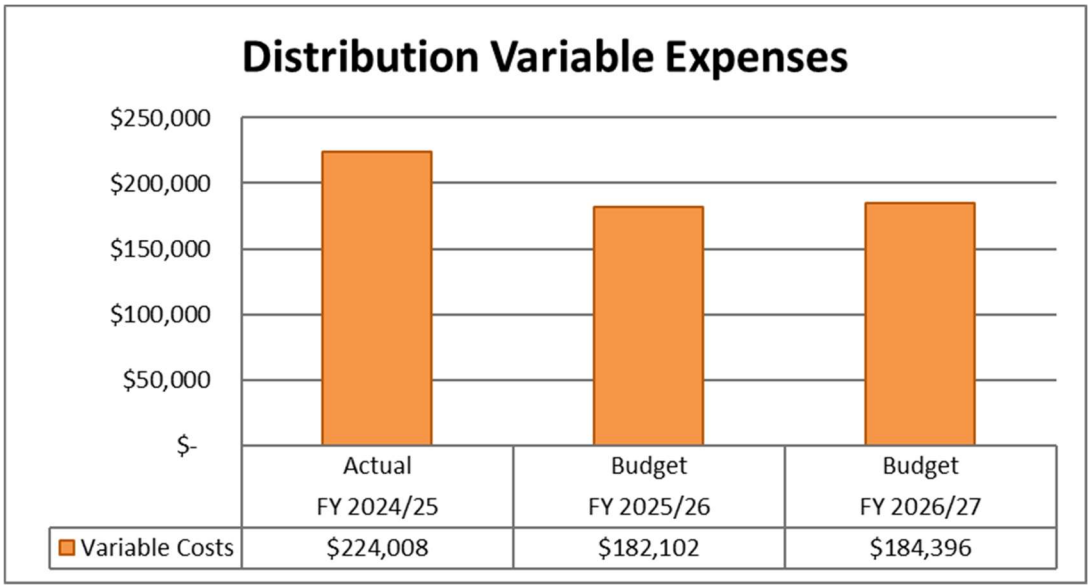
Distribution Department Financial Reach Allocation			
Financial Reach	FY 2026/27 Allocation Percentage	FY 2025/26 Allocation Percentage	Increase (Decrease)
Reach 33B	11.06%	13.74%	-2.69%
Reach 34	8.11%	7.14%	0.98%
Reach 35	11.24%	4.11%	7.13%
Reach 37	1.06%	1.75%	-0.70%
Reach 38	1.95%	2.54%	-0.59%
Mission Hills II	11.86%	20.62%	-8.76%
Santa Ynez I	15.06%	19.30%	-4.24%
Santa Ynez II	39.66%	30.79%	8.87%
TOTAL:	100.00%	100.00%	0.00%

The expenses associated with the Distribution Department are divided into fixed and variable O&M costs.

Fixed O&M Costs are all costs of the distribution system that do not vary with the amount of water processed. Examples of these expenses include personnel costs, professional services, and repair and maintenance costs. The following graph shows the three-year trend for the Distribution Department Fixed O&M expenses. As the graph shows, FY 2026/27 fixed O&M costs are $76,829 higher than the prior year budget amount.



Variable O&M Costs are all costs that vary with the amount of water processed. The Distribution Department variable expenses are solely electrical costs to pump the South Coast project participant water into Lake Cachuma. The following graph shows the three-year trend for the Distribution Department variable O&M costs. As the graph shows, FY 2026/27 variable O&M costs are $2,294 higher than the prior year budget amounts.



The following table shows the allocation of the Distribution Department variable O&M costs (electrical costs) for the Fiscal Year 2026/27 Budget.

Distribution Department Electrical Costs

Project Participant	Requested Table A Deliveries (1)	Distribution Electrical Costs at $576/AF
Goleta	-	$ -
Morehart	-	-
La Cumbre	320	184,396
Raytheon	-	-
Santa Barbara	-	-
Montecito	-	-
Carpinteria	-	-
Total South Coast:	320	$ 184,396

(1) Excludes water deliveries exchanged with Santa Ynez ID#1.

Fiscal Year 2026/27 Operating Expense Budget

The Fiscal Year 2026/27 Distribution Department operating expense budget is $3,620,837 which is $69,198 higher than the previous year's budget of $3,551,639, an increase of 1.95%. The personnel expense section of the Distribution Department budget represents approximately 64% of the budget. Professional Services comprise 8%, with other expenses and utilities making up the balance of the budget. A pie chart showing the percentage of the various components of the Distribution Department operating expense budget is included on a subsequent page. Variable O&M costs are included in the supplies and equipment and utilities categories.

Personnel Expenses Personnel expenses are increasing by about $16,212 attributed to the following:

- The FY 2026/27 total Distribution Department salaries and wages budget increased by $1,887.

- Health insurance, dental/vision plan expenses and cafeteria plan benefits combined are increasing by $9,317 This is due to; 1) The 2026 CalPERS health insurance plan with the lowest premiums increased by 10.58% over the 2025 premiums, as opposed to the increase of 10% budgeted for the calendar year 2026; 2) The FY 2026/27 Budget also includes an estimated 12% increase in the health insurance premiums effective January 1, 2027. The health plan estimates are based on the elections of each employee at the time the budget is prepared.

- CalPERS retirement expenses are decreasing by $30,481 over the prior fiscal year. The CCWA employer paid portion for "Classic" members in FY 25/26 is 18.376% as compared to the prior year amount of 18.396%, for a 0.02% decrease. The Unfunded Accrued Liability (UAL) as a percentage of payroll for "Classic" employees increased to 25.07% as compared to the prior year amount of 15.12%. The PEPRA employer contribution rate in FY 2026/27 decreased from 8.27% in FY 2025/26 to 8.24% in FY 2026/27 for a decrease in employer paid PEPRA contribution rate of 0.03%. Currently, the Administration Department has 2 "Classic" 2nd tier member employee. The 2nd tier member employer contribution rate in FY 2026/27 is 13.36%. The number of PEPRA employees increased by 2 and Classic employees decreased by 2.

- The FY 2026/27 Budget includes a $78,877 deposit into the Retiree Benefit Trust Program. This amount is based on actuarial assumptions for the required minimum contribution under PEMHCA and the additional vested portion of retiree only premiums, based on employees who are 62 years of age or older and retire from CCWA having completed at least 10 years of service with CCWA.

Repairs and Maintenance Repairs and maintenance costs are increasing by about $300 because of an increase in anticipated building maintenance expenses.

Professional Services Professional Services costs are increasing by approximately $19,410 due to an increase in engineering costs associated with an air vac modification analysis for Reach 38.

General and Administrative General and Administrative costs are unchanged from prior year.

Utility Expenses Utility expenses are increasing by $21,115 largely due to significant variability in electric costs due to lower estimated deliveries.

Other Expenses Other expenses are increasing by approximately $13,759 due to anticipated increase in insurance expenses.

Turnout Expenses Turnout expenses include funds for utility expenses at each turnout, equipment repairs and maintenance, and non-capitalized projects. (See Projects Section for a description of Capital and non-capitalized projects.)

The following table shows the FY 2026/27 O&M budget for the various CCWA Turnouts.

TURNOUT EXPENSES							
Turnout	Electric Expense	Equipment Repairs and Maintenance	Phone Computer Expenses	Other Expenses	Subtotal Operating Expenses	Capital Projects (1)	TOTAL
Guadalupe	$ 1,200	$ 4,000	$ -	$ 500	$ 5,700	$ -	$ 5,700
Santa Maria	900	4,000	-	500	5,400	-	5,400
Golden State Water Co.	1,500	4,500	-	500	6,500	-	6,500
Vandenberg Space Force Base		1,500	-	500	2,000	-	2,000
Buellton	350	1,500	-	500	2,350	-	2,350
Santa Ynez (Solvang)	750	1,000	-	500	2,250	-	2,250
Santa Ynez		1,000	-	500	1,500	-	1,500
Shandon	1,000	1,000	-	500	2,500	-	2,500
Chorro Valley		6,000	1,000	500	7,500	-	7,500
Lopez	650	1,500	-	500	2,650	21,433	24,083
TOTAL:	$ 6,350	$ 26,000	$ 1,000	$ 5,000	$ 38,350	$ 21,433	$ 59,782

(1) Please see the CIP section of the budget for information regarding the Turnout capital projects.

Central Coast Water Authority

Distribution Department

Fiscal Year 2026/27 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number Auth. FY 2024/25	Number Auth. FY 2025/26	Number Requested FY 2026/27	Change Over FY 2024/25	Change Over FY 2025/26
Executive Director (1)	0.25	0.25	0.25	-	-
Deputy Director of Operations (2)	0.40	0.40	0.40	-	-
Operations Manager (3)	0.40	0.40	0.40	-	-
Safety Officer (4)	0.75	0.50	0.50	(0.25)	-
Distribution Supervisor	1.00	1.00	1.00	-	-
Engineering Technician	1.00	1.00	1.00	-	-
IT/Instrumentation & Control Specialist (7)	1.00	0.80	0.80	(0.20)	-
Maintenance Superintendent (5)	0.40	0.40	0.40	-	-
Maintenance/IC&R Technicians (6)	0.40	0.40	0.40	-	-
Distribution Technician	5.00	5.00	5.00		
TOTAL:	10.60	10.15	10.15	(0.45)	-

PERSONNEL WAGE SUMMARY						
Position Title	No. of Emp.	Position Classification	Minimum Monthly Salary	Maximum Monthly Salary	FY 2025/26 Total Annual Salary	Allocation to Dist. Dept.
Executive Director (1)	1	N/A	N/A	N/A	$ 325,000	$ 81,250
Deputy Director of Operations (2)	1	62	$ 18,443	$ 22,500	$ 261,539	$ 104,616
Operations Manager(3)	1	46	$ 13,655	$ 16,659	$ 170,000	$ 68,000
Safety Officer (4)	1	38	$ 11,500	$ 14,030	$ 163,446	$ 81,723
Distribution Supervisor	1	34	$ 10,554	$ 12,876	$ 145,122	$ 145,122
Engineering Technician	1	21	$ 7,984	$ 9,740	$ 113,464	$ 113,464
IT/Instrumentation & Control Specialist (7)	1	28	$ 9,278	$ 11,320	$ 112,923	$ 20,708
Maintenance Superintendent (5)	1	38	$ 11,500	$ 14,030	$ 160,805	$ 64,322
Maintenance/IC&R Technicians (6)	2	26	$ 8,888	$ 10,844	$ 221,520	$ 113,934
Distribution Technicians	5	19	$ 7,648	$ 9,331	$ 501,613	$ 501,613
FY 2026/27 Salary Pool						$ 60,675
TOTAL:						$1,355,427

(1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).

(2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).

(3) The Operations Manager is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).

(4) The Safety Officer (previously Regulatory Spec.) is allocated to Water Treatment Plant (50%) and Distribution (50%).

(5) The Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).

(6) The two Maintenance IC&R Technicians are allocated to Water Treatment Plant (80%) and Distribution (20%).

(7) The IT/Instrumentation & Control Specialist is allocated to Water Treatment Plant (20%) and Distribution (80%).

