

CLEARLAKE OAKS COUNTY WATER DISTRICT
NOTICE OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

Date: May 21, 2026
Time: 10:00 A.M.

Clearlake Oaks County Water District - Administration Building
12952 E. Highway 20, Clearlake Oaks, CA 95423

AGENDA

A. CALL TO ORDER

- Pledge of Allegiance
- Roll Call

- | | |
|---|---|
| <input type="checkbox"/> Mr. Stanley Archacki, President | <input type="checkbox"/> Mr. William McHugh, Director |
| <input type="checkbox"/> Mr. Michael Herman, Vice President | <input type="checkbox"/> Mr. A. Whittier, Director |
| <input type="checkbox"/> Mr. James Burton, Director | <input type="checkbox"/> Mrs. Dianna Mann – General Manager |
| <input type="checkbox"/> Mrs. Olivia Mann – Board Secretary | <input type="checkbox"/> Ms. Bailey Anderson – Office Manager |
| <input type="checkbox"/> Mr. Francisco Castro, Chief Wastewater | <input type="checkbox"/> Mr. Kurt Jensen, Chief Water |
| <input type="checkbox"/> Mr. Jeremy Backus, Chief Distribution | |

B. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

The public may comment on items not on the agenda within the Board's jurisdiction. Speakers are limited to three (3) minutes each.

C. STAFF REPORTS (Page 3)

1. Administration
2. Billing – Accounts Payable
3. Chief Distribution Operator
4. Chief Water Plant Operator
5. Chief Wastewater Plant Operator
6. General Manager

D. COMMITTEE UPDATES

E. CONSENT ITEMS

The Board will be asked to approve all Consent Items at one time without discussion. If any Director, staff, or interested person requests that an item be removed from the Consent Items, it will be considered under New Business.

1. **Financial Reports for review and approval (Page 21)**
 - a. April 2026 QB balance sheet and profit & loss statements
 - b. Bank account balances and accounts receivable
 - c. Employee payroll report
 - d. Aged trial balance summary
 - e. Vendor aging report, accounts payable breakdown

2. **Minutes of the previous meeting for review and approval (Page 48)**

- a. Minutes of Regular Meeting 04/16/2026
- b. Minutes of Special Meeting 04/16/2026

3. **Bills (Page 51)**

- a. Invoice No. 1602, dated April 12, 2026, from Case Excavation in the amount of \$13,905.66 for Highway 20 vault repairs.

Action Taken: _____

F. NEW BUSINESS

1. Discussion and review of the full RCAC Water Rate Study (Page 53)

Action Taken: _____

2. Discussion and update on Proposition 218 Public Hearing and Opposition Letters

Action Taken: _____

3. Discussion and review of the 2026-2027 Annual Budget (Page 91)

Action Taken: _____

4. Discussion and approval of the Annual Audit for FYE June 30, 2025 (Page 98)

Action Taken: _____

5. Discussion and update of the Ad Hoc Committee Roster, Including Appointment of a New Director to the Yolo County Flood Control and Fire Hydrant Ad Hoc Committees (Page 121)

Action Taken: _____

6. Discussion and review of JPIA Risk Assessment, dated April 28, 2026 (Page 122)

Action Taken: _____

7. Acceptance of the resignation of Director James Burton, effective May 21, 2026.

Action Taken: _____

ADJOURNMENT

Time: _____

Where appropriate or deemed necessary, the Board may act on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the above address.

The public may address the Board concerning an agenda item during the Board's consideration of that agenda item. The President will call for comments at the appropriate time. Comments of individual speakers are limited to three minutes per agenda item.

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Clearlake Oaks County Water District Secretary to the Board at 707-998-3322. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Clearlake Oaks County Water District

P.O. Box 709 / 12952 East Highway 20
Clearlake Oaks, CA 95423
(707) 998-3322 Phone (707) 998-1245 Fax
www.clocwd.org (Website)

May 15, 2026

Administration

Training:

With a new Safety Officer on board, I'm looking into a safety course for both of us to attend so we can build our knowledge and bring new ideas back to the district. Our goal is to create a safety program that fits the district's specific needs instead of following a one-size-fits-all industry standard. I'm looking forward to working with James and Garrett to roll out this new program and make safety both effective and engaging for everyone.

Grants - Awards - Scholarships:

The district received another H.R. La Bounty Safety Award from JPIA at the Spring Summit! I emailed a few photos from the conference last week. Congratulations again to Jesse, James, and Garrett for their work installing the Hi-Viz striping on the vehicles and equipment. This recognition is well deserved.

The JPIA Wellness Grant opens in about a week. We haven't decided yet what we'll be applying for, but they recently changed the process to first come, first served. Because of that, I plan to submit our application as soon as it opens.

General:

As mentioned above regarding the Wellness Grant, I had the privilege of presenting to conference attendees last week about our 2025 Wellness Grant award for the hydration kits employees received last year. With our continued focus on sun exposure and heat safety in the coming months, we currently have additional hydration and electrolyte packets on hand, as well as an ice machine to help keep water bottles cold during the hotter months. I was also asked at the conference to present at the JPIA HR Meeting later this year. I have not decided yet if I will be able to attend due to scheduling.

Our new Safety Officer has also suggested bringing ice along during repairs and field work so employees can refill and keep water jugs and dispensers cold throughout the day.

We now provide dye tablets for leak detection! I received a great recommendation from HVLCSO to help customers quickly identify toilet leaks by using dye tablets during leak checks. We now have dye tablets available in the office for customers, and we have also stocked our DC trucks and one water truck with tablets so staff can assist with service calls when needed. We will also be sharing this information on Facebook soon.

Our website is getting a facelift! Over the last few weeks, I've been adding more information, updating headers, and making overall improvements throughout the site. I also emailed the board requesting a short biography from each member to post on the website for compliance purposes. Please send yours when you have a chance.

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

Donald Whittier
Director

I am actively working on revisions to the Sewer System Management Plan (SSMP). It will be included on the July agenda for review as part of the required three-year review cycle within the plan. Since there are updates and changes being made, the full plan will be included in the board packet for review. It is about 80% complete as of now. Thank you to Francisco for being so thorough and completing this with me.

Proposition 218:

Please see the attached Proposition 218 checklist for details. The final copy of the water rate study was received today, May 15, following our revisions. It has now been posted in two locations on the website for public review and is also included in today's board packet.

As of today, we have received 28 opposition letters. All letters are being date stamped, initialed, numbered, and verified against ratepayer records upon receipt.

Olivia Mann
Administrative Services Manager

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

Donald Whittier
Director

Aged Accounts Receivable

As of 05/18/2026

| | 1-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | <120 Days | Total Balance |
|------------------|-------------|-------------|-------------|-------------|--------------|---------------------|
| | \$82,255.81 | \$40,355.91 | \$31,448.57 | \$19,336.85 | \$370,727.91 | <u>\$544,125.05</u> |
| No. of Accounts: | 757 | 352 | 241 | 167 | 188 | 1705 |

These totals include all accounts on the Tax Roll

| | |
|-------------------|--------------|
| Water | \$170,176.49 |
| Water Penalty | \$14,168.35 |
| Sewer | \$175,047.35 |
| Sewer Penalty | \$13,536.24 |
| CRP Water | \$73,012.39 |
| CRP Water Penalty | \$6,764.14 |
| CRP Sewer | \$84,221.05 |
| CRP Sewer Penalty | \$6,508.60 |
| CRP PC | \$650.66 |
| CRP PC Penalty | \$39.78 |

Total Balance: \$544,125.05

****April Statements are due May 18, 2026****

Recurring payments have been processed for the month of May.



Operations Summary Report

Sort Order : Service, Tran Type

From: 4/1/2026

To: 4/30/2026

Loss Calculation

| | | Billed Usage | Actual Usage |
|-------------------------|------------------|------------------------|-----------------|
| | Raw Water Pumped | 17,852,000.00000 | |
| | Production Loss | -2,983,000.00000 | |
| WATER | Billed Usage | -9,108,350.68098 | 9,108,350.68100 |
| WATER 2 | Billed Usage | -331,618.04550 | 331,618.04550 |
| Units Lost: | | 5,429,031.27352 | |
| Percentage Loss: | | 30.41% | |

Transaction Summary

| | | | Amount | # of Accounts |
|-------------------------|-------------------------|------------------|-------------------|-------------------|
| CRP SEWER | Adjustment | Charge | -\$51.97 | 3 |
| | | Delinquency | -\$55.16 | 22 |
| | | Open Credit | -\$27.14 | 2 |
| | Charge | Charge | \$47,954.70 | 1,719 |
| | | Delinquency | \$1,549.91 | 461 |
| | | Shutoff | \$0.00 | 0 |
| | Open Applied | Open Applied | \$2.47 | 1 |
| | | Open Payment | -\$1,198.92 | 48 |
| | | Payment | -\$43,857.59 | 1,390 |
| | Payment Reversal | Delinquency | -\$1,074.06 | 261 |
| | | Transfer | -\$238.11 | 1 |
| | | Payment Reversal | \$49.34 | 2 |
| | Total CRP SEWER: | | | \$3,053.47 |
| | | | Amount | # of Accounts |
| CRP WATER | Adjustment | Charge | -\$31.97 | 2 |
| | | Delinquency | -\$60.38 | 30 |
| | | Open Credit | -\$18.60 | 3 |
| | Charge | Charge | \$42,571.25 | 2,056 |
| | | Delinquency | \$1,131.93 | 526 |
| | | Open Applied | \$4.09 | 2 |
| | Open Payment | Open Payment | -\$1,552.76 | 70 |
| | | Payment | -\$39,477.03 | 1,648 |
| | | Delinquency | -\$978.71 | 298 |
| | Payment Reversal | Transfer | -\$166.68 | 1 |
| | | Payment Reversal | \$34.92 | 2 |
| Total CRP WATER: | | | \$1,456.06 | |
| | | | Amount | # of Accounts |
| CRPPC | Adjustment | Delinquency | -\$10.86 | 4 |

Q

| | | | | |
|---------|------------------|-----------------------|-------------------|----------------------|
| | | Open Credit | -\$2.95 | 1 |
| | Charge | Charge | \$1,696.20 | 78 |
| | Delinquency | Penalty | \$39.62 | 14 |
| | Open Applied | Open Applied | \$2.93 | 1 |
| | Open Payment | Open Payment | -\$42.32 | 2 |
| | Payment | Charge | -\$1,618.12 | 68 |
| | | Delinquency | -\$38.73 | 12 |
| | | Total CRPPC: | \$25.77 | |
| | | | Amount | # of Accounts |
| CRPS2 | Charge | Charge | \$1,037.55 | 15 |
| | Delinquency | Penalty | \$28.26 | 3 |
| | Payment | Charge | -\$1,000.66 | 13 |
| | | Delinquency | -\$3.36 | 2 |
| | | Total CRPS2: | \$61.79 | |
| | | | Amount | # of Accounts |
| CRPS3 | Charge | Charge | \$180.64 | 5 |
| | Delinquency | Penalty | \$54.94 | 1 |
| | Payment | Charge | -\$125.12 | 4 |
| | | Delinquency | -\$5.55 | 1 |
| | | Total CRPS3: | \$104.91 | |
| | | | Amount | # of Accounts |
| SEWER | Adjustment | Charge | -\$118.14 | 3 |
| | | Delinquency | -\$120.13 | 22 |
| | | Open Credit | -\$56.96 | 2 |
| | Charge | Charge | \$101,223.37 | 1,711 |
| | Delinquency | Penalty | \$2,427.19 | 449 |
| | | Shutoff | \$0.00 | 0 |
| | Open Applied | Open Applied | \$54.40 | 2 |
| | Open Payment | Open Payment | -\$2,899.62 | 59 |
| | Payment | Charge | -\$92,561.91 | 1,378 |
| | | Delinquency | -\$2,044.05 | 257 |
| | | Service Order Fee | -\$115.00 | 1 |
| | | Transfer | -\$542.39 | 2 |
| | Payment Reversal | Payment Reversal | \$103.56 | 2 |
| | | Total SEWER: | \$5,350.32 | |
| | | | Amount | # of Accounts |
| SEWER 2 | Charge | Charge | \$3,242.93 | 15 |
| | Delinquency | Penalty | \$6.56 | 2 |
| | Payment | Charge | -\$3,206.94 | 14 |
| | | Delinquency | -\$8.63 | 2 |
| | | Total SEWER 2: | \$33.92 | |
| | | | Amount | # of Accounts |
| SEWER 3 | Charge | Charge | \$398.44 | 5 |
| | Delinquency | Penalty | \$0.00 | 0 |
| | Payment | Charge | -\$398.44 | 5 |
| | | Delinquency | -\$6.58 | 1 |
| | | Total SEWER 3: | -\$6.58 | |

7

| | | | <u>Amount</u> | <u># of Accounts</u> | | |
|------------------------|--------------|---------------------|---------------------|----------------------|-------------------|----------------------|
| WATER | Adjustment | Charge | -\$64.48 | 3 | | |
| | | Delinquency | -\$143.48 | 30 | | |
| | | Open Credit | -\$37.81 | 3 | | |
| | | Service Order Fee | -\$100.00 | 1 | | |
| | | Charge | \$114,164.35 | 2,056 | | |
| | Delinquency | Service Open Credit | -\$0.02 | 1 | | |
| | | Penalty | \$2,623.63 | 514 | | |
| | | Shutoff | \$0.00 | 0 | | |
| | | Misc Chrg. | \$2,550.00 | 51 | | |
| | | NSF Fee | \$45.00 | 1 | | |
| | Open Applied | Open Applied | \$10,970.11 | 141 | | |
| | | Open Payment | -\$5,340.38 | 140 | | |
| | Payment | Service Order Fee | Charge | -\$101,643.67 | 1,635 | |
| | | | Delinquency | -\$2,394.81 | 288 | |
| | | | Misc Chrg. | -\$2,934.98 | 47 | |
| | | | NSF Fee | -\$33.77 | 1 | |
| | | | Open Credit | -\$11,209.55 | 111 | |
| | | | Service Open Credit | -\$0.80 | 1 | |
| | | | Service Order Fee | -\$3,681.46 | 35 | |
| | | | Transfer | -\$1,187.42 | 1 | |
| | | | Payment Reversal | \$78.54 | 2 | |
| | | | Refund | \$1,184.55 | 3 | |
| | | | Service Order Fee | \$4,400.00 | 39 | |
| | | | Total WATER: | | \$7,243.55 | |
| | | | | | <u>Amount</u> | <u># of Accounts</u> |
| | WATER 2 | Charge | \$0.00 | 0 | | |
| Total WATER 2: | | \$0.00 | | | | |
| Total Current : | | \$17,323.21 | | | | |

Age Receivables Summary

| | <u>Amount</u> | <u># of Accounts</u> |
|---|---------------------|----------------------|
| Amount Past Due 1-30 days | \$299,992.23 | 2,014 |
| Amount Past Due 31-60 days | \$54,160.22 | 386 |
| Amount Past Due Over 60 days | \$422,020.26 | 605 |
| Total Aged Balances | \$776,172.71 | |
| TOTAL RECEIVABLES (Total Current Trans. + Total Aged Balances) | \$776,029.84 | |

Deposit Summary

| | <u>Amount</u> |
|------------------------------------|---------------|
| Net Change in Deposits This Period | \$0.00 |
| Amount of all Deposits | \$3,301.68 |

Usage By Group

| WATER | Usage Groups | Accounts | Usage | % Usage | % Sales |
|-------|--------------|----------|-----------------|---------|---------|
| | Over 9000 | 173 | 5,264,451.31700 | 56.01% | 29.95% |

| WATER 2 | Usage Groups | Accounts | Usage | % Usage | % Sales |
|---------|--------------|--------------|---------------|---------------|---------|
| | | 8000 to 9000 | 27 | 229,975.39250 | 2.45% |
| | 7000 to 8000 | 40 | 297,393.18100 | 3.16% | 2.11% |
| | 6000 to 7000 | 54 | 345,563.51550 | 3.68% | 3.03% |
| | 5000 to 6000 | 94 | 514,932.03550 | 5.48% | 4.55% |
| | 4000 to 5000 | 126 | 564,127.68150 | 6.00% | 5.98% |
| | 3000 to 4000 | 206 | 716,084.37150 | 7.62% | 8.78% |
| | 2000 to 3000 | 248 | 608,528.82450 | 6.47% | 10.94% |
| | 1000 to 2000 | 282 | 419,558.17250 | 4.46% | 10.37% |
| | 0 to 1000 | 406 | 147,743.18950 | 1.57% | 13.38% |
| | Zero Usage | 162 | 0.00000 | 0.00% | 4.97% |
| | Over 9000 | 3 | 328,289.22300 | 49.21% | 0.00% |
| | 8000 to 9000 | | 0.00000 | 0.00% | 0.00% |
| | 7000 to 8000 | | 0.00000 | 0.00% | 0.00% |
| | 6000 to 7000 | | 0.00000 | 0.00% | 0.00% |
| | 5000 to 6000 | | 0.00000 | 0.00% | 0.00% |
| | 4000 to 5000 | | 0.00000 | 0.00% | 0.00% |
| | 3000 to 4000 | | 0.00000 | 0.00% | 0.00% |
| | 2000 to 3000 | 1 | 2,528.40900 | 0.38% | 0.00% |
| | 1000 to 2000 | | 0.00000 | 0.00% | 0.00% |
| | 0 to 1000 | 1 | 800.41350 | 0.12% | 0.00% |
| | Zero Usage | | 0.00000 | 0.00% | 0.00% |

Receivables Summary

| | |
|----------------------------------|---------------------|
| Ending Receivables (Last Period) | \$758,706.63 |
| Charge this Period | \$312,469.41 |
| Misc Fee this Period | \$2,550.00 |
| Payment this Period | -\$310,554.12 |
| Tax this Period | \$0.00 |
| NSF Amount | \$45.00 |
| Other Transactions | \$12,812.92 |
| Total Receivables | \$776,029.84 |
| Ending Deposits (Last Period) | \$3,301.68 |
| Changes this Period | \$0.00 |
| Total Deposits | \$3,301.68 |



Clearlake Oaks County Water District

P.O. Box 709 / 12952 East Highway 20

Clearlake Oaks, CA 95423

(707) 998-3322 Phone (707) 998-1245 Fax

www.clocwd.org (Website)

Billing / Accounts Payable – May 14, 2026

Automatic Payments:

Currently, 587 customers are enrolled in automatic payments. Of these, 494 are using a credit or debit card, and 93 are enrolled via ACH.

Payment Arrangements:

Nine accounts are currently on payment arrangements; these customers are not subject to late fees or service shutoffs provided payments are made on time.

Promise to Pay & Extensions:

The Promise to Pay/Extension process is working very well. Last month, four extensions were granted, with 3 of those accounts requiring disconnection for delinquency.

Door Hangers & Shutoffs:

Last month, 40 door hangers were issued, and 10 of those accounts were disconnected for delinquency.

Work Orders:

In April, a total of 84 work orders were assigned. Of these, 79 have been closed, with 5 remaining open from the month, excluding those with an “In Progress” or “To Be Repaired” status.

General:

Backflow season is now underway, with first reminder notices scheduled to be mailed on Monday, May 18. The testing deadline has been set for December 1 this year. Previously, testing and submission of results were accepted through December 31; however, that timeline created challenges when testing extended into the following calendar year.

Efforts continue to streamline operations and transition processes toward a more paperless system, including improving efficiency at the front desk position.

I have also been assisting Olivia with community outreach efforts. Dye tablets were purchased and made available in the office lobby for customers to use in their toilets to help identify potential customer-side leaks. In addition, I have been working with Olivia and Dianna to assist with rate-related questions and preparations for the upcoming public hearing.

Bailey Anderson
Office Manager

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

Donald Whittier
Director



Clearlake Oaks County Water District
P.O. Box 709 / 12952 East Highway 20
Clearlake Oaks, CA 95423
(707) 998-3322 Phone (707) 998-1245 Fax
www.clocwd.org (Website)

May 18, 2026

RE: DC board letter for March/April 2026

Water Distribution Mains, Service Lines, and Tank Sites

- There was one 4-inch and one 6-inch water main leak this month.
- A total of 16 work orders were completed to turn water service off and 23 to turn water service on.
- Five “check status” work orders were completed.
- Three service line repairs were completed.
- Six final reads and eight re-reads were completed.
- It took two employees several hours to complete meter readings for the entire district.
- A total of ten after-hours callouts were responded to; fortunately, none required overnight work.
- Ten work orders were completed to check for leaks on the customer side.
- One work order each was completed for checking service availability and a transmitter change-out.
- Two work orders were completed for pressure checks.
- The hydrant at Plum was replaced and offset to provide proper clearance from the light pole. It has been flushed and returned to service.
- The hydrant and associated isolation valve at the corner of Walnut and Chestnut were replaced. The hydrant height will be extended by one foot, then flushed and returned to service next week after the thrust blocks have cured.



Sewer Collections and Lift Station Sites

- Two work orders were completed for sewer backups.
- Two separate sewer line repairs were completed.

Miscellaneous Distribution & Collection Tasks

- Eight Underground Service Alerts (USA) tickets were closed out.
- Weed abatement (weed eating) was performed around hydrants and Lift Station 7.

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

A. Donald Whittier
Director

Sample Station Sites / Boil Water Notices (BWN)

- Results for the boil water notice at Chestnut and Lakeland are pending from Alpha Labs.
- All routine water quality samples returned absent for total coliform and *E. coli*.

District Vehicles and Equipment

- Nothing to report at this time.

District Staff Update

- Jeremy – Chief Operator, Grade 3, Class B License
- Jesse – Operations Manager, Grade 3, Class B License
- Open Position
- Josh – Distribution/Collections Operator Grade 2, Class B License (on leave)
- Thomas – Utility Technician III, Class B License
- Kenny – Utility Technician I (Temporary, New Hire)



Jeremy Backus
Chief Distribution & Collections Operator
Clearlake Oaks County Water District
Cell: (707) 350-5622
Fax: (707) 998-1245
www.clocwd.org
P.O. Box 709/12545 E. Hwy 20
Clearlake Oaks, CA 95423

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

A. Donald Whittier
Director



Clearlake Oaks County Water District

P.O. Box 709 / 12952 East Highway 20

Clearlake Oaks, CA 95423

(707) 998-3322 Phone (707) 998-1245 Fax

www.clocwd.org (Website)

May 18, 2026

April 2026

Board Letter

- ◆ April - May raw water NTU from the pier intake was stable, averaging 3-7. In preparation for increased temps and poorer water quality from the pier intake we switched over to the extended intake and filter 2 and 3. Pump maintenance and filter backwashing were completed before starting up 5-7-26 was the switch over date in the pump's new cover. Ph has been going up and down as far as 7.2 and up to 8.4 coagulant adjustments are being made accordingly.



- ◆ As of 5-13-26 the lake level is at 7.24ft, dropping .31ft, since last month.
- ◆ Water production for the month of April was 14.867 MG down from 2025 production of 15.525 MG. Raw water intake was 17.852 MG. The daily production average rose from 474,000 GPD in March to 495,000 GPD for April.
- ◆ An airsep valve actuator was rebuilt for the ozone generator.
- ◆ The ozone generator air compressor is in repair we had an unloader valve go out and while this service is being done preventative maintenance is being done on motor bearing and other items' total estimate is \$4,962.24

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

A. Donald Whittier
Director

- ◆ We are still having plant shutdowns, the frequency will decrease and demand will go up as temps are starting to rise as we head into a warmer time of year.
- ◆ Treatment helped DC with a hydrant replacement in orchard shores, and a leak repair on a weekend.
- ◆ Treatment is continuing to do the weekly tank runs for testing of chlorine residuals in all the tank locations.
- ◆ Continuing maintenance / cleanup through the plant area.
- ◆ See the attached list of water samples taken.

Treatment staff:

James Simons T4, D2 Operator Class B License

Kurt Jensen T3, D2 Chief Class B License

Helping treatment also

Jesse Seth T2 D3 operator

Thank you, *Kurt Jensen*

Water Sample Testing

| Sample Taken On | DATE | DATE | DATE | Month Due |
|----------------------------------|------------|--------|------|-----------|
| Bacti R(BW) & CW (M) | | 4/1/26 | | Apr |
| Bacti R (BW) | 3/18/26 | | | Mar |
| Bacti Paradise Tank | | | | |
| R & CW TCP123 (BA) | 3yr waiver | | | |
| Cyano Toxin Raw (Raw & Treated) | | | | |
| Bromate (Q) | | | | |
| Perchlorate (A) | | | | |
| TTHM (Q) | 2/25/26 | | | Moniter |
| HAA5 (Q) | 2/25/26 | | | Moniter |
| Lead & Copper (A)(1) | | | | |
| Lead & Copper (A)(1) | | | | |
| Lead & Copper (A)(1) | | | | |
| TOC / ALK | 03/18/26 | | | Mar |
| Nitrate (A) | 03/18/26 | | | Mar |
| Nitrite (A) | | | | |
| Antimony (A) | | | | |
| Arsenic(A) | | | | |
| Barium(A) | | | | |
| Beryllium(A) | | | | |
| Cadmium(A) | | | | |
| Chromium Total (A) | | | | |
| Fluoride Natural(A) | | | | |
| Mercury(A) | | | | |
| Nickel(A) | | | | |
| Selenium(A) | | | | |
| Thallium(A) | | | | |
| Simazine(A) | 03/18/26 | | | Mar |
| Bicarbonate Alaklinity(A) | | | | |
| Calcium(A) | | | | |
| Carbonate Alakalinity(A) | | | | |
| Chloride(A) | | | | |
| Copper(A) | | | | |
| Foaming Agents (MBAS)(A) | | | | |
| Hardness Total as CaCO3(A) | | | | |
| Hydroxide Alakalinity(A) | | | | |
| Iron(A) | | | | |
| Magnesium(A) | | | | |
| Manganese(A) | | | | |
| PH, Laboratory(A) | | | | |
| Silver(A) | | | | |
| Sodium(A) | | | | |
| Specific Coductance(A) | | | | |
| Sulfate(A) | | | | |

A = Annually
 Q = Quarterly
 M = Monthly
 W = Weekly

**Please note:
 December is a large sampling month there are many samples taken this month. *****All samples showing on the state web site will populate at the beginning of each month as due now.**

| | | | | | |
|-------------------------------|------------|--|--|--|---------------|
| Total Dissolved Solids(A) | | | | | |
| Turbidity, Laboratory(A) | | | | | |
| Zinc(A) | | | | | |
| Aluminum(A) | | | | | |
| MTBE(A) | | | | | |
| Color / Odor(A) | | | | | |
| Asbestos | | | | | semi annually |
| Thiobencarb(A) | | | | | |
| Ethylene Dibromide | 07/13/22 | | | | Every 9 Years |
| Heptachlor | 11/19/25 | | | | Every 9 Years |
| Heptachlor Epoxide | 11/19/25 | | | | Every 9 Years |
| BHC-Gamma | 11/19/25 | | | | Every 9 Years |
| Methoxychlor | 11/19/25 | | | | Every 9 Years |
| Toxaphene | 11/19/25 | | | | Every 9 Years |
| Clearwell VOC | | | | | |
| Reg SOC 504 EDB | | | | | |
| Regulated SOC 504 | | | | | |
| Thiobencarb(A) | | | | | |
| Hexavalent Chromium(A) | | | | | |
| Gross Alpha | 11/6/2024 | | | | Every 9 years |
| VOC Paradise | | | | | |
| Combined Radium (-226 & -228) | | | | | 9 Years |
| 2,3,7,8-TCDD | 9/17/2025 | | | | 9 Years |
| BENZO(A)PYRENE | 10/15/2026 | | | | 9 years |
| DI(2-ETHYLHEXYL) ADIPATE | 10/25/2026 | | | | 9 Years |
| DI(2-ETHYLHEXYL) PHTHALATE | 10/25/2026 | | | | 9 Years |
| GLYPHOSATE | 9/17/2025 | | | | 9 Years |
| HEXACHLOROCYCLOPENTADIENE | 9/17/2025 | | | | 9 years |
| Endothall | 1/14/2026 | | | | 3 years |
| Regulated VOC 524 | 2/4/2026 | | | | 3 Years |



Clearlake Oaks County Water District

P.O. Box 709 / 12952 East Highway 20
Clearlake Oaks, CA 95423
(707) 998-3322 Phone (707) 998-1245 Fax
www.clocwd.org (Website)

May 18, 2026

RE: APRIL BOARD REPORT

FLOWS FOR THE MONTH/CLEARLAKE LAKE LEVEL:

- ❖ **INFLUENT: 24.043 MG (AVERAGE: 776,000 GPD)**
- ❖ **EFFLUENT: 21.542 MG (AVERAGE: 695,000 GPD/ 482 GPM)**
- ❖ **CLEARLAKE LEVEL AT END OF MONTH: 7.57' RUMSEY GAUGE**

As noted on the data above, flows are continuing to drop as Clearlake level drops. This will continue to be seen as summer approaches. All testing in house and outsourced through Alpha Labs have been in compliance. As summer approaches, treatment process changes as well. Algae and heat have an impact in process. All changes will be made according to analysis done in-house. The annual volumetric report has been submitted to comply with state. After receiving training on the 2nd, a lock out tag out kit was ordered at the waste plant replacing the old (see pic. 1).