Central Coast Water Authority

Personnel Services Summary
Distribution Department

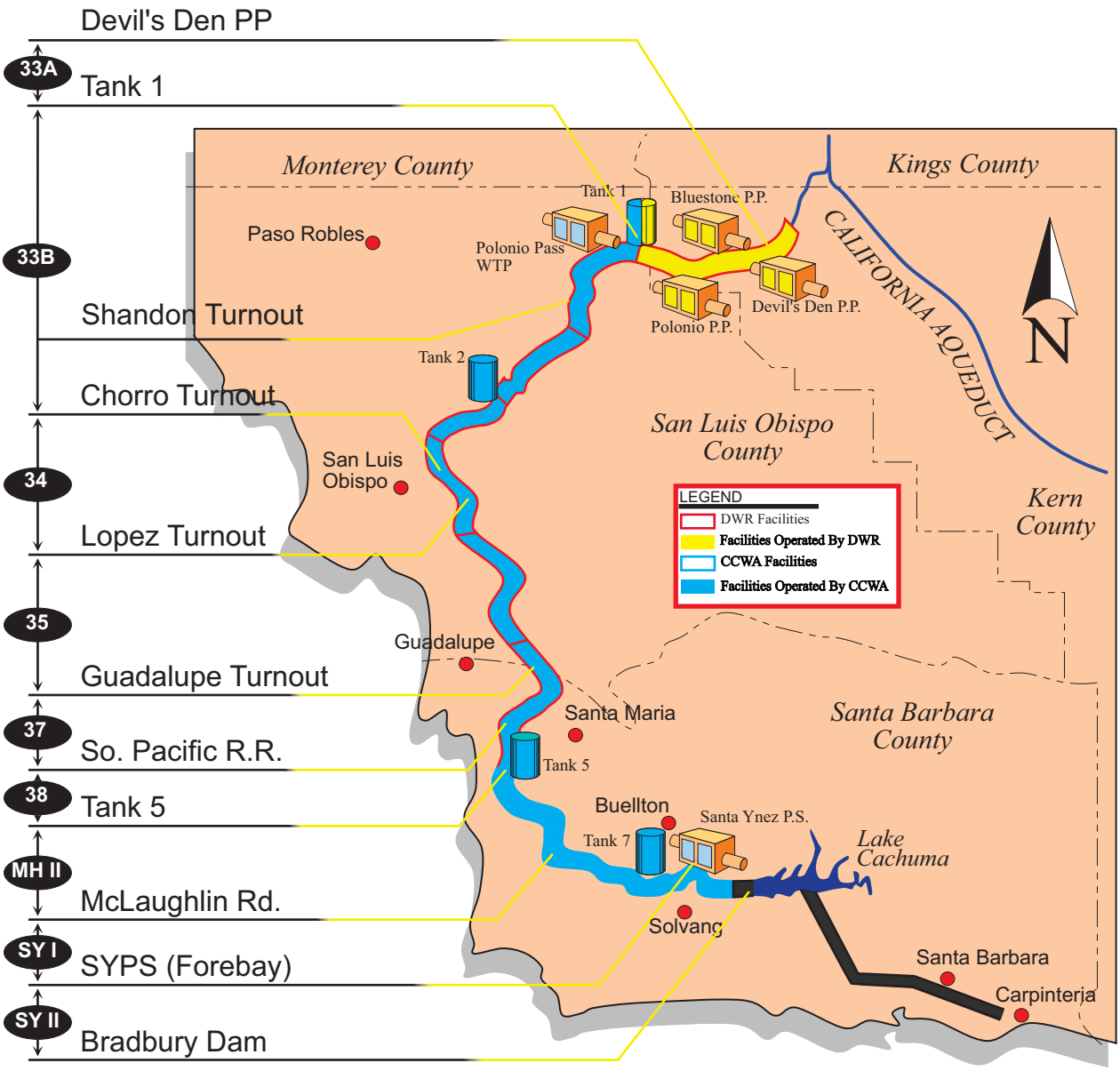
Fiscal Year 2026/27 Budget

PERSONNEL COUNT SUMMARY					
Position Title	Number Auth. FY 2024/25	Number Auth. FY 2025/26	Number Requested FY 2026/27	Change Over FY 2024/25	Change Over FY 2025/26
Executive Director (1)	0.25	0.25	0.25	-	-
Deputy Director of Operations (2)	0.40	0.40	0.40	-	-
Operations Manager (3)	0.40	0.40	0.40	-	-
Safety Officer (4)	0.75	0.50	0.50	(0.25)	-
Distribution Supervisor	1.00	1.00	1.00	-	-
Engineering Technician	1.00	1.00	1.00	-	-
IT/Instrumentation & Control Specialist (7)	1.00	0.80	0.80	(0.20)	-
Maintenance Superintendent (5)	0.40	0.40	0.40	-	-
Maintenance/IC&R Technicians (6)	0.40	0.40	0.40	-	-
Distribution Technician	5.00	5.00	5.00		
TOTAL:	10.60	10.15	10.15	(0.45)	-

PERSONNEL WAGE SUMMARY						
Position Title	No. of Emp.	Position Classification	Minimum Monthly Salary	Maximum Monthly Salary	FY 2025/26 Total Annual Salary	Allocation to Dist. Dept.
Executive Director (1)	1	N/A	N/A	N/A	$ 325,000	$ 81,250
Deputy Director of Operations (2)	1	62	$ 18,443	$ 22,500	$ 261,539	$ 104,616
Operations Manager(3)	1	46	$ 13,655	$ 16,659	$ 170,000	$ 68,000
Safety Officer (4)	1	38	$ 11,500	$ 14,030	$ 163,446	$ 81,723
Distribution Supervisor	1	34	$ 10,554	$ 12,876	$ 145,122	$ 145,122
Engineering Technician	1	21	$ 7,984	$ 9,740	$ 113,464	$ 113,464
IT/Instrumentation & Control Specialist (7)	1	28	$ 9,278	$ 11,320	$ 112,923	$ 20,708
Maintenance Superintendent (5)	1	38	$ 11,500	$ 14,030	$ 160,805	$ 64,322
Maintenance/IC&R Technicians (6)	2	26	$ 8,888	$ 10,844	$ 221,520	$ 113,934
Distribution Technicians	5	19	$ 7,648	$ 9,331	$ 501,613	$ 501,613
FY 2026/27 Salary Pool						$ 60,675
TOTAL:						$ 1,355,427

(1) The Executive Director is allocated to Administration (50%), Water Treatment Plant (25%) and Distribution (25%).
(2) The Deputy Director of Operations is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
(3) The Operations Manager is allocated to Administration (25%), Water Treatment Plant (35%) and Distribution (40%).
(4) The Safety Officer (previously Regulatory Spec.) is allocated to Water Treatment Plant (50%) and Distribution (50%).
(5) The Maintenance Superintendent is allocated to Water Treatment Plant (60%) and Distribution (40%).
(6) The two Maintenance IC&R Technicians are allocated to Water Treatment Plant (80%) and Distribution (20%).
(7) The IT/Instrumentation & Control Specialist is allocated to Water Treatment Plant (20%) and Distribution (80%).

COASTAL BRANCH
FINANCIAL REACHES



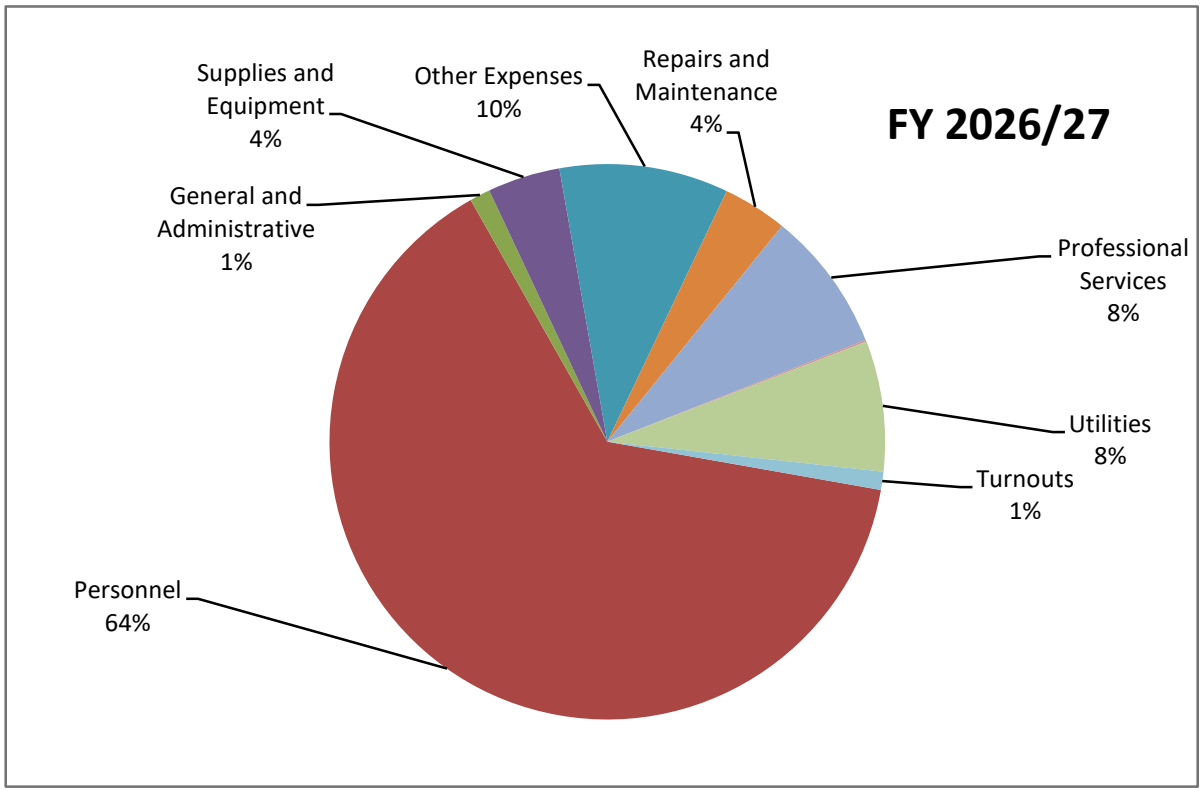
Purveyor	CONTRACT ENTITLEMENT IN FINANCIAL REACHES							
	WTP / 33B	34	35	37	38	MH II	SY I	SY II
Shandon	100							
Chorro Valley	2,338							
Lopez	2,392	2,392						
Guadalupe	550	550	550					
Santa Maria	16,200	16,200	16,200	16,200				
SCWC	500	500	500	500				
Vandenberg AFB	5,500	5,500	5,500	5,500	5,500	5,500		
Buellton	578	578	578	578	578	578	578	
Santa Ynez (Solvang)	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
Santa Ynez	500	500	500	500	500	500	500	
Goleta	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Morehart Land	200	200	200	200	200	200	200	200
LaCumbre	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
SB Research	50	50	50	50	50	50	50	50
Santa Barbara	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Montecito	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Carpinteria	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
TOTAL	43,908 AF	41,470 AF	39,078 AF	38,528 AF	21,828 AF	21,828 AF	16,328 AF	13,750 AF

Central Coast Water Authority

Distribution Department Operating Expenses

Fiscal Year 2026/27 Budget

Item	FY 2026/27 Budget
Personnel	$ 2,325,174
Office Expenses	4,000
Supplies and Equipment	153,500
Monitoring Expenses	-
Repairs and Maintenance	136,500
Professional Services	297,500
General and Administrative	43,250
Utilities	275,696
Other Expenses	356,793
Turnouts	38,350
TOTAL:	$ 3,630,763

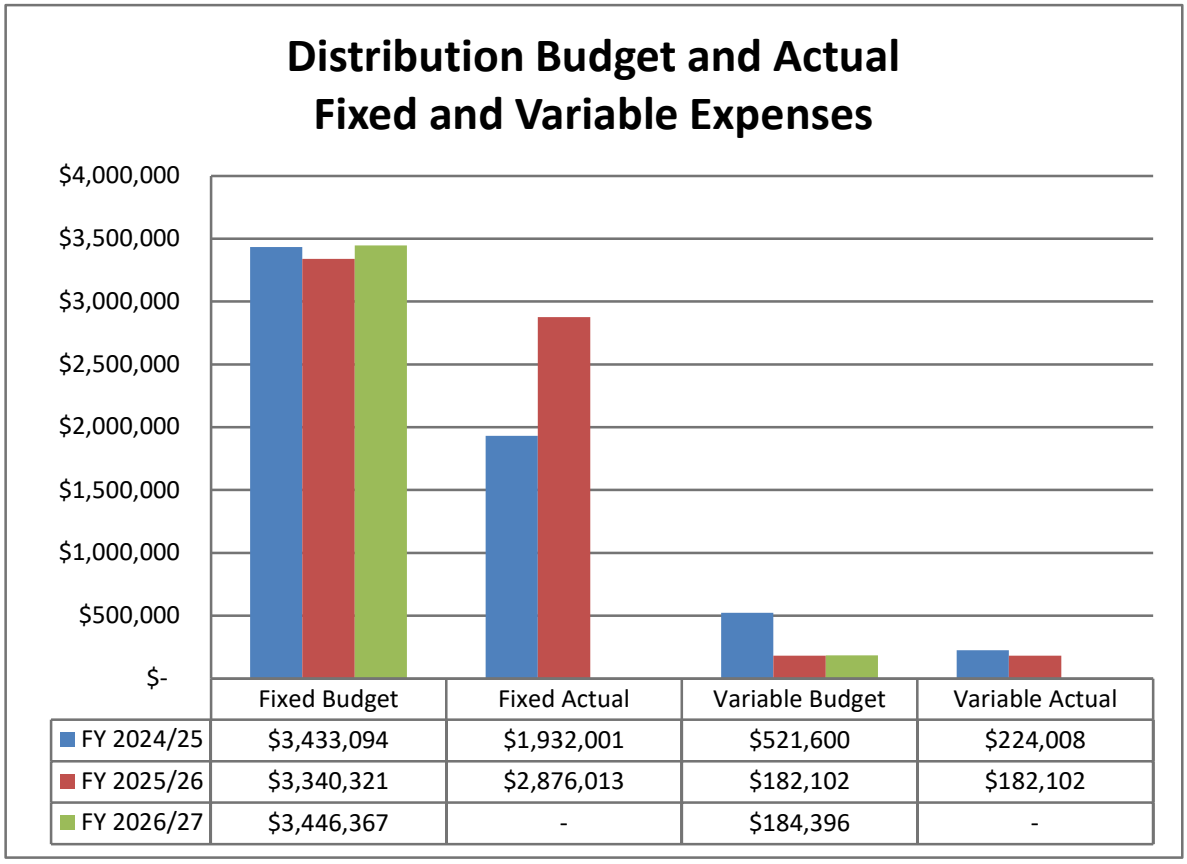


Central Coast Water Authority

Distribution Department Operating Expenses

Fiscal Year 2026/27 Budget

Item	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget
Personnel	$ 2,336,621	$ 2,134,165	$ 2,308,962	$ 1,993,781	$ 2,325,174
Office Expenses	4,000	206	4,000	4,000	4,000
Supplies and Equipment	154,460	105,951	154,500	132,500	153,500
Monitoring Expenses	-	-	-	-	-
Repairs and Maintenance	135,960	86,851	136,200	144,386	136,500
Professional Services	325,495	139,725	278,090	182,200	297,500
General and Administrative	41,250	31,011	43,250	33,650	43,250
Utilities	597,732	314,637	254,581	256,385	275,696
Other Expenses	334,158	345,092	342,839	286,214	356,793
Turnouts	25,018	20,142	29,217	25,000	38,350
TOTAL:	$ 3,954,694	$ 3,177,778	$ 3,551,639	$ 3,058,115	$ 3,630,763