On the 23rd staff conducted 2nd quarter groundwater monitoring. During this quarter, extra samples are collected as directed by state. This consists of field duplicates, matrix spikes and matrix spike duplicates. Results will be turned over to Dean Enderlin so a report can be built. The light project has finally begun (see pic. 2). The first phase has taken off which is the trenching and laying of electrical conduit. A ditch witch was rented for some of the trenching (see pic. 3). At this time all material has been received so as time permits, working on this project will continue. Reporting on progress will be ongoing throughout the following months.

Again, we thank the board and management for the continuous support.

Thanks,

Francisco Castro
CPO/Waste Plant

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

A. Donald Whittier
Director



(1)



(2)

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

A. Donald Whittier
Director



(3)

Stanley Archacki
President

Michael Herman
Vice President

James Burton
Director

William McHugh
Director

A. Donald Whittier
Director

19

Clearlake Oaks County Water District
Board of Directors
Board Meeting May 21, 2026

General Manager's Update

Proposition 218 Rate Study

The Proposition 218 rate increase notification was distributed to all ratepayers as part of the May billing cycle. The required public hearing to consider adoption of the proposed rates is scheduled for June 21, 2026.

Hydrant Maintenance and Replacement

The Distribution/Collection (D/C) Department continues to make progress on system maintenance. The hydrant located on Highway 20 near Harvey has been repaired, and two hydrants in the Orchard Shores area have been replaced. These efforts support system reliability and fire protection capabilities.



Grant Updates

The Water Reliability Improvement Project remains on schedule. MC Engineering is in the process of completing the Technical Assistance (TA) Grant. Upon completion, all project components will transition to the newly awarded grant funding. If progress continues as anticipated, construction activities are expected to commence within the next year.

Budget – Fiscal Year 2026–2027

The proposed Fiscal Year 2026–2027 budget is included in this agenda for Board review. Staff anticipates presenting the final budget for adoption at the next regular Board meeting. Board members are encouraged to contact staff with any questions or requests for additional detail prior to adoption.

Staffing Update

The District experienced the departure of a Distribution/Collection operator due to relocation out of state. Staff is evaluating next steps to ensure continued operational efficiency within the department.

Respectfully Submitted,
Dianna Mann
General Manager

9:47 AM

05/14/26

Accrual Basis

Clearlake Oaks County Water District
Summary Balance Sheet
As of April 30, 2026

| | <u>Apr 30, 26</u> |
|---------------------------------------|-----------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | 991,873.88 |
| Accounts Receivable | 204,087.00 |
| Other Current Assets | 3,178,216.51 |
| Total Current Assets | <u>4,374,177.39</u> |
| Fixed Assets | <u>23,013,873.76</u> |
| TOTAL ASSETS | <u><u>27,388,051.15</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | 180,382.89 |
| Credit Cards | 4,589.83 |
| Other Current Liabilities | 8,011,426.65 |
| Total Current Liabilities | <u>8,196,399.37</u> |
| Long Term Liabilities | <u>-1,092,168.21</u> |
| Total Liabilities | 7,104,231.16 |
| Equity | <u>20,283,819.99</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>27,388,051.15</u></u> |

Clearlake Oaks County Water District
Balance Sheet
As of May 14, 2026

| | May 14, 26 |
|--|---------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 101.7 · CA Restricted Funds | 348,645.20 |
| 101.5 · CA CRP PC (California Class) | 163,440.83 |
| 101.4 · CA CRP Sewer (California Class) | 159,389.24 |
| 101.3 · CA CRP Water (California Class) | 147,506.15 |
| 101.2 · CA Sewer Reserves (California Class) | 39,517.89 |
| 101.1 · CA Water Reserves (California Class) | 60,235.66 |
| 102.001 · GL - 9122 (Old Acct. # 053420019) | 160,601.19 |
| 101 · LAIF - CASH IN BANK (CASH IN BANK - LAIF - WAS 1013550) | |
| CIP Deposits 2014 | 189,000.00 |
| 101 · LAIF - CASH IN BANK (CASH IN BANK - LAIF - WAS 10135... | -183,971.93 |
| Total 101 · LAIF - CASH IN BANK (CASH IN BANK - LAIF - WAS 101... | 5,028.07 |
| 102.01 · WEST AMERICA - REGULAR CHECKING (WEST AMERIC... | 88.98 |
| Total Checking/Savings | 1,084,453.21 |
| Accounts Receivable | |
| CUSI Accounts Receivable | 204,087.00 |
| Total Accounts Receivable | 204,087.00 |
| Other Current Assets | |
| 139 · Docufree (Purchasing space on the Cloud xfering hard copi... | 36,026.65 |
| 116 · DEFERRED OUTFLOW- PENSION | 279,080.00 |
| 103 · PETTY CASH (PETTY CASH - WAS 1013200) | 306.59 |
| 104 · COUNTY TREASURY (COUNTY TREASURY - WAS 1013201) | 85,208.68 |
| 130 · Const In Progress - Studies | |
| 130.98 · WWTP Ph 4 (Engineering and environmental costs pri... | 2,420.00 |
| 130.97 · Const in Progress - Actiflo Pil (Actiflo Pilot Program) | 3,280.00 |
| 130.96 · Const in Progress - WWP 2022 (Grant application for ... | 5,585.00 |
| 130.95 · Source Capacity Studygrant prep | 18,190.25 |
| 130 · Const In Progress - Studies - Other | 691,882.44 |
| Total 130 · Const In Progress - Studies | 721,357.69 |
| 132 · CRP SEWER (CAPITOL IMPROVEMENTS - SEWER - WAS 11... | 983,511.67 |
| 135 · CRP WATER (CAPITOL IMPROVEMENTS - WATER - WAS 11... | 249,148.33 |
| 114 · ACCOUNTS RECEIVABLE. (ACCOUNTS RECEIVABLE - WAS... | 810,005.90 |
| 115 · PRE-PAID INSURANCE (PRE-PAID INSURANCE - WAS 10978... | 13,571.00 |
| Total Other Current Assets | 3,178,216.51 |
| Total Current Assets | 4,466,756.72 |
| Fixed Assets | |
| 136 · CUSI Software (All expenses related to billing software) | 39,127.80 |
| 138 · USDA Water Improvements | 8,461,059.57 |
| 128 · Sewer Infstrcture & Rehab Proj (Phase 1 was the installation of... | 3,890,219.87 |
| 121 · Wtr Dist & Wtr Storage Projects (Replacement or installation of ... | |
| 121.1 · Sidewalk Project - District Exp | 115,500.66 |
| 121 · Wtr Dist & Wtr Storage Projects (Replacement or installation... | 279,432.11 |
| Total 121 · Wtr Dist & Wtr Storage Projects (Replacement or installati... | 394,932.77 |
| 131 · Waste Water Plant | |
| 131.2 · Outside Lighting Project (Outside lighting project that was ... | 922.77 |
| 131.1 · Pumps/Equipment | 212,362.29 |
| 131 · Waste Water Plant - Other | 230,059.50 |
| Total 131 · Waste Water Plant | 443,344.56 |
| 126 · Forcemain (phase 1) Cap. Imprv. | 1,233,797.22 |
| 123 · USDA - Sewer Plant Cap Imprvmt | 4,265,559.43 |
| USDA Project | -523,819.00 |

9:48 AM

05/14/26

Accrual Basis

Clearlake Oaks County Water District

Balance Sheet

As of May 14, 2026

| | <u>May 14, 26</u> |
|---|-----------------------------|
| 127 · Water Plant | |
| 127.8 · Water Intake Pump Extension | -129,223.00 |
| 127.7 · Ozone System | 38,629.36 |
| 127.6 · Swan AMI Turbiwell Monitor | 25,079.10 |
| 127.5 · A/C installation for Filter Rm | 750.00 |
| 127.4 · PH System | 9,959.72 |
| 127.2 · Harvy Vault Chlor Inject Proj | 1,408.61 |
| 127.1 · Major Equipment | 396,250.39 |
| 127 · Water Plant - Other | 239,426.30 |
| | <hr/> |
| Total 127 · Water Plant | 582,280.48 |
| 120 · District General CRP (EQUIPMENT - WAS 1011181) | |
| 120.01 · General Equipment/Tools (GENERAL EQUIPMENT - WAT... | 1,922,818.13 |
| 120.60 · Office (OFFICE EQUIPMENT - WAS 1011192) | 27,331.49 |
| 120.75 · SCADA | 56,141.65 |
| 120.90 · Vehicles/Generators/Trailers | 982,782.79 |
| 120 · District General CRP (EQUIPMENT - WAS 1011181) - Other | 95,883.57 |
| | <hr/> |
| Total 120 · District General CRP (EQUIPMENT - WAS 1011181) | 3,084,957.63 |
| 122 · Bldgs/Grounds Cap Improvements | 8,555,370.46 |
| 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWE... | |
| 124.2 · GIS Online Mapping System | 8,277.92 |
| 124.30 · Lift Stations | |
| 124.31 · Lift Station 7 Bypass | 66,042.23 |
| 124.30 · Lift Stations - Other | 60,599.80 |
| | <hr/> |
| Total 124.30 · Lift Stations | 126,642.03 |
| 124.50 · Mains | 28,694.24 |
| 124.60 · Meters | 10,000.34 |
| 124.90 · Water Tanks | 40,615.04 |
| 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SE... | 3,152,007.02 |
| | <hr/> |
| Total 124 · D/C System Cap Improvements (COLLECTION SYSTEM - ... | 3,366,236.59 |
| 125 · Land - Dist. Cap. Improvements | 299,770.00 |
| 129 · ALLOW. FOR DEPRECIATION | -11,078,963.62 |
| | <hr/> |
| Total Fixed Assets | 23,013,873.76 |
| TOTAL ASSETS | <u><u>27,480,630.48</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 200 · ACCOUNTS PAYABLE (ACCOUNTS PAYABLE - WAS 2097... | 159,565.84 |
| | <hr/> |
| Total Accounts Payable | 159,565.84 |
| Other Current Liabilities | |
| 800 · Bulk Water Deposit | 2,025.00 |
| Annual Depreciation | 249,035.55 |
| 224 · USDA Retainage | 241,508.65 |
| 223.56 · FEDERAL PAYROLL TAX PENALTY (Failure to make a ... | -5,317.55 |
| 280 · Loan | |
| 280.20 · Crane Truck | -58,604.24 |
| 280.04 · 2021 Water Truck | 11,964.15 |
| 280.15 · USDA Water Improvement Project (USDA Wtr Impro... | 4,575,000.00 |
| 280.02 · KS State Bank - 2019 Vac-Con | -544.49 |
| 280.12 · USDA Loan for Sewer Clarifier | 2,890,172.41 |
| | <hr/> |
| Total 280 · Loan | 7,417,987.83 |
| 221 · Health Ins - EE Portion | 26,104.64 |
| 222 · Direct Deposit Liabilities (Direct Deposit Liabilities) | 20,551.59 |
| 223.15 · GARNISHMENTS (GARNISHMENT MAIN - NEW GL) | |

9:48 AM

05/14/26

Accrual Basis

Clearlake Oaks County Water District

Balance Sheet

As of May 14, 2026

| | <u>May 14, 26</u> |
|--|----------------------|
| 223.16 · GARNISHMENT - COURT DEBT ORDER (GARNISHM... | -134.76 |
| 223.17 · GARNISHMENT - LAKE CO SHERIFF (GARNISHMEN... | 25,223.32 |
| 223.15 · GARNISHMENTS (GARNISHMENT MAIN - NEW GL) -... | -24,087.17 |
| Total 223.15 · GARNISHMENTS (GARNISHMENT MAIN - NEW GL) | 1,001.39 |
| 223.55 · FEDERAL PAYROLL TAX WITHHOLDING (FEDERAL P... | -1,050.73 |
| 223.60 · STATE PAYROLL TAX WITHHOLDING (STATE PAYROL... | -386.77 |
| 223.65 · STATE DISABILITY PAYABLE (STATE DISABILITY PAY... | -1.00 |
| 223.75 · PAYROLL DEDUCTION - INS CO-PAY (PAYROLL DED... | -42,307.10 |
| 223.80 · GASB 68 Pension (- WAS 2097190) | 26,313.00 |
| 223.85 · MISC DEDUCTIONS PAYABLE (MISC DEDUCTIONS PA... | 12,293.13 |
| 223.90 · COMPENSATED EMPLOYEE BENEFITS (COMPENSAT... | 86,839.02 |
| 24000 · Payroll Liabilities (Unpaid payroll liabilities. Amounts w... | -22,518.41 |
| Total Other Current Liabilities | 8,012,078.24 |
| Total Current Liabilities | 8,171,644.08 |
| Long Term Liabilities | |
| 228 · FEMA Interest on Overpaymnt/Pen | 723,804.35 |
| 227 · FEMA Overpayment/Penalties | -2,167,963.15 |
| 295 · NET PENSION LIABILITY | 723,163.00 |
| 225 · USDA Payment - Sewer Clarifier | -371,172.41 |
| Total Long Term Liabilities | -1,092,168.21 |
| Total Liabilities | 7,079,475.87 |
| Equity | |
| 302 · RETAINED EARNINGS (RETAINED EARNINGS - WAS 3030300) | 3,334,114.80 |
| 304 · Opening Balance Equity (Opening balances during setup post t... | -584,283.24 |
| 306 · Retained Earnings - OLD (Undistributed earnings of the corpor... | 17,324,535.23 |
| Net Income | 326,787.82 |
| Total Equity | 20,401,154.61 |
| TOTAL LIABILITIES & EQUITY | 27,480,630.48 |

Clearlake Oaks County Water District

Profit and Loss

05/14/26

July 2025 through April 2026

Accrual Basis

| | Admin (GL) | Sewer (GL) | Water (GL) | Total GL | TOTAL |
|---|--------------------|---------------------|---------------------|---------------------|---------------------|
| Ordinary Income/Expense | | | | | |
| Income | | | | | |
| Income | | | | | |
| 445 · Bulk Water | 0.00 | 0.00 | 1,274.00 | 1,274.00 | 1,274.00 |
| 410 · Client Reg Prmt | 0.00 | 987,956.21 | 1,288,105.02 | 2,276,061.23 | 2,276,061.23 |
| 420 · Connection Fees | 0.00 | 10,423.50 | 10,423.50 | 20,847.00 | 20,847.00 |
| 430 · Penalty & Interest | 0.00 | 24,389.79 | 28,662.49 | 53,052.28 | 53,052.28 |
| 440 · County Treasure/Tax Roll | 0.00 | 149,655.97 | 149,655.99 | 299,311.96 | 299,311.96 |
| 450 · Non S/W Rev - ATT Cell Lease | 0.00 | 18,019.14 | 18,019.86 | 36,039.00 | 36,039.00 |
| Total Income | 0.00 | 1,190,444.61 | 1,496,140.86 | 2,686,585.47 | 2,686,585.47 |
| Total Income | 0.00 | 1,190,444.61 | 1,496,140.86 | 2,686,585.47 | 2,686,585.47 |
| Gross Profit | 0.00 | 1,190,444.61 | 1,496,140.86 | 2,686,585.47 | 2,686,585.47 |
| Expense | | | | | |
| Salaries & EE Benefits | | | | | |
| 505 · Salaries & Wages | 365,614.85 | 348,670.61 | 215,001.00 | 929,286.46 | 929,286.46 |
| 520 · FICA - District Share | 27,533.71 | 26,000.16 | 16,100.95 | 69,634.82 | 69,634.82 |
| 530 · Med/Life Insurance- Dist Share | 59,782.11 | 67,223.25 | 32,535.75 | 159,541.11 | 159,541.11 |
| 540 · PERS - District Share | 122,018.80 | 25,615.47 | 11,898.00 | 159,532.27 | 159,532.27 |
| 550 · Unemployment | 14,896.34 | 0.00 | 0.00 | 14,896.34 | 14,896.34 |
| 560 · Workers Comp Ins | 3,865.87 | 5,617.06 | 6,308.51 | 15,791.44 | 15,791.44 |
| Total Salaries & EE Benefits | 593,711.68 | 473,126.55 | 281,844.21 | 1,348,682.44 | 1,348,682.44 |
| Services & Supplies | | | | | |
| 605 · Advertising | 500.13 | 0.00 | 0.00 | 500.13 | 500.13 |
| 610 · Bank Fees | 35,537.74 | 0.00 | 0.00 | 35,537.74 | 35,537.74 |
| 620 · Communications & Internet | 6,931.91 | 8,601.84 | 12,593.56 | 28,127.31 | 28,127.31 |
| 622 · Board Exp | 1,579.84 | 0.00 | 0.00 | 1,579.84 | 1,579.84 |
| 640 · Fuel & Oil | 0.00 | 4,999.04 | 4,999.17 | 9,998.21 | 9,998.21 |
| 645 · Insurance | 0.00 | 75,490.93 | 75,490.94 | 150,981.87 | 150,981.87 |
| 650 · Interest | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 657 · Lab | 0.00 | 18,848.60 | 24,015.64 | 42,864.24 | 42,864.24 |
| 660 · Memberships & Subscription | 24,618.04 | 47,364.88 | 35,329.05 | 107,311.97 | 107,311.97 |
| 670 · Postage & Shipping | 19,462.34 | 0.00 | 0.00 | 19,462.34 | 19,462.34 |
| 675 · Professional Services | 36,882.95 | 19,572.40 | 18,743.75 | 75,199.10 | 75,199.10 |
| 685 · Rents | 12,088.39 | 0.00 | 0.00 | 12,088.39 | 12,088.39 |
| 690 · Safety & Security | 728.84 | 5,588.98 | 4,722.09 | 11,039.91 | 11,039.91 |
| 700 · Tools & Instruments | 0.00 | 1,296.63 | -149.37 | 1,147.26 | 1,147.26 |
| 703 · Supplies - Clothing & Personal | 1,382.69 | 2,287.10 | 1,813.94 | 5,483.73 | 5,483.73 |
| 705 · Supplies - Office | 4,899.78 | 1,336.93 | 1,293.99 | 7,530.70 | 7,530.70 |
| 715 · Supplies-Chemicals-Operating | 0.00 | 38,027.35 | 92,587.35 | 130,614.70 | 130,614.70 |
| 720 · Supplies - Inventory - Other | 0.00 | 31,985.64 | 2,468.04 | 34,453.68 | 34,453.68 |
| 735 · Training/Classes/Certs/ClassB | 4,634.31 | 1,869.53 | 1,140.56 | 7,644.40 | 7,644.40 |
| 745 · Travel / Lodging | 1,640.42 | 0.00 | 11.03 | 1,651.45 | 1,651.45 |
| 750 · Utilities | 5,705.05 | 202,922.55 | 203,912.31 | 412,539.91 | 412,539.91 |
| 760 · Waste Disposal | 621.37 | 24,929.35 | 3,747.70 | 29,298.42 | 29,298.42 |
| 795 · Yolo Co | 0.00 | 0.00 | 30,451.07 | 30,451.07 | 30,451.07 |
| 799 · Team Building | 2,556.45 | 0.00 | 0.00 | 2,556.45 | 2,556.45 |
| Total Services & Supplies | 159,770.25 | 485,121.75 | 513,170.82 | 1,158,062.82 | 1,158,062.82 |
| Repairs & Replacement | | | | | |
| 810 · R&R Buildings & Grounds | 2,101.14 | 510.62 | 1,021.22 | 3,632.98 | 3,632.98 |
| Total Repairs & Replacement | 2,101.14 | 510.62 | 1,021.22 | 3,632.98 | 3,632.98 |
| Total Expense | 755,583.07 | 958,758.92 | 796,036.25 | 2,510,378.24 | 2,510,378.24 |
| Net Ordinary Income | -755,583.07 | 231,685.69 | 700,104.61 | 176,207.23 | 176,207.23 |
| Net Income | -755,583.07 | 231,685.69 | 700,104.61 | 176,207.23 | 176,207.23 |

**CLO Water and Wastewater District
PROJECTED BUDGET 2025-2026**

| As of April 2026 Summary | <u>WATER</u> | | | | <u>WASTEWATER</u> | | | |
|--|-----------------|----------------|----------------|------|-------------------|------------------|------------------|------|
| | Budget | | Actual YTD | | Budget | | Actual YTD | |
| | Annual | YTD | Amount | % | Annual | YTD | Amount | % |
| Total Operating Revenue | 1,431,320 | 1,192,767 | 1,496,141 | 105% | 1,279,260 | 1,066,050 | 1,190,445 | 93% |
| Total Operating Expenses | 1,441,392 | 1,201,160 | 1,173,829 | 81% | 1,468,797 | 1,223,998 | 1,336,551 | 91% |
| Operating Balance (loss) | (10,072) | (8,393) | 322,312 | | (189,537) | (157,948) | (146,106) | |
| 420 Connection Fees | 10,000 | 8,333 | 10,424 | 104% | 10,000 | 8,333 | 10,424 | 104% |
| 445 Bulk Water Sales | 30,000 | | 1,274 | | | | | |
| 450 Non S/W Rev - ATT Cell Lease | 55,000 | 45,833 | 18,020 | | 55,000 | 45,833 | 18,019 | |
| 440 Non S/W Rev - County Treasury | 100,000 | 83,333 | 149,656 | 150% | 165,000 | 137,500 | 149,656 | 91% |
| Reserves | 50,000 | 41,667 | - | 0% | 25,000 | 20,833 | | 0% |
| Net Change In Net Position (loss) | 134,928 | 87,440 | 500,412 | | 15,463 | 12,886 | 31,993 | |

Current Revenue Notes:

450 - Other - Non S/W Rev: ATT Lease and Tax Roll

Past Revenue Notes

| | |
|---------------------------|---------------------|
| General Ledger | \$159,837.18 |
| District CRP | \$306,895.39 |
| Paradise Cove CRP | \$163,440.83 |
| Water Reserves | \$60,235.66 |
| Sewer Reserves | \$39,517.89 |
| CA Class Restricted Funds | 348,645.20 |
| LAIF Account | \$5,028.07 |
| Total | \$734,955.02 |

| As of April 2026 Operating Revenue | <u>WATER</u> | | | | <u>WASTEWATER</u> | | | |
|---------------------------------------|------------------|------------------|------------------|------------|-------------------|------------------|------------------|------------|
| | Budget | | Actual YTD | | Budget | | Actual YTD | |
| | Annual | YTD | Amount | % | Annual | YTD | Amount | % |
| 410 Client Reg Pmt | 1,398,320 | 1,165,267 | 1,288,105 | 92% | 1,242,960 | 1,035,800 | 987,956 | 79% |
| 430 Penalty & Interest | 33,000 | 27,500 | 28,662 | 87% | 36,300 | 30,250 | 24,390 | 67% |
| | | | | 0% | | | | 0% |
| Total Revenue > | 1,431,320 | 1,192,767 | 1,316,767 | 92% | 1,279,260 | 1,066,050 | 1,012,346 | 79% |

| As of April 2026 Operating Expenses | Budget | | | | Actual | | | |
|--|---------|---------|---------|------|---------|---------|---------|------|
| | Budget | | Actual | | Budget | | Actual | |
| | Annual | YTD | YTD | % | Annual | YTD | YTD | % |
| 505 Salaries & Wages | 451,920 | 376,600 | 397,809 | 88% | 592,647 | 493,872 | 531,479 | 90% |
| 520 FICA - District Share | 36,678 | 30,565 | 29,868 | 81% | 49,284 | 41,070 | 39,767 | 81% |
| 530 Medical Ins - District Share | 70,778 | 58,982 | 62,427 | 88% | 126,869 | 105,724 | 97,114 | 77% |
| 540 CalPERS - District Share | 89,500 | 74,584 | 72,908 | 81% | 104,951 | 87,459 | 86,625 | 83% |
| 550 Unemployment | 5,000 | 4,167 | 7,448 | 149% | 5,000 | 4,167 | 7,448 | 149% |
| 560 Workmans Compensation | 29,773 | 24,811 | 8,242 | 28% | 31,908 | 26,590 | 7,550 | 24% |
| Salaries and Employee Benefits > | 683,650 | 569,708 | 578,701 | 85% | 910,659 | 758,883 | 769,982 | 85% |

| | | | | | | | | |
|-------------------------------|--------|--------|--------|------|--------|--------|--------|------|
| 605 Advertising | 200 | 167 | 250 | 125% | 200 | 167 | 250 | 125% |
| 610 Bank Fees | 21,790 | 18,158 | 17,769 | 82% | 21,780 | 18,150 | 17,769 | 82% |
| 620 Communications & Internet | 19,000 | 15,833 | 16,060 | 85% | 19,000 | 15,833 | 12,068 | 64% |
| 622 Board Exp | 3,500 | 2,917 | 790 | 23% | 3,500 | 2,917 | 790 | 23% |
| 625 Equip - Field <\$4,000.00 | 2,500 | 2,083 | - | 0% | 4,000 | 3,333 | - | 0% |
| 630 Equip - Office | 2,000 | 1,667 | - | 0% | 2,500 | 2,083 | - | 0% |
| 640 Fuel & Oil | 18,408 | 15,340 | 4,999 | 27% | 15,708 | 13,090 | 4,999 | 32% |
| 645 Insurance | 44,100 | 36,750 | 75,491 | 171% | 44,000 | 36,667 | 75,491 | 172% |
| 650 Interest | 2,000 | 1,667 | - | 0% | 2,000 | 1,667 | - | 0% |
| 657 Lab | 22,200 | 18,500 | 24,016 | 108% | 20,500 | 17,083 | 18,849 | 92% |

| | | | | | | | | | |
|-----|----------------------------------|------------------|------------------|------------------|------------|------------------|------------------|------------------|------------|
| 660 | Memberships/Subscriptions/Lice | 46,000 | 38,333 | 47,638 | 104% | 56,000 | 46,667 | 59,674 | 107% |
| 665 | Mileage Reimb | 500 | 417 | - | 0% | 250 | 208 | - | 0% |
| 670 | Postage & Shipping | 13,000 | 10,833 | 9,731 | 75% | 13,000 | 10,833 | 9,731 | 75% |
| 675 | Professional Services | 30,000 | 25,000 | 37,186 | 124% | 25,000 | 20,833 | 38,014 | 152% |
| 685 | Rents | 7,500 | 6,250 | 6,044 | 81% | 7,500 | 6,250 | 6,044 | 81% |
| 690 | Safety & Security | 5,250 | 4,375 | 5,087 | 97% | 8,750 | 7,292 | 5,954 | 68% |
| 700 | Tools & Instruments | 3,700 | 3,083 | (149) | -4% | 2,500 | 2,083 | 1,297 | 52% |
| 703 | Apparel | 3,600 | 3,000 | 2,506 | 70% | 3,400 | 2,833 | 2,979 | 88% |
| 705 | Supplies - Office | 4,000 | 3,333 | 3,744 | 94% | 4,000 | 3,333 | 3,787 | 95% |
| 715 | Treatment Chemicals | 125,250 | 104,375 | 92,587 | 74% | 55,000 | 45,833 | 38,027 | 69% |
| 720 | Supplies - Operating - Other | 5,000 | 4,167 | 2,468 | 49% | 30,000 | 25,000 | 31,986 | 107% |
| 730 | Taxes - Licenses | 0 | 0 | - | 0% | 0 | 0 | - | 0% |
| 735 | Training | 3,750 | 3,125 | 3,458 | 92% | 2,750 | 2,292 | 4,187 | 152% |
| 745 | Travel | 2,000 | 1,667 | 831 | 42% | 1,750 | 1,458 | 820 | 47% |
| 750 | Utilities | 285,394 | 237,828 | 206,765 | 72% | 153,770 | 128,142 | 205,776 | 134% |
| 760 | Waste Disposal | 15,350 | 12,792 | 4,059 | 26% | 56,030 | 46,692 | 25,240 | 45% |
| 795 | Yolo Co | 61,000 | 50,833 | 30,451 | 50% | | | | |
| 799 | Misc | 1,750 | 1,458 | 1,278 | 0% | 1,750 | 1,458 | 1,278 | 0% |
| | Services and Supplies > | 748,742 | 623,952 | 593,057 | 79% | 554,638 | 462,198 | 565,008 | 102% |
| | Repairs & Replacement | | | | | | | | |
| 810 | R&R Buildings & Grounds | 6,000 | 5,000 | 2,072 | 35% | 3,500 | 2,917 | 1,562 | 45% |
| 815 | R&R Damage Claims | 0 | 0 | - | 0% | - | - | - | 0% |
| 820 | R&R Lift Stations | - | - | - | 0% | - | - | - | 0% |
| 830 | R&R Equipment | 0 | 0 | - | 0% | 0 | 0 | - | 0% |
| 832 | R&R Mains/Service Lines | - | - | - | 0% | - | - | - | 0% |
| 840 | R&R Vehicles | 3,000 | 2,500 | - | 0% | - | - | - | 0% |
| | Repairs & Replacement > | 9,000 | 7,500 | 2,072 | 23% | 3,500 | 2,917 | 1,562 | 45% |
| | Total Expenses > | 1,441,392 | 1,201,160 | 1,173,829 | 81% | 1,468,797 | 1,223,998 | 1,336,551 | 91% |

| 10 Administration Budget Variance Report July 1, 2025 through June 30, 2026 | | Target % > | | 83.3% | GL ADMIN | |
|---|--|------------------|----------------|----------------|--------------|----------------|
| As of April 2026 | | 2024-2025 Budget | | Actual | Total | |
| Expenses | | Annual | YTD | YTD | % Spent | Remaining |
| 505 | Salaries & Wages | 440,484 | 367,070 | 365,615 | 83.0% | 74,869 |
| 520 | FICA - District Share | 34,820 | 29,017 | 27,534 | 79.1% | 7,286 |
| 530 | Medical Ins - District Share | 60,426 | 50,355 | 59,782 | 98.9% | 644 |
| 540 | CalPERS-Dist Share (Unfunded Liab \$116,616) | 148,067 | 123,389 | 122,019 | 82.4% | 26,048 |
| 550 | Unemployment | 10,000 | 8,333 | 14,896 | 149.0% | (4,896) |
| 560 | Workers Comp Ins | 8,609 | 7,175 | 3,866 | 44.9% | 4,743 |
| Salaries and Employee Benefits > | | 702,407 | 585,339 | 593,712 | 84.5% | 108,695 |
| 605 | Advertising | 400 | 333 | 500 | 125.0% | (100) |
| 610 | Bank Fees | 43,560 | 36,300 | 35,538 | 81.6% | 8,022 |
| 620 | Communications & Internet | 7,000 | 5,833 | 6,932 | 99.0% | 68 |
| 622 | Board | 7,000 | 5,833 | 1,580 | 22.6% | 5,420 |
| 625 | Equip - Field <\$4,999.00 | 0 | 0 | 0 | 0.0% | 0 |
| 630 | Equip - Office | 3,000 | 2,500 | 0 | 0.0% | 3,000 |
| 640 | Fuel & Oil | 0 | 0 | 0 | 0.0% | 0 |
| 645 | Insurance | 0 | 0 | - | 0.0% | 0 |
| 650 | Interest | 0 | 0 | 0 | 0.0% | 0 |
| 657 | Outsource Lab / Internal Lab | 0 | 0 | 0 | 0.0% | 0 |
| 660 | Memberships/Subscriptions/licenses | 22,000 | 18,333 | 24,618 | 111.9% | (2,618) |
| 670 | Postage & Shipping | 26,000 | 21,667 | 19,462 | 74.9% | 6,538 |
| 675 | Professional Services (Legal, IT) | 40,000 | 33,333 | 36,883 | 92.2% | 3,117 |
| 685 | Rents | 15,000 | 12,500 | 12,088 | 80.6% | 2,912 |
| 690 | Safety & Security | 1,500 | 1,250 | 729 | 48.6% | 771 |
| 700 | Tools & Instruments | 0 | 0 | 0 | 0.0% | 0 |
| 703 | Apparel | 1,200 | 1,000 | 1,383 | 115.3% | (183) |
| 705 | Supplies - Office | 6,000 | 5,000 | 4,900 | 81.7% | 1,100 |
| 715 | Treatment Chemicals | 0 | 0 | 0 | 0.0% | 0 |
| 720 | Supplies - Operating - Other | 0 | 0 | 0 | 0.0% | 0 |
| 735 | Training, Certifications | 3,500 | 2,917 | 4,634 | 132.4% | (1,134) |
| 745 | Travel | 3,000 | 2,500 | 1,640 | 54.7% | 1,360 |
| 750 | Utilities | 7,540 | 6,283 | 5,705 | 75.7% | 1,835 |
| 760 | Waste Disposal | 700 | 583 | 621 | 88.7% | 79 |
| 795 | Yolo Co | 0 | 0 | 0 | 0.0% | 0 |
| 799 | Team Building | 3,500 | 2,917 | 2,556 | 73.0% | 944 |
| Services and Supplies > | | 190,900 | 159,083 | 159,769 | 83.7% | 31,131 |
| Repairs & Replacement | | | | | | |
| 810 | R&R Buildings & Grounds | 2,000 | 1,667 | 2,101 | 105.1% | (101) |
| 815 | R & R Damage Claims | 0 | 0 | 0 | 0.0% | 0 |
| 820 | R&R Lift Stations | - | - | 0 | 0.0% | - |
| 830 | R&R Equipment | 0 | 0 | 0 | 0.0% | 0 |
| 832 | R&R Mains/Service Lines | 0 | 0 | 0 | 0.0% | 0 |
| 840 | R&R Vehicles | 0 | 0 | 0 | 0.0% | 0 |
| Repairs & Replacement > | | 2,000 | 1,667 | 2,101 | 105.0% | (101) |
| Total Expenses > | | 895,307 | 746,089 | 755,582 | 84.4% | 139,725 |

| 10 | Wastewater Budget Variance Report July 1, 2025 through June 30, 2026 | Target % > | 83.3% | GL WASTEWATER | | |
|-------|--|------------------|----------------|----------------|--------------|---------------|
| | As of April 2026 | 2024-2025 Budget | Actual | % | Total | |
| | Expenses | Annual | YTD | YTD | Spent | Remaining |
| 505 | Salaries & Wages | 372,405 | 310,337 | 348,671 | 93.6% | 23,734 |
| 520 | FICA - District Share | 31,874 | 26,561 | 26,000 | 81.6% | 5,874 |
| 530 | Medical Ins - District Share | 96,656 | 80,547 | 67,223 | 69.5% | 29,433 |
| 540 | CalPERS - District Share | 30,918 | 25,765 | 25,615 | 82.8% | 5,303 |
| 550 | Unemployment | 0 | 0 | | 0.0% | 0 |
| 560 | Workmans Compensation | 27,604 | 23,003 | 5,617 | 20.3% | 21,987 |
| | Salaries and Employee Benefits > | 559,456 | 466,213 | 473,126 | 84.6% | 86,330 |
| 605 | Advertising | 0 | 0 | | 0.0% | 0 |
| 610 | Bank Fees | 0 | 0 | | 0.0% | 0 |
| 620 | Communications & Internet | 13,000 | 10,833 | 8,602 | 66.2% | 4,398 |
| 622 | Board | 0 | 0 | | 0.0% | 0 |
| 625 | Equip - Field <\$4,999.00 | 1,500 | 1,250 | | 0.0% | 1,500 |
| 630 | Equip - Office | 1,000 | 833 | | 0.0% | 1,000 |
| 640 | Fuel & Oil | 7,500 | 6,250 | 4,999 | 66.7% | 2,501 |
| 645 | Insurance | 44,000 | 36,667 | 75,491 | 171.6% | (31,491) |
| 650 | Interest | 0 | 0 | | 0.0% | 0 |
| 657 | Outsource Lab / Internal Lab | 20,500 | 17,083 | 18,849 | 91.9% | 1,651 |
| 660 | Memberships/Subscriptions/Permits | 45,000 | 37,500 | 47,365 | 105.3% | (2,365) |
| 665 | Mileage Reimb | 250 | 208 | | 0.0% | 250 |
| 670 | Postage & Shipping | 0 | 0 | | 0.0% | 0 |
| 675 | Professional Services (SCADA) | 5,000 | 4,167 | 19,572 | 391.4% | (14,572) |
| 685 | Rents | 0 | 0 | | 0.0% | 0 |
| 690 | Safety & Security | 8,000 | 6,667 | 5,589 | 69.9% | 2,411 |
| 700 | Tools & Instruments | 2,500 | 2,083 | 1,297 | 51.9% | 1,203 |
| 703 | Apparel | 2,800 | 2,333 | 2,287 | 81.7% | 513 |
| 705 | Supplies - Office | 1,000 | 833 | 1,337 | 133.7% | (337) |
| 715 | Treatment Chemicals | 55,000 | 45,833 | 38,027 | 69.1% | 16,973 |
| 720 | Supplies-Operating-Other-Titan Tubes | 30,000 | 25,000 | 31,986 | 106.6% | (1,986) |
| 730 | Vacant | - | - | | | - |
| 735 | Training, Certifications | 1,000 | 833 | 1,870 | 187.0% | (870) |
| 745 | Travel | 250 | 208 | | 0.0% | 250 |
| 750 | Utilities | 150,000 | 125,000 | 202,923 | 135.3% | (52,923) |
| 760 | Waste Disposal | 55,680 | 46,400 | 24,929 | 44.8% | 30,751 |
| 795 | Yolo Co | 0 | 0 | | 0.0% | 0 |
| 798 | Customer Refund | | | | | |
| 799.1 | Team Building | | | | | |
| | Services and Supplies > | 443,980 | 369,983 | 485,123 | 109.3% | (41,143) |
| | Repairs & Replacement | | | | | |
| 810 | R&R Buildings & Grounds | 2,500 | 2,083 | 511 | 20.4% | 1,989 |
| 815 | R&R Damage Claims | 0 | 0 | | 0.0% | 0 |
| 820 | R&R Lift Stations | 0 | 0 | | 0.0% | 0 |
| 830 | R&R Equipment | 0 | 0 | | 0.0% | 0 |
| 832 | R&R Mains/Service Lines | 0 | 0 | - | 0.0% | - |
| 840 | R&R Vehicles | - | - | | 0.0% | - |
| | Repairs & Replacement > | 2,500 | 2,083 | 511 | 20.4% | 1,989 |
| | Total Expenses > | 1,005,936 | 838,280 | 958,760 | 95.3% | 47,176 |

Expense Notes

675 Monthly billing for IT services

645 Liab Ins increased 40K due to possible litigation

| 10 | Water Budget Variance Report July 1, 2025 through June 30, 2026 | Target % > | 83.3% | GL WATER | | |
|-----|---|------------------|----------------|----------------|--------------|-----------------|
| | As of April 2026 | 2024-2025 Budget | Actual | % | | |
| | Expenses | Annual | YTD | YTD | % Spent | Total Remaining |
| 505 | Salaries & Wages | 231,678 | 193,065 | 215,001 | 92.8% | 16,677 |
| 520 | FICA - District Share | 19,267 | 16,056 | 16,101 | 83.6% | 3,166 |
| 530 | Medical Ins - District Share | 40,565 | 33,804 | 32,536 | 80.2% | 8,029 |
| 540 | CalPERS - District Share | 15,467 | 12,889 | 11,898 | 76.9% | 3,569 |
| 550 | Unemployment | 0 | 0 | | 0.0% | 0 |
| 560 | Workmans Compensation | 25,469 | 21,224 | 6,309 | 24.8% | 19,160 |
| | Salaries and Employee Benefits > | 332,446 | 277,039 | 281,845 | 84.8% | 50,601 |
| 605 | Advertising | 0 | 0 | | 0.0% | 0 |
| 610 | Bank Fees | 0 | 0 | | 0.0% | 0 |
| 620 | Communications & Internet | 13,000 | 10,833 | 12,594 | 96.9% | 406 |
| 622 | Board Exp | 0 | 0 | | 0.0% | 0 |
| 625 | Equip - Field <\$4,999.00 | 0 | 0 | | 0.0% | 0 |
| 630 | Equip - Office | 500 | 417 | | 0.0% | 500 |
| 640 | Fuel & Oil | 10,200 | 8,500 | 4,999 | 49.0% | 5,201 |
| 645 | Insurance | 44,100 | 36,750 | 75,491 | 171.2% | (31,391) |
| 650 | Interest | 0 | 0 | | 0.0% | 0 |
| 657 | Outside Lab / Internal Lab | 22,200 | 18,500 | 24,016 | 108.2% | (1,816) |
| 660 | Memberships/Subscriptions/Permits | 35,000 | 29,167 | 35,329 | 100.9% | (329) |
| 665 | Mileage Reimb | 500 | 417 | | 0.0% | 500 |
| 670 | Postage & Shipping | 0 | 0 | | 0.0% | 0 |
| 675 | Professional Services (SCADA, Mtce Prog) | 10,000 | 8,333 | 18,744 | 187.4% | (8,744) |
| 685 | Rents | 0 | 0 | | 0.0% | 0 |
| 690 | Safety & Security (includes boots) | 4,500 | 3,750 | 4,722 | 104.9% | (222) |
| 700 | Tools & Instruments | 3,700 | 3,083 | (149) | -4.0% | 3,849 |
| 703 | Apparel | 3,000 | 2,500 | 1,814 | 60.5% | 1,186 |
| 705 | Supplies - Office | 1,000 | 833 | 1,294 | 129.4% | (294) |
| 715 | Treatment Chemicals | 125,250 | 104,375 | 92,587 | 73.9% | 32,663 |
| 720 | Supplies - Operating - Other | 5,000 | 4,167 | 2,468 | 49.4% | 2,532 |
| 730 | Vacant | 0 | 0 | | 0.0% | 0 |
| 735 | Training, Certifications | 2,000 | 1,667 | 1,141 | 57.1% | 859 |
| 745 | Travel | 500 | 417 | 11 | 2.2% | 489 |
| 750 | Utilities | 281,624 | 234,687 | 203,912 | 72.4% | 77,712 |
| 760 | Waste Disposal | 15,000 | 12,500 | 3,748 | 25.0% | 11,252 |
| 795 | Yolo Co | 61,000 | 50,833 | 30,451 | 49.9% | 30,549 |
| 798 | Customer Refund | | | | | |
| 799 | Team Building | 0 | 0 | | 0.0% | 0 |
| | Services and Supplies > | 638,074 | 531,728 | 513,172 | 80.4% | 124,902 |
| | Repairs & Replacement | | | | | |
| 810 | R&R Buildings & Grounds | 5,000 | 4,167 | 1,021 | 20.4% | 3,979 |
| 815 | R & R Damage Claims | 0 | 0 | | 0.0% | 0 |
| 820 | R&R Lift Stations | 0 | 0 | | 0.0% | 0 |
| 830 | R&R Equipment | 0 | 0 | | 0.0% | 0 |
| 832 | R&R Mains | 0 | 0 | | 0.0% | - |
| 840 | R&R Vehicles | 3,000 | 2,500 | | 0.0% | 3,000 |
| | Repairs & Replacement > | 8,000 | 6,667 | 1,021 | 12.8% | 6,979 |
| | Total Expenses > | 978,521 | 815,434 | 796,038 | 81.4% | 182,483 |

505 PTO Cash out

675 CCCP cost that will be reimbursed by MC through grant

675 Monthly billing for IT services

645 Liab Ins increased 40K due to possible litigation

8:49 AM

Clearlake Oaks County Water District

CRP/CIP Profit and Loss

July 2025 through April 2026

05/14/26

Accrual Basis

| | PC (CRP) | Water (CRP) | Sewer (CRP) | Total CRP | TOTAL |
|---|------------------|-------------------|-------------------|-------------------|-------------------|
| Ordinary Income/Expense | | | | | |
| Income | | | | | |
| Income | | | | | |
| 425 · CRP (Capital Replacment Plan) | 16,245.50 | 401,108.40 | 467,271.17 | 884,625.07 | 884,625.07 |
| 430 · Penalty & Interest | 382.57 | 10,820.07 | 12,611.12 | 23,813.76 | 23,813.76 |
| 450 · Non S/W Rev - ATT Cell Lease | 0.00 | 7.50 | 7.50 | 15.00 | 15.00 |
| Total Income | <u>16,628.07</u> | <u>411,935.97</u> | <u>479,889.79</u> | <u>908,453.83</u> | <u>908,453.83</u> |
| Total Income | <u>16,628.07</u> | <u>411,935.97</u> | <u>479,889.79</u> | <u>908,453.83</u> | <u>908,453.83</u> |
| Gross Profit | <u>16,628.07</u> | <u>411,935.97</u> | <u>479,889.79</u> | <u>908,453.83</u> | <u>908,453.83</u> |
| Expense | | | | | |
| Salaries & EE Benefits | | | | | |
| 505 · Salaries & Wages | 0.00 | 220,906.41 | 186,059.51 | 406,965.92 | 406,965.92 |
| 520 · FICA - District Share | 0.00 | 16,670.69 | 14,116.52 | 30,787.21 | 30,787.21 |
| 530 · Med/Life Insurance- Dist Share | 0.00 | 19,933.69 | 30,334.80 | 50,268.49 | 50,268.49 |
| 540 · PERS - District Share | 0.00 | 9,499.86 | 11,233.85 | 20,733.71 | 20,733.71 |
| 560 · Workers Comp Ins | 0.00 | 8,854.92 | 10,963.59 | 19,818.51 | 19,818.51 |
| Total Salaries & EE Benefits | <u>0.00</u> | <u>275,865.57</u> | <u>252,708.27</u> | <u>528,573.84</u> | <u>528,573.84</u> |
| Services & Supplies | | | | | |
| 640 · Fuel & Oil | 0.00 | 14,846.69 | 14,846.65 | 29,693.34 | 29,693.34 |
| 650 · Interest | 0.00 | 3,600.41 | 3,600.29 | 7,200.70 | 7,200.70 |
| 657 · Lab | 0.00 | 1,640.00 | 0.00 | 1,640.00 | 1,640.00 |
| 690 · Safety & Security | 0.00 | 5,375.48 | 7,227.15 | 12,602.63 | 12,602.63 |
| 700 · Tools & Instruments | 0.00 | 2,477.29 | 2,301.67 | 4,778.96 | 4,778.96 |
| 703 · Supplies - Clothing & Personal | 0.00 | 1,703.04 | 1,703.03 | 3,406.07 | 3,406.07 |
| 705 · Supplies - Office | 0.00 | 56.30 | 56.29 | 112.59 | 112.59 |
| 720 · Supplies - Inventory - Other | 0.00 | 1,957.63 | 2,245.47 | 4,203.10 | 4,203.10 |
| 735 · Training/Classes/Certs/ClassB | 0.00 | 1,084.43 | 1,152.49 | 2,236.92 | 2,236.92 |
| 745 · Travel / Lodging | 0.00 | 92.99 | 92.96 | 185.95 | 185.95 |
| Total Services & Supplies | <u>0.00</u> | <u>32,834.26</u> | <u>33,226.00</u> | <u>66,060.26</u> | <u>66,060.26</u> |
| Repairs & Replacement | | | | | |
| 810 · R&R Buildings & Grounds | 0.00 | 1,730.39 | 0.00 | 1,730.39 | 1,730.39 |
| 820 · R&R Lift Stations | 0.00 | 0.00 | 11,658.27 | 11,658.27 | 11,658.27 |
| 830 · R&R Equipment | | | | | |
| 830.1 · Hydrants | 0.00 | 6,686.61 | 0.00 | 6,686.61 | 6,686.61 |
| 830 · R&R Equipment - Other | 0.00 | 46,820.46 | 53,048.06 | 99,868.52 | 99,868.52 |
| Total 830 · R&R Equipment | <u>0.00</u> | <u>53,507.07</u> | <u>53,048.06</u> | <u>106,555.13</u> | <u>106,555.13</u> |
| 832 · R&R Mains and Sewer Lines | 0.00 | 21,715.72 | 5,187.75 | 26,903.47 | 26,903.47 |
| 840 · R&R Vehicles | 0.00 | 12,987.36 | 13,186.62 | 26,173.98 | 26,173.98 |
| Total Repairs & Replacement | <u>0.00</u> | <u>89,940.54</u> | <u>83,080.70</u> | <u>173,021.24</u> | <u>173,021.24</u> |
| Total Expense | <u>0.00</u> | <u>398,640.37</u> | <u>369,014.97</u> | <u>767,655.34</u> | <u>767,655.34</u> |
| Net Ordinary Income | <u>16,628.07</u> | <u>13,295.60</u> | <u>110,874.82</u> | <u>140,798.49</u> | <u>140,798.49</u> |
| Net Income | <u>16,628.07</u> | <u>13,295.60</u> | <u>110,874.82</u> | <u>140,798.49</u> | <u>140,798.49</u> |

Clearlake Oaks Co Water District
 Budget Variance Report July 1, 2025 through June 30, 2026

Target % > 83.3% CRP-PC

10

As of April 2026

| Summary | Budget | | Actual YTD | | % | Total |
|---------------------------------------|--------|------------------|------------|----------|-------------|-----------|
| | Annual | YTD | Amount | % | | |
| PC CRP Revenue | 19,536 | 16,280 | 16,628 | 85.1% | 0% | |
| PC CRP Expenses | 0 | 0 | - | 0.0% | 0% | |
| Expenses | | 2024-2025 Budget | | Actual | % | Total |
| | Annual | YTD | YTD | Spent | | Remaining |
| 605 Advertising | - | - | - | 0.0% | - | - |
| 610 Bank Fees | - | - | - | 0.0% | - | - |
| 620 Communications & Internet | - | - | - | 0.0% | - | - |
| 622 Board | - | - | - | 0.0% | - | - |
| 625 Equip - Field <\$4,999.00 | - | - | - | 0.0% | - | - |
| 630 Equip - Office | - | - | - | 0.0% | - | - |
| 640 Fuel & Oil | - | - | - | 0.0% | - | - |
| 645 Insurance | - | - | - | 0.0% | - | - |
| 650 Interest | - | - | - | 0.0% | - | - |
| 657 Outsource Lab / Internal Lab | - | - | - | 0.0% | - | - |
| 660 Memberships & Subscriptions | - | - | - | 0.0% | - | - |
| 665 Mileage Reimb | - | - | - | 0.0% | - | - |
| 670 Postage & Shipping | - | - | - | 0.0% | - | - |
| 675 Professional Services (SCADA) | - | - | - | 0.0% | - | - |
| 685 Rents | - | - | - | 0.0% | - | - |
| 690 Safety & Security | - | - | - | 0.0% | - | - |
| 700 Tools & Instruments | - | - | - | 0.0% | - | - |
| 703 Apparel | - | - | - | 0.0% | - | - |
| 705 Supplies - Office | - | - | - | 0.0% | - | - |
| 715 Treatment Chemicals | - | - | - | 0.0% | - | - |
| 720 Supplies - Operating - Other | - | - | - | 0.0% | - | - |
| 730 Vacant | - | - | - | 0.0% | - | - |
| 735 Training, Certifications | - | - | - | 0.0% | - | - |
| 745 Travel / Lodging | - | - | - | 0.0% | - | - |
| 750 Utilities | - | - | - | 0.0% | - | - |
| 760 Waste Disposal | - | - | - | 0.0% | - | - |
| 795 Yolo Co | - | - | - | 0.0% | - | - |
| 799 Team Building | 0 | 0 | - | 0.0% | 0 | 0 |
| Services and Supplies > | | 0 | 0 | - | 0.0% | 0 |
| Repairs & Replacement | | | | | | |
| 810 R&R Buildings & Grounds | - | - | - | 0.0% | - | - |
| 815 R&R Damage Claims | 0 | 0 | - | 0.0% | 0 | 0 |
| 820 R&R Lift Stations | - | - | - | 0.0% | - | - |
| 830 R&R Equipment | - | - | - | 0.0% | - | - |
| 832 R&R Mains/Laterals | - | - | - | 0.0% | - | - |
| 840 R&R Vehicles | - | - | - | 0.0% | - | - |
| Repairs & Replacement > | | 0 | 0 | - | 0.0% | 0 |
| Total Expenses > | | 0 | 0 | - | 0.0% | 0 |