Central Coast Water Authority

Distribution Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	PERSONNEL EXPENSES							
5000.10	Full-Time Regular Wages	$ 1,361,555	$ 1,241,144	$ 1,353,540	$ 1,101,414	$ 1,355,427	$ 1,887	0.14%
1300.60	Capitalized Wages and Overtime			-		-	-	N/A
5000.20	Overtime	94,772	99,674	95,323	95,324	95,505	182	0.19%
5000.40	Standby Pay	31,212	26,607	32,874	32,000	32,798	(76)	-0.23%
5000.50	Shift Differential Pay			-		-	-	
5100.10	PERS Retirement	368,525	339,678	342,342	342,342	321,592	(20,749)	-6.06%
5100.15	Medicare Taxes	21,684	19,317	21,497	17,664	21,536	38	0.18%
5100.20	Health/Dental/Vision Plans	292,240	254,280	308,685	255,000	318,003	9,317	3.02%
5100.25	Workers' Compensation	30,183	22,815	23,124	23,124	23,034	(90)	-0.39%
5100.30	Vehicle Expenses			-		-	-	
5100.35	Retiree Medical Future Liability Dep.	54,278	54,278	49,731	49,731	78,877	29,146	58.61%
5100.50	Long-Term Disability	6,725	5,327	6,652	8,410	6,655	4	0.05%
5100.55	Life Insurance	7,560	7,659	8,409	8,410	8,399	(10)	-0.12%
5100.60	Employee Physicals	1,745	670	1,800	500	1,800	-	0.00%
5000.30	Certification Incentive Pay	15,765	13,339	16,305	10,150	10,547	(5,757)	-35.31%
5100.80	Employee Incentive Programs/457 Plan	49,377	49,377	47,680	49,712	50,000	2,320	4.87%
5100.65	Employee Education Reimbursement	1,000		1,000	-	1,000	-	0.00%
5100.86	Benefits-Non-Capitalized Projects	-		-		-		
1300.60	Capitalized Employee Benefits	-	-	-	-	-	-	N/A
	Total Personnel Expenses:	2,336,621	2,134,165	2,308,962	1,993,781	2,325,174	16,212	0.70%

Central Coast Water Authority

Distribution Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	OFFICE EXPENSES							
5200.20	Office Supplies	1,500	154	1,500	1,500	1,500	-	0.00%
5200.30	Miscellaneous Office Expenses	2,500	52	2,500	2,500	2,500	-	0.00%
	Total Office Expenses:	4,000	206	4,000	4,000	4,000	-	0.00%
	SUPPLIES AND EQUIPMENT							
5500.10	Uniform Expenses	10,855	9,094	11,000	11,000	11,000	-	0.00%
5500.15	Minor Tools and Equipment	5,000	3,546	5,000	5,000	5,000	-	0.00%
5500.20	Spare Parts	-	-	-	-	-	-	N/A
5500.25	Landscape Equipment and Supplies	1,000	-	1,000	1,000	1,000	-	0.00%
5500.30	Chemicals-Fixed	-	-	-	-	-	-	N/A
5500.31	Chemicals-Variable	-	-	-	-	-	-	N/A
5500.35	Maintenance Supplies/Hardware	10,000	5,637	10,000	10,000	10,000	-	0.00%
5500.40	Safety Supplies	17,000	17,715	17,000	17,000	17,000	-	0.00%
5500.45	Fuel and Lubricants	106,105	69,770	106,000	84,000	105,000	(1,000)	-0.94%
5500.50	Seed/Erosion Control Supplies	4,000	-	4,000	4,000	4,000	-	0.00%
5500.55	Backflow Prevention Supplies	500	190	500	500	500	-	0.00%
	Total Supplies and Equipment:	154,460	105,951	154,500	132,500	153,500	(1,000)	-0.65%
	MONITORING EXPENSES							
5600.10	Lab Supplies	-	-	-	-	-	-	N/A
5600.20	Lab Tools and Equipment	-	-	-	-	-	-	N/A
5600.30	Lab Testing	-	-	-	-	-	-	N/A
	Total Monitoring Expenses:	-	-	-	-	-	-	N/A

Central Coast Water Authority

Distribution Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	REPAIRS AND MAINTENANCE							
5700.10	Equipment Repairs and Maintenance	80,000	52,801	80,000	93,884	80,000	-	0.00%
5700.20	Vehicle Repairs and Maintenance	30,000	22,635	30,000	30,000	30,000	-	0.00%
5700.30	Building Maintenance	21,460	7,612	21,700	16,002	22,000	300	1.38%
5700.40	Landscape Maintenance	4,500	3,802	4,500	4,500	4,500	-	0.00%
	Total Repairs and Maintenance:	135,960	86,851	136,200	144,386	136,500	300	0.22%
	PROFESSIONAL SERVICES							
5400.10	Professional Services	238,295	36,239	245,890	150,000	240,000	(5,890)	-2.40%
5400.20	Legal Services	50,000	47,491	-	-	-	-	N/A
5400.30	Engineering Services	30,000	46,694	25,000	25,000	50,000	25,000	100.00%
5400.40	Permits	7,200	9,300	7,200	7,200	7,500	300	4.17%
5400.50	Non-Contractual Services			-		-	-	N/A
5400.60	Accounting Services	-		-		-	-	N/A
	Total Professional Services:	325,495	139,725	278,090	182,200	297,500	19,410	6.98%
	GENERAL AND ADMINISTRATIVE							
5300.10	Meeting and Travel	20,000	11,616	20,000	20,000	20,000	-	0.00%
5300.20	Mileage Reimbursement	150	-	150	-	150	-	0.00%
5300.30	Dues and Memberships	4,000	2,658	4,000	4,000	4,000	-	0.00%
5300.40	Publications	2,000	2,440	2,000	2,000	2,000	-	0.00%
5300.50	Training	13,000	13,434	15,000	7,500	15,000	-	0.00%
5300.60	Advertising	1,500	440	1,500	-	1,500	-	0.00%
5300.70	Printing and Binding	-	-	-	-	-	-	N/A
5300.80	Postage	600	424	600	150	600	-	0.00%
	Total General and Administrative:	41,250	31,011	43,250	33,650	43,250	-	0.00%

Central Coast Water Authority

Distribution Department Operating Expenses

Fiscal Year 2026/27 Administration/O&M Budget

Account Number	Account Name	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget	FY 2025/26 Estimated Actual	FY 2026/27 Budget	Change from FY 2025/26 Budget	Percent Change FY 2025/26 Budget
	UTILITIES							
5800.20	Natural Gas	1,070	1,246	1,070	2,563	2,500	1,430	133.64%
5800.30	Electric Fixed	51,552	69,805	52,510	52,510	70,000	17,491	33.31%
5800.31	Electric-Variable	521,600	224,008	182,102	182,102	184,396	2,294	1.26%
5800.40	Water	2,500	2,396	2,500	2,500	2,500	-	0.00%
5800.50	Telephone	15,085	11,774	10,400	10,710	10,300	(100)	-0.96%
5800.60	Waste Disposal	5,925	5,408	6,000	6,000	6,000	-	0.00%
	Total Utilities:	597,732	314,637	254,581	256,385	275,696	21,115	8.29%
	OTHER EXPENSES							
5900.10	Insurance	98,826	93,795	107,303	105,214	123,887	16,583	15.45%
5900.30	Non-Capitalized Projects (1)	-		-	-	-	-	N/A
5900.40	Equipment Rental	42,700	13,223	18,500	18,500	18,500	-	0.00%
5900.50	Non-Capitalized Equipment	10,000	102,110	16,500	16,500	16,500	-	0.00%
5900.60	Computer Expenses	115,807	135,964	135,039	135,000	131,083	(3,957)	-2.93%
5900.70	Appropriated Contingency	66,825	-	65,496	11,000	66,824	1,327	2.03%
	Total Other Expenses:	334,158	345,092	342,839	286,214	356,793	13,954	4.07%
	Turnouts	25,018	20,142	29,217	25,000	38,350	9,133	31.26%
	TOTAL OPERATING EXPENSES	$ 3,954,694	$ 3,177,778	$ 3,551,639	$ 3,058,115	$ 3,630,763	79,124	2.23%

(1) Effective July 1, 2018 Non-Capitalized Projects will be found in the Capital Improvement and Non-Capital Projects section of the budget.

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5000.10 **ACCOUNT TITLE:** Full-Time Regular Salaries

FY 26/27 Requested Budget	1,355,427
FY 25/26 Estimated Actual	1,101,414
Increase (Decrease)	254,013

Description: Funds for the Distribution regular full-time employees. Includes $60,675 for FY 2026/27 salary pool.

ACCOUNT NUMBER: 5000.20 **ACCOUNT TITLE:** Overtime

FY 26/27 Requested Budget	95,505
FY 25/26 Estimated Actual	95,324
Increase (Decrease)	181

Description: Funds for overtime expenses for non-exempt Distribution employees.

Overtime is set at 5.0% of salaries plus one hour per day to monitor SCADA system.

ACCOUNT NUMBER: 1300.60 **ACCOUNT TITLE:** Capitalized Salaries and Overtime

FY 26/27 Requested Budget	-
FY 25/26 Estimated Actual	-
Increase (Decrease)	-

Description: CCWA employee salaries and overtime capitalized as a component of capital projects constructed or acquired by CCWA.

ACCOUNT NUMBER: 5000.30 **ACCOUNT TITLE:** Certification Incentive Pay

FY 26/27 Requested Budget	10,547
FY 25/26 Estimated Actual	10,150
Increase (Decrease)	397

Description: 2.5% pay increase for each certifcation above the required certification

Total $ 10,547

ACCOUNT NUMBER: 5000.40 **ACCOUNT TITLE:** Stand-by Pay

FY 26/27 Requested Budget	32,798
FY 25/26 Estimated Actual	32,000
Increase (Decrease)	798

Description: Funds for stand-by pay for one Distribution Technician and one Instrumentation and Control employee assigned to stand-by duty on a 24-hour basis. Based on 5% of their average hourly rate. Standby pay is $2.70 per hour for a Distribution employee. Instrumentation and Control employee hourly rate is $3.12 (1/3 allocated to Distribution Department and 2/3 allocated to the Water Treatment Plant Department).

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5100.10 **ACCOUNT TITLE:** PERS Retirement

FY 26/27 Requested Budget	321,592
FY 25/26 Estimated Actual	342,342
Increase (Decrease)	(20,750)

Description: Funds for both employer and employee contributions into PERS retirement system. Based on a 43.446% contribution rate for FY 2026/27, which includes the required Unfunded Accrued Liability (UAL) payment.

Required Contributions	$	163,446	18.376%
UAL current fiscal year		125,189	25.070%
UAL additional payment		32,957	fixed amount
	$	321,592	

ACCOUNT NUMBER: 5100.15 **ACCOUNT TITLE:** Medicare

FY 26/27 Requested Budget	21,536
FY 25/26 Estimated Actual	17,664
Increase (Decrease)	3,872

Description: Funds for the employer portion of Medicare taxes for the Distribution Department. Amount is equal to 1.45% of all wages.

ACCOUNT NUMBER: 5100.20 **ACCOUNT TITLE:** Health Insurance

FY 26/27 Requested Budget	275,957
FY 25/26 Estimated Actual	228,914
Increase (Decrease)	47,043

Description: Funds for the employer paid portion of health insurance for Distribution employees. Based on employee 2026 Café Plan elections. Includes an estimated 12% premium increase in 2027 rates.

		2026 Allowance		*2027 Allowance Est*
Family	$	29,836	$	33,416
Emp + 1		22,951		25,705
Employee only		11,475		12,852

ACCOUNT NUMBER: 5100.25 **ACCOUNT TITLE:** Workers' Compensation Insurance

FY 26/27 Requested Budget	23,034
FY 25/26 Estimated Actual	23,124
Increase (Decrease)	(90)

Description: Funds for Workers' Compensation insurance for the Distribution department. Based on an X-Mod rate of 62% and an economy of size rate of 90%.

ACCOUNT NUMBER: 5100.35 **ACCOUNT TITLE:** Retiree Medical Future Liability Deposit

FY 26/27 Requested Budget	78,877
FY 25/26 Estimated Actual	49,731
Increase (Decrease)	29,146

Description: Actuarially determined contributions to fund the estimated future liability for the required minimum contribution component (PEMHCA) of the CalPERS health plan and the retiree health costs for vested employees age 62 and over retiring from CCWA with at least 10 years of CCWA service. Costs are based on the number of active and covered employees and retirees.

ACCOUNT NUMBER: 5100.40 **ACCOUNT TITLE:** Cafeteria Plan Benefits

FY 26/27 Requested Budget	1,494
FY 25/26 Estimated Actual	3,106
Increase (Decrease)	(1,612)

Description: Funds for the portion of the cafeteria plan benefits which exceed the premium costs for the Distribution employees based on each employee's benefit election.

ACCOUNT NUMBER: 5100.45 **ACCOUNT TITLE:** Dental/Vision Plan

FY 26/27 Requested Budget	40,551
FY 25/26 Estimated Actual	22,980
Increase (Decrease)	17,571

Description: Funds for the self-funded dental/vision plan. The plan provides $5,327 per year per family for dental and vision expenses. Budgeted amount is $3,995 per year per employee. Annual limit is based on an increase over the prior year amount for the percentage change in the CPI.

ACCOUNT NUMBER: 5100.50 **ACCOUNT TITLE:** Long-Term Disability

FY 26/27 Requested Budget	6,655
FY 25/26 Estimated Actual	8,410
Increase (Decrease)	(1,755)

Description: Funds for premiums paid for long-term disability insurance. Based on a rate of $0.52 per $100 of salary.

ACCOUNT NUMBER: 5100.55 **ACCOUNT TITLE:** Life Insurance

FY 26/27 Requested Budget	8,399
FY 25/26 Estimated Actual	8,410
Increase (Decrease)	(11)

Description: Funds for the employer paid life insurance premiums for each employee. CCWA policy provides life insurance equal to 150% of an employees annual salary to a maximum of $250,000.

ACCOUNT NUMBER: 5100.60 **ACCOUNT TITLE:** Employee Physicals

FY 26/27 Requested Budget	1,800
FY 25/26 Estimated Actual	500
Increase (Decrease)	1,300

Description: Funds for employee physicals paid by CCWA, including DOT, pre-employment, and respirator evaluation.

$	550	3 physicals at $185 each
$	1,250	10 Respiratory and Audio Exam @ $125 each
$	1,800	TOTAL

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5100.65 **ACCOUNT TITLE:** Employee Education Reimbursement

Description: Funds for reimbursement of employee education expenses under the policy established by CCWA.

FY 26/27 Requested Budget	1,000
FY 25/26 Estimated Actual	-
Increase (Decrease)	1,000

ACCOUNT NUMBER: 5100.80 **ACCOUNT TITLE:** Employee Incentive Programs/457 K Plan

Description: Funds to encourage employee safety, efficiency and innovation through the Employee Achievement Awards Program (EAAP).

FY 26/27 Requested Budget	50,000
FY 25/26 Estimated Actual	49,712
Increase (Decrease)	288

$	3,000	EAAP
	47,000	457 K Plan
$	50,000	TOTAL

ACCOUNT NUMBER: 5200.20 **ACCOUNT TITLE:** Office Supplies

Description: Funds for office supplies for the Distribution Department.

FY 26/27 Requested Budget	1,500
FY 25/26 Estimated Actual	1,500
Increase (Decrease)	-

ACCOUNT NUMBER: 5200.30 **ACCOUNT TITLE:** Miscellaneous Office Expenses

Description: Funds for miscellaneous expenses such as awards, business cards and kitchen supplies, etc.

FY 26/27 Requested Budget	2,500
FY 25/26 Estimated Actual	2,499
Increase (Decrease)	1

ACCOUNT NUMBER: 5300.10 **ACCOUNT TITLE:** Meetings and Travel

Description: Funds for Distribution Department employee meetings and travel expenses. Includes State Water Contractor travel for Executive Director and Deputy Director as well as travel expenses for winter maintenance.

FY 26/27 Requested Budget	20,000
FY 25/26 Estimated Actual	20,000
Increase (Decrease)	-

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5300.20 **ACCOUNT TITLE:** Mileage Reimbursement

Description: Funds for reimbursement to employees for mileage expenses.

FY 26/27 Requested Budget	150
FY 25/26 Estimated Actual	-
Increase (Decrease)	150

ACCOUNT NUMBER: 5300.30 **ACCOUNT TITLE:** Dues and Memberships

Description: Funds for professional dues and memberships in required areas.

FY 26/27 Requested Budget	4,000
FY 25/26 Estimated Actual	4,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5300.40 **ACCOUNT TITLE:** Publications

Description: Funds for publications received by the Distribution Department.

FY 26/27 Requested Budget	2,000
FY 25/26 Estimated Actual	2,000
Increase (Decrease)	-

$	1,000.00	AWWA Online Spec. subscription
$	1,000.00	Other Publications
$	2,000.00	TOTAL

ACCOUNT NUMBER: 5300.50 **ACCOUNT TITLE:** Training

Description: Funds for training Distribution Department staff. Does not include educational reimbursement.

FY 26/27 Requested Budget	15,000
FY 25/26 Estimated Actual	7,500
Increase (Decrease)	7,500

$	15,000	Employee training, including safety

ACCOUNT NUMBER: 5300.60 **ACCOUNT TITLE:** Advertising

Description: Funds for public relations materials for the Distribution Department including open position advertising.

FY 26/27 Requested Budget	1,500
FY 25/26 Estimated Actual	-
Increase (Decrease)	1,500

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5300.80 **ACCOUNT TITLE:** Postage

Description: Funds for all postal and mail expenses for the Distribution Department.

FY 26/27 Requested Budget	600
FY 25/26 Estimated Actual	150
Increase (Decrease)	450

ACCOUNT NUMBER: 5400.10 **ACCOUNT TITLE:** Professional Services

Description:

FY 26/27 Requested Budget	240,000
FY 25/26 Estimated Actual	150,000
Increase (Decrease)	90,000

$	100,000	Environmental Services, Required by Reg Agency
	50,000	Cathodic protection, Crane inspections
	4,000	Emergency generator and forklift service
	2,000	Hydraulic package oil analysis
	4,500	Fire extinguisher and SCBA inspections
	5,000	Personnel Team Building
	12,500	Safety Consultant
	20,000	Third Party Confined Space rescue
	1,500	Forklift Service
	9,000	CEQA Review
	2,000	Crane Inspections
	4,500	Security
	25,000	Cachuma Lake Bypass pipeline pumping
$	240,000	TOTAL

ACCOUNT NUMBER: 5400.20 **ACCOUNT TITLE:** Legal Services

Description:

FY 26/27 Requested Budget	-
FY 25/26 Estimated Actual	-
Increase (Decrease)	-

ACCOUNT NUMBER: 5400.30 **ACCOUNT TITLE:** Engineering Services

Description: Funds for all non-capitalized engineering. services.

FY 26/27 Requested Budget	50,000
FY 25/26 Estimated Actual	25,000
Increase (Decrease)	25,000

$	50,000	General Services (SCADA, GIS, etc)

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5400.40 **ACCOUNT TITLE:** Permits

Description: Funds for all required permits for the Distribution Department.

FY 26/27 Requested Budget	7,500
FY 25/26 Estimated Actual	7,200
Increase (Decrease)	300

$	3,500	Low Threat Discharge Permit
	1,500	Diesel Permit
	2,500	SYPP, Tank 7 and 5 Business Plan
$	7,500	TOTAL

ACCOUNT NUMBER: 5500.10 **ACCOUNT TITLE:** Uniform Expenses

Description: Funds for employer provided uniforms including reimbursement of uniform expenses to employees.

FY 26/27 Requested Budget	11,000
FY 25/26 Estimated Actual	11,000
Increase (Decrease)	-

$	4,020	Uniform Service ($335 month)
	2,700	Blue jean pants ($300/year employee allowance)
	3,150	Boots ($350/year employee allowance)
	1,130	Misc. uniform requirements (jackets, etc.)
$	11,000	TOTAL

ACCOUNT NUMBER: 5500.15 **ACCOUNT TITLE:** Minor Tools and Equipment

Description: Funds for the purchase of minor tools and equipment.

FY 26/27 Requested Budget	5,000
FY 25/26 Estimated Actual	4,999
Increase (Decrease)	1

ACCOUNT NUMBER: 5500.25 **ACCOUNT TITLE:** Landscape Equipment and Supplies

Description: Funds for the purchase of equipment and supplies for landscape maintenance at the pump station.

FY 26/27 Requested Budget	1,000
FY 25/26 Estimated Actual	1,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5500.35 **ACCOUNT TITLE:** Maintenance Supplies/Hardware

Description: Funds for the purchase of disposable tools, pipe and pipefittings, wood, steel and other metals, hardware, nuts and bolts, and other hardware materials.

FY 26/27 Requested Budget	10,000
FY 25/26 Estimated Actual	10,000
Increase (Decrease)	-

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5500.40 **ACCOUNT TITLE:** Safety Supplies

Description: Purchases of minor safety supplies including first aid kit purchases and non-capitalized safety equipment purchases.

FY 26/27 Requested Budget	17,000
FY 25/26 Estimated Actual	17,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5500.45 **ACCOUNT TITLE:** Fuel and Lubricants

Description: Funds for the purchase of fuel and lubricants for Distribution Department vehicles. Does not include mileage reimbursement expenses.

FY 26/27 Requested Budget	105,000
FY 25/26 Estimated Actual	84,000
Increase (Decrease)	21,000

$	97,000	Vehicles
	2,370	Emergency Generator Sets
	4,365	Lubricants
	1,265	Miscellaneous
$	105,000	TOTAL

ACCOUNT NUMBER: 5500.50 **ACCOUNT TITLE:** Seed/Plants/Erosion Control Supplies

Description: Funds for reseeding, replanting and erosion control supplies.

FY 26/27 Requested Budget	4,000
FY 25/26 Estimated Actual	4,000
Increase (Decrease)	-

$	1,000	Seed
	1,000	Plants and materials
	2,000	Erosion control
$	4,000	TOTAL

ACCOUNT NUMBER: 5500.55 **ACCOUNT TITLE:** Backflow Prevention Supplies

Description: Funds for backflow prevention.

FY 26/27 Requested Budget	500
FY 25/26 Estimated Actual	500
Increase (Decrease)	-

ACCOUNT NUMBER: 5700.10 **ACCOUNT TITLE:** Equipment Repairs and Maintenance

Description: Funds for repairs and maintenance of Distribution Department equipment.

FY 26/27 Requested Budget	80,000
FY 25/26 Estimated Actual	93,884
Increase (Decrease)	(13,884)

CENTRAL COAST WATER AUTHORITY
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ACCOUNT NUMBER: 5700.20 **ACCOUNT TITLE:** Vehicle Repairs and Maintenance

Description: Funds for the repair and maintenance of Distribution Department vehicles.

FY 26/27 Requested Budget	30,000
FY 25/26 Estimated Actual	30,000
Increase (Decrease)	-

ACCOUNT NUMBER: 5700.30 **ACCOUNT TITLE:** Building Maintenance

Description: Funds for the repair and maintenance of the Santa Ynez Pumping Facility.

FY 26/27 Requested Budget	22,000
FY 25/26 Estimated Actual	16,002
Increase (Decrease)	5,998

$	4,000	Janitorial Service
	2,000	Pest Control
	12,000	HVAC, includes quarterly inspection
	4,000	Minor building repairs
$	22,000	TOTAL

ACCOUNT NUMBER: 5700.40 **ACCOUNT TITLE:** Landscape Maintenance

Description: Funds for the maintenance of the Santa Ynez Pumping Facility (SYPF).