32

Budget Variance Report July 1, 2025 through June 30, 2026

10

Target % > 83.3% CRP-WATER

| As of April 2026 Summary | | WATER - CRP | | | Actual YTD | |
|--|------------------------------------|---------------------|----------------|----------------|--------------|--------------------|
| | | Budget Annual | YTD | | Amount | % |
| WATER CRP Revenue | | 486,563 | 405,469 | 411,936 | 84.7% | 0% |
| WATER CRP Expenses | | 483,872 | 403,227 | 398,639 | 82.4% | 0% |
| Operating Balance | | 2,691 | 2,243 | 13,297 | | |
| Expenses | | 2020-2021 Annual | Budget YTD | Actual YTD | % Spent | Total Remaining |
| 505 | Salaries & Wages | 237,898 | 198,249 | 220,906 | 92.9% | 16,992 |
| 520 | FICA - District Share | 19,526 | 16,272 | 16,671 | 85.4% | 2,855 |
| 530 | Medical Ins - District Share | 34,186 | 28,488 | 19,934 | 58.3% | 14,252 |
| 540 | CalPERS - District Share | 16,298 | 13,582 | 9,500 | 58.3% | 6,798 |
| 550 | Unemployment | 0 | 0 | 0 | 0.0% | 0 |
| 560 | Workmans Compensation | 21,697 | 18,081 | 8,855 | 40.8% | 12,842 |
| Salaries and Employee Benefits > | | 329,606 | 274,672 | 275,866 | 83.7% | 53,740 |
| 605 | Advertising | 0 | 0 | - | 0.0% | 0 |
| 610 | Bank Fees | 0 | 0 | - | 0.0% | 0 |
| 620 | Communications & Internet | 3,500 | 2,917 | - | 0.0% | 3,500 |
| 622 | Board | 0 | 0 | - | 0.0% | 0 |
| 625 | Equip - Field <\$4,999.00 | 1,250 | 1,042 | - | 0.0% | 1,250 |
| 630 | Equip - Office | - | - | - | - | - |
| 640 | Fuel & Oil | 16,416 | 13,680 | 14,847 | 90.4% | 1,569 |
| 645 | Insurance | 0 | 0 | - | 0.0% | 0 |
| 650 | Interest | 6,000 | 5,000 | 3,600 | 60.0% | 2,400 |
| 657 | Outsource Lab / Internal Lab | 5,000 | 4,167 | 1,640 | 32.8% | 3,360 |
| 660 | Memberships/Subscriptions/Licenses | 0 | 0 | - | 0.0% | 0 |
| 665 | Mileage Reimb | 0 | 0 | - | 0.0% | 0 |
| 670 | Postage & Shipping | 0 | 0 | - | 0.0% | 0 |
| 675 | Professional Services Leak Chk | - | - | - | 0.0% | - |
| 685 | Rents | 0 | 0 | - | 0.0% | 0 |
| 690 | Safety & Security | 5,000 | 4,167 | 5,375 | 107.5% | (375) |
| 700 | Tools & Instruments | 2,000 | 1,667 | 2,477 | 123.9% | (477) |
| 703 | Apparel | 2,000 | 1,667 | 1,703 | 85.2% | 297 |
| 705 | Supplies - Office | - | - | 56 | 0.0% | (56) |
| 715 | Treatment Chemicals | 0 | 0 | - | 0.0% | 0 |
| 720 | Supplies - Operating - Other | 6,600 | 5,500 | 1,958 | 29.7% | 4,642 |
| 735 | Training, Certifications | 500 | 417 | 1,084 | 216.8% | (584) |
| 745 | Travel | - | - | 93 | 0.0% | (93) |
| 750 | Utilities | 0 | 0 | - | 0.0% | 0 |
| 760 | Waste Disposal | 0 | 0 | - | 0.0% | 0 |
| 795 | Yolo Co | 0 | 0 | - | 0.0% | 0 |
| 799 | Team Building | 0 | 0 | - | 0.0% | 0 |
| Services and Supplies > | | 48,266 | 40,222 | 32,833 | 68.0% | 15,433 |
| Repairs & Replacement | | | | | | |
| 810 | R&R Buildings & Grounds | 3,000 | 2,500 | 1,730 | 57.7% | 1,270 |
| 815 | R & R Damage Claims | 0 | 0 | - | 0.0% | 0 |
| 820 | R&R Lift Stations | 0 | 0 | - | 0.0% | 0 |
| 830 | R&R Equipment | 35,000 | 29,167 | 46,820 | 133.8% | (11,820) |
| 830.1 | Hydrants | - | - | 6,687 | - | - |
| 832 | R&R Mains/Service Lines/Tanks | 50,000 | 41,667 | 21,716 | 43.4% | 28,284 |
| 840 | R&R Vehicles | 18,000 | 15,000 | 12,987 | 72.2% | 5,013 |
| Repairs & Replacement > | | 106,000 | 88,333 | 89,940 | 84.8% | 16,060 |
| Total Expenses > | | 483,872 | 403,227 | 398,639 | 82.4% | 85,233 |

505 PTO cash out

830 Intake Pp Repair was moved to 127.8 - Cap Exp, Comp Upgrades

CRP-S = Tom, Heaven, Joshua Dylon

CRP-W= Jeremy, Jesse

Budget Variance Report July 1, 2025 through June 30, 2026

| 10 | SEWER-CRP | | | Target % > | 83.3% | CRP-SEWER |
|--------------------|-----------|---------|---------|------------|-------|-----------|
| As of April 2026 | Budget | | | Actual YTD | | |
| Summary | Annual | YTD | | Amount | % | |
| SEWER CRP Revenue | 614,200 | 511,833 | 479,890 | 78.1% | 0% | |
| SEWER CRP Expenses | 523,177 | 435,981 | 369,016 | 70.5% | 0% | |

Operating Balance (loss) **91,023** 75,852 110,874

| Expenses | | 2020-2021 Budget | | Actual | % | Total |
|--|------------------------------------|------------------|----------------|----------------|---------------|----------------|
| | | Annual | YTD | YTD | Spent | Remaining |
| 505 | Salaries & Wages | 264,703 | 220,586 | 186,060 | 70.3% | 78,643 |
| 520 | FICA - District Share | 21,833 | 18,195 | 14,117 | 64.7% | 7,716 |
| 530 | Medical Ins - District Share | 68,372 | 56,976 | 30,335 | 44.4% | 38,037 |
| 540 | CalPERS - District Share | 19,473 | 16,227 | 11,234 | 57.7% | 8,239 |
| 550 | Unemployment | - | - | - | 0.0% | - |
| 560 | Workmans Compensation | 24,631 | 20,525 | 10,964 | 44.5% | 13,667 |
| Salaries and Employee Benefits > | | 399,011 | 332,509 | 252,710 | 63.3% | 146,301 |
| 605 | Advertising | 0 | 0 | - | 0.0% | 0 |
| 610 | Bank Fees | 0 | 0 | - | 0.0% | 0 |
| 620 | Communications & Internet | 5,000 | 4,167 | - | 0.0% | 5,000 |
| 622 | Board | 0 | 0 | - | 0.0% | 0 |
| 625 | Equip - Field <\$4,999.00 | 1,250 | 1,042 | - | 0.0% | 1,250 |
| 630 | Equip - Office | - | - | - | 0.0% | - |
| 640 | Fuel & Oil | 16,416 | 13,680 | 14,847 | 90.4% | 1,569 |
| 645 | Insurance | 0 | 0 | - | 0.0% | 0 |
| 650 | Interest | 6,000 | 5,000 | 3,600 | 60.0% | 2,400 |
| 657 | Outsource Lab / Internal Lab | 0 | 0 | - | 0.0% | 0 |
| 660 | Memberships/Subscriptions/Licenses | 0 | 0 | - | 0.0% | 0 |
| 665 | Mileage Reimb | 0 | - | - | 0.0% | 0 |
| 670 | Postage & Shipping | 0 | 0 | - | 0.0% | 0 |
| 675 | Professional Services (SCADA) | 0 | 0 | - | 0.0% | 0 |
| 685 | Rents | - | - | - | 0.0% | - |
| 690 | Safety & Security (includes Boots) | 5,000 | 4,167 | 7,227 | 144.5% | (2,227) |
| 700 | Tools & Instruments | 2,000 | 1,667 | 2,302 | 115.1% | (302) |
| 703 | Apparel | 2,000 | 1,667 | 1,703 | 85.2% | 297 |
| 705 | Supplies - Office | - | - | 56 | 0.0% | (56) |
| 715 | Treatment Chemicals | 0 | 0 | - | 0.0% | 0 |
| 720 | Supplies - Operating - Other | 3,000 | 2,500 | 2,245 | 74.8% | 755 |
| 735 | Training, Certification | 500 | 417 | 1,152 | 0.0% | (652) |
| 745 | Travel | - | - | 93 | 0.0% | (93) |
| 750 | Utilities | 0 | 0 | - | 0.0% | 0 |
| 760 | Waste Disposal | 0 | 0 | - | 0.0% | 0 |
| 795 | Yolo Co | 0 | 0 | - | 0.0% | 0 |
| 799 | Team Building | 0 | 0 | - | 0.0% | 0 |
| Services and Supplies > | | 41,166 | 34,305 | 33,225 | 80.7% | 7,941 |
| Repairs & Replacement | | | | | | |
| 810 | R&R Buildings & Grounds | 3,000 | 2,500 | - | 0.0% | 3,000 |
| 815 | R & R Damage Claims | 0 | 0 | - | 0.0% | 0 |
| 820 | R&R Lift Stations | 20,000 | 16,667 | 11,658 | 58.3% | 8,342 |
| 830 | R&R Equipment | 30,000 | 25,000 | 53,048 | 176.8% | (23,048) |
| 832 | R&R Mains/Laterals | 20,000 | 16,667 | 5,188 | 25.9% | 14,812 |
| 840 | R&R Vehicles | 10,000 | 8,333 | 13,187 | 131.9% | (3,187) |
| Repairs & Replacement > | | 83,000 | 69,167 | 83,081 | 100.1% | (81) |
| 830 | Comp Upgrades | | | | | |
| 840 | Vaccon Repair | | | | | |
| Total Expenses > | | 523,177 | 435,981 | 369,016 | 70.5% | 154,161 |

CRP-S = Tom, Heaven, Joshua, Dylan

CRP-W= Jeremy, Jesse

34

Clearlake Oaks County Water District Capital Improvements As of April 30, 2026

| Date | Name | Memo | Class | Paid Amount |
|--|---------------------------|--------------------------|-----------|-------------|
| 130 · Const In Progress - Studies | | | | |
| 135 · CRP WATER (CAPITOL IMPROVEMENTS - WATER - WAS 1199100) | | | | |
| 131 · Waste Water Plant | | | | |
| 131.1 · Pumps/Equipment | | | | |
| 10/06/2025 | Auma | Field Labor for Repai... | CRP:Sewer | 7,784.75 |
| 10/24/2025 | Muniquip, LLC | Dissamble Bermad ... | CRP:Sewer | 6,880.00 |
| 03/05/2026 | Flo-Line Technology, I... | LS 9-New Pump | CRP:Sewer | 6,898.16 |
| 03/05/2026 | Flo-Line Technology, I... | LS 7-Pump Repair | CRP:Sewer | 12,699.84 |
| Total 131.1 · Pumps/Equipment | | | | 34,262.75 |
| 131 · Waste Water Plant - Other | | | | |
| Total 131 · Waste Water Plant - Other | | | | 34,262.75 |
| Total 131 · Waste Water Plant | | | | |
| 127 · Water Plant | | | | |
| 127.7 · Ozone System | | | | |
| Total 127.7 · Ozone System | | | | |
| 127.6 · Swan AMI Turbiwell Monitor | | | | |
| Total 127.6 · Swan AMI Turbiwell Monitor | | | | |
| 127.4 · PH System | | | | |
| Total 127.4 · PH System | | | | |
| 127.2 · Harvy Vault Chlor Inject Proj | | | | |
| Total 127.2 · Harvy Vault Chlor Inject Proj | | | | |
| 127.1 · Major Equipment | | | | |
| Total 127.1 · Major Equipment | | | | |
| 127 · Water Plant - Other | | | | |
| Total 127 · Water Plant - Other | | | | |
| Total 127 · Water Plant | | | | |
| 120 · District General CRP (EQUIPMENT - WAS 1011181) | | | | |
| 120.01 · General Equipment/Tools (GENERAL EQUIPMENT - WATER - WAS 1011190) | | | | |
| Total 120.01 · General Equipment/Tools (GENERAL EQUIPMENT - WATER - ... | | | | |
| 120.60 · Office (OFFICE EQUIPMENT - WAS 1011192) | | | | |
| Total 120.60 · Office (OFFICE EQUIPMENT - WAS 1011192) | | | | |
| 120.75 · SCADA | | | | |
| 12/04/2025 | Southport Control Sol... | Configure two replac... | CRP:Sewer | 1,777.35 |
| Total 120.75 · SCADA | | | | 1,777.35 |
| 120.90 · Vehicles/Generators/Trailers | | | | |
| 07/18/2025 | Hoblit Motors | DC Duty Truck 2024... | CRP:Water | 23,950.33 |
| 07/18/2025 | Hoblit Motors | DC Duty Truck 2024... | CRP:Sewer | 23,950.32 |
| Total 120.90 · Vehicles/Generators/Trailers | | | | 47,900.65 |
| 120 · District General CRP (EQUIPMENT - WAS 1011181) - Other | | | | |
| Total 120 · District General CRP (EQUIPMENT - WAS 1011181) - Other | | | | |
| Total 120 · District General CRP (EQUIPMENT - WAS 1011181) | | | | 49,678.00 |
| 122 · Bldgs/Grounds Cap Improvements | | | | |
| Total 122 · Bldgs/Grounds Cap Improvements | | | | |
| 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - WAS 1011161) | | | | |
| 124.2 · GIS Online Mapping System | | | | |
| Total 124.2 · GIS Online Mapping System | | | | |
| 124.30 · Lift Stations | | | | |
| 124.50 · Mains | | | | |

Clearlake Oaks County Water District
Capital Improvements
As of April 30, 2026

| Date | Name | Memo | Class | Paid Amount |
|--|----------------------------|------------------------|-----------|-------------|
| 04/12/2026 | Case Excavating, Inc. | Highway 20 Leak Re... | CRP:Water | 13,905.66 |
| Total 124.50 · Mains | | | | 13,905.66 |
| 124.60 · Meters | | | | |
| Total 124.60 · Meters | | | | |
| 124.90 · Water Tanks | | | | |
| Total 124.90 · Water Tanks | | | | |
| 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - WAS 1011161) - Other | | | | |
| 09/18/2025 | MC Engineering, Inc | CAD/GIS Mapping | CRP:Water | 802.50 |
| 01/05/2026 | MC Engineering, Inc | Created Maps, show... | CRP:Water | 295.63 |
| 01/05/2026 | MC Engineering, Inc | Sewer Service area ... | CRP:Sewer | 295.62 |
| Total 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWE... | | | | 1,393.75 |
| Total 124 · D/C System Cap Improvements (COLLECTION SYSTEM - SEWER - ... | | | | 15,299.41 |
| 125 · Land - Dist. Cap. Improvements | | | | |
| Total 125 · Land - Dist. Cap. Improvements | | | | |
| 129 · ALLOW. FOR DEPRECIATION | | | | |
| Total 129 · ALLOW. FOR DEPRECIATION | | | | |
| 280 · Loan | | | | |
| 280.20 · Crane Truck | | | | |
| 07/15/2025 | Financial Pacific Leasi... | Payment #9 Crane T... | CRP:Water | 1,624.50 |
| 07/15/2025 | Financial Pacific Leasi... | | CRP:Sewer | 1,624.51 |
| 08/15/2025 | Financial Pacific Leasi... | Payment #10 | CRP:Water | 1,630.66 |
| 08/15/2025 | Financial Pacific Leasi... | Payment #10 | CRP:Sewer | 1,630.67 |
| 09/15/2025 | Financial Pacific Leasi... | Payment #11- Crane... | CRP:Water | 1,636.85 |
| 09/15/2025 | Financial Pacific Leasi... | Payment #11- Crane... | CRP:Sewer | 1,636.85 |
| 10/15/2025 | Financial Pacific Leasi... | Crane Truck Payme... | CRP:Water | 1,643.05 |
| 10/15/2025 | Financial Pacific Leasi... | | CRP:Sewer | 1,643.06 |
| 11/17/2025 | Financial Pacific Leasi... | Payment #13-Crane ... | CRP:Water | 1,649.29 |
| 11/17/2025 | Financial Pacific Leasi... | | CRP:Sewer | 1,649.29 |
| 12/15/2025 | Financial Pacific Leasi... | Payment #14-Crane ... | CRP:Water | 1,655.54 |
| 12/15/2025 | Financial Pacific Leasi... | Payment #14-Crane ... | CRP:Sewer | 1,655.54 |
| 01/15/2026 | Financial Pacific Leasi... | Crane Truck Payme... | CRP:Water | 1,661.82 |
| 01/15/2026 | Financial Pacific Leasi... | | CRP:Sewer | 1,661.82 |
| 02/17/2026 | Financial Pacific Leasi... | | CRP:Water | 1,668.12 |
| 02/17/2026 | Financial Pacific Leasi... | | CRP:Sewer | 1,668.12 |
| 03/16/2026 | Financial Pacific Leasi... | Payment #17 | CRP:Water | 1,674.44 |
| 03/16/2026 | Financial Pacific Leasi... | | CRP:Sewer | 1,674.44 |
| 04/15/2026 | Financial Pacific Leasi... | Crane Truck Payme... | CRP:Water | 1,680.79 |
| 04/15/2026 | Financial Pacific Leasi... | | CRP:Sewer | 1,680.80 |
| Total 280.20 · Crane Truck | | | | 33,050.16 |
| 280.04 · 2021 Water Truck | | | | |
| 07/21/2025 | Kansas State Bank - ... | Payment #44 | CRP:Water | 818.25 |
| 07/21/2025 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 818.25 |
| 08/20/2025 | Kansas State Bank - ... | Payment #44 | CRP:Water | 820.93 |
| 08/20/2025 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 820.93 |
| 09/22/2025 | Kansas State Bank - ... | Payment #46 | CRP:Water | 823.63 |
| 09/22/2025 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 823.62 |
| 10/20/2025 | Kansas State Bank - ... | Payment #47 | CRP:Water | 826.33 |
| 10/20/2025 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 826.33 |
| 11/20/2025 | Kansas State Bank - ... | Payment #48 | CRP:Water | 829.04 |
| 11/20/2025 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 829.04 |
| 12/20/2025 | Kansas State Bank - ... | Payment #49 | CRP:Water | 831.76 |
| 12/20/2025 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 831.76 |
| 01/20/2026 | Kansas State Bank - ... | Payment #50 | CRP:Water | 834.49 |
| 01/20/2026 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 834.49 |
| 02/20/2026 | Kansas State Bank - ... | Payment #51 | CRP:Water | 837.23 |
| 02/20/2026 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 837.23 |
| 03/20/2026 | Kansas State Bank - ... | Payment #52 | CRP:Water | 839.97 |
| 03/20/2026 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 839.98 |
| 04/20/2026 | Kansas State Bank - ... | Payment #53 | CRP:Water | 842.74 |

9:48 AM

05/14/26

Cash Basis

Clearlake Oaks County Water District Capital Improvements As of April 30, 2026

| Date | Name | Memo | Class | Paid Amount |
|--|-------------------------|--------------------------|----------------|-------------------|
| 04/20/2026 | Kansas State Bank - ... | 3359488 | CRP:Sewer | 842.74 |
| Total 280.04 · 2021 Water Truck | | | | 16,608.74 |
| 280.15 · USDA Water Improvement Project (USDA Wtr Improvement Proj total \$5 Million) | | | | |
| 03/01/2026 | USDA Rural Develop... | | Loan/Grant:... | 103,000.00 |
| Total 280.15 · USDA Water Improvement Project (USDA Wtr Improvement Pr... | | | | 103,000.00 |
| 280.02 · KS State Bank - 2019 Vac-Con | | | | |
| Total 280.02 · KS State Bank - 2019 Vac-Con | | | | |
| 280.12 · USDA Loan for Sewer Clarifier | | | | |
| Total 280.12 · USDA Loan for Sewer Clarifier | | | | |
| Total 280 · Loan | | | | 152,658.90 |
| 306 · Retained Earnings - OLD (Undistributed earnings of the corporation - ENDS 06/31/2011) | | | | |
| Total 306 · Retained Earnings - OLD (Undistributed earnings of the corporation - ... | | | | |
| Loans/Grants | | | | |
| 945 · Wastewater I and I Phase IV | | | | |
| 08/21/2025 | MC Engineering, Inc | Reviewed and set up... | Loan/Grant:... | 5,974.17 |
| 09/18/2025 | MC Engineering, Inc | Tech Memo & Grant ... | Loan/Grant:... | 7,911.50 |
| 10/16/2025 | MC Engineering, Inc | FAAST Application, ... | Loan/Grant:... | 3,587.50 |
| 10/16/2025 | Acorn Environmental | 2303 CLOCWD | Loan/Grant:... | 530.00 |
| 11/20/2025 | MC Engineering, Inc | Acquired Data from ... | Loan/Grant:... | 3,391.25 |
| 11/20/2025 | Acorn Environmental | 2303 CLOCWD | Loan/Grant:... | 2,342.50 |
| 11/20/2025 | MC Engineering, Inc | Comm. with Environ... | Loan/Grant:... | 1,940.00 |
| 12/18/2025 | Acorn Environmental | Sr. Archaeologist, Sr... | Loan/Grant:... | 18,375.24 |
| 01/15/2026 | Acorn Environmental | 2303 CLOCWD-Seni... | Loan/Grant:... | 12,163.24 |
| 01/15/2026 | MC Engineering, Inc | Acorn-Resolution, R... | Loan/Grant:... | 1,880.00 |
| 01/15/2026 | MC Engineering, Inc | Environmental Docs,... | Loan/Grant:... | 1,120.00 |
| 02/19/2026 | Acorn Environmental | Project Director, Env... | Loan/Grant:... | 792.50 |
| 02/19/2026 | MC Engineering, Inc | Rev. Acorn Docs, Ki... | Loan/Grant:... | 4,652.50 |
| 03/19/2026 | Acorn Environmental | Graphic Designer, P... | Loan/Grant:... | 2,372.73 |
| 03/19/2026 | MC Engineering, Inc | FAAST Application ... | Loan/Grant:... | 1,530.00 |
| 04/16/2026 | Acorn Environmental | Project Director, and... | Loan/Grant:... | 427.50 |
| 04/16/2026 | MC Engineering, Inc | Revised and Respon... | Loan/Grant:... | 1,451.25 |
| Total 945 · Wastewater I and I Phase IV | | | | 70,441.88 |
| Total Loans/Grants | | | | 70,441.88 |
| TOTAL | | | | 322,340.94 |

FDIC FDIC-Insured - Backed by the full faith and credit of the U.S. Government

[Customize Ho](#)

Welcome, CLEARLAKE OAKS COUNTY WATER DI

Messages for you Banking on the Go with Mobile Banking

[Read More](#)

Internal Accounts



Total Deposit Accounts \$180,739.81

GENERAL LEDGER

*****9122

| | |
|----------------------|---------------------|
| Available Balance ** | \$180,739.81 |
| Current Balance | \$165,402.06 |

[Show More](#)

External Accounts

[Add](#)



No external accounts

Link a new external account or customize visibility of existing accounts

Clearlake Oaks County Water District (CA-01-0184)

OPEN A NEW SUBACCOUNT

Total Balance As Of 05/18/26: \$918,734.97

California CLASS

As of 05/18/26

\$918,734.97

[Detail →](#)

**California CLASS
Enhanced Cash**

As of 05/15/26

\$0.00

[Detail →](#)

Subaccounts

| Account # | Name | Avail. Balance | Fund Name |
|-----------------|-----------------------------|----------------|--------------------------------|
| CA-01-0184-0001 | Water Reserves | \$60,235.66 | California CLASS |
| CA-01-0184-0002 | Sewer Reserves | \$39,517.89 | California CLASS |
| CA-01-0184-0003 | CRP Water | \$147,506.15 | California CLASS |
| CA-01-0184-0004 | CRP Sewer | \$159,389.24 | California CLASS |
| CA-01-0184-0005 | CRP PC | \$163,440.83 | California CLASS |
| CA-01-0184-0006 | General Savings | \$0.00 | California CLASS |
| CA-01-0184-0007 | Restricted Funds (Old Laif) | \$348,645.20 | California CLASS |
| CA-01-0184-E001 | General Savings | \$0.00 | California CLASS Enhanced Cash |
| CA-01-0184-E002 | Water Reserves | \$0.00 | California CLASS Enhanced Cash |
| CA-01-0184-E003 | Sewer Reserves | \$0.00 | California CLASS Enhanced Cash |

[View →](#)



39



Local Agency Investment Fund

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

May 18, 2026

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

CLEARLAKE OAKS COUNTY WATER DISTRICT

AUDITOR/SECRETARY
P.O. BOX 709
12952 HIGHWAY 20
CLEARLAKE OAKS, CA 95423-0709

[Tran Type Definitions](#)

Account Number: 90-17-001

April 2026 Statement

| Effective Date | Transaction Date | Tran Type | Confirm Number | Web Confirm Number | Authorized Caller | Amount |
|----------------|------------------|-----------|----------------|--------------------|-------------------|--------|
| 4/15/2026 | 4/14/2026 | QRD | 1798055 | N/A | SYSTEM | 48.79 |

Account Summary

| | | | |
|-------------------|-------|--------------------|----------|
| Total Deposit: | 48.79 | Beginning Balance: | 4,979.28 |
| Total Withdrawal: | 0.00 | Ending Balance: | 5,028.07 |

9:49 AM

05/14/26

Clearlake Oaks County Water District Payroll Summary April 2026

| | Hours | Rate | Apr 26 |
|---|-----------------|-------|-------------------|
| Employee Wages, Taxes and Adjustments | | | |
| Gross Pay | | | |
| CTO Saved | -32.75 | 59.48 | -2,038.53 |
| CTO Used | 59.25 | 39.65 | 2,779.28 |
| Hourly Sick | 25 | 31.00 | 743.00 |
| Jury Duty | 10 | 34.65 | 346.50 |
| Overtime (x1.5) | 163.25 | 43.50 | 10,679.12 |
| PTO | 661.51 | 53.22 | 33,173.84 |
| Straight Board Duty Pay | 3,226.25 | 29.00 | 139,701.54 |
| | | | 1,200.00 |
| | | | 7,875.00 |
| Total Gross Pay | 4,112.51 | | 194,459.75 |
| Deductions from Gross Pay | | | |
| ACWA (pre-tax) | | | -2,792.70 |
| AFLAC (pre-tax) | | | -1,028.61 |
| AFLAC (taxable) AFTER TAX | | | -231.12 |
| CALPers 457 | | | -1,825.00 |
| CALPers EE (Pretax) | | | -11,028.79 |
| Total Deductions from Gross Pay | | | -16,906.22 |
| Adjusted Gross Pay | 4,112.51 | | 177,553.53 |
| Taxes Withheld | | | |
| Federal Withholding | | | -14,820.50 |
| Medicare Employee | | | -2,764.27 |
| Social Security Employee | | | -11,819.59 |
| CA - Withholding | | | -6,055.35 |
| CA - Disability | | | -2,478.32 |
| Total Taxes Withheld | | | -37,938.03 |
| Deductions from Net Pay | | | |
| Miscellaneous Deduction | | | -319.17 |
| Total Deductions from Net Pay | | | -319.17 |
| Net Pay | 4,112.51 | | 139,296.33 |
| Employer Taxes and Contributions | | | |
| Medicare Company | | | 2,764.27 |
| Social Security Company | | | 11,819.59 |
| Qualified OT Tracking | | | 3,560.22 |
| Total Employer Taxes and Contributions | | | 18,144.08 |

41

Clearlake Oaks County Water District
Trial Balance
As of April 30, 2026

| | Apr 30, 26 | |
|--|--------------|------------|
| | Debit | Credit |
| 101.7 · CA Restricted Funds | 348,645.20 | |
| 101.5 · CA CRP PC | 161,783.98 | |
| 101.4 · CA CRP Sewer | 177,463.70 | |
| 101.3 · CA CRP Water | 159,650.36 | |
| 101.2 · CA Sewer Reserves | 39,517.89 | |
| 101.1 · CA Water Reserves | 60,235.66 | |
| 102.05 · CRP WATER - 9385 | 0.00 | |
| 102.14 · CalPERS RESERVE - 7355 | 0.00 | |
| 102.13 · SEWER RESERVES-9592 | 0.00 | |
| 102.11 · PC ESCROW - 6184 | 0.00 | |
| 102.10 · CRP PC - 6192 | 0.00 | |
| 102.12 · WATER RESERVES- 8503 | 0.00 | |
| 102.001 · GL - 9122 | 39,460.04 | |
| 102.04 · DWR - CHECKING | 0.00 | |
| 101 · LAIF - CASH IN BANK | | 183,971.93 |
| 101 · LAIF - CASH IN BANK:CIP Deposits 2014 | 189,000.00 | |
| 102.01 · WEST AMERICA - REGULAR CHECKING | 88.98 | |
| 102.02 · CRP Water - 6990 | 0.00 | |
| 102.03 · CRP Sewer - 3745 | 0.00 | |
| CUSI Accounts Receivable | 204,087.00 | |
| 139 · Docufree | 36,026.65 | |
| 116 · DEFERRED OUTFLOW- PENSION | 279,080.00 | |
| 103 · PETTY CASH | 306.59 | |
| 104 · COUNTY TREASURY | 85,208.68 | |
| 130 · Const In Progress - Studies | 691,882.44 | |
| 130 · Const In Progress - Studies:130.98 · WWTP Ph 4 | 2,420.00 | |
| 130 · Const In Progress - Studies:130.97 · Const in Pro... | 3,280.00 | |
| 130 · Const In Progress - Studies:130.96 · Const in Pro... | 5,585.00 | |
| 130 · Const In Progress - Studies:130.95 · Source Capa... | 18,190.25 | |
| 130 · Const In Progress - Studies:130.75 · SCADA | 0.00 | |
| 132 · CRP SEWER | 983,511.67 | |
| 132 · CRP SEWER:132.05 · CIP SEWER LABOR | 0.00 | |
| 135 · CRP WATER | 249,148.33 | |
| 135 · CRP WATER:135.02 · Aircon Project | 0.00 | |
| 135 · CRP WATER:135.05 · Backwash Pump Filters #2-#3 | 0.00 | |
| 135 · CRP WATER:135.10 · High Valley Project 2013 | 0.00 | |
| 135 · CRP WATER:135.20 · CIP WATER LABOR | 0.00 | |
| 111 · INVENTORY - WATER | 0.00 | |
| 114 · ACCOUNTS RECEIVABLE. | 810,005.90 | |
| 115 · PRE-PAID INSURANCE | 13,571.00 | |
| 1890 · ACCOUNTS RECEIVABLE - OTHER | 0.00 | |
| 12000 · Undeposited Funds | 0.00 | |
| 136 · CUSI Software | 39,127.80 | |
| 138 · USDA Water Improvements | 8,461,059.57 | |
| 128 · Sewer Infrstrcture & Rehab Proj | 3,890,219.87 | |
| 121 · Wtr Dist & Wtr Storage Projects | 279,432.11 | |
| 121 · Wtr Dist & Wtr Storage Projects:121.1 · Sidewalk ... | 115,500.66 | |
| 131 · Waste Water Plant | 230,059.50 | |
| 131 · Waste Water Plant:131.2 · Outside Lighting Project | 922.77 | |
| 131 · Waste Water Plant:131.1 · Pumps/Equipment | 212,362.29 | |
| 126 · Forcemain (phase 1) Cap. Imprv. | 1,233,797.22 | |
| 123 · USDA - Sewer Plant Cap Imprvmt | 4,265,559.43 | |
| USDA Project | | 523,819.00 |
| 127 · Water Plant | 239,426.30 | |
| 127 · Water Plant:127.8 · Water Intake Pump Extension | | 129,223.00 |
| 127 · Water Plant:127.7 · Ozone System | 38,629.36 | |
| 127 · Water Plant:127.6 · Swan AMI Turbiwell Monitor | 25,079.10 | |
| 127 · Water Plant:127.5 · A/C installation for Filter Rm | 750.00 | |
| 127 · Water Plant:127.4 · PH System | 9,959.72 | |
| 127 · Water Plant:127.2 · Harvy Vault Chlor Inject Proj | 1,408.61 | |
| 127 · Water Plant:127.1 · Major Equipment | 396,250.39 | |
| 120 · District General CRP | 95,883.57 | |
| 120 · District General CRP:120.01 · General Equipment/... | 1,922,818.13 | |
| 120 · District General CRP:120.60 · Office | 27,331.49 | |

Clearlake Oaks County Water District

Trial Balance

As of April 30, 2026

| | Apr 30, 26 | |
|--|--------------|---------------|
| | Debit | Credit |
| 120 · District General CRP:120.75 · SCADA | 56,141.65 | |
| 120 · District General CRP:120.90 · Vehicles/Generators... | 982,782.79 | |
| 122 · Bldgs/Grounds Cap Improvements | 8,555,370.46 | |
| 124 · D/C System Cap Improvements | 3,152,007.02 | |
| 124 · D/C System Cap Improvements:124.2 · GIS Online... | 8,277.92 | |
| 124 · D/C System Cap Improvements:124.30 · Lift Statio... | 60,599.80 | |
| 124 · D/C System Cap Improvements:124.30 · Lift Statio... | 66,042.23 | |
| 124 · D/C System Cap Improvements:124.50 · Mains | 28,694.24 | |
| 124 · D/C System Cap Improvements:124.60 · Meters | 10,000.34 | |
| 124 · D/C System Cap Improvements:124.90 · Water Ta... | 40,615.04 | |
| 125 · Land - Dist. Cap. Improvements | 299,770.00 | |
| 129 · ALLOW. FOR DEPRECIATION | | 11,078,963.62 |
| 200 · ACCOUNTS PAYABLE | | 180,382.89 |
| 6748 · Umpqua Bank Commercial Card OPS | 0.00 | |
| 6748 · Umpqua Bank Commercial Card OPS:6748.6 · Di... | 0.00 | |
| 6748 · Umpqua Bank Commercial Card OPS:6748.4 · Fr... | 0.00 | |
| 6748 · Umpqua Bank Commercial Card OPS:6748.5 · Je... | 0.00 | |
| 6748 · Umpqua Bank Commercial Card OPS:6748.3 · K... | 0.00 | |
| 6748 · Umpqua Bank Commercial Card OPS:6748.2 · Je... | 0.00 | |
| 6748 · Umpqua Bank Commercial Card OPS:6748.1 · Di... | 0.00 | |
| 8-81000 · Amazon Business Prime Card | | 4,589.83 |
| 211 · WAB Credit Card:211.18 · WAB - Jesse - 9134 | 0.00 | |
| 211 · WAB Credit Card:211.17 · WAB - Kurt - 0390 | 0.00 | |
| 211 · WAB Credit Card:211.16 · WAB - Francisco - 9149 | 0.00 | |
| 211 · WAB Credit Card:211.15 · WAB - Kurt - 9133 | 0.00 | |
| 211 · WAB Credit Card:211.14 · WAB - Dianna - 5782 | 0.00 | |
| 211 · WAB Credit Card:211.13 · WAB - Jeremy - 9140 | 0.00 | |
| 211 · WAB Credit Card:211.12 · WAB- Francisco - 2481 | 0.00 | |
| 211 · WAB Credit Card:211.11 · WAB - Dan - 2507 | 0.00 | |
| 211 · WAB Credit Card:211.10 · WAB - Dianna - 2473 | 0.00 | |
| 210 · Cal Card | 0.00 | |
| 210 · Cal Card:210-09 · Cal Card - 5855 | 0.00 | |
| 210 · Cal Card:210-08 · Cal Card - 5848 | 0.00 | |
| 210 · Cal Card:210-07 · Cal-Card | 0.00 | |
| 210 · Cal Card:210.06 · Cal Card - 3879 | 0.00 | |
| 210 · Cal Card:210.05 · Cal Card - 4075 | 0.00 | |
| 210 · Cal Card:210.04 · Cal Card - 7397 | 0.00 | |
| 210 · Cal Card:210.01 · Cal Card - | 0.00 | |
| 210 · Cal Card:210.02 · Cal Card 0010 | 0.00 | |
| 210 · Cal Card:210.03 · Cal Card | 0.00 | |
| 800 · Bulk Water Deposit | | 2,025.00 |
| Annual Depreciation | | 249,035.55 |
| 224 · USDA Retainage | | 241,508.65 |
| 223.56 · FEDERAL PAYROLL TAX PENALTY | 5,317.55 | |
| 280 · Loan:280.20 · Crane Truck | 58,604.24 | |
| 280 · Loan:280.04 · 2021 Water Truck | | 11,964.15 |
| 280 · Loan:280.15 · USDA Water Improvement Project | | 4,575,000.00 |
| 280 · Loan:280.02 · KS State Bank - 2019 Vac-Con | 544.49 | |
| 280 · Loan:280.12 · USDA Loan for Sewer Clarifier | | 2,890,172.41 |
| 280 · Loan:280.10 · Bridge for I & I Rehab Project | 0.00 | |
| 280 · Loan:280.07 · Bridge Loan for Forced Main | 0.00 | |
| 280 · Loan:280.05 · USDA Bridge Loan | 0.00 | |
| 280 · Loan:280.01 · Kansas State Bk - VACON | 0.00 | |
| 280 · Loan:280.03 · Kansas State Bk - Camera Traile | 0.00 | |
| 220 · Restricted - Expansion Fee's | 0.00 | |
| 221 · Health Ins - EE Portion | | 24,708.29 |
| 221 · Health Ins - EE Portion:221.1 · EE Cobra Payment... | 0.00 | |
| 222 · Direct Deposit Liabilities | | 20,551.59 |
| 223 · COMP DUMP ACCOUNT | 0.00 | |
| 223 · COMP DUMP ACCOUNT:223.01 · ADMIN - COMP ... | 0.00 | |
| 223 · COMP DUMP ACCOUNT:223.02 · SEWER - COMP ... | 0.00 | |
| 223 · COMP DUMP ACCOUNT:223.03 · WATER - COMP ... | 0.00 | |
| 223.15 · GARNISHMENTS | 24,087.17 | |
| 223.15 · GARNISHMENTS:223.16 · GARNISHMENT - CO... | 134.76 | |

9:51 AM

05/14/26

Accrual Basis

Clearlake Oaks County Water District

Trial Balance

As of April 30, 2026

| | Apr 30, 26 | |
|--|--------------|---------------|
| | Debit | Credit |
| 223.15 · GARNISHMENTS:223.17 · GARNISHMENT - LA... | | 25,223.32 |
| 223.20 · STATE UNEMPLOYMENT TAX PAYABLE | 0.00 | |
| 223.25 · Vacation Dump Account | 0.00 | |
| 223.25 · Vacation Dump Account:223.26 · Admin - Vaca... | 0.00 | |
| 223.25 · Vacation Dump Account:223.27 · Sewer - Vacat... | 0.00 | |
| 223.25 · Vacation Dump Account:223.28 · Water - Vacat... | 0.00 | |
| 223.30 · Sick Dump Account | 0.00 | |
| 223.30 · Sick Dump Account:223.31 · Admin - Sick | 0.00 | |
| 223.30 · Sick Dump Account:223.32 · Sewer - Sick | 0.00 | |
| 223.30 · Sick Dump Account:223.33 · Water - Sick | 0.00 | |
| 223.40 · ACCRUED PAYROLL | 0.00 | |
| 223.45 · FICA & SOCIAL SEC PAYABLE | 0.00 | |
| 223.50 · MEDICARE TAX PAYABLE | 0.00 | |
| 223.55 · FEDERAL PAYROLL TAX WITHHOLDING | 1,050.73 | |
| 223.60 · STATE PAYROLL TAX WITHHOLDING | 386.77 | |
| 223.65 · STATE DISABILITY PAYABLE | 1.00 | |
| 2135 · CALPERS RETIREMENT PAYABLE | 0.00 | |
| 223.70 · WORKERS COMP PAYABLE | 0.00 | |
| 223.75 · PAYROLL DEDUCTION - INS CO-PAY | 41,467.28 | |
| 223.80 · GASB 68 Pension | | 26,313.00 |
| 223.85 · MISC DEDUCTIONS PAYABLE | | 12,203.30 |
| 223.90 · COMPENSATED EMPLOYEE BENEFITS | | 86,839.02 |
| 24000 · Payroll Liabilities | 22,523.64 | |
| 228 · FEMA Interest on Overpaymnt/Pen | | 723,804.35 |
| 227 · FEMA Overpayment/Penalties | 2,167,963.15 | |
| 295 · NET PENSION LIABILITY | | 723,163.00 |
| 226 · USDA Int Pymnt-Swr Clarifier | 0.00 | |
| 225 · USDA Payment - Sewer Clarifier | 371,172.41 | |
| 281 · BOND PAYABLE | 0.00 | |
| 302 · RETAINED EARNINGS | | 3,334,114.80 |
| 304 · Opening Balance Equity | 584,283.24 | |
| 306 · Retained Earnings - OLD | | 17,324,535.23 |
| Income:445 · Bulk Water | | 1,274.00 |
| Income:410 · Client Reg Pmt | | 2,276,061.23 |
| Income:420 · Connection Fees | | 20,847.00 |
| Income:425 · CRP | | 884,625.07 |
| Income:430 · Penalty & Interest | | 76,866.04 |
| Income:430 · Penalty & Interest:430.2 · Bank Interest | | 33,357.72 |
| Income:435 · Loans/Grants:435-12 · Risk Control | | 5,243.29 |
| Income:435 · Loans/Grants:435-11 · Wellness | | 544.00 |
| Income:435 · Loans/Grants:435-10 · USDA - Grant Wate... | | 11,464.00 |
| Income:440 · County Treasure/Tax Roll | | 299,311.96 |
| Income:450 · Non S/W Rev - ATT Cell Lease | | 36,054.00 |
| Loans/Grants:950 · Wellness | 806.93 | |
| Loans/Grants:945 · Wastewater I and I Phase IV | 70,441.88 | |
| Salaries & EE Benefits:509 · Military | 620.00 | |
| Salaries & EE Benefits:545 · CALPers 457 | | 875.00 |
| Salaries & EE Benefits:505 · Salaries & Wages | 1,336,252.38 | |
| Salaries & EE Benefits:520 · FICA - District Share | 100,422.03 | |
| Salaries & EE Benefits:530 · Med/Life Insurance- Dist S... | 209,809.60 | |
| Salaries & EE Benefits:540 · PERS - District Share | 180,265.98 | |
| Salaries & EE Benefits:550 · Unemployment | 14,896.34 | |
| Salaries & EE Benefits:560 · Workers Comp Ins | 35,609.95 | |
| Services & Supplies:605 · Advertising | 500.13 | |
| Services & Supplies:610 · Bank Fees | 35,537.74 | |
| Services & Supplies:620 · Communications & Internet | 28,127.31 | |
| Services & Supplies:622 · Board Exp | 1,579.84 | |
| Services & Supplies:640 · Fuel & Oil | 39,691.55 | |
| Services & Supplies:645 · Insurance | 150,981.87 | |
| Services & Supplies:650 · Interest | 90,205.70 | |
| Services & Supplies:657 · Lab | 44,504.24 | |
| Services & Supplies:660 · Memberships & Subscription | 107,311.97 | |
| Services & Supplies:670 · Postage & Shipping | 19,462.34 | |
| Services & Supplies:675 · Professional Services | 75,199.10 | |

44

9:51 AM

05/14/26

Accrual Basis

Clearlake Oaks County Water District

Trial Balance

As of April 30, 2026

| | Apr 30, 26 | |
|--|----------------------|----------------------|
| | Debit | Credit |
| Services & Supplies:685 · Rents | 12,088.39 | |
| Services & Supplies:690 · Safety & Security | 23,642.54 | |
| Services & Supplies:700 · Tools & Instruments | 5,926.22 | |
| Services & Supplies:703 · Supplies - Clothing & Personal | 8,889.80 | |
| Services & Supplies:705 · Supplies - Office | 7,643.29 | |
| Services & Supplies:715 · Supplies-Chemicals-Operating | 130,614.70 | |
| Services & Supplies:720 · Supplies - Inventory - Other | 38,656.78 | |
| Services & Supplies:735 · Training/Classes/Certs/ClassB | 9,881.32 | |
| Services & Supplies:745 · Travel / Lodging | 1,837.40 | |
| Services & Supplies:750 · Utilities | 412,627.07 | |
| Services & Supplies:760 · Waste Disposal | 29,298.42 | |
| Services & Supplies:795 · Yolo Co | 30,451.07 | |
| Services & Supplies:799 · Team Building | 2,556.45 | |
| Repairs & Replacement:810 · R&R Buildings & Grounds | 5,363.37 | |
| Repairs & Replacement:820 · R&R Lift Stations | 11,658.27 | |
| Repairs & Replacement:830 · R&R Equipment | 99,868.52 | |
| Repairs & Replacement:830 · R&R Equipment:830.1 · H... | 6,686.61 | |
| Repairs & Replacement:832 · R&R Mains and Sewer Li... | 26,903.47 | |
| Repairs & Replacement:840 · R&R Vehicles | 26,173.98 | |
| 7130 · Sewer Ops - Emp Bens -holid | 739.38 | |
| 66000 · Payroll Expenses | 3,336.18 | |
| TOTAL | 46,018,635.24 | 46,018,635.24 |

Account Payable Breakdown

Date: 5/18/2026

| | <u>QuickBooks</u> | <u>Balance</u> | <u>Available</u> |
|-------------------------------|---------------------|----------------|------------------|
| General Ledger - 9122 | \$159,837.18 | \$180,739.81 | \$165,402.06 |
| Cal Class CRP Water | \$147,506.15 | \$147,506.15 | \$147,506.15 |
| Cal Class CRP Sewer | \$159,389.24 | \$159,389.24 | \$159,389.24 |
| Cal Class CRP PC | \$163,440.83 | \$163,440.83 | \$163,440.83 |
| Cal Class Water Reserves | \$60,235.66 | \$60,235.66 | \$60,235.66 |
| Cal Class Sewer Reserves | \$39,517.89 | \$39,517.89 | \$39,517.89 |
| Cal Class Rest. Funds | \$348,645.20 | \$348,645.20 | \$348,645.20 |
| LAIF Balance | \$5,028.07 | \$5,028.07 | \$5,028.07 |
| Current A/P Aging | \$232,692.85 | PG&E True-Up | |
| Kansas State Bank-Water Truck | \$1,730.25 | 5/20/2026 | |
| TOTAL | \$255,637.31 | | |

Paid On-line/Auto Out

| | |
|------------------------------------|-------------------------------------|
| 5/15/2026 Umpqua Crane Truck | \$3,955.71 |
| 5/14/2026 PG&E | \$39,515.07 |
| 5/14/2026 Bluefin | \$3,879.22 |
| 5/7/2026 Pitney Bowes | \$1,748.40 |
| 5/6/2026 Pitney Bowes-PP | \$2,041.99 |
| 5/4/2026 Scott Technology | \$578.34 |
| 5/4/2026 Amazon Amex Card | \$4,589.83 |
| 5/1/2026 Blue Street Capital | \$5,726.18 (Financing Group for IT) |
| 4/24/2026 VC3 | \$4,689.58 |
| 4/23/2026 Umpqua Credit Card | \$8,237.06 |
| 4/20/2026 Kansas St. Bank | \$1,730.25 |
| TOTAL-Paid On-line/Auto Out | \$76,691.63 |

8:40 AM

05/18/26

Clearlake Oaks County Water District

A/P Aging Summary

As of May 18, 2026

| | Current | 1 - 30 | 31 - 60 | 61 - 90 | > 90 | TOTAL |
|------------------------------------|------------------|-------------------|------------------|-------------|-------------|-------------------|
| ACWA/JPIA - W/C & Liab | 0.00 | 0.00 | 22,314.91 | 0.00 | 0.00 | 22,314.91 |
| Alpha Analytical Labs | 5,385.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5,385.00 |
| Anthony Fuller | 109.77 | 0.00 | 0.00 | 0.00 | 0.00 | 109.77 |
| Badger Meter | 167.68 | 0.00 | 0.00 | 0.00 | 0.00 | 167.68 |
| Black Rock Real Estate Investments | 68.86 | 0.00 | 0.00 | 0.00 | 0.00 | 68.86 |
| Clearlake Automotive | 631.11 | 0.00 | 0.00 | 0.00 | 0.00 | 631.11 |
| Clearlake Lava | 560.74 | 231.66 | 0.00 | 0.00 | 0.00 | 792.40 |
| CUSI | 0.00 | 2,000.00 | -350.00 | 0.00 | 0.00 | 1,650.00 |
| Dean A Enderlin, P.G. | 849.21 | 0.00 | 0.00 | 0.00 | 0.00 | 849.21 |
| Deeper Cleaning | 550.00 | 0.00 | 0.00 | 0.00 | 0.00 | 550.00 |
| Docufree Corporation | 4,980.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4,980.00 |
| Hayden Solar, LLC | 0.00 | 6,135.96 | 2,755.23 | 0.00 | 0.00 | 8,891.19 |
| HC3 | 6,090.02 | 0.00 | 0.00 | 0.00 | 0.00 | 6,090.02 |
| Kenneth J. Holladay | 149.33 | 0.00 | 0.00 | 0.00 | 0.00 | 149.33 |
| Lake County Electric Supply, Inc. | 0.00 | 1,772.07 | 0.00 | 0.00 | 0.00 | 1,772.07 |
| Leete Generators Inc | 3,796.02 | 0.00 | 0.00 | 0.00 | 0.00 | 3,796.02 |
| Luanna Einspahr | 16.42 | 0.00 | 0.00 | 0.00 | 0.00 | 16.42 |
| MC Engineering, Inc | 1,687.50 | 0.00 | 0.00 | 0.00 | 0.00 | 1,687.50 |
| MCHC - Lakeview Health Center | 0.00 | 200.00 | 0.00 | 0.00 | 0.00 | 200.00 |
| Mendo Mill | 561.82 | 0.00 | 0.00 | 0.00 | 0.00 | 561.82 |
| Michael Alten | 12.01 | 0.00 | 0.00 | 0.00 | 0.00 | 12.01 |
| Nave Law Office, P.C. | 1,597.50 | 0.00 | 0.00 | 0.00 | 0.00 | 1,597.50 |
| People Services Inc | 130.00 | 0.00 | 0.00 | 0.00 | 0.00 | 130.00 |
| PG&E | 0.00 | 116,516.32 | 0.00 | 0.00 | 0.00 | 116,516.32 |
| PNP CPA | 7,534.00 | 0.00 | 0.00 | 0.00 | 0.00 | 7,534.00 |
| Redwood Coast Fuels | 0.00 | 4,216.19 | 0.00 | 0.00 | 0.00 | 4,216.19 |
| Solenis LLC | 2,415.02 | 0.00 | 0.00 | 0.00 | 0.00 | 2,415.02 |
| USA BlueBook | 519.32 | 0.00 | 0.00 | 0.00 | 0.00 | 519.32 |
| Usalco, LLC | 36,044.00 | 0.00 | 0.00 | 0.00 | 0.00 | 36,044.00 |
| Yolo County Flood Control | 0.00 | 3,045.18 | 0.00 | 0.00 | 0.00 | 3,045.18 |
| TOTAL | 73,855.33 | 134,117.38 | 24,720.14 | 0.00 | 0.00 | 232,692.85 |

47

CLEARLAKE OAKS COUNTY WATER DISTRICT

NOTICE OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

Date: April 16, 2026

Time: 10:00 A.M.

*Clearlake Oaks County Water District - Administration Building
12952 E. Highway 20, Clearlake Oaks, CA 95423*

MINUTES

A. CALL TO ORDER

- Pledge of Allegiance
- Roll Call

- | | |
|--|--|
| x Mr. Stanley Archacki, President | x Mr. William McHugh, Director |
| x Mr. Michael Herman, Vice President | x Mr. A. Whittier, Director |
| x Mr. James Burton, Director | x Mrs. Dianna Mann – General Manager |
| x Mrs. Olivia Mann – Board Secretary | x Ms. Bailey Anderson – Office Manager |
| x Mr. Francisco Castro, Chief Wastewater | x Mr. Kurt Jensen, Chief Water |
| x Mr. Jeremy Backus, Chief Distribution | |

B. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

The public may comment on items not on the agenda within the Board's jurisdiction. Speakers are limited to three (3) minutes each.

C. STAFF REPORTS (Page 3)

1. Administration
2. Billing
3. Chief Distribution Operator
4. Chief Water Plant Operator
5. Chief Wastewater Plant Operator
6. General Manager

D. COMMITTEE UPDATES

E. CONSENT ITEMS

The Board will be asked to approve all Consent Items at one time without discussion. If any Director, staff, or interested person requests that an item be removed from the Consent Items, it will be considered under New Business.

1. **Financial Reports for review and approval (Page 18)**
 - a. March 2026 QB balance sheet and profit & loss statements
 - b. Bank account balances and accounts receivable
 - c. Employee payroll report
 - d. Aged trial balance summary
 - e. Vendor aging report, accounts payable breakdown

2. **Minutes of the previous meeting for review and approval (Page 44)**

a. Minutes of Regular Meeting 03/19/2026

Action Taken: Motion to approve consent items

BURTON/MCHUGH M/S/C

AYES: ARCHACKI/HERMAN/BURTON/MCHUGH/WHITTIER

NOES: NONE

ABSENT: NONE

F. NEW BUSINESS

1. Discussion and consideration of TERC HOS – CLOCWD Access License Agreement for the Pilot Oxygenation Study (Page 47)

Action Taken: Motion to approve TERC HOS – CLOCWD Access License Agreement for the Pilot Oxygenation Stud

HERMAN/MCHUGH M/S/C

AYES: ARCHACKI/HERMAN/BURTON/MCHUGH/WHITTIER

NOES: NONE

ABSENT: NONE

2. Discussion and review of the 2026 Proposition 218 Study (Page 69)

Action Taken: NO ACTION

3. Discussion and review of the proposed water rates outlined in the RCAC Financial Plan for FY 2027–2031 (Page 72)

Action Taken: NO ACTION

ADJOURNMENT

Time: 10:56 AM

SIGNED: _____
Stanley Archacki, President

ATTESTED TO: _____
Olivia Mann, Board Secretary

Where appropriate or deemed necessary, the Board may act on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the above address.

The public may address the Board concerning an agenda item during the Board's consideration of that agenda item. The President will call for comments at the appropriate time. Comments of individual speakers are limited to three minutes per agenda item.

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Clearlake Oaks County Water District Secretary to the Board at 707-998-3322. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

CLEARLAKE OAKS COUNTY WATER DISTRICT

NOTICE OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

Date: April 16, 2026

Time: 11:06 A.M.

*Clearlake Oaks County Water District - Administration Building
12952 E. Highway 20, Clearlake Oaks, CA 95423*

MINUTES

A. CALL TO ORDER

- Pledge of Allegiance
- Roll Call

x Mr. Stanley Archacki, President
x Mr. Michael Herman, Vice President
x Mr. James Burton, Director
x Mrs. Olivia Mann – Board Secretary
x Mr. Francisco Castro – Chief Wastewater
x Mr. Jeremy Backus – Chief Distribution

x Mr. William McHugh, Director
x Mr. A. Whittier, Director
x Mrs. Dianna Mann – General Manager
x Ms. Bailey Anderson – Office Manager
x Mr. Kurt Jensen – Chief Water

B. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

The public may comment on items not on the agenda within the Board's jurisdiction. Speakers are limited to three (3) minutes each.

NEW BUSINESS

1. Discussion and consideration of Proposition 218 Public Hearing Notice

Action Taken: Motion to approve Proposition 218 Hearing Notice, as revised.