FY 26/27 Requested Budget	4,500
FY 25/26 Estimated Actual	4,500
Increase (Decrease)	-

$	4,500	SYPF ($375 month avg)

ACCOUNT NUMBER: 5800.20 **ACCOUNT TITLE:** Natural Gas Service

Description: Funds for natural gas service for the Distribution Department.

FY 26/27 Requested Budget	2,500
FY 25/26 Estimated Actual	2,563
Increase (Decrease)	(63)

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5800.30 **ACCOUNT TITLE:** Electric Service-Fixed

FY 26/27 Requested Budget	70,000
FY 25/26 Estimated Actual	52,510
Increase (Decrease)	17,490

Description: Funds for electrical service for the Distribution Dept.

$	24,705	Suite B & C	$ 1,796/month
	2,350	ISO vaults (2)	$ 137/month
	18,630	Tanks (3)	$ 636/month
	3,253	Rectifiers (11)	$ 151/month
	5,992	EDV	$ 460/month
	15,070	SYPF	$ 1,256/month
$	70,000	TOTAL	

ACCOUNT NUMBER: 5800.31 **ACCOUNT TITLE:** Electric Service-Variable

FY 26/27 Requested Budget	184,396
FY 25/26 Estimated Actual	182,102
Increase (Decrease)	2,294

Description: Funds for electrical service for the Distribution Department.

Acre feet pumped		320
Cost per acre foot	$	576
TOTAL	$	184,396

ACCOUNT NUMBER: 5800.40 **ACCOUNT TITLE:** Water/Sewer

FY 26/27 Requested Budget	2,500
FY 25/26 Estimated Actual	2,500
Increase (Decrease)	-

Description: Funds for water and sewer service to the Distribution Department.

ACCOUNT NUMBER: 5800.50 **ACCOUNT TITLE:** Telephone

FY 26/27 Requested Budget	10,300
FY 25/26 Estimated Actual	10,710
Increase (Decrease)	(410)

Description: Funds for Distribution Department phones including long distance and cellular phone bills.

$	2,800	Tablet Service
$	7,500	General Phone
$	10,300	Total

CENTRAL COAST WATER AUTHORITY
DISTRIBUTION FY 2026/27 BUDGET

ACCOUNT NUMBER: 5800.60 **ACCOUNT TITLE:** Waste Disposal

Description: Funds for trash service and removal of hazardous waste (waste oil) for the Distribution Department.

FY 26/27 Requested Budget	6,000
FY 25/26 Estimated Actual	6,000
Increase (Decrease)	-

$	5,000	Trash service
	1,000	Hazardous waste removal
$	6,000	TOTAL

ACCOUNT NUMBER: 5900.10 **ACCOUNT TITLE:** Insurance

Description: Funds for insurance coverage.

FY 26/27 Requested Budget	123,887
FY 25/26 Estimated Actual	105,214
Increase (Decrease)	18,673

$	70,964	Property and Auto Insurance as apportioned by JPIA.
$	52,922	General liability and E&O insurance pro rated by salary percentages.
$	123,887	TOTAL

ACCOUNT NUMBER: 5900.40 **ACCOUNT TITLE:** Equipment Rental

Description: Funds for rental of equipment for the Distribution Department.

FY 26/27 Requested Budget	18,500
FY 25/26 Estimated Actual	18,500
Increase (Decrease)	-

$	4,800	Portable toilets (4) $1,200/year each
	10,000	General equipment rental
	3,700	Mowing
$	18,500	TOTAL

ACCOUNT NUMBER: 5900.50 **ACCOUNT TITLE:** Non-Capitalized Fixed Assets

Description: Funds for the purchase of non-capitalized equipment purchases. These equipment purchases are generally under $10,000 in cost with an estimated useful life under 5 years.

FY 26/27 Requested Budget	16,500
FY 25/26 Estimated Actual	16,500
Increase (Decrease)	-

ACCOUNT NUMBER: 5900.60 **ACCOUNT TITLE:** Computer Expenses

Description: Funds for computer expenses including minor software and equipment purchases, and service contracts.

FY 26/27 Requested Budget	131,083
FY 25/26 Estimated Actual	135,000
Increase (Decrease)	(3,917)

$	119,848	CompuVision, Annual Service Agreements, and Software Subscriptions
$	11,235	Software, New Computers, DSL Allowance and other computer services.
$	131,083	TOTAL

CENTRAL COAST WATER AUTHORITY
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ACCOUNT NUMBER: 5900.70

ACCOUNT TITLE: Appropriated Contingency

Description: 2.0% of requested budget excluding variable electric costs.

FY 26/27 Requested Budget	66,824
FY 25/26 Estimated Actual	11,000
Increase (Decrease)	55,824

Bypass pipe at Bradbury Dam

Capital, Non-Capital & Extraordinary Projects

The Capital Improvements Projects (CIP) and Non-Capital Projects (NCP) is a component of the non-operating expense section of the budget. The CIP budget includes expenses for fixed asset/equipment purchases as well as the accumulation of expenditures for construction projects undertaken by the Authority. The NCP budget includes expenditures for facility, equipment, maintenance and repairs. The Extraordinary Project Program (EPP) at the end of the project section of the budget provides a list of both CIP and NCP with a $75,000 cost threshold over the next ten years.

The Capital Improvements Projects (CIP) and Non-Capital Projects (NCP) section is a component of the non-operating expense section of the budget. The budget for CIP includes expenditures for fixed asset/equipment purchases, the accumulation of expenditures associated with construction projects undertaken by the Authority. The NCP budget includes expenditures for facility, equipment, maintenance and repairs. The Extraordinary Project Program (EPP) at the end of this section provides a list of both Capital and Non-Capital Projects with a $75,000 cost threshold and are anticipated occurring over the next ten years.

Total CIP and NCP budget for FY 2026/27 is $3,108,727 and consists of 16 Capital Improvement Projects representing $2,767,477 of the budget, and a budget of $341,250 for 5 Non-Capital Projects.

Capitalization Criteria

The Authority capitalizes project expenditures and fixed asset purchases for those projects and assets that (1) are greater than $10,000 and (2) have an estimated useful life longer than five years, with the exception of computer related equipment which is amortized over three years.

Principles used to determine what constitutes Capitalization:

- Fixing a defect or design flaw
- Creating an addition, physical enlargement or expansion
- Creating an increase in capacity, productivity or efficiency
- Rebuilding property after the end of its economic useful life
- Replacing a major component or structural part of the property
- Adapting property to a new or different use

Carry-Over

During the previous fiscal year, certain capital improvement projects were either not completed or started during the year. However, the Authority intends to complete these projects and expend the funds in the next fiscal year. Therefore, the items are treated as a "carry-over." This means that the project is being carried forward from the previous fiscal year to the new fiscal year capital improvement budget. Additionally, the unused funds are moved from the previous fiscal year to the new fiscal year. Currently, it is not yet known if funds will need to be carried over from FY 2025/26 into FY 2026/27.

Funding of Capital Improvements (CIP) and Non-Capital Projects (NCP)

The FY 2026/27 CIP and NCP expenditures are entirely funded from Project Participant Assessments.

The following table shows the allocation of the FY 2026/27 Capital Improvements Projects and Non-Capital Projects by department and financial reach. Details for each of the proposed projects can also be found in this section.

FY 2026/27 Capital Improvement Projects (CIP)

Capital Projects	Specific Financial Reach	Administration	Water Treatment Plant	Distribution	Turnouts	Total
Filter Multimedia and Underdrain Nozzle Replacement	WTP	-	$ 1,207,500	-	-	$ 1,207,500
Aqueous Ammonia Storage Tank Lining Replacement	WTP	-	430,500	-	-	430,500
Utility Water Piping Replacement	WTP	-	78,750	-	-	78,750
Actuators	WTP	-	56,700	-	-	56,700
Security and Access Control Project - Phase I	WTP	-	199,500	-	-	199,500
Water Information Management (WIMS) Software Replacement	WTP	-	78,750	-	-	78,750
Water Treatment Plant Access Road/Asphalt Maintenance	WTP	-	157,500	-	-	157,500
Fire Alarm Control Panel Replacement.	WTP	-	36,750	-	-	36,750
Tank 2 Generator and Fuel System Replacement Project	33B	-	-	141,750	-	141,750
Lopez Turnout Pressure Relief Valve Replacement	LOPEZ TO	-	-	-	21,433	21,433
Distribution Control Room Upgrade Project.	ALL	-	-	22,680	-	22,680
Distribution Battery and Power Upgrades.	ALL	-	-	34,020	-	34,020
Bradbury Dam Radio Upgrade to Enterprise Grade	SYII	-	-	36,288	-	36,288
Vehicle replacement	ALL	-	-	88,452	-	88,452
Vehicle replacement	ALL	-	-	88,452	-	88,452
Vehicle replacement	ALL	-	-	88,452	-	88,452
Total Capital Projects:		$ -	$ 2,245,950	$ 500,094	$ 21,433	$ 2,767,477

FY 2026/27 Non-Capital Projects (NCP)

Maintenance, Repairs & Equipment Projects	Financial Reach	ADM	WTP	DIST	Turnouts	Total
Electrical Safety Plan and Arc Flash Coordination Study.	WTP/DIST-ALL	-	60,375	$ 60,375	-	$ 120,750
Buellton Administration Building Maintenance Project	ADM	26,250	-	-	-	26,250
Chorro Valley Access Road Repair	33B	-	-	105,000	-	105,000
Energy Dissipating Valve Facility Quantum I/O Card Upgrade	34	-	-	52,500	-	52,500
Cuesta Tunnel North Portal Vegetation Abatement Project	33B	-	-	36,750	-	36,750
Total Maintenance, Repair & Equipment Projects:		$ 26,250	$ 60,375	$ 254,625	$ -	$ 341,250
TOTAL CAPITAL and NON-CAPITAL PROJECTS:		**$ 26,250**	**$ 2,306,325**	**$ 754,719**	**$ 21,433**	**$ 3,108,727**

The following tables provide details for each of the Capital Improvement Projects.

Description:	**Filter Multimedia and Underdrain Nozzle Replacement**
Department:	WTP
Expanded Description	Filtration of settled water is accomplished through eight multimedia filters. Water percolates from the top of each filter through a layer of granular activated carbon and sand and flows through an underdrain system to the chlorine contact basin. This project consists of the removal and replacement of both layers of filter media and the underdrain nozzles in four of the filters, repairing filter basin concrete surfaces, and leveling backwash troughs to extent feasible.
Estimated Charge - Contractor	$1,150,000
Contingency (5%)	57,500
Subtotal without CCWA Labor	**$1,207,500**
CCWA Labor	57,663
Total Cost	$1,265,163
Operating Budget Impact:	Multi-media filter conditions are a high priority because of their criticality in the treatment process and regulatory compliance. Not addressing the cause of the backwash system pressure relief events will lead to clogging, head-loss impacts and inefficient backwashes, resulting in WTP capacity reduction.

Description:	**Aqueous Ammonia Storage Tank Lining Replacement**
Department:	WTP
Expanded Description	The aqueous ammonia storage tank at the Polonio Pass Water Treatment Plant has experienced delamination from the interior tank walls and degradation at the outlets and flanges. The vulcanized rubber lining requires replacement rather than repairs.
Estimated Charge - Contractor	$410,000
Contingency (5%)	20,500
Subtotal without CCWA Labor	**$430,500**
CCWA Labor	27,005
Total Cost	$457,505
Operating Budget Impact:	To our knowledge, the storage tank lining has had localized repairs at some of the seams and at the outlets and flanges, the most recent after the lining inspection performed in 2019. The purpose of this project is to provide a design for a cost-effective and durable tank lining solution to protect aqueous ammonia tank for years to come.

Description:	**Actuators**
Department:	WTP
Expanded Description	This project is to continue replacing the filter control valve actuators. The existing actuators are well past their service life and need to be replaced to ensure reliable filter operation.
Estimated Charge – Material	$50,000
Tax (8%)	4,000
Contingency (5%)	2,700
Subtotal without CCWA Labor	**$56,700**
CCWA Labor	21,558
Total Cost	$78,258
Operating Budget Impact:	The filters of the Water Treatment Plant serve as a vital element of the water treatment operations. The function of the filters is to removal particulate matter from the water and, consequently, the filters must be cleaned periodically. Control valves are actuated to create a turbulent condition that facilitates filter media cleaning which maintains the capacity of the Water Treatment Plant.

Description:	**Utility Water Piping Replacement**
Department:	WTP
Expanded Description	The Water Treatment Plant is equipped with a utility water distribution system. Portions of the existing piping have corroded and need to be replaced. Replacement of the system piping began in Fiscal Year 2024-25 and this project continues the replacement of additional corroded sections.
Estimated Charge - Contractor	$75,000
Contingency (5%)	3,750
Subtotal without CCWA Labor	**$78,750**
CCWA Labor	12,660
Total Cost	$91,410
Operating Budget Impact:	The Water Treatment Plant requires a functional utility water distribution system to operate. The purpose of the project is to continue replacing corroded sections of the utility water piping system prior to their failure.

Description:	**Security and Access Control Project - Phase I**
Department:	WTP
Expanded Description	This project will develop detailed specifications for migrating CCWA's access control, intrusion alarms and video surveillance equipment to one centralized platform. Existing equipment will also be upgraded.
Estimated Charge - Contractor	$190,000
Contingency (5%)	9,500
Subtotal without CCWA Labor	**$199,500**
CCWA Labor	19,350
Total Cost	$218,850
Operating Budget Impact:	The current access control, intrusion alarms and video surveillance are functional but aging. Newer technology is available to greatly enhance security of CCWA facilities. One finding of the Risk and Resiliency Assessment of the CCWA operation indicated a need to enhance security to increase operational resiliency.

Description:	**Water Information Management (WIMS) Software Replacement**
Department:	WTP
Expanded Description	The developer of the existing WIMS was acquired by another company. Ongoing WIMS support and maintenance services have been discontinued.
Estimated Charge - Contractor	$75,000
Contingency (5%)	3,750
Subtotal without CCWA Labor	**$78,750**
CCWA Labor	6,020
Total Cost	$84,770
Operating Budget Impact:	WIMS is used to store data and develop monthly surface water treatment and water quality reports for submission to SWRCB DDW. A replacement WIMS is needed because the current WIMS is no longer receiving technical support services.

Description:	**Fire Alarm Control Panel Replacement**
Department:	WTP
Expanded Description	The existing fire control panel is operational but obsolete and can no longer receive software updates. This project will replace the existing fire alarm control panel with new equipment.
Estimated Charge – Contractor	$35,000
Contingency (5%)	1,750
Subtotal without CCWA Labor	**$36,750**
CCWA Labor	4,245
Total Cost	$40,995
Operating Budget Impact:	The WTP fire alarm control panel software needs to be updated periodically in order to maintain reliable functionality.

Description:	**Water Treatment Plant Access Road/Asphalt Maintenance**
Department:	WTP
Expanded Description	This is a project to repair the plant access road.
Estimated Charge - Contractor	$150,000
Contingency (5%)	7,500
Subtotal without CCWA Labor	**$157,500**
CCWA Labor	14,427
Total Cost	$171,927
Operating Budget Impact:	Pavement is constantly exposed to the elements and traffic loading. This results in a wearing of the pavement surface and the oxidation of the pavement materials. Cracks will form, which will allow water to penetrate beneath the pavement and this creates an accelerated degradation process. Through crack sealing and slurry sealing, the service life of the pavement will be greatly extended, which postpones full reconstruction.

Description:	**Tank 2 Generator and Fuel System Replacement**
Department:	33B
Expanded Description	A generator is stationed at Tank 2 and provides power when utility power fails. Power is needed for communication, monitoring and operating the Tank 2 site.
Estimated Charge – Material	$125,000
Tax (8%)	10,000
Contingency (5%)	6,750
Subtotal without CCWA Labor	**$141,750**
CCWA Labor	9,211
Total Cost	$150,961
Operating Budget Impact:	The Tank 2 generator is aging and maintenance needs have been increasing. This project will replace the existing generator and fuel system with new equipment.

Description:	**Lopez Turnout Pressure Relief Valve Replacement**
Department:	LOPEZ TURNOUT
Expanded Description	The Pressure Relief Valve (PRV) at the Lopez Turnout needs to be replaced.
Estimated Charge – Material	$18,900
Tax (8%)	1,512
Contingency (5%)	1,021
Subtotal without CCWA Labor	**$21,433**
CCWA Labor	5,239
Total Cost	$26,672
Operating Budget Impact:	A PRV is a safety device that automatically opens to release excess pressure from a system when it surpasses a set limit, preventing catastrophic failure, equipment damage, environmental harm, and ensuring operational integrity by venting water until pressure normalizes.

Description:	**Distribution Control Room Upgrade Project**
Department:	DIST
Expanded Description	The Distribution Control Room at BAO is a key facility to reliably operate the pipeline. The last remodeling of the distribution control room occurred over ten years ago and the floor coverings and countertops are in need of replacement.
Estimated Charge – Material	$20,000
Tax (8%)	1,600
Contingency (5%)	1,080
Subtotal without CCWA Labor	**$22,680**
CCWA Labor	12,528
Total Cost	$35,208
Operating Budget Impact:	The floor covering and countertops of the distribution control room have been properly maintained but based on the most recent inspection of these systems, it is time to replace these components. Through proactively replacing equipment before the end of it useful service life, breakdown events and related impacts to operations are avoided.

Description:	**Distribution Battery and Power Upgrades**
Department:	DIST
Expanded Description	Various distribution facilities have battery-powered backup power supplies. Battery life declines as these facilities age. This project will replace existing batteries with new, and in some cases, larger capacity backup power supplies.
Estimated Charge – Material	$30,000
Tax (8%)	2,400
Contingency (5%)	1,620
Subtotal without CCWA Labor	**$34,020**
CCWA Labor	7,811
Total Cost	$41,831
Operating Budget Impact:	A constant and reliable power supply is important to maintain communication and operability of remote equipment.

Description:	**Bradbury Dam Radio Upgrade to Enterprise Grade**
Department:	SYII
Expanded Description	The existing radio equipment used for network communication is nearing the end of its useful life and needs to be replaced.
Estimated Charge – Contractor	$32,000
	2,560
Contingency (5%)	1,728
Subtotal without CCWA Labor	**$36,288**
CCWA Labor	2,875
Total Cost	$39,163
Operating Budget Impact:	Network communication is essential to monitor operations when the SYPP is operating to deliver water Lake Cachuma. Upgrading the existing equipment will reduce the risk of communication outages which impair the ability to monitor ongoing operations.

Description:	**Vehicle Replacement**
Department:	DIST
Expanded Description	Three vehicles are currently or projected to be ready for replacement per CCWA's vehicle replacement policy.
Estimated Charge – Material	$78,000
Tax (8%)	6,240
Contingency (5%)	4,212
Subtotal without CCWA Labor	**$88,452**
CCWA Labor	1,541
Total Cost	$89,993
Operating Budget Impact:	The CCWA replacement policy is to replace vehicles once they either have reached 125,000 miles or are over 10 years in age.

Description:	**Distribution Crew Truck**
Department:	DIST
Expanded Description	Three vehicles are currently or projected to be ready for replacement per CCWA's vehicle replacement policy.
Estimated Charge – Material	$78,000
Tax (8%)	6,240
Contingency (5%)	4,212
Subtotal without CCWA Labor	**$88,452**
CCWA Labor	1,541
Total Cost	$89,993
Operating Budget Impact:	The CCWA replacement policy is to replace vehicles once they either have reached 125,000 miles or are over 10 years in age.

Description:	**Vehicle Replacement**
Department:	DIST
Expanded Description	Four vehicles are currently or projected to be ready for replacement per CCWA's vehicle replacement policy.
Estimated Charge – Material	$78,000
Tax (8%)	6,240
Contingency (5%)	4,212
Subtotal without CCWA Labor	**$88,452**
CCWA Labor	1,541
Total Cost	$89,993
Operating Budget Impact:	The CCWA replacement policy is to replace vehicles once they either have reached 125,000 miles or are over 10 years in age.

Non-Capitalized Projects

CCWA operates the Coastal Branch Extension for DWR through an Operations and Maintenance Agreement. Therefore, all expenses associated with the repairs and maintenance of the DWR portion of the Coastal Branch Extension are funded through the CCWA O&M assessments. Additionally, certain portions of the facilities around the Polonio Pass Water Treatment are owned by DWR but also operated and maintained by CCWA, such as the access road to the Water Treatment Plant. Since CCWA does not own the DWR facilities, capital related expenditures may not be capitalized as an asset on its books. The account also includes funding for projects on CCWA owned portions of the Water Treatment Plant which are considered extraordinary expenses, but which are not eligible for capitalization.

The following tables provide details for each of the Non-Capital Projects.

Description:	**Chorro Valley Access Road Repair**
Department:	33B
Expanded Description	The Chorro Valley access road was damaged during the winter of 2023. SLO County Public Works has worked with FEMA to identify and complete repairs.
Estimated Charge - Contractor	$100,000
Contingency (5%)	5,000
Subtotal without CCWA Labor	**$105,000**
CCWA Labor	1,558
Total Cost	$106,558
Operating Budget Impact:	Damage to the access road limits vehicular access to the south portal of Cuesta Tunnel. CCWA is one of four water systems with facilities located in the Cuesta Tunnel and uses the Chorro Valley access road to maintain the portion of the Coastal Branch pipeline. The share of costs not covered by FEMA reimbursement are proposed to be split equally among the four water systems.

Description:	**Cuesta Tunnel North Portal Vegetation Abatement**
Department:	33B
Expanded Description	CCWA maintains the drainage system at the Cuesta Tunnel North Portal site. A recent survey has shown vegetative growth that may impact the existing drainage system if left unabated. A contractor will be retained to abate vegetation in accordance with CCWA's Habitat Conservation Plan procedures.
Estimated Charge - Contractor	$35,000
Contingency (5%)	1,750
Subtotal without CCWA Labor	**$36,750**
CCWA Labor	4,269
Total Cost	$41,019
Operating Budget Impact:	A clean and clear drainage system will reduce erosion and the potential of flooding during rainstorms.

Description:	**Energy Dissipating Valve Facility Quantum I/O Card Upgrade**
Department:	34
Expanded Description	The existing process logic controller input/output (I/O) cards for the Energy Dissipating Valve (EDV) Facility are outdated and no longer supported. A contractor will be retained to upgrade the existing equipment, consistent with the other pipeline facilities and WTP.
Estimated Charge - Contractor	$50,000
Contingency (5%)	2,500
Subtotal without CCWA Labor	**$52,500**
CCWA Labor	16,384
Total Cost	$68,884
Operating Budget Impact:	Manufacturers develop new improved products as technology advances. Eventually, a manufacturer will stop supporting older products as that equipment passes its anticipated useful service life. To maintain a resilient operation, it is important to migrate to new technology for improved operation and efficiencies.

Description:	**Electrical Safety Plan and Arc Flash Coordination Study**
Department:	WTP/DIST
Expanded Description	Arc flash coordination requires a study to minimize incident energy and ensure protective devices operate correctly, isolating faults while allowing, where feasible, selective coordination. A consultant will be retained to perform electrical equipment testing, update CCWA's arc flash coordination and electrical safety plan, as needed.
Estimated Charge - Contractor	$115,000
Contingency (5%)	5,750
Subtotal without CCWA Labor	**$120,750**
CCWA Labor	9,477
Total Cost	$130,227
Operating Budget Impact:	An arc flash coordination study needs to be completed every 5 years. CCWA's electrical safety plan provides safe work practices and required training to safely operate and maintain electrical equipment.

Description:	**Buellton Administration Building Maintenance**
Department:	ADM
Expanded Description	Normal wear and tear of routine administrative activities has created a need to complete maintenance on various Buellton Administration Office building components. Funds included in this project will be used for painting, exterior fencing and fascia board replacement and indoor plumbing maintenance.
Estimated Charge - Contractor	$25,000
Contingency (5%)	1,250
Subtotal without CCWA Labor	**$26,250**
CCWA Labor	13,353
Total Cost	$39,603
Operating Budget Impact:	The BAO houses administrative staff and is used to host Board of Directors, Operating Committee and other CCWA-related meetings.

FORMAL EXTRAORDINARY PROJECT PROGRAM

CCWA staff and an experienced engineering consultant worked together to develop a formal Extraordinary Project Program (EPP). As the various facilities and systems that are operated and maintained by CCWA age, there will be a need for projects to replace, refurbish and improve those facilities and systems. Not only will the number of these kinds of projects increase but their magnitude in both costs and potential impact on operations will increase as well. In addition, the Board may find that the CCWA System can be improved or modified to provide additional benefits to CCWA Participants. Consequently, there is a need to carefully consider what specific projects are needed or desired by the Board and to plan and schedule their implementation. The project identification, planning, prioritization and scheduling steps were foundational in the preparation of the formal EPP.

Another important purpose of a formal EPP is that it provides a format in which to communicate to the Board a more comprehensive long range plan for the CCWA system operation and development. In the past, Staff presented projects to the Board through the annual budgeting process. All projects were funded on a current year basis and included in the Authority's draft budget, which was submitted to the Board of Directors for approval. Because this process did not provide a full view of multi-year projects nor provide a definitive long term plan, in Fiscal Year 2017/18 Staff developed the formal EPP to adequately communicate to the Board the current work of careful planning and prioritizing of projects.