MCHUGH/HERMAN M/S/C

AYES: ARCHACKI/HERMAN/BURTON/MCHUGH/WHITTIER

NOES: NONE

ABSENT: NONE

ADJOURNMENT

Time: 11:39 AM

**SIGNED: _____
Stanley Archacki, President**

**ATTESTED TO: _____
Olivia Mann, Board Secretary**

Case Excavating, Inc.

707-994-6815ph
 P.O. Box 2588
 Clearlake, CA 95422

Invoice

| Date | Invoice # |
|-----------|-----------|
| 4/12/2026 | 1602 |

| |
|--|
| Bill To: |
| Clearlake Oaks County Water District PO Box 709 Clearlake Oaks, CA 95423 |

| Terms | Location |
|----------------|----------|
| Due on receipt | Hwy 20 |

| Item | Quantity | Description | U/M | Rate | Service D... | Amount |
|-----------------|----------|---|-----|--------|--------------|----------|
| | | Leak repair in front of hotel on Hwy 20/Keys Blvd | | | 12/27/2025 | |
| Ford Dump T... | 5 | 5 ton dump truck | | 100.00 | | 500.00 |
| Kubota Mini ... | 2 | Kubota Mini Excavator | | 140.00 | | 280.00 |
| Bobcat | 4 | | | 135.00 | | 540.00 |
| Service Truck | 7 | Service Truck | | 60.00 | | 420.00 |
| Sand | 2 | 5/16 Fill Sand, Red | | 24.00 | | 48.00 |
| Materials | 4 | Cement Sacks | | 12.00 | | 48.00 |
| Labor Brian | 7.5 | Brian | | 70.00 | | 525.00 |
| Labor Ken | 7.5 | Ken | | 55.00 | | 412.50 |
| Labor Stephan | 7.5 | Stephan | | 35.00 | | 262.50 |
| | | Potholed and installed concrete kickers at the clay valve. Dig out and prep for asphalt. Dig out and prep for 2 patches on Butler St. | | | 3/17/2026 | |
| Ford Dump T... | 8 | 5 ton dump truck | | 100.00 | | 800.00 |
| Service Truck | 8 | Service Truck | | 60.00 | | 480.00 |
| Kubota Mini ... | 5 | Kubota | | 140.00 | | 700.00 |
| Bobcat | 4 | | | 135.00 | | 540.00 |
| Labor Brian | 8 | Brian | | 70.00 | | 560.00 |
| Labor Ken | 8 | Ken | | 55.00 | | 440.00 |
| Labor Jorge | 8 | Jorge | | 35.00 | | 280.00 |
| Labor | 8 | Justice | | 32.00 | | 256.00 |
| | | Paved Hwy 20 at Keys, 2nd & Butler 2 patches, 13 ton | | | 3/18/2026 | |
| Dump Truck | 10 | | | 160.00 | | 1,600.00 |
| Service Truck | 10 | Service Truck | | 60.00 | | 600.00 |
| Ford Dump T... | 5 | 5 ton dump truck | | 100.00 | | 500.00 |
| Roller | 2 | Steel Drum Vibratory Roller | | 80.00 | | 160.00 |
| Bobcat | 4 | | | 135.00 | | 540.00 |
| Labor Ken | 8 | Ken | | 55.00 | | 440.00 |
| Overtime Labor | 2 | Ken | | 82.50 | | 165.00 |
| Labor Jorge | 8 | Jorge | | 35.00 | | 280.00 |

Thank you for your business.

Total

51

Invoice

Case Excavating, Inc.

707-994-6815ph
 P.O. Box 2588
 Clearlake, CA 95422

| | |
|-----------|-----------|
| Date | Invoice # |
| 4/12/2026 | 1602 |

| |
|--|
| Bill To: |
| Clearlake Oaks County Water District PO Box 709 Clearlake Oaks, CA 95423 |

| | |
|----------------|----------|
| Terms | Location |
| Due on receipt | Hwy 20 |

| Item | Quantity | Description | U/M | Rate | Service D... | Amount |
|------------------------------|----------|-------------------------------|-----|--------------|--------------|-------------|
| Overtime Labor | 2 | Jorge | | 52.50 | | 105.00 |
| Labor | 8 | Justice | | 32.00 | | 256.00 |
| Overtime Labor | 2 | Justice | | 48.00 | | 96.00 |
| Labor Stephan | 8 | Stephan | | 35.00 | | 280.00 |
| Overtime Labor | 2 | Stephan | | 52.50 | | 105.00 |
| Hot Mix | 1 | 13.57 ton Hot Mix from Vulcan | | 1,686.66 | | 1,686.66 |
| Thank you for your business. | | | | Total | | \$13,905.66 |

SUBJECT TO A LATE PAYMENT CHARGE OF 1.5% PER MONTH OR A MINIMUM CHARGE OF \$5.00 WHICHEVER IS GREATER.

ENTERED
 04/13/2020
 pet

124.50
 CRP-W
 (Signature)

92



Clearlake Oaks County Water District Draft Water Rate Study



RCAC is an equal opportunity provider
and employer.

Prepared by: Samantha Ryan

May 2026

Rural Community Assistance Corporation
3120 Freeboard Drive, Suite 201
West Sacramento, CA 95691

77

May 14, 2026

USDA Department of Agriculture
1400 Independence Avenue SW
Stop 9410
Washington DC 20250

Subject: CLEARLAKE OAKS COUNTY WATER DISTRICT (CA1710001) WATER RATE STUDY

Dear USDA,

Enclosed please find the final report for the Clearlake Oaks County Water District water rate study.

The report consists of a discussion of the water system's current financial condition, projected financial condition, and recommended rate option(s).

The rate study process typically includes the following key milestones, though not all steps may be applicable in every instance:

- Preliminary Rate Discussions – Engaged with water system staff to review initial findings and discuss potential rate adjustments.
- Initial Rate Findings Presentation – An overview of the preliminary rate study results was presented to the board on April 16, 2026.
- Final Rate Recommendations – The final proposed rates, reflecting any revisions from initial discussions. The Board had no requested revisions at the April 16, 2026, meeting and the initial rates became the final rate recommendations.
- Proposition 218 Hearing – If applicable, a Proposition 218 hearing is being held on June 18, 2026, to allow for public input and formal consideration of the proposed rates.

If you have additional questions, please feel free to contact me at (916) 508-3031.

Sincerely,

Kim Bennett

Kim Bennett
Regional Field Manager
RCAC Community & Environmental Services

Enclosure: Clearlake Oaks County Water District Water Rate Study
Dianna Mann, General Manager, Clearlake Oaks County Water District
Olivia Mann, Board Secretary, Clearlake Oaks County Water District
Samantha Ryan, Assistant Field Manager, RCAC – Community & Environmental Services

FA

Table of Contents

| | |
|---|-----------|
| Submittal Details | 1 |
| Executive Summary | 2 |
| Introduction | 4 |
| About RCAC..... | 4 |
| Purpose of a Rate Study..... | 4 |
| Governing Body Responsibilities | 4 |
| Disclaimer..... | 4 |
| Guiding Principles in a Rate Study | 5 |
| Rate Setting Process..... | 5 |
| Water System Basic Statistics | 6 |
| Community | 6 |
| System Description..... | 6 |
| Current Water Rate Structure | 7 |
| Customer Water Use Statistics..... | 7 |
| Future Population and Usage Projections..... | 7 |
| Financial Condition and Analysis | 8 |
| Current Financial Policies | 8 |
| Current Financial Indicators..... | 8 |
| Revenue Requirement..... | 8 |
| Analysis and Recommendations for Financial Condition..... | 11 |
| Cost-of-Service and Rate Design | 12 |
| Fixed and Variable Costs..... | 12 |
| Base Rate and Usage Rates | 12 |
| Assumptions..... | 13 |
| Rate Options and Recommendation..... | 15 |
| Implementation Remarks & Conclusion | 16 |
| General Implementation Advice..... | 17 |
| Proposition 218 Overview..... | 17 |
| Conclusion..... | 18 |
| Exhibit A: Current Rates | 19 |
| Exhibit B: Water System Use Characteristic | 21 |
| Exhibit C: Assumptions | 23 |
| Exhibit D: Rate Study Budget Projections | 27 |
| Exhibit E: Cost Allocations | 31 |
| Exhibit F: Proposed Rate Option | 34 |

Submittal Details

Final Report Date

May 14, 2026

Community Contact Information

Clearlake Oaks County Water District
12952 E. Hwy 20
Clearlake Oaks CA 95423
(707) 998-3322

Submitted to:

United States Department of Agriculture

Dianna Mann, General Manager
Clearlake Oaks County Water District

Olivia Mann, Board Secretary
Clearlake Oaks County Water District

Submitted by:

Samantha Ryan, Assistant Field Manager
Rural Community Assistance Corporation - Community & Environmental Services
Email: Samantha.ryan@rcac.org / (707) 572-7465

Executive Summary

The industry standard is to conduct a water rate study every five years to ensure revenues are covering expenses and costs are being applied to customer classes in a fair and equitable manner. Public entity water systems must ensure rate structures are consistent with current Proposition 218 case law, which has specific guidance on what is considered fair and equitable ways to distribute costs to customers.

RCAC conducted this water rate study on behalf of Clearlake Oaks County Water District (CLOCWD) to establish rates that allow CLOCWD to operate and maintain the water system for the next five years and collect the necessary reserves for emergencies and capital improvements. RCAC analyzed data for fiscal year ending 2023 (FYE 2023), FYE 2024, FYE 2025 and budgeted data for FYE 2026 to set rates for FYE 2027 through FYE 2031.

CLOCWD requested a water rate analysis to evaluate for the following reasons:

- To follow industry standards for rate study timing. The last rate study conducted by RCAC was conducted in March 2021 and set rates from FYE 2022 through FYE 2026.
- In FYE 2025, the water fund had a net loss of \$99,418 once loan payments were made. It is expected that in FYE 2026 the water fund will have a net loss of \$134,569
- In FYE 2025, the CRP water fund had a net gain of \$38,763. However, it is expected to have a net loss of \$11,404 in FYE 2026. Additionally, discussions with CLOCWD indicate that annual project delivery is constrained by available funding, and staff routinely adjust project scopes and timing to maintain a balanced budget.

During the rate study analysis, RCAC found

- Revenue requirement analysis - both the water fund and CRP fund revenues are not covering the true cost of water service.
- Cost of service analysis – CLOCWD is currently charging 5/8” meters and 1” meters the same base rate but usage data supports using AWWA standard meter ratios.
- Rate design analysis – the usage rate is recommended to decrease due to updated cost allocations and increased water consumption since the last water rate study. Total billed water usage increased from approximately # to #, allowing a greater volume of usage to recover system costs and resulting in a lower recommended volumetric rate.

RCAC recommends CLOCWD

- Adopt the new rate schedule to ensure that CLOCWD is collecting enough revenue to support operation and maintenance costs, as well as capital replacement costs .

| Proposed Rate Schedule | | | | | |
|--------------------------|------------|------------|------------|------------|------------|
| Standard Rates | | | | | |
| Meter Size | 2027 | 2028 | 2029 | 2030 | 2031 |
| 5/8" | \$69.00 | \$72.67 | \$76.02 | \$79.52 | \$83.19 |
| 3/4" | \$103.50 | \$109.02 | \$114.04 | \$119.29 | \$124.79 |
| 1 | \$172.50 | \$181.69 | \$190.06 | \$198.82 | \$207.98 |
| 1.5 | \$345.00 | \$363.37 | \$380.11 | \$397.62 | \$415.94 |
| 2 | \$552.00 | \$581.40 | \$608.18 | \$636.20 | \$665.51 |
| 3 | \$1,103.98 | \$1,162.78 | \$1,216.34 | \$1,272.39 | \$1,331.01 |
| 4 | \$1,724.97 | \$1,816.84 | \$1,900.54 | \$1,988.09 | \$2,079.70 |
| Rate per 1 Gallon | \$0.00287 | \$0.00303 | \$0.00316 | \$0.00330 | \$0.00345 |
| Rate per HCF | \$2.15 | \$2.27 | \$2.36 | \$2.47 | \$2.58 |

- Select a rate option that ensures a sustainable water system while also assessing the affordability to your customers.
 - The State Water Resources Control Board drinking water needs assessment measures affordability by dividing the annual bill (assuming 600 cubic feet or 4,388 gallons of water usage per month) by the median household income (MHI). Based on the %MHI, water system bills are categorized as no risk, medium risk, or high risk for affordability.

| State Water Resources Control Board Needs Assessment: Affordability as %MHI | | |
|--|--------------|-----------|
| No Risk | Medium Risk | High Risk |
| <1.5% | 1.5% - 2.5 % | >2.5% |

- RCAC's rate model calculates affordability by taking the average residential bill for the water system and divides it by the MHI.
- Review revenues versus expenditures every year to ensure that the rates cover all costs to the system.
- Strive to be transparent. Successful utilities are those that are transparent to their customers regarding their day-to-day operations, including successes and struggles. Promote your services to your customers and continuously educate them on why it is necessary to raise and adjust rates.
- Consider increasing non-operational revenue. For example, CIP reserves could be moved to and maintained in the highest interest-bearing accounts available to offset inflation unless the cost of doing so is more than the interest earned on the account.

Introduction

About RCAC

Founded in 1978, RCAC provides training, technical, and financial resources, and advocacy so rural communities can achieve their goals. Since 1978, our dedicated staff and active board, coupled with our key values: leadership, collaboration, commitment, quality, and integrity, have helped effect positive change in rural communities across the West.

RCAC's work includes environmental infrastructure (water, wastewater, and solid waste facilities); affordable housing development; economic and leadership development; and community development finance. These services are available to communities with populations of fewer than 50,000, other nonprofit groups, tribal organizations, farm workers, colonias and other specific populations. Headquartered in West Sacramento, California, RCAC's employees serve rural communities in 13 western states and the Pacific islands.

This rate study was funded by Safe and Affordable Funding for Equity and Resilience (SAFER) Program, for which RCAC is a Technical Assistance Provider. This rate study was performed under the capacity development program at RCAC (SAFERTRAIN). This study was provided at no cost to the CLOCWD due to their distinction as a disadvantaged community.

Purpose of a Rate Study

An accurate and useful rate analysis not only identifies the total annual revenue required by a utility to conduct its normal day-to-day operations, but it also anticipates and plans for future operating and capital needs. Furthermore, the analysis attempts to determine whether the projected revenue under existing rates will satisfy those needs. The primary objective of this process is to ensure that the utility can obtain sufficient funds to develop, construct, operate, maintain, and manage its water system on a continuing basis, in full compliance with federal, state, and local requirements.

Governing Body Responsibilities

Governing body responsibilities for the water system include maintaining sufficient revenue and reserves to provide for ongoing maintenance for the foreseeable future. The ultimate responsibility of the governing body is to ensure preserved public health and compliance with environmental regulations.

All findings and conclusions of this rate study are RCAC's professional assessment and are not a directive for action to the community. Whereas RCAC strongly recommends its finding to the community, the governing body must act in accordance with the water system's governing documents as well as state and federal laws to enact RCAC recommendations in whole or in part.

Disclaimer

The findings, recommendations and conclusions contained in this rate analysis are based on financial information provided to RCAC by the water system. Although reasonable care was taken to ensure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein. Any action taken on the basis of such findings, recommendations or conclusions is undertaken at the discretion of the

water system. In no event will RCAC or its partners, employees or agents be liable for any decision made or action taken in reliance on the information contained in this analysis.

Guiding Principles in a Rate Study

Rates should be:

- **Sustainable** - Rates should cover the costs of the system to provide safe drinking water into the foreseeable future. This includes operations, repairs, interest, loan principal, capital replacement, and all other costs related to providing safe drinking water.
- **Fair** - Rates should be fair to all rate payers. While the costs should not exceed the costs of providing the service, they do need to capture the true costs of service. Low rates for current customers will require high rates for future customers.
- **Justifiable** - Rates must be based on actual needs of the water enterprise system. The water enterprise system expenses and revenue should be tracked separately from other funds.
- **Water conservation** - Water conservation is a key element of rate studies. Clean and safe water is limited, and inappropriate use of this resource negatively impacts community members.
- **State or funder specific requirements** – Some water systems may have state or funder requirements to maintain certain financial indicators and reserve levels. Regardless of any requirements, the governing body is obligated by its responsibilities to provide for sufficient reserves and long-term sustainability.

Rate Setting Process

A water rate study typically consists of three to four main components:

- **Revenue Requirement** – This component calculates the total revenue needed to cover the utility's operating costs and debt obligations.
- **Cost of Service Analysis** – This component evaluates the cost allocations associated with providing water services, including fixed and variable costs. It ensures that rates are aligned with the actual way a water system incurs costs when providing water service.
- **Rate Design and Rate Setting** – This step involves determining how to structure the rates based on the cost-of-service analysis. It considers factors like customer classes (residential, commercial, etc.), water usage patterns, and equity, aiming to create a fair and sustainable rate system. Based on this, the appropriate rates are set to ensure financial stability and regulatory compliance.
- **Proposition 218 Process (applicable for public entities in California)** – This process ensures transparency and public participation in the decision-making surrounding water rate changes.

Together, these components help ensure that a water system can provide reliable service through fair and equitable rates while maintaining financial sustainability.

RCAC uses a cash-needs approach to develop revenue requirements to ensure there is sufficient revenue to recover total cash requirements for the 5-year time period of this rate study. This approach uses a format very similar to how many water systems develop an annual budget. While there are several methods to allocate costs, since RCAC works with small, disadvantaged water systems, it is typical for RCAC to use a fixed vs variable cost allocation. The revenue requirement approach and cost allocation methodology used in this rate study can be found in the Rate Design and Options Section under Key Assumptions.

Water System Basic Statistics

Community

Clearlake Oaks is a census designated place in Lake County, California. This area is known for offering a rural, fish village atmosphere with local vineyards and close proximity to hiking Mount Konocti.



CLOCWD was established in 1960 and provides water and sewer services throughout the unincorporated area of the Clearlake Oaks community. CLOCWD is governed by an elected five-member Board of Directors that acts as the authoritative and legislative body of the entity. CLOCWD currently serves slightly over 2,000 water connections. According to the SAFER Dashboard, the water system has an estimated median household income (MHI) of \$31,169.

System Description

The CLOCWD is a public water system classified as a Community Water System and operates as a public entity.

CLOCWD provides potable water service to residential and commercial metered connections through its distribution pipeline by its Clearlake watershed. The district has eight holding tanks totaling 967,000 gallons of water, with the water plant capable of producing an average of 640,000 gallons of water per day.

Since the last rate study, CLOCWD has constructed a new 205,000-gallon tank on Harvey Boulevard, replaced the old redwood Cerrito Tank with a new 100,000-gallon bolted steel tank, and installed automated meter reading equipment that have cut time spent on monthly meter reading from 2 days to 4 hours. Additionally, the CLOCWD has been able to purchase a crane truck, water truck, and Vac-con truck that increase operational efficiency and reduce response times.

Current Water Rate Structure

The last rate study for the CLOCWD occurred in 2021. The rates were adopted and set rates from FYE 2022 through FYE 2026. The CLOCWD has two distinct rate structures; the water fund rate which funds the annual operation and maintenance costs and the CRP water fund rate which funds the capital infrastructure maintenance, repair, and improvements.

The water fund rate structure is composed of a base rate and usage rate. The base rate is determined by meter size using the AWWA meter capacity ratios, with the exception of 3/4" meters which uses the 5/8" meter rate. The usage rate is a uniform volumetric rate in which a certain dollar amount is charged for every hundred cubic feet that is used.

The CRP water fund rate structure is composed only of a base rate since infrastructure needs to be maintained regardless of usage. The base rate is determined by meter size using the AWWA meter capacity ratios, with the exception of 3/4" meters which uses the 5/8" meter rate.

The current rate structure can be seen in Exhibit A.

The affordability of these rates for the average residential customer as a % of MHI is 2.55%, which represents the percent of the average residential customer's annual income that goes toward paying the average annual residential water bill in the water system. This is considered high risk for affordability according to the State Water Resources Control Board.

Customer Water Use Statistics

Water use can vary between month, meter size, and customer class. The CLOCWD averages 9.8 million gallons of water usage per month, with June through October having higher than average usage. Water usage peaks in September at almost 14 million gallons per month. Looking at average usage per meter size compared to the average 5/8" meter size usage, most meters falls within 10% of the AWWA meter capacity ratios, except for the 3" & 4" meters. Because of this it is recommended that 3/4" meters no longer share the same base rate as a 5/8" meter. CLOCWD may want to consider if their larger customers have the appropriate size meters based on plumbing code or local code.

Water usage trends can be seen in Exhibit B.

Future Population and Usage Projections

The United States Census shows a growth rate in the area as -0.6% percent per year, from April 2020 through July 2025.

Financial Condition and Analysis

Current Financial Policies

The financial policies of a public water system play a crucial role in ensuring the system's sustainability and effectiveness. These policies provide a framework for budgeting, revenue generation, expenditure control, debt management, and financial reporting. They help maintain financial stability, promote transparency, and ensure that the water system can meet current and future needs. By adhering to these policies, a public water system can effectively manage its resources, maintain the trust of its stakeholders, and continue to provide reliable and high-quality services to the community.

RCAC did not do a policy review as part of this rate study.

Current Financial Indicators

Water Fund Balance

In the combined audit (water, wastewater, and other funds), CLOCWD had \$1.8 million in current assets in FYE 2024. As of June 2025, according to budget documents produced by CLOWCD staff, the total amount in various accounts totaled \$1.2 million. The water reserve account has \$67,918 in it. Other funds related to the water system include a restricted USDA fund required for loans held by the water system, Local Area Investment fund where surplus funds can be stored in a high-quality, liquid, interest-bearing account, and the general ledger. These accounts have \$386,395, \$4,821, and \$87,171, respectively.

Operating Cash Flow

The operating cash flow for the CLOCWD has shown downward trend in FYE 2025. This is due to large cost increases to the budget line items of treatment chemicals and utilities. Additionally, inflation has been an issue online item costs across the board. Expenses have increased to the point that operating revenues are not covering operating expenses. Additionally, the water system has pared back its capital replacement projects based on incoming revenue. Underfunding capital replacement is not considered a financially sustainable method for managing a water system.

Revenue Requirement

A revenue requirement for a water system refers to the total amount of money a utility must collect from its customers to cover all its costs. This includes operating expenses, taxes, debt payments, and costs to replace capital assets.

Current Budget

The objective of a budget is to ensure that the utility generates adequate revenue to cover the anticipated costs as they occur. The basic components of the budget include combined cash balances, operating and non-operating revenue, operation and maintenance expense, debt service (principal and interest payments) on borrowed funds, capital costs, reserves, and other cash payments (such as payments in lieu of taxes). Because debt covenants may impact the cash needs of the utility, it is also important to examine these restrictions as well.

A water system should develop and adopt an annual budget every fiscal year prior to the start of the fiscal year. The CLOCWD was able to provide actuals for FYE 2023, FYE 2024, and FYE 2025 and an adopted budget for FYE 2026.

The water operating budget is typically developed based on prior-year actual expenditures, adjusted for expected changes in operating conditions. This includes anticipated cost increases due to inflation, contractual escalations, utilities, chemicals, labor, and other recurring operating expenses. CLOCWD has managed their budget well since the last rate study, but inflation, heavy equipment loans, and the desire to move away from non-water sales revenue balancing the budget has caused the water fund to begin to fall short. In FYE 2026 the water fund is expected to fall \$134,569 short.

The capital reserve budget is effectively structured around the projects that can be completed within available staffing capacity and current revenue constraints. In FYE 2024, capital replacement expenses were cut 49% or \$388,688. Costs went back up 12% in FYE 2025 and this could be felt with the water reserve dropping approximately \$110,000 in one year. Capital reserve expenses are budgeted to increase 5% in FYE 2026 due to construction cost escalation forecasted at between 4% - 6%.

Over the past several years revenues have not covered expenses. In FYE 2026 and FYE 2027 the net loss is expected to increase from prior years. Costs have been increasing due to inflation and have been especially high with utilities and treatment chemicals. The actuals and current budget can be seen as part of the rate study budget projections in Exhibit D.

Current Dedicated Reserves

Reserves are an accepted way to stabilize and support a utility's fiscal management. Small systems usually fund the operating expenses but often do not consider putting money aside for a specific upcoming financial need or project, or for an amount that can be used to provide rate stabilization in years when revenues are unusually low, or expenditures are unusually high. The rationale for maintaining adequate reserve levels is twofold. First, it helps to ensure that the utility will have adequate funds available to meet its financial obligations in times of varying needs. Second, it provides a framework around which financial decisions can be made to determine when reserve balances are inadequate or excessive and what specific actions need to be taken to remedy the situation.

Utility reserve levels can be thought of as a savings account. Reserve balances are funds that are set aside for a specific cash flow requirement, financial need, project, task, or legal covenant. Common reserve balances are established around the following four areas: operating reserve, capital improvements and replacement, emergency, and debt service reserve. These balances are maintained to meet short-term cash flow requirements, and at the same time, minimize the risk associated with meeting financial obligations and continued operational needs under adverse conditions.

The annual reserve goals can be seen in the general & administrative expenses in Exhibit D.

General Reserve

The General Reserve is established to support ongoing operations and provide funding for unexpected expenses, emergencies, and revenue fluctuations. It is recommended that CLOWCD maintain a general reserve for water of \$442,000. The recommended reserve target was determined by considering reasonable funding levels for both operating reserves and emergency reserves. Maintaining this reserve helps promote financial stability, operational continuity, and the ability to respond to unplanned system needs without significant rate volatility.

WA

Operating Reserve

Operating reserves are established to provide the utility with the ability to withstand short-term cash flow fluctuations. There can be a significant length of time between when a system provides a service and when a customer pays for that service. In addition, a system's cash flow can be affected by weather and seasonal demand patterns.

The State of California Water Resources Control Board conducted a needs assessment in 2024. The results of their findings are outlined in the table below.

| State Water Resources Control Board Needs Assessment: Cash on Hand Valuation | | |
|---|--------------|-----------|
| No Risk | Medium Risk | High Risk |
| >90 Days | 30 – 90 Days | < 30 Days |

Because of potential delays in collecting payment, many utilities attempt to keep an amount of cash equal to at least 90 days or 25 percent of their annual cash O&M expenses in an operating reserve to mitigate potential cash flow problems. CLOCWD needs approximately \$412,000 in reserves to meet this goal and will build this up over the 5-year rate study period

Emergency Reserve

Emergency reserves are intended to help utilities deal with short-term emergencies which arise from time to time, such as main breaks or pump failures. The appropriate amount of emergency reserves will vary with the size of the utilities and should depend on major infrastructure assets. An emergency reserve is intended to fund the immediate replacement or reconstruction of the system's single most critical asset, an asset whose failure will result in an immediate water outage or threat to public safety. To replace a 25 horsepower, variable frequency drive source water pump, costs could range from \$15,000 to \$30,000 or more. CLOCWD will set aside \$30,000 over the 5-year rate study period.

Capital Replacement Reserve

A capital replacement reserve (also called a repair and replacement reserve) is intended to be used for replacing system assets that have become worn out or obsolete. Unlike the emergency reserve fund, these reserves are intended to be used for planned replacements and improvements. Annual depreciation is frequently used to estimate the minimum level of funding for this capital reserve. But it is important to understand that depreciation expense is an accounting concept for estimating the decline of an asset's useful life and does not represent the current or future replacement cost of that asset.

To initiate a capital improvement plan, a small water or sewer system will start with a list of assets that includes the remaining service life, theoretical replacement costs in today's dollars and the remaining service life. It then calculates the monthly and annual reserve that must be collected from each customer to fully capitalize the replacement cost of each asset. In reality, the assets will fail and be replaced gradually, but the replacement cost of water system assets is often a shock to small systems that are struggling to keep rates reasonable.

CLOCWD would benefit from developing a comprehensive Capital Improvement Plan (CIP) to ensure that asset replacement is occurring at a sufficient pace to replace infrastructure as it reaches the end of its useful life. However, preparation of a comprehensive CIP was outside the scope of this rate study. To date, CLOCWD has not completed a CIP due to the associated costs,



which can exceed \$35,000. In the future, CLOCWD may wish to pursue State or Federal technical assistance funding to support development of a CIP.

For purposes of a high-level estimate CIP reserve planning, only the distribution pipe (the largest individual asset group) was considered. With approximately 35 miles of pipeline, the rough order-of-magnitude replacement value is estimated at \$11.2 million. This figure is intended as a simplified screening-level approximation for long-term financial planning purposes and is conservative in nature, as it excludes other significant system assets such as treatment facilities, tanks, pump stations, valves, meters, and related infrastructure, and does not account for variation in pipe material, diameter, installation conditions, or current construction costs.

A commonly used utility planning guideline is to maintain capital reserves at 1%–3% of total system asset value to support ongoing renewal and replacement needs. Applying this benchmark to the pipeline-only estimate yields an indicative reserve range of \$111,000 to \$335,000. This range would increase if the full asset base were included in a comprehensive valuation.

If CLOCWD is not generating sufficient revenue through rates to fund the timely replacement of assets at the end of their useful life, the District will need to rely more heavily on external financing sources, such as low-interest loans and grant funding, to support its capital improvement needs.

- Loans - Obtaining loans will come with debt service payments and debt reserve requirements that may increase the expenses in future years
- Grants - During this current economic climate, it is not advised to assume grants in the budgeting process

CLOCWD has the equipment and staff to complete some capital repair and replacement projects in-house and have an established annual budget to ensure work is continually being done. This established budget was used in the rate study. Additionally, \$113,968 is being set aside over the next 5 years to build a capital replacement/maintenance reserve.

Debt Payments and Reserve

Water utilities that have issued debt to pay for capital assets will often have required reserves that are specifically defined to meet the legal covenants of the debt. Normally, debt service reserve represents an amount equal to at least one full annual loan payment and can be accumulated to this level over a period of 5 to 10 years.

The CLOCWD has 3 loans to support the water system:

- USDA loan to finance construction of water system improvements. This loan matures in 2061 and has annual payments of \$100,000+ per year.
- Capital Lease, Inc. loan for a water truck. This loan matures in 2027 with payments decreasing from approximately \$19,000 in FYE 2026 to \$8,500 in FYE 2027.
- A loan for a crane truck. The water fund is paying for a portion of the crane truck with the water fund being responsible for \$23,724 in payments annually.

Analysis and Recommendations for Financial Condition

CLOCWD has a strong budget process and ongoing capital replacement program. It is recommended that CLOCWD review its financial policies and develop a more robust capital

improvement program to ensure all assets can be replaced as they reach the end of their useful life. CLOCWD can pursue grants and loans to assist with these projects.

Applying for grants or loans will take staff time and financial resources. Additionally,

- Loans – Obtaining loans will come with debt service payments and debt reserve requirements that may increase the expenses in future years
- Grants - During this current economic climate, it is not advised to assume grants in the budgeting process

A rate increase is recommended to ensure that CLOCWD can cover all their costs, including funding reserves. Several rate options are included in this report to provide a range of pricing structures to allow the governing body to select the most fair, sustainable, and financially viable approach for their community.

Cost-of-Service and Rate Design

Fixed and Variable Costs

Water must be available to customers at all times whether the customer is using the water or not. A large share of water system costs are associated with bringing the first drop of water to the customer’s tap, regardless of whether any water is used. Other costs are incurred as customers use water. Fixed costs are those that must be recovered by a water system to ensure that drinking water is available to its customers, while variable costs are more directly related to how much water is being pumped, treated, stored, and distributed. The identification of costs as fixed costs, varied costs, or some percentage of both is a determination that each utility must make for itself. It is done by reviewing the budget and each line item closely. The allocation for CLOCWD is in Exhibit E.

Fixed costs are typically collected through a base rate, which is a fixed monthly charge. Variable costs are typically collected through a usage rate, which is a dollar amount per unit of water used by the customer.

Base Rate and Usage Rates

Base Rates

Fixed costs are typically collected through a base rate. These base rates can be calculated using several different methods including:

- Flat base rate – all customers pay the same amount regardless of service connection size.
- American Water Works Association Meter Ratios - standard meter ratios that are used to estimate the equivalent cost of service based on the capacity of a water meter.

| Meter Size | Operating Capacity (GPM) | Meter Ratio |
|------------|--------------------------|-------------|
| 1/2" | 15 | 0.75 |
| 5/8" | 20 | 1.00 |
| 3/4" | 30 | 1.50 |
| 1" | 50 | 2.50 |
| 1.5" | 100 | 5.00 |
| 2" | 160 | 8.00 |

| Meter Size | Operating Capacity (GPM) | Meter Ratio |
|------------|--------------------------|-------------|
| 3" | 320 | 16.00 |
| 4" | 500 | 25.00 |
| 6" | 1000 | 50.00 |
| 8" | 1600 | 80.00 |
| 10" | 2400 | 120.00 |
| 12" | 3375 | 168.75 |

- Meter ratios based on actual usage seen in water system – custom meter ratios that are calculated on historical usage data of different meter sizes.

Usage Rates

Variable expenses are typically collected through the usage rate. These usage rates can be calculated using several different methods including:

- Uniform usage rate - customers are charged a single, constant rate for each unit of service.
- Tiered usage rate - the cost per unit of service changes as a customer's consumption exceeds certain thresholds or "tiers." Variations of tiered rates include increasing block rate and decreasing block rate. Tiered usage rates are not recommended for public entity water systems due to current Proposition 218 case law.

Assumptions

In a rate study, assumptions are critical because they help frame the calculations and projections that determine pricing or rates. Assumptions details used in this rate study can be seen in Exhibits C-F and include:

Financial Assumptions

- **Return on Investment Rates** – Capital improvement reserves are often in a savings account that accrues interest. It is assumed this rate of return can reduce the annual reserve required from water sales for additional capital assets.
- **Past Inflation Rates** - Allows the current cost of assets to be calculated when only historic costs are available.
- **Future Inflation Rates** – Allows the future cost of asset replacement to be calculated as well as helps to project the budget forward.
- **Future Loan Rates and Fees** – Important for calculating the debt service payment that will be required if a water system chooses to fund assets in need of replacement over the next 5 years through loan.
- **Existing Debt** – Annual payment and reserve requirements for current debt

- **Existing Reserves** – The water fund balance which can be made up of cash, investments, and other liquid assets. Typically, operating reserves are in a checking account and capital reserves are in an interest-bearing savings account
- **Reserve Targets** – established dollar amounts to maintain in operating, emergency, debt, and capital reserves along with the number of years to build to this amount
- **Median Household Income** – average income for residential customers, this can come from several sources such as the SAFER Dashboard or U.S. Census

Usage and Billing Assumptions

- **Conservation Factor** – Accounts for the typical reduction in water use seen after a rate increase. Study by the Department of Interior in California states price elasticity of water is -0.1%. RCAC also sometimes uses from -1.0% up to -5.0% from experience with working rural, disadvantage communities. This factor can also include any water system specific concerns for reduction in water use.
- **Community Growth Factor** – Growth factor to account for an increasing or decreasing population in the area. This data can come from the U.S. Census, the water system's master plan, or other source
- **Receivable Write-Offs** – RCAC assumes a 0.2% write-off unless otherwise state by the water system. This write-off accounts for non-payment of water bills

Capital Improvement Plan Assumptions

- **Default Funding Assumptions** – The funding assumptions made to many of the capital assets in the model. While it is always recommended to fund with 100% cash, often times RCAC will adjust these to assist with affordability while giving a roadmap to smaller water systems on next steps in their capital improvement plan. During this current economic climate, it is not advised to assume grants in the budgeting process. Also understand that applying for grants or loans will take staff time and financial resources.
- **Capitalization Threshold** - Any asset purchased below this value is not included in the CIP. It assumed that this purchase was included in the annual maintenance budget. This is usually a policy decision by the water board and varies based on the size of the water system. RCAC will often use \$5,000 if the water system has no threshold established.
- **Short-Lived Assets** – Some funders only require water systems to create reserves for short-lived assets (5–15-year useful life). This is not recommended by the SWRCB and is not used in California.

Customized Assumptions

- **Budget projections** – While future inflation is a tool used to project many budget line items forward. A detailed review of each budget was completed and line items that needed further adjustments were changed. Budget line items with custom assumptions are:

- CalPERS was split into the wages portion and the unfunded liability portion. The wages portion used standard inflation while the unfunded liability used numbers provided directly from CalPERS
- Utilities assumed 7% inflation, based on previous electricity increases
- The CRP Water fund expenses assumed 5% inflation, to reflect the higher inflation seen in the construction industry than in the Consumer Price Index.
- **Capital Improvement Plan** –A detailed review of CLOCWD's CIP was not conducted.
 - A commonly used utility planning guideline is to maintain capital reserves at 1%–3% of total system asset value to support ongoing renewal and replacement needs. Applying this benchmark to the 35-miles of pipeline conservatively estimated at a value of \$11.2 million, produces an indicative reserve range of \$111,000 to \$335,000. This range would increase if the full asset base were included in a comprehensive valuation. To date, CLOCWD has not completed a CIP due to the associated costs, which can exceed \$35,000. In the future, CLOCWD may wish to pursue State or Federal technical assistance funding to support development of a CIP.
- **Cost Allocation** – RCAC uses the identification of fixed and variable costs to allocate costs to base rates and usage rates. The identification of fixed and variable costs is best left with the water system to identify. RCAC does advise that any debt service be considered a fixed cost and that many of the pumping and chemical costs be assigned to variable.
 - Treatment chemicals and utilities were considered variable expenses, and all other budget line items were considered fixed.

Rate Options and Recommendation

This rate study has analyzed various pricing structures for the water utility, considering the financial needs of the system, equitable distribution of costs among customers, and the promotion of water conservation. After careful evaluation, the top rate option is being included in this report for the governing body's vote.

When considering rates, it is crucial for the governing body to consider not only the immediate financial implications but also the long-term sustainability and fairness of the rates. The following recommendation aimed to produce a rate structure that supports the community's needs while promoting fiscal responsibility and transparency.

RCAC values affordability when drafting rate options for small water systems. However, governing body responsibilities for the water system include maintaining sufficient revenue and reserves to provide for ongoing maintenance for the foreseeable future. The ultimate responsibility of the governing body is to ensure preserved public health and compliance with environmental regulations.

Proposed Rate Option

The proposed rates use AWWA meter capacity ratios to spread fixed costs amount meter sizes. The usage rate is a uniform rate that collects the variable costs of CLOCWD. It collects for the true cost of water by establishing a 3-month operating reserve, an emergency reserve, and a maintenance reserve over the 5-year rate study period. The rate schedule and results can be seen below and in Exhibit F.

| Proposed Rate Schedule | | | | | |
|--------------------------|------------|------------|------------|------------|------------|
| Standard Rates | | | | | |
| Meter Size | 2027 | 2028 | 2029 | 2030 | 2031 |
| 5/8" | \$69.00 | \$72.67 | \$76.02 | \$79.52 | \$83.19 |
| 3/4" | \$103.50 | \$109.02 | \$114.04 | \$119.29 | \$124.79 |
| 1 | \$172.50 | \$181.69 | \$190.06 | \$198.82 | \$207.98 |
| 1.5 | \$345.00 | \$363.37 | \$380.11 | \$397.62 | \$415.94 |
| 2 | \$552.00 | \$581.40 | \$608.18 | \$636.20 | \$665.51 |
| 3 | \$1,103.98 | \$1,162.78 | \$1,216.34 | \$1,272.39 | \$1,331.01 |
| 4 | \$1,724.97 | \$1,816.84 | \$1,900.54 | \$1,988.09 | \$2,079.70 |
| Rate per 1 Gallon | \$0.00287 | \$0.00303 | \$0.00316 | \$0.00330 | \$0.00345 |
| Rate per HCF | \$2.15 | \$2.27 | \$2.36 | \$2.47 | \$2.58 |

| Proposed Rate Financial Results | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|--------------|
| | 2027 | 2028 | 2029 | 2030 | 2031 | 5 Years |
| Total Expenses | \$2,244,440 | \$2,362,545 | \$2,469,293 | \$2,580,946 | \$2,697,733 | \$12,354,957 |
| Total Revenue | \$2,244,440 | \$2,362,545 | \$2,469,293 | \$2,580,946 | \$2,697,733 | \$12,354,957 |
| Net Loss or Gain | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Cash Flow | \$111,204 | \$139,050 | \$147,381 | \$153,788 | \$162,244 | \$713,667 |
| Affordability of average residential bill | 3.15% | 3.32% | 3.47% | 3.63% | 3.80% | 3.15% |
| In Simple Terms: | | | | | | |
| Are you putting enough \$ into reserves? | Yes | Yes | Yes | Yes | Yes | Yes |
| Positive Annual Cash Flow? | Yes | Yes | Yes | Yes | Yes | Yes |

Implementation Remarks & Conclusion

Recommendations for the current financial condition and rate option selection have been discussed. Below are some additional recommendations for CLOCWD.

General Implementation Advice

Key points to remember with this rate adjustment are:

- Every year revenues versus expenditures should be reviewed to ensure that the rates cover all costs to the system.
- Rates should be reviewed every 5 years or whenever the water system is at risk of expenditures exceeding revenue.
- Successful utilities are those that strive to be transparent. In day-to-day operations, the CLOCWD should strive to promote its services (highlights and the low points) and continuously educate residents on why it is necessary to raise and adjust rates.
- If possible and not already done, CIP reserves should be moved to and maintained in the highest interest-bearing accounts available to offset inflation unless the cost of doing so is more than the interest earned on the account.

Proposition 218 Overview

When the governing body selects a rate option, this triggers Proposition 218 process. Proposition 218 is a voter-approved initiative in California that restricts the authority of government agencies to charge certain taxes or fees. This proposition regulates property-related fees and charges that are imposed on a parcel. Following a California Supreme Court decision, water and sewer rates are now also subject to Proposition 218. Therefore, the water system needs to follow Proposition 218 guidelines and related activities to legally pass new rates, which include sending out a public notice and holding a public hearing.

To be in compliance with Proposition 218, the public notice needs to contain certain information. This information includes how and why the rate increase was proposed, the consequences of not raising rates, how charges are allocated among different types of users, and the date, time, and location of the public hearing. Proposition 218 requires that a public hearing be held at least 45 days after the public notice has been sent out. After the public hearing, the governing board can adopt the new rates through a resolution if there is no majority protest (50% plus one) from the property owners/rate payers. All protests are required to be in writing with the protester's name and affected parcel number. Proposition 218 does not apply to connection charges, capacity charges, wholesale rates, groundwater pumping fees, and conservation penalties.

Additionally, the letter should include "In accordance with Senate Bill 323, any judicial action or proceeding to attack, review, set aside, void, validate, or annul an ordinance, resolution, or motion adopting a fee or charge for water service, or modifying or amending an existing fee or charge for water service, shall be commenced within 120 days of the effective date or of the date of the final passage, adoption, or approval of the ordinance, resolution, or motion, whichever is later."

Compliance with Assembly bill 2257 may prohibit a person or entity from bringing judicial action or proceeding with Prop 218 unless person/entity has timely submitted to the local agency a written objection that specifies grounds for noncompliance. Part of this compliance is to ensure a

written basis for the rate increase is posted on the system's external website and include a link to the public notice.

For full Proposition 218 compliance, always consult with your water system's legal advisor.

Conclusion

In conclusion, this rate study provides a fair and effective approach to maintaining the financial health of the water system, while ensuring equitable access to clean water for all customers. The recommended rates will allow the utility to continue providing high-quality service in a financially sustainable manner, meeting the needs of the community for years to come.

The attached Exhibits A through F provide detailed information and analysis supporting the findings and recommendation of this water rate study. Each exhibit has been prepared to illustrate the key components of the study, including cost of service, customer demand, rate structure options, and the financial impact of the proposed rates. These exhibits are designed to offer transparency and allow for a clear understanding of the methodologies used to determine the recommended rate structure

Exhibit A:
Current Rates

Exhibit B: Water System Use Characteristic

| Sales in FYE 2024 by Meter Size | | | | | | | | | | | | Billing Cycle | | | | | |
|---------------------------------|-----------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------|--|--|--|--|--|
| Meter Size | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | | | | | |
| 5/8" | 9,824,449 | 10,827,098 | 11,681,987 | 9,547,133 | 7,894,877 | 6,574,237 | 5,745,394 | 7,707,584 | 6,346,056 | 5,730,252 | 8,191,118 | 9,036,043 | | | | | |
| 3/4" | 256,343 | 271,118 | 302,557 | 241,036 | 2,783 | 2,618 | 6,418 | 7,070 | 8,670 | 7,256 | 7,480 | 10,307 | | | | | |
| 1" | 280,958 | 309,147 | 332,674 | 272,763 | 198,569 | 162,939 | 167,284 | 174,656 | 207,651 | 160,368 | 310,538 | 255,047 | | | | | |
| 1.5" | 49,110 | 55,483 | 61,782 | 53,007 | 56,059 | 51,766 | 47,838 | 63,166 | 51,242 | 40,290 | 53,538 | 47,666 | | | | | |
| 2" | 339,031 | 382,448 | 441,499 | 467,621 | 423,673 | 476,418 | 332,411 | 493,907 | 331,364 | 377,257 | 559,093 | 594,565 | | | | | |
| 3" | 578,983 | 706,399 | 879,654 | 629,013 | 419,970 | 240,289 | 210,247 | 260,311 | 218,922 | 238,371 | 400,955 | 643,435 | | | | | |
| 4" | 256,982 | 343,288 | 256,768 | 419,806 | 271,176 | 295,517 | 355,630 | 279,823 | 269,762 | 104,428 | 265,386 | 285,882 | | | | | |

| Sales in FYE 2024 by Customer Class | | | Total Annual Usage |
|-------------------------------------|---------------|--|--------------------|
| Current Class ID | Name of Class | | |
| 1 | SFD/MFD/MHD | | 92,445,739 |
| 2 | Commercial | | 24,175,634 |
| 2 | CLOCWD Mtrs | | 561,531 |



Exhibit C: Assumptions

| Key Assumptions | | | | | | |
|---------------------------------|----------------|--|------------------|-------------------|---------------------------|--|
| Financial Assumptions | | | | | | |
| Inflation and Loan Rates | | | | | | |
| Return on Invested Funds | | 0.50 | % | | | |
| Past Inflation | | 3.50 | % | | | |
| Future Inflation | | 4.00 | % | | 5.00% for CRP- Water Fund | |
| Future Loan Interest Rate | | 2.00 | % | | | |
| Future Loan fees, legal, costs | | 1.00 | % | | | |
| Existing Debt | | | | | | |
| Description | Annual Payment | Maturity | Reserve Required | Reserve Allocated | Make Up Period | |
| See Exhibit D | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Total | | | | | | |
| Existing Reserves | | | | | | |
| Debt Reserve | \$386,395 | For water and wastewater loans | | | | |
| Operating Reserve | \$0 | As of June 2025, \$67,918 but assuming \$0 due to net loss expectation in FYE 2026 | | | | |
| Emergency Reserve | \$0 | As of June 2025, General and LAIF total of \$91,992. Assume 0 since it is not earmarked for water fund | | | | |
| Capital Reserve | \$0 | | | | | |
| Total | \$1,208,734.05 | Total for all accounts, not all necessarily for water and water CRP fund | | | | |

| Reserve Targets | | | | | | |
|---|-----------|----------------|-----------------------------|---------------------------------------|---|--------|
| | Amount | Make Up Period | First Year Reserve Addition | Excess funds to be transferred to CIP | Goal | |
| Debt Reserve | - | - | - | - | As per lending agreement(s) | |
| Operating Reserve | \$412,000 | 5 | \$82,400 | \$0 | 3 times the expenses during a billing cycle | |
| Emergency Reserve | \$30,000 | 5 | \$6,000 | \$0 | Well pump | |
| Available for Capital Reserve | \$0 | | | | | |
| Median Household Income | | | | | | |
| MHI | \$31,169 | | MHI Source | SAFER Dashboard | | |
| Usage and Billing Assumptions | | | | | | |
| Growth of Consumption over Base year | | | | | | |
| | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Conservation Factor | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Community Growth Factor | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total Consumption Adjustment | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Receivable write off | | | | | | |
| Percent of Billing | | 0.20% | 0.20% | 0.20% | 0.20% | 0.20% |
| Billing Details | | | | | | |
| Unit of Service | 1 | Gallons | | | | |
| Billing Cycles | Currently | Proposed | | | | |
| Billing Cycle | M | M | | | | |

| | | | | | |
|--|--------------|-------------|---|---|------|
| Billings per year | 12 | 12 | | | |
| Capital Improvement Planning Assumptions | | | | | |
| Default Funding of Asset Replacements | | | | | |
| Replacement Value | From | To | Cash | Grant | Loan |
| | \$0 | \$20,000 | 100% | 0% | 0% |
| | \$20,001 | \$100,000 | 100% | 0% | 0% |
| | \$100,001 | \$500,000 | 100% | 0% | 0% |
| | \$500,001 | \$9,999,999 | 20% | 0% | 80% |
| | \$10,000,000 | \$9,999,999 | 20% | 0% | 80% |
| Capitalization Threshold | | | | | |
| Capitalization Threshold | \$5,000 | | Any asset purchased below this value is not included in the CIP. It assumed that this purchase was included in the annual maintenance budget. | | |
| Short-Lived Assets | | | | | |
| If you want to reserve for Short-Lived Asset only, how many years is your definition of a "Short-Lived Asset?" | | | 15 | (USDA-RD is 5 years. Some states require 15 years.) | |

Exhibit D: Rate Study Budget Projections

| Key: Line items that vary based on rate options Line items that vary from standard assumptions | Other Notes: This Budget is a combination of the Water and CRP – Water Budget | | | | | | | | | | Standard Assumptions | | |
|--|--|-----------|-----------|---------|-----------|-----------|-----------|-----------|-----------|------|----------------------|----------------------|------------------------|
| | Actual | Actual | Budgeted | % Water | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | Inflation Factor (%) | Loan Interest Rate (%) |
| | Actual | Actual | Budgeted | % Water | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | Projected | Projected |
| Budget Projections for Clearlake Oaks County Water District – Water & CRP Water Funds | | | | | | | | | | | | | |
| OPERATIONS & MAINTENANCE EXPENSES | | | | | | | | | | | | | |
| | 2024 | 2025 | 2026 | % Water | 2027 | 2028 | 2029 | 2030 | 2031 | | | | |
| Salaries & Wages | \$658,658 | \$660,103 | \$689,818 | 100% | \$719,790 | \$751,079 | \$783,745 | \$817,849 | \$853,455 | | | | |
| FICA - District Share | \$50,897 | \$51,423 | \$56,204 | 100% | \$58,647 | \$61,198 | \$63,862 | \$66,642 | \$69,545 | | | | |
| Medical Ins - District Share | \$103,790 | \$96,531 | \$104,964 | 100% | \$109,504 | \$114,244 | \$119,190 | \$124,354 | \$129,743 | | | | |
| PERS - District Share | \$42,271 | \$38,907 | \$43,231 | 100% | \$45,123 | \$47,099 | \$49,163 | \$51,318 | \$53,569 | | | | |
| Unemployment | \$0 | #VALUE! | \$5,000 | 100% | \$5,200 | \$5,408 | \$5,624 | \$5,849 | \$6,083 | | | | |
| Workers Comp Ins | \$19,622 | \$20,932 | \$51,470 | 100% | \$53,746 | \$56,123 | \$58,608 | \$61,203 | \$63,915 | | | | |
| PERS UNFUNDED LIABILITY | \$39,434 | \$56,422 | \$62,567 | 100% | \$67,500 | \$73,000 | \$73,500 | \$74,000 | \$75,500 | | | | |
| Advertising | \$0 | \$208 | \$200 | 100% | \$208 | \$216 | \$225 | \$234 | \$243 | | | | |
| Bank Fees | \$22,011 | \$22,891 | \$21,790 | 100% | \$22,662 | \$23,568 | \$24,511 | \$25,491 | \$26,511 | | | | |
| Communications & Internet | \$19,755 | \$23,453 | \$22,500 | 100% | \$23,435 | \$24,409 | \$25,424 | \$26,482 | \$27,563 | | | | |
| Board Exp | \$2,056 | \$3,640 | \$3,500 | 100% | \$3,640 | \$3,786 | \$3,937 | \$4,095 | \$4,258 | | | | |
| Equip - Field (\$300-\$4999) | \$1,250 | \$3,919 | \$3,750 | 100% | \$3,913 | \$4,082 | \$4,259 | \$4,444 | \$4,637 | | | | |
| Equip - Office | \$1,661 | \$1,727 | \$2,000 | 100% | \$2,080 | \$2,163 | \$2,250 | \$2,340 | \$2,433 | | | | |
| Fuel & Oil | \$22,910 | \$31,000 | \$34,824 | 100% | \$36,381 | \$38,009 | \$39,710 | \$41,489 | \$43,348 | | | | |
| Insurance | \$43,781 | \$45,532 | \$44,100 | 100% | \$45,864 | \$47,699 | \$49,607 | \$51,591 | \$53,654 | | | | |
| Interest | \$6,014 | \$9,450 | \$8,000 | 100% | \$8,380 | \$8,778 | \$9,195 | \$9,633 | \$10,091 | | | | |
| Lab | \$28,498 | \$29,663 | \$27,200 | 100% | \$28,338 | \$29,524 | \$30,760 | \$32,048 | \$33,391 | | | | |

| | | | | | | | | | |
|--------------------------------|-----------|-----------|-----------|------|-----------|-----------|-----------|-----------|-----------|
| Memberships & Subscriptions | \$45,343 | \$47,156 | \$46,000 | 100% | \$47,840 | \$49,754 | \$51,744 | \$53,813 | \$55,966 |
| Mileage Reimb | \$70 | \$780 | \$500 | 100% | \$520 | \$541 | \$562 | \$585 | \$608 |
| Postage & Shipping | \$11,026 | \$13,520 | \$13,000 | 100% | \$13,520 | \$14,061 | \$14,623 | \$15,208 | \$15,816 |
| Professional Services | \$31,192 | \$32,439 | \$30,000 | 100% | \$31,200 | \$32,448 | \$33,746 | \$35,096 | \$36,500 |
| Rents | \$7,529 | \$7,830 | \$7,500 | 100% | \$7,800 | \$8,112 | \$8,436 | \$8,774 | \$9,125 |
| Safety & Security | \$8,663 | \$9,009 | \$10,250 | 100% | \$10,710 | \$11,191 | \$11,694 | \$12,219 | \$12,769 |
| Tools & Instruments | \$5,020 | \$5,958 | \$5,700 | 100% | \$5,948 | \$6,207 | \$6,477 | \$6,759 | \$7,054 |
| Supplies - Clothing & Personal | \$3,232 | \$4,495 | \$5,600 | 100% | \$5,844 | \$6,099 | \$6,365 | \$6,643 | \$6,933 |
| Supplies - Office | \$4,620 | \$4,805 | \$4,000 | 100% | \$4,160 | \$4,326 | \$4,499 | \$4,679 | \$4,867 |
| Treatment Chemicals | \$79,989 | \$125,250 | \$125,250 | 100% | \$130,260 | \$135,470 | \$140,889 | \$146,525 | \$152,386 |
| Supplies - Operating - Other | \$12,135 | \$12,665 | \$11,600 | 100% | \$12,130 | \$12,685 | \$13,265 | \$13,872 | \$14,507 |
| Taxes - Licenses | \$0 | \$0 | \$0 | 100% | \$0 | \$0 | \$0 | \$0 | \$0 |
| Training | \$3,794 | \$3,953 | \$4,250 | 100% | \$4,425 | \$4,607 | \$4,797 | \$4,995 | \$5,201 |
| Travel | \$136 | \$1,040 | \$2,000 | 100% | \$2,080 | \$2,163 | \$2,250 | \$2,340 | \$2,433 |
| Utilities | \$288,751 | \$308,964 | \$285,394 | 100% | \$305,372 | \$326,748 | \$349,620 | \$374,093 | \$400,280 |
| Waste Disposal | \$13,563 | \$14,106 | \$15,350 | 100% | \$15,964 | \$16,603 | \$17,267 | \$17,957 | \$18,676 |
| Yolo Co | \$38,596 | \$40,140 | \$61,000 | 100% | \$63,440 | \$65,978 | \$68,617 | \$71,361 | \$74,216 |
| Misc. | \$467 | \$1,820 | \$1,750 | 100% | \$1,820 | \$1,893 | \$1,969 | \$2,047 | \$2,129 |
| R&R Buildings & Grounds | \$5,344 | \$9,405 | \$9,000 | 100% | \$9,390 | \$9,797 | \$10,222 | \$10,666 | \$11,129 |
| R & R Damage Claims | \$1,413 | \$1,470 | \$1,413 | 100% | \$1,470 | \$1,528 | \$1,589 | \$1,653 | \$1,719 |
| R&R Lift Stations | \$0 | \$0 | \$0 | 100% | \$0 | \$0 | \$0 | \$0 | \$0 |
| R&R Equipment | \$35,000 | \$36,925 | \$35,076 | 100% | \$36,829 | \$38,670 | \$40,602 | \$42,632 | \$44,762 |
| R&R Mains/Service Lines | \$50,000 | \$52,750 | \$50,014 | 100% | \$52,515 | \$55,140 | \$57,897 | \$60,792 | \$63,831 |
| R&R Vehicles (\$2k/vehicle) | \$18,000 | \$22,110 | \$21,000 | 100% | \$22,020 | \$23,090 | \$24,212 | \$25,389 | \$26,623 |