As with all EPPs, the basic elements include the following:

- Identification of Projects. Since the purpose of a formal EPP is to communicate the long term development plans for the CCWA System, it is important to identify the size of the projects to bring to the Board's attention. For the purposes of initial evaluation, CCWA staff has used $75,000 as the threshold level in which to include a project in the EPP. The Board may decide to increase or decrease this threshold level.

  In terms of identifying projects, there are two kinds of projects: (1) projects identified through routine facility assessments and (2) projects that improve the CCWA system and provide additional benefits to CCWA Participants, such as expanding the water treatment plant.

- Identify Funding for Projects. For the CCWA operation, all funding of projects occurs through the annual budgeting process for the CCWA operation. However, for large projects, the Board may decide to direct staff to pursue grant funding opportunities. Since applying for grants is a project in itself and may require an extended timeframe to secure a grant, this may be the first step in developing a project.

- Budgeting Project. A formal EPP allows the Board to fully consider the costs and schedule of a multi-year project. In addition, annual updates of the EPP

will allow updates to project costs estimates and other important updates for the Board to consider. This is an improvement on the prior method of submitting projects on a current year budget basis only.

- Implementing Projects. A standard project management approach is utilized in organizing and implementing projects. Every project is described, in terms of cost and schedule, as a multi-phased project to include the phases shown below:

  - Project initiation. Once a project is identified, staff will need to prepare a description of the project as well as provide justification for the project. This is the very early stages of the project and is the basis for initial approval. If the project is approved, the next step will be implemented.

  - Planning/Predesign. For large projects, preliminary engineering is required to estimate the order of magnitude scope and cost of the project. Either staff or a consulting engineer can be utilized in developing these estimates. Following this step, the Board may want to provide additional review as to whether to approve the project for further development.

  - Design. Once a project has been approved by the Board, the project will be designed by a consulting engineering firm. If the design contract exceeds $30,000, staff will request approval from the Board before awarding the contract, consistent with the CCWA Purchasing Policies. Generally, the design will be incorporated into a Request-For-Bids (RFB) document, using CCWA's standard contracts and front end specifications for public works projects.

  - Construction Bid and Award. Once the RFB is finalized, it will be advertised as required by public procurement regulations. The competitive bidding process will follow established public works project protocol. Once bids have been publicly opened, the Bids will be reviewed to determine if the contractor is responsible and if the Bid was responsive to Bid Documents. Once this process is completed, the lowest responsible and responsive Bid will be presented to the Board for consideration for contract award.

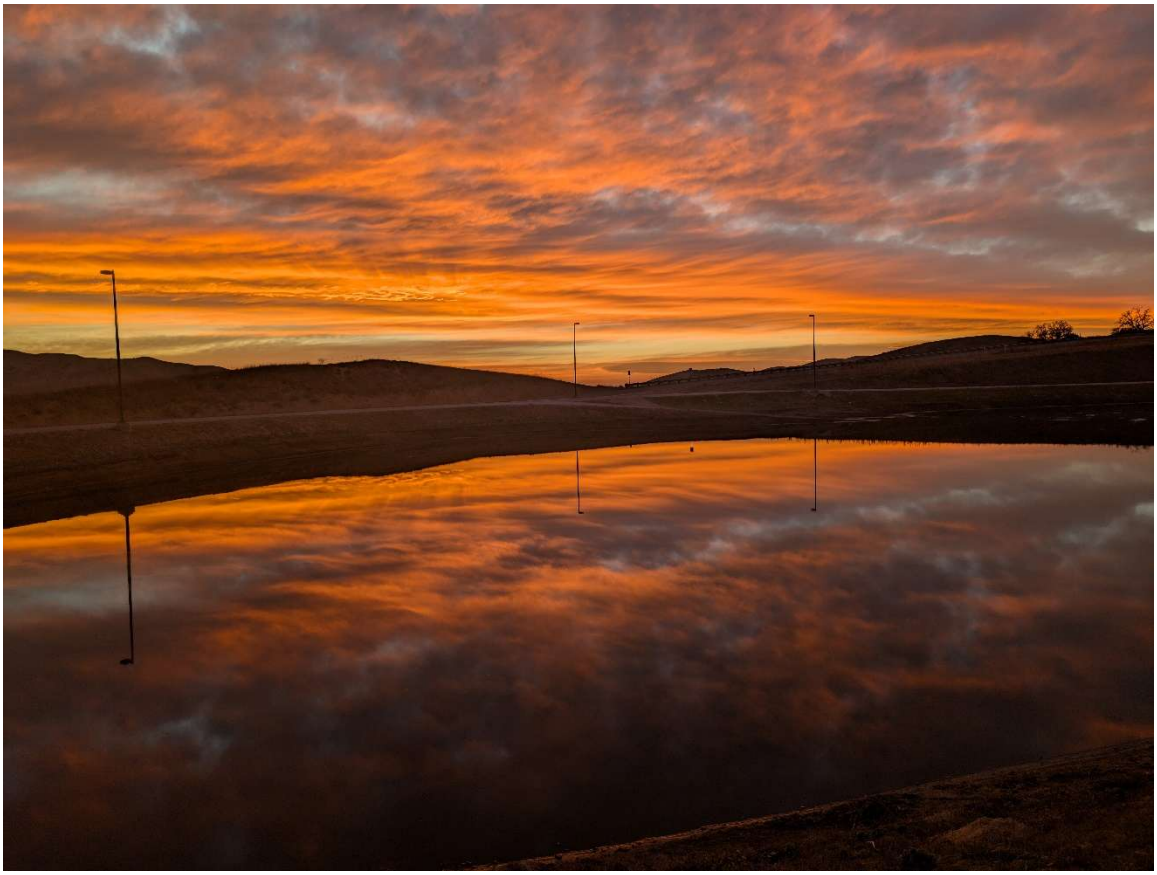
  - Construction. The construction phase will include the efforts of CCWA staff and engineering inspectors to closely monitor the progress of the construction to ensure adherence to the requirements of the Contract Documents as well as identify potential changes to the work that may be to CCWA's benefit. Staff will provide periodic updates to the Board and may also potentially request modifications of the work underway.

  - Post Construction. This step is critical in terms of releasing the contractor from the project through verifying work was completed as required by the Contract Documents, all releases from future contractor and

subcontractor claims have been secured and that as built records are completed.

CCWA staff prepared the following table to show the current thinking of the long term projects over a ten year planning horizon. As indicated earlier, CCWA staff proposes to utilize the services of an experienced engineering consultant to assist with the development of a formal EPP. This process will likely include collaboration with participants to gain consensus with a long term plan for the CCWA System.

Major Facilities	Total Budget	FY 25/26	FY 26/27	FY 27/28	FY 28/29	FY 29/30	FY 30/31	FY 31/32	FY 32/33	FY 33/34	FY 34/35
Network											
SCADA Upgrade	$400,000				$200,000	$200,000					
PLC Upgrade	$650,000						$325,000	$325,000			
Distribution General											
Air Vac Replacement	$1,180,000	$220,000	$210,000						$250,000	$250,000	$250,000
Mesa Verde Road Pavement Overlay	$270,000	$270,000									
Tank 7 Access Road Overlay	$180,000	$180,000									
Access Control/Security Cam/Intrusion Alarm	$200,000		$200,000								
Water Treatment Plant											
Access Control/Security Cam/Intrusion Alarm	$200,000		$200,000								
Filter Media and Underdrain Replacement	$3,000,000	$1,500,000			$1,500,000						
Permanent Install of PAC System	$2,200,000		$200,000	$2,000,000							
West Slope Drainage Improvements	$2,200,000				$200,000	$2,000,000					
Sludge Collector System	$100,000	$100,000									
Lining of Chlorine Contact Basin	$1,200,000		$1,200,000								
Polymer Mixer Tank	$125,000			$125,000							
Slurry Seal WTP Access Road	$125,000		$125,000								
Utility Water Header System Repair	$90,000	$90,000									
Bradbury Dam											
Permanent Bypass Piping System	$405,000	$80,000			$325,000						
Estimated Yearly Totals		$2,440,000	$2,135,000	$2,125,000	$2,225,000	$2,200,000	$325,000	$325,000	$250,000	$250,000	$250,000



Polonio Pass Water Treatment Plant settling basin at sunset

Reserves and Cash Management

The Reserves and Cash Management section of the 2026/27 Budget includes information regarding the Authority's O&M Reserve Fund, Rate Coverage Reserve Fund and cash management information.

Highlights

FY 26/27 Total Reserve Balances	**$18,108,297**
• O&M Reserve Fund	$ 2,000,000
• Rate Coverage Reserve Fund	$ 9,799,129
• DWR Reserve Fund	$ 6,309,168

This section of the Budget discusses the three cash reserves maintained by the Authority; the Operations and Maintenance Reserve Fund and the Rate Coverage Reserve Fund, and the DWR Reserve Fund. This section also discusses the Authority's cash management policies and the CCWA project participant investment pool.

Operations and Maintenance Reserve Fund Policy

During its December 18, 1997 regular meeting, the Board of Directors approved an "Operations and Maintenance Reserve Policy" as follows:

Purpose: The O&M Reserve Fund is intended to provide a mechanism for the Authority to undertake immediately unanticipated operation and maintenance activities, including emergency repairs, for which funds are not otherwise immediately available.

Contributions: Contributions to the O&M Reserve Fund are mandatory. Each Authority Contractor shall maintain on deposit with Authority in said Fund an amount of money equal to its pro-rata share of the Fund target size of $2 million, which share is that Contractor's Water Supply Agreement Project Allotment divided by the Project Allotments held by all Authority Contractors. Each Contractor's initial contribution to the O&M Reserve Fund shall be drawn from cash held by Authority on behalf of the Contractor as of the date of the Fund's creation. If the Fund balance is reduced below $2 million, Authority shall be authorized to (i) transfer into said Fund excess operating assessments and investment income from the Fund, and (ii) notify the participating Contractor if an additional contribution is necessary, in which event the contractor shall deposit an additional contribution within sixty-days (60) of the Authority notice.

Administration: The Treasurer shall invest funds held in the O&M Reserve Fund in liquid money market accounts (for example, LAIF) so that the funds shall be immediately available. O&M Reserve Fund investment earnings shall be considered to credit each Authority Contractor with respect to that Contractor's June 1 payment to Authority, except to the extent said earnings are needed to be retained to ensure that the Contractor's share of the Fund is fully funded, or as otherwise directed by the Contractor. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the O&M Reserve Fund.

Use of Fund: Monies held in the O&M Reserve Fund may be expended only upon authorization of the Board of Directors for unanticipated operating and maintenance activities, including by way of example only: repair of earthquake-caused damage to Authority facilities; unanticipated need to purchase chemicals; major emergency repair or replacement of equipment; reserve for legal judgments. In the event that monies from the O&M Reserve Fund are expended for an activity which is to be funded by certain Contractors and not other Contractors (for example, repair of a certain reach of the pipeline), then (i) it is permissible to expend from the Fund an amount which exceeds the monies on deposit by those Contractors who are obligated to fund the activity under the WSA, and (ii) said Contractors shall replenish said Fund as quickly as possible, and in no event later than one year, including payment of interest on monies expended which exceeded the amount on deposit by said Contractors.

The following table shows the allocation of the Operations and Maintenance Reserve Fund by project participant.

Operations and Maintenance Reserve Fund

Project Participant	Table A Amount	% of Table A	Operating Reserve
City of Buellton	578	1.48%	$ 29,582
Carpinteria Valley Water District	2,000	5.12%	102,359
Goleta Water District	4,500	11.52%	230,309
City of Guadalupe	550	1.41%	28,149
La Cumbre Mutual Water Company	1,000	2.56%	51,180
Montecito Water District	3,000	7.68%	153,539
Morehart Land Company	200	0.51%	10,236
City of Santa Barbara	3,000	7.68%	153,539
Raytheon Systems Company	50	0.13%	2,559
City of Santa Maria	16,200	41.46%	829,111
Santa Ynez RWCD, I.D. #1	2,000	5.12%	102,359
Golden State Water Company	500	1.28%	25,590
Vandenberg Space Force Base	5,500	14.07%	281,488
TOTAL	39,078	100.00%	$ 2,000,000

Rate Coverage Reserve Fund

During its December 18, 1997 regular meeting, the Board of Directors also adopted the "Rate Coverage Reserve Fund" policy as follows:

Purpose: The Rate Fund is intended to provide a mechanism to allow the Authority Contractors to satisfy a portion of their obligation under Section 20(a) of the Water Supply Agreement (WSAs) to impose rates and charges sufficient to collect 125% of their Contract Payments (as therein defined).