89

| | | | | | | | | | |
|--|-------------|-------------|-------------|----------------------------|-------------|-------------|-------------|-------------|-------------|
| Maintenance Reserve Account | \$0 | \$0 | \$0 | 100% | \$22,827 | \$50,663 | \$58,982 | \$65,377 | \$73,818 |
| Hydrants | \$0 | \$0 | \$0 | 100% | \$10,000 | \$10,000 | \$10,000 | \$10,000 | \$10,000 |
| Total Operations & Maintenance Expenses | \$1,726,486 | \$1,852,410 | \$1,926,765 | 100% | \$2,029,666 | \$2,127,495 | \$2,224,912 | \$2,327,158 | \$2,435,489 |
| GENERAL & ADMINISTRATIVE EXPENSES | | | | | | | | | |
| | 2024 | 2025 | 2026 | % Belonging to Water | 2027 | 2028 | 2029 | 2030 | 2031 |
| Operating Reserve Funding | \$0 | \$0 | \$0 | 100% | \$71,480 | \$82,400 | \$82,400 | \$82,400 | \$82,400 |
| Emergency Reserve Funding | \$0 | \$0 | \$0 | 100% | \$6,000 | \$6,000 | \$6,000 | \$6,000 | \$6,000 |
| Maintenance Reserve Account | \$18,000 | \$18,990 | \$18,000 | 100% | \$0 | \$16,926 | \$25,257 | \$31,665 | \$40,120 |
| USDA Loan | \$101,000 | \$102,000 | \$103,000 | 100% | \$105,000 | \$106,000 | \$107,000 | \$110,000 | \$110,000 |
| Vac-con Loan | \$0 | \$43,533 | \$0 | 100% | \$0 | \$0 | \$0 | \$0 | \$0 |
| Water Truck Loan | \$0 | \$19,225 | \$19,996 | 100% | \$8,570 | \$0 | \$0 | \$0 | \$0 |
| Crane Truck Loan | \$0 | \$0 | \$0 | 100% | \$23,724 | \$23,724 | \$23,724 | \$23,724 | \$23,724 |
| Total General and Administrative Expenses: | \$101,000 | \$164,758 | \$122,996 | 100% | \$214,774 | \$235,050 | \$244,381 | \$253,789 | \$262,244 |
| TOTAL EXPENSES | \$1,827,486 | \$2,017,168 | \$2,049,761 | \$2 | \$2,244,440 | \$2,362,545 | \$2,469,293 | \$2,580,947 | \$2,697,733 |
| SOURCE OF FUNDS / REVENUES RECEIVED | | | | | | | | | |
| Sales Revenue (Base + Usage) | \$1,779,427 | \$1,926,635 | \$1,870,787 | 100% | \$2,214,549 | \$2,332,891 | \$2,439,852 | \$2,551,730 | \$2,668,750 |
| Penalty and Interest | \$40,422 | \$29,878 | \$33,000 | 100% | \$34,320 | \$34,320 | \$34,320 | \$34,320 | \$34,320 |
| Uncollectable Receivables | \$0 | \$0 | \$0 | 100% | -\$4,960 | -\$4,429 | -\$4,666 | -\$4,880 | -\$5,103 |
| TOTAL REVENUE | \$1,819,849 | \$1,956,513 | \$1,903,787 | 100% | \$2,244,440 | \$2,362,545 | \$2,469,293 | \$2,580,946 | \$2,697,733 |
| NET LOSS OR GAIN: | -\$7,637 | -\$60,655 | -\$145,974 | 100% | \$0 | \$0 | \$0 | \$0 | \$0 |
| NET CASH FLOW (Contribution to Reserves) | \$0 | \$0 | \$0 | 100% | \$77,480 | \$105,326 | \$113,657 | \$120,065 | \$128,520 |



Exhibit E: Cost Allocations

| Fixed vs. Variable Allocation | Notes: | | | |
|--------------------------------|------------|---------|-----------|-------------|
| Budget Line Item | 5-Year Avg | % Fixed | \$ Fixed | \$ Variable |
| Salaries & Wages | \$785,184 | 100% | \$785,184 | |
| FICA - District Share | \$63,979 | 100% | \$63,979 | |
| Medical Ins - District Share | \$119,407 | 100% | \$119,407 | |
| PERS - District Share | \$49,255 | 100% | \$49,255 | |
| Unemployment | \$5,633 | 100% | \$5,633 | |
| Workers Comp Ins | \$58,719 | 100% | \$58,719 | |
| PERS UNFUNDED LIABILITY | \$72,700 | 100% | \$72,700 | |
| Advertising | \$225 | 100% | \$225 | |
| Bank Fees | \$24,549 | 100% | \$24,549 | |
| Communications & Internet | \$25,467 | 100% | \$25,467 | |
| Board Exp | \$3,943 | 100% | \$3,943 | |
| Equip - Field (\$300-\$4999) | \$4,267 | 100% | \$4,267 | |
| Equip - Office | \$2,253 | 100% | \$2,253 | |
| Fuel & Oil | \$39,787 | 100% | \$39,787 | |
| Insurance | \$49,683 | 100% | \$49,683 | |
| Interest | \$9,215 | 100% | \$9,215 | |
| Lab | \$30,812 | 100% | \$30,812 | |
| Memberships & Subscriptions | \$51,823 | 100% | \$51,823 | |
| Mileage Reimb | \$563 | 100% | \$563 | |
| Postage & Shipping | \$14,646 | 100% | \$14,646 | |
| Professional Services | \$33,798 | 100% | \$33,798 | |
| Rents | \$8,449 | 100% | \$8,449 | |
| Safety & Security | \$11,717 | 100% | \$11,717 | |
| Tools & Instruments | \$6,489 | 100% | \$6,489 | |
| Supplies - Clothing & Personal | \$6,377 | 100% | \$6,377 | |
| Supplies - Office | \$4,506 | 100% | \$4,506 | |
| Treatment Chemicals | \$141,106 | 0% | \$0 | \$141,106 |
| Supplies - Operating - Other | \$13,292 | 100% | \$13,292 | |
| Taxes - Licenses | \$0 | 100% | \$0 | |
| Training | \$4,805 | 100% | \$4,805 | |
| Travel | \$2,253 | 100% | \$2,253 | |
| Utilities | \$351,222 | 0% | \$351,222 | \$351,222 |
| Waste Disposal | \$17,293 | 100% | \$17,293 | |
| Yolo Co | \$68,722 | 100% | \$68,722 | |
| Misc. | \$1,972 | 100% | \$1,972 | |
| R&R Buildings & Grounds | \$10,241 | 100% | \$10,241 | |
| R & R Damage Claims | \$1,592 | 100% | \$1,592 | |
| R&R Lift Stations | \$0 | 100% | \$0 | |
| R&R Equipment | \$40,699 | 100% | \$40,699 | |
| R&R Mains/Service Lines | \$58,035 | 100% | \$58,035 | |
| R&R Vehicles (\$2k/vehicle) | \$24,267 | 100% | \$24,267 | |
| Maintenance Reserve Account | \$22,794 | 100% | \$22,794 | |
| Hydrants | \$10,000 | 100% | \$10,000 | |
| USDA Loan | \$107,600 | 100% | \$107,600 | |
| Vac-con Loan | \$0 | 100% | \$0 | |

87

| Fixed vs. Variable Allocation | | Notes: | | |
|--|--------------------|---------|--------------------|------------------|
| Budget Line Item | 5-Year Avg | % Fixed | \$ Fixed | \$ Variable |
| Water Truck Loan | \$8,570 | 100% | \$8,570 | |
| Crane Truck | \$23,724 | 100% | \$23,724 | |
| Operating Reserve | \$80,216 | 100% | \$82,400 | |
| Emergency Reserve | \$6,000 | 100% | \$6,000 | |
| Total All Expenses | \$2,477,398 | | \$1,985,070 | \$492,328 |
| Fixed-Variable as % of all Expenses | | | 80.1% | 19.9% |

Exhibit F: Proposed Rate Option

| Proposed Rate Schedule | | | | | | |
|--------------------------|------------------|------------------|------------------|------------------|------------------|--|
| Standard Rates | | | | | | |
| Meter Size | 2027 | 2028 | 2029 | 2030 | 2031 | |
| 5/8" | \$69.00 | \$72.67 | \$76.02 | \$79.52 | \$83.19 | |
| 3/4" | \$103.50 | \$109.02 | \$114.04 | \$119.29 | \$124.79 | |
| 1 | \$172.50 | \$181.69 | \$190.06 | \$198.82 | \$207.98 | |
| 1.5 | \$345.00 | \$363.37 | \$380.11 | \$397.62 | \$415.94 | |
| 2 | \$552.00 | \$581.40 | \$608.18 | \$636.20 | \$665.51 | |
| 3 | \$1,103.98 | \$1,162.78 | \$1,216.34 | \$1,272.39 | \$1,331.01 | |
| 4 | \$1,724.97 | \$1,816.84 | \$1,900.54 | \$1,988.09 | \$2,079.70 | |
| Rate per 1 Gallon | \$0.00287 | \$0.00303 | \$0.00316 | \$0.00330 | \$0.00345 | |
| Rate per HCF | \$2.15 | \$2.27 | \$2.36 | \$2.47 | \$2.58 | |

| Proposed Rate Financial Results | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|--------------|
| | 2027 | 2028 | 2029 | 2030 | 2031 | 5 Years |
| Total Expenses | \$2,244,440 | \$2,362,545 | \$2,469,293 | \$2,580,947 | \$2,697,733 | \$12,354,957 |
| Total Revenue | \$2,244,440 | \$2,362,545 | \$2,469,293 | \$2,580,946 | \$2,697,733 | \$12,354,957 |
| Net Loss or Gain (Short/Over to Reserves) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Cash Flow (Contribution to Reserves) | \$77,480 | \$105,326 | \$113,657 | \$120,065 | \$128,520 | \$713,667 |
| Affordability of average residential bill | 3.15% | 3.32% | 3.47% | 3.63% | 3.80% | 3.15% |
| In Simple Terms: | | | | | | |
| Are you putting enough \$ into reserves? | Yes | Yes | Yes | Yes | Yes | Yes |
| Positive Annual Cash Flow? | Yes | Yes | Yes | Yes | Yes | Yes |

**CLO Water and Wastewater District
PROJECTED BUDGET 2026-2027**

Target % > **0%**

| As of July 2026 Summary | <u>WATER</u> | | | | <u>WASTEWATER</u> | | | |
|--|----------------|-----|------------|----|-------------------|-----|------------|----|
| | Budget | | Actual YTD | | Budget | | Actual YTD | |
| | Annual | YTD | Amount | % | Annual | YTD | Amount | % |
| Total Operating Revenue | 1,763,296 | - | - | 0% | 1,808,700 | - | - | 0% |
| Total Operating Expenses | 1,601,409 | - | - | 0% | 1,719,058 | - | - | 0% |
| Operating Balance (loss) | 161,887 | - | - | | 89,642 | - | - | |
| 420 Connection Fees | 10,000 | - | - | 0% | 20,000 | - | - | 0% |
| 445 Bulk Water Sales | 10,000 | - | - | | | - | - | |
| 450 Non S/W Rev - ATT Cell Lease | 11,000 | - | - | | 11,000 | - | - | |
| 450 Non S/W Rev - County Treasury | 100,000 | - | - | 0% | 125,000 | - | - | 0% |
| Reserves | 50,000 | - | - | 0% | 50,000 | - | - | 0% |
| USDA Payment | 135,000 | - | - | | 130,000 | - | - | |
| FEMA/CalOES Payment | 63,000 | - | - | | 63,000 | - | - | |
| Net Change In Net Position (loss) | 44,887 | - | - | | 2,642 | - | - | |

Current Revenue Notes:

450 - Other - Non S/W Rev: ATT Lease and Tax Roll

Past Revenue Notes

General Ledger
District CRP
Paradise Cove CRP
Paradise Cove Escrow
Water Reserve
Sewer Reserve
LAIF Account
Total \$0.00

| As of July 2026 Operating Revenue | <u>WATER</u> | | | | <u>WASTEWATER</u> | | | |
|--------------------------------------|------------------|-----|------------|-----------|-------------------|-----|------------|-----------|
| | Budget | | Actual YTD | | Budget | | Actual YTD | |
| | Annual | YTD | Amount | % | Annual | YTD | Amount | % |
| 410 Client Reg Pmt | 1,730,296 | - | - | 0% | 1,772,400 | - | - | 0% |
| 430 Penalty & Interest | 33,000 | - | - | 0% | 36,300 | - | - | 0% |
| 440 Misc | - | - | - | 0% | - | - | - | 0% |
| Total Revenue > | 1,763,296 | - | - | 0% | 1,808,700 | - | - | 0% |

| As of July 2026 Operating Expenses | Budget | | | | Actual | | | |
|--|----------------|-----|--------|-----------|----------------|--------|-------|-----------|
| | Annual | | YTD | | YTD | | Spent | |
| | Annual | YTD | Amount | % | YTD | Amount | % | |
| 505 Salaries & Wages | 482,085 | - | - | 0% | 649,201 | - | - | 0% |
| 520 FICA - District Share | 38,588 | - | - | 0% | 52,025 | - | - | 0% |
| 530 Medical Ins - District Share | 89,248 | - | - | 0% | 138,869 | - | - | 0% |
| 540 CalPERS - District Share | 96,883 | - | - | 0% | 112,105 | - | - | 0% |
| 550 Unemployment | 5,000 | - | - | 0% | 5,000 | - | - | 0% |
| 560 Workmans Compensation | 32,068 | - | - | 0% | 32,925 | - | - | 0% |
| Salaries and Employee Benefits > | 743,872 | - | - | 0% | 990,126 | - | - | 0% |

| | | | | | | | | |
|-------------------------------|--------|---|---|----|--------|---|---|----|
| 605 Advertising | 300 | - | - | 0% | 300 | - | - | 0% |
| 610 Bank Fees | 2,410 | - | - | 0% | 2,400 | - | - | 0% |
| 620 Communications & Internet | 21,300 | - | - | 0% | 21,300 | - | - | 0% |
| 622 Board Exp | 3,500 | - | - | 0% | 3,500 | - | - | 0% |
| 625 Equip - Field <\$4,000.00 | 1,250 | - | - | 0% | 2,750 | - | - | 0% |
| 630 Equip - Office | 7,000 | - | - | 0% | 7,500 | - | - | 0% |
| 640 Fuel & Oil | 19,250 | - | - | 0% | 17,300 | - | - | 0% |
| 645 Insurance | 78,935 | - | - | 0% | 78,935 | - | - | 0% |

11

| | | | | | | | | | |
|-----|------------------------------------|------------------|----------|----------|-----------|------------------|----------|----------|-----------|
| 650 | Interest | 3,000 | - | - | 0% | 3,000 | - | - | 0% |
| 657 | Lab | 28,700 | - | - | 0% | 22,550 | - | - | 0% |
| 660 | Memberships/Subscriptions/Licenses | 54,200 | - | - | 0% | 66,700 | - | - | 0% |
| 665 | Mileage Reimb | - | - | - | 0% | - | - | - | 0% |
| 670 | Postage & Shipping | 13,000 | - | - | 0% | 13,000 | - | - | 0% |
| 675 | Professional Services | 42,900 | - | - | 0% | 43,100 | - | - | 0% |
| 685 | Rents | 7,500 | - | - | 0% | 7,500 | - | - | 0% |
| 690 | Safety & Security | 5,700 | - | - | 0% | 9,550 | - | - | 0% |
| 700 | Tools & Instruments | 3,700 | - | - | 0% | 2,500 | - | - | 0% |
| 703 | Apparel | 3,960 | - | - | 0% | 3,760 | - | - | 0% |
| 705 | Supplies - Office | 5,300 | - | - | 0% | 5,300 | - | - | 0% |
| 715 | Treatment Chemicals | 137,775 | - | - | 0% | 60,500 | - | - | 0% |
| 720 | Supplies - Operating - Other | 5,000 | - | - | 0% | 33,000 | - | - | 0% |
| 730 | Taxes - Licenses | 0 | - | - | 0% | 0 | - | - | 0% |
| 735 | Training | 11,500 | - | - | 0% | 6,000 | - | - | 0% |
| 745 | Travel | 3,000 | - | - | 0% | 2,750 | - | - | 0% |
| 750 | Utilities | 313,947 | - | - | 0% | 254,147 | - | - | 0% |
| 760 | Waste Disposal | 15,385 | - | - | 0% | 56,065 | - | - | 0% |
| 795 | Yolo Co | 61,000 | - | - | 0% | | | | |
| 799 | Misc | 1,925 | - | - | 0% | 1,925 | - | - | 0% |
| | Services and Supplies > | 851,437 | - | - | 0% | 725,332 | - | - | 0% |
| | Repairs & Replacement | | | | | | | | |
| 810 | R&R Buildings & Grounds | 6,100 | - | - | 0% | 3,600 | - | - | 0% |
| 815 | R&R Damage Claims | 0 | - | - | 0% | - | - | - | 0% |
| 820 | R&R Lift Stations | - | - | - | 0% | - | - | - | 0% |
| 830 | R&R Equipment | 0 | - | - | 0% | 0 | - | - | 0% |
| 832 | R&R Mains/Service Lines | - | - | - | 0% | - | - | - | 0% |
| 840 | R&R Vehicles | - | - | - | 0% | - | - | - | 0% |
| | Repairs & Replacement > | 6,100 | - | - | 0% | 3,600 | - | - | 0% |
| | Total Expenses > | 1,601,409 | - | - | 0% | 1,719,058 | - | - | 0% |

| 0 Administration Budget Variance Report July 1, 2026 through June 30, 2027 | | Target % > | 0.0% | GL ADMIN | | |
|--|--|------------------|----------|----------|-------------|----------------|
| As of July 2026 | | 2026-2027 Budget | | Actual | % | Total |
| Expenses | | Annual | YTD | YTD | Spent | Remaining |
| 505 | Salaries & Wages | 456,687 | - | - | 0.0% | 456,687 |
| 520 | FICA - District Share | 34,937 | - | - | 0.0% | 34,937 |
| 530 | Medical Ins - District Share | 77,121 | - | - | 0.0% | 77,121 |
| 540 | CalPERS-Dist Share (Unfunded Liab \$129,318) | 159,675 | - | - | 0.0% | 159,675 |
| 550 | Unemployment | 10,000 | - | - | 0.0% | 10,000 |
| 560 | Workers Comp Ins | 8,341 | - | - | 0.0% | 8,341 |
| Salaries and Employee Benefits > | | 746,761 | - | - | 0.0% | 746,761 |
| 605 | Advertising | 600 | - | - | 0.0% | 600 |
| 610 | Bank Fees | 4,800 | - | - | 0.0% | 4,800 |
| 620 | Communications & Internet | 9,000 | - | - | 0.0% | 9,000 |
| 622 | Board | 7,000 | - | - | 0.0% | 7,000 |
| 625 | Equip - Field <\$4,999.00 | 0 | - | - | 0.0% | 0 |
| 630 | Equip - Office | 13,000 | - | - | 0.0% | 13,000 |
| 640 | Fuel & Oil | 0 | - | - | 0.0% | 0 |
| 645 | Insurance | 0 | - | - | 0.0% | 0 |
| 650 | Interest | 0 | - | - | 0.0% | 0 |
| 657 | Outsource Lab / Internal Lab | 0 | - | - | 0.0% | 0 |
| 660 | Memberships/Subscriptions/licenses | 29,200 | - | - | 0.0% | 29,200 |
| 670 | Postage & Shipping | 26,000 | - | - | 0.0% | 26,000 |
| 675 | Professional Services (Legal, IT) | 40,000 | - | - | 0.0% | 40,000 |
| 685 | Rents | 15,000 | - | - | 0.0% | 15,000 |
| 690 | Safety & Security | 1,500 | - | - | 0.0% | 1,500 |
| 700 | Tools & Instruments | 0 | - | - | 0.0% | 0 |
| 703 | Apparel | 1,320 | - | - | 0.0% | 1,320 |
| 705 | Supplies - Office | 6,600 | - | - | 0.0% | 6,600 |
| 715 | Treatment Chemicals | 0 | - | - | 0.0% | 0 |
| 720 | Supplies - Operating - Other | 0 | - | - | 0.0% | 0 |
| 735 | Training, Certifications | 9,000 | - | - | 0.0% | 9,000 |
| 745 | Travel | 5,000 | - | - | 0.0% | 5,000 |
| 750 | Utilities | 8,294 | - | - | 0.0% | 8,294 |
| 760 | Waste Disposal | 770 | - | - | 0.0% | 770 |
| 795 | Yolo Co | 0 | - | - | 0.0% | 0 |
| 799 | Team Building | 3,500 | - | - | 0.0% | 3,500 |
| Services and Supplies > | | 180,584 | - | - | 0.0% | 180,584 |
| Repairs & Replacement | | | | | | |
| 810 | R&R Buildings & Grounds | 2,200 | - | - | 0.0% | 2,200 |
| 815 | R & R Damage Claims | 0 | - | - | 0.0% | 0 |
| 820 | R&R Lift Stations | - | - | - | 0.0% | - |
| 830 | R&R Equipment | 0 | - | - | 0.0% | 0 |
| 832 | R&R Mains/Service Lines | 0 | - | - | 0.0% | 0 |
| 840 | R&R Vehicles | 0 | - | - | 0.0% | 0 |
| Repairs & Replacement > | | 2,200 | - | - | 0.0% | 2,200 |
| Total Expenses > | | 929,545 | - | - | 0.0% | 929,545 |

540 Includes Unfunded Liability

| 0 Wastewater Budget Variance Report July 1, 2026 through June 30, 2027 | | Target % > | 0.0% | GL WASTEWATER | |
|--|------------------|------------------|------------|---------------|------------------|
| As of July 2026 | | 2026-2027 Budget | | Total | |
| Expenses | Annual | YTD | Actual YTD | % Spent | Remaining |
| 505 Salaries & Wages | 420,858 | - | - | 0.0% | 420,858 |
| 520 FICA - District Share | 34,557 | - | - | 0.0% | 34,557 |
| 530 Medical Ins - District Share | 100,308 | - | - | 0.0% | 100,308 |
| 540 CalPERS - District Share | 32,268 | - | - | 0.0% | 32,268 |
| 550 Unemployment | 0 | - | - | 0.0% | 0 |
| 560 Workmans Compensation | 28,755 | - | - | 0.0% | 28,755 |
| Salaries and Employee Benefits > | 616,745 | - | - | 0.0% | 616,745 |
| 605 Advertising | 0 | - | - | 0.0% | 0 |
| 610 Bank Fees | 0 | - | - | 0.0% | 0 |
| 620 Communications & Internet | 14,300 | - | - | 0.0% | 14,300 |
| 622 Board | 0 | - | - | 0.0% | 0 |
| 625 Equip - Field <\$4,999.00 | 1,500 | - | - | 0.0% | 1,500 |
| 630 Equip - Office | 1,000 | - | - | 0.0% | 1,000 |
| 640 Fuel & Oil | 8,250 | - | - | 0.0% | 8,250 |
| 645 Insurance | 78,935 | - | - | 0.0% | 78,935 |
| 650 Interest | 0 | - | - | 0.0% | 0 |
| 657 Outsource Lab / Internal Lab | 22,550 | - | - | 0.0% | 22,550 |
| 660 Memberships/Subscriptions/Permits | 52,100 | - | - | 0.0% | 52,100 |
| 665 Vacant | - | - | - | 0.0% | - |
| 670 Postage & Shipping | 0 | - | - | 0.0% | 0 |
| 675 Professional Services (SCADA) | 23,100 | - | - | 0.0% | 23,100 |
| 685 Rents | 0 | - | - | 0.0% | 0 |
| 690 Safety & Security | 8,800 | - | - | 0.0% | 8,800 |
| 700 Tools & Instruments | 2,500 | - | - | 0.0% | 2,500 |
| 703 Apparel | 3,100 | - | - | 0.0% | 3,100 |
| 705 Supplies - Office | 2,000 | - | - | 0.0% | 2,000 |
| 715 Treatment Chemicals | 60,500 | - | - | 0.0% | 60,500 |
| 720 Supplies-Operating-Other-Titan Tubes | 33,000 | - | - | 0.0% | 33,000 |
| 730 Vacant | 0 | - | - | 0.0% | 0 |
| 735 Training, Certifications | 1,500 | - | - | 0.0% | 1,500 |
| 745 Travel | 250 | - | - | 0.0% | 250 |
| 750 Utilities | 250,000 | - | - | 0.0% | 250,000 |
| 760 Waste Disposal | 55,680 | - | - | 0.0% | 55,680 |
| 795 Yolo Co | 0 | - | - | 0.0% | 0 |
| 798 Customer Refund | | | | | |
| 799.1 Team Building | | | | | |
| Services and Supplies > | 619,065 | - | - | 0.0% | 619,065 |
| Repairs & Replacement | | | | | |
| 810 R&R Buildings & Grounds | 2,500 | - | - | 0.0% | 2,500 |
| 815 R&R Damage Claims | 0 | - | - | 