Contributions: Contributions to the Rate Fund are voluntary. During each year of participation, an Authority Contractor, which has elected to participate in the Rate Fund, shall maintain on deposit with the Authority in said Fund an amount of money, when combined with the moneys on deposit in the O&M Reserve Fund, sufficient to constitute all or a portion of 25% of that Contractor's Contract Payments with respect to that year. A participating Contractor's initial contribution to the Rate Fund may be drawn from cash held by the Authority on behalf of the Contractor as of the date of the Fund's creation. In each subsequent year, the Authority shall notify the participating Contractor if an additional contribution is desired and the Contractor shall deposit said additional contribution within sixty-days (60) of the Authority notice. Voluntary contributions to the Fund by a Contractor may be made at any time, but shall not be considered with regard to satisfying the Contractor's obligations until the subsequent July 1. For example to act as a credit for Fiscal Year 1998/99, a deposit must be received by the Authority prior to July 1, 1998. However, in the first year of the Fund's creation, each Authority Contractor may elect to deposit additional funds into the Rate Fund within the first 30 days after adoption of this policy by the Authority Board of Directors. These balances will be counted toward the coverage calculations for FY 1997/98.

Withdrawal: A Contractor may withdraw from the Rate Fund effective 180 days after it submits written documentation to the Authority that is in compliance with its WSA rate coverage obligations without considering the Fund.

Administration: Investments of deposits in the Rate Coverage Reserve Fund will be in Permitted Investments described in clause (A) of the definition thereof contained in the Indenture of Trust, dated as of November 1, 1996, with maturities of one year or less or in the Local Agency Investment Fund. Rate Fund investment earnings shall be credited to the Contractors account within the Fund except to the extent the Contractor directs the Authority to credit said earnings to the Contractor's payments obligations or as otherwise directed by the Contractor. Deposits and related earnings on deposits for each project participant will be accounted for on an individual project participant basis even if commingled for investment purposes. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the Rate Fund.

Use of Funds: Monies in the Rate Fund shall not be expended for any purpose, except upon approval of the Board of Directors (i) for emergency expenses, and (ii) to the extent necessary to supplement funds available from the O&M Reserve Fund provided that the Contractor submits written documentation to the Authority that it is in compliance with its WSA rate coverage obligations without considering the proposed expenditure from the fund.

The following table shows the Rate Coverage Reserve Fund balances, including interest income as of December 31, 2025. Participation in the fund for FY 2026/27 is not yet known. Prior to June 30, 2026, each project participant will be notified of the allowable deposit in the Rate Coverage Reserve Fund for FY 2025/26.

FY 2025/26 Rate Coverage Reserve Fund

Project Participant		FY 2025/26 Deposit
City of Buellton	$	286,125
Carpinteria Valley Water District		879,565
City of Guadalupe		198,863
La Cumbre Mutual Water Company		402,882
Montecito Water District		1,498,935
City of Santa Maria		5,378,823
Santa Ynez, RWCD, I.D. #1 (Solvang)		657,710
Santa Ynez, RWCD, I.D. #1		479,873
County of San Luis Obispo (Shandon)		16,354
TOTAL:	$	9,799,129

DWR Reserve Fund Policy

During its March 28, 2019 regular meeting, the Board of Directors approved a "DWR Reserve Fund Policy" as follows:

Purpose: The DWR Reserve Fund is intended to provide a funding source for payments to the State of California Department of Water Resources (DWR) when there is a difference between estimates used to prepare the DWR portion of the annual CCWA budget and the actual amounts billed to the Authority by DWR.

Contributions: Contributions to the DWR Reserve Fund are voluntary. Project Participants wanting to participate in the DWR Reserve Fund shall notify the Authority of such intent. The Authority will in turn, notify the participating Project Participant of its "Target DWR Reserve Fund Amount" (Target Amount). The Target Amount will be equal to the participating Project Participant's proportional share of a $10 million allocation of DWR Transportation Minimum OMP&R charges as calculated in the most recent DWR Statement of Charges at the time the DWR Reserve Fund Policy is approved by the CCWA Board of Directors, and updated periodically.

Funding of each participating Project Participant's share of the DWR Reserve Fund will come from a combination of (1) CCWA Operating Expense budget surpluses, if any (2) Interest earnings on funds held in all other accounts on behalf of the participating Project Participant and (3) excess amounts, if any, from any of the DWR Statement of Charges cost components.

After the participating Project Participant's share of the DWR Reserve Fund has been fully funded up to the participating Project Participant's Target Amount, the credits, interest earnings and excess DWR amounts will be returned to the participating Project Participant as a credit against future bills from the Authority.

If the balance of the participating Project Participant's DWR Reserve Fund falls below the Target Amount, the Authority will retain the credits listed above until the balance once again equals the Target Amount.

Withdrawal: A participating Project Participant may withdraw from the DWR Reserve Fund by notifying the Authority in writing of its request to withdraw its funds on deposit in the DWR Reserve Fund. Within 60 days, the Authority will either credit the funds on deposit against the participating Project Participant's next invoice from the Authority, or at the request of the participating Project Participant, issue a check for the refund of the deposit amount.

Administration: The Treasurer shall invest funds held in the DWR Reserve Fund in liquid money market accounts (for example, LAIF) so that the funds shall be immediately available. DWR Reserve Fund investment earnings shall be redeposited into the DWR Reserve Fund for each participating Project Participant up to the Target Amount. The Treasurer shall prepare and disseminate to all Contractors a quarterly statement concerning the DWR Reserve Fund.

Use of Fund: Monies held in the DWR Reserve Fund may be used by the Authority to fund the difference between the estimates used for billing purposes to the participating Project Participants for the annual DWR Statement of Charges (all fixed cost components) and the actual Statement of Charges received from DWR.

The following table shows the DWR Reserve funding target, fund balance as of December 31, 2025, the estimated transfer for FY 2026/27 and the balance remaining to fully fund the DWR Reserve Fund by project participant:

DWR Reserve Fund Target and Fund Balance

Project Participant	Table A Amount	% of Table A	DWR Reserve Fund Target [1]	DWR Reserve Fund Balance [2]	Remaining Funds to Meet Target
Guadalupe	550	1.41%	$ 140,744	$ 144,953	$ (4,209)
Santa Maria	16,200	41.46%	4,145,555	4,761,290	(615,734)
Golden State Water Co.	500	1.28%	127,949	115,592	12,357
Vandenberg SFB [2]	5,500	14.07%	-	-	-
Buellton	578	1.48%	147,909	152,430	(4,520)
Santa Ynez (Solvang)	1,500	3.84%	383,848	190,416	193,432
Santa Ynez	500	1.28%	127,949	131,790	(3,841)
Goleta [2]	4,500	11.52%	-	-	-
Morehart Land	200	0.51%	51,180	52,724	(1,544)
La Cumbre	1,000	2.56%	255,898	254,714	1,185
Raytheon	50	0.13%	12,795	13,181	(386)
Santa Barbara	3,000	7.68%	767,695	492,078	275,617
Montecito [2]	3,000	7.68%	-	-	-
Carpinteria [2]	2,000	5.12%	-	-	-
TOTAL	39,078	100.00%	$ 6,161,523	6,309,168	$ (147,644)

(1) Participation in the DWR Reserve Fund is voluntary. The intial reserve fund target set $10 million was reduced based on project participants opting out of the DWR Reserve.
(2) Project participants opting out of participating in the DWR Reserve Fund.

Cash Management

The cash balances presented in "Total Budget Summary" page at the beginning of this document exclude cash balances invested in the CCWA Investment Pool (described below) with the exception of the CCWA O&M Reserve Fund. Additionally, the effects of other accounts receivables and payables have been added or subtracted from the cash balance presentation of the "Total Budget Summary" sheet to show the cash balances as if all receivables and payables had been received or paid.

Reconciliation of Prior Year Budget and Actual Amounts

It is the Authority's policy to refund unexpended operating assessments and investment income on the Authority's general operating account after the close of each fiscal year. This reconciliation occurs in conjunction with the closeout of the fiscal year and the preparation of the annual financial statements.

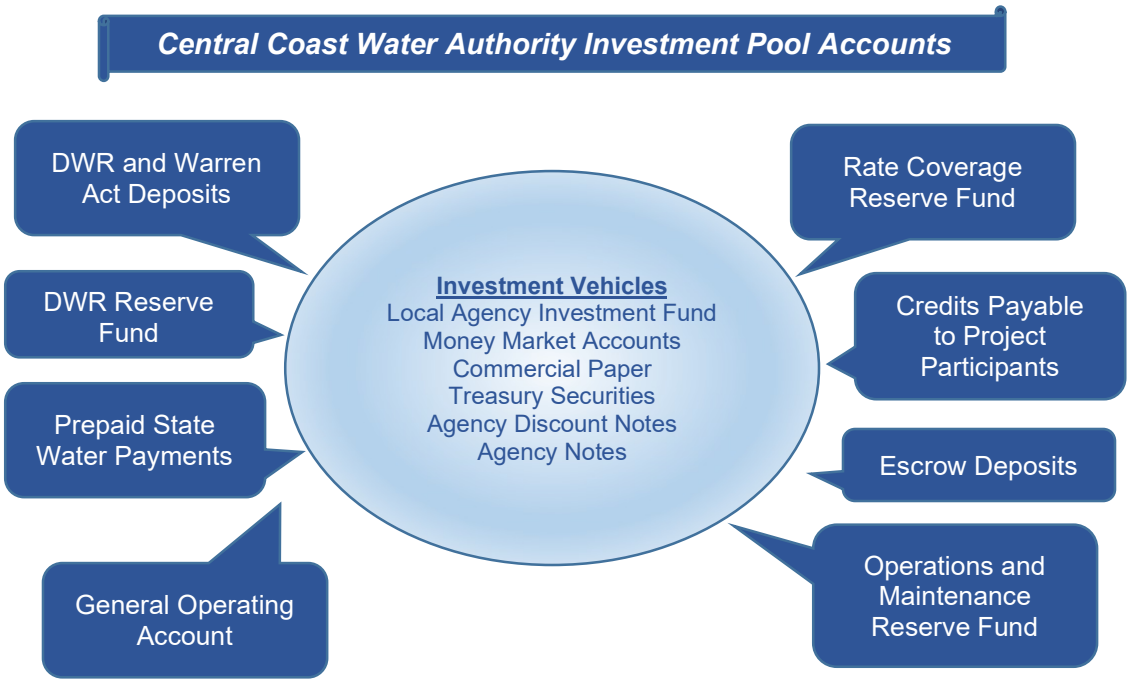
Since all excess "revenues" are returned to the project participants and any "deficits" are collected from the project participants, the general fund balance, defined as total cash minus reserves, is projected to be zero. However, since the Authority receives assessment income in advance of the anticipated payment date, the actual cash balance will be positive.

CCWA Investment Pool

All cash and investments paid by the project participants to the Authority are invested in accordance with the Authority's Investment Policy. All cash and investments are allocated and invested in an investment pool which is comprised of the various "types" of payments paid by the Authority's project participants further broken down by individual project participants within each account.

Each account within the CCWA investment pool receives investment income based on the account's proportional share of the average daily balance for the month.

The following graphic shows the total CCWA Investment Pool and the various types of accounts in the pool.



Investment Pool Account Descriptions

- *General Operating Account* – general account for the investment of current year O&M budget funds and general unallocated funds [all operations and maintenance expenses and capital improvement projects listed in this budget].

- *Operations and Maintenance Reserve Fund* – a $2 million operating reserve for emergency purposes [described in this section of the budget].

- *Rate Coverage Reserve Fund* – a fund in which certain project participants that are required to meet the coverage obligation in the Water Supply Agreement may elect to participate to aid them in meeting the coverage obligation [described in this section of the budget].

- *Department of Water Resources Reserve Fund* – a voluntary fund in which certain Project Participants have various credits and earnings held to cover DWR Statement of Charges volatility [described in this section of the budget].

- *Prepaid State Water Payments* – Similar to the rate coverage reserve fund, certain project participants may elect to "prepay" a portion of the next year CCWA payments to decrease the coverage obligation in that year. In order to reduce the coverage obligation, the prepayment must be received and held by CCWA one full fiscal year in advance of when the prepayment will be applied against the payments.

- *DWR and Warren Act Deposits* – funds paid by the CCWA project participants for both fixed and variable DWR payments and payments to the US Bureau of Reclamation for Warren Act charges for delivery of State Water into Lake Cachuma [refer to the "DWR" section of this budget].

- *Escrow Deposits* – deposits received from certain "non-public agency" project participants as required under their individual water supply agreements. The deposits are approximately equal to one year's State water payment.

- *Credits payable to Project Participants*– credits from many sources but primarily for O&M credits and interest income credits for under-expended O&M costs from the prior fiscal year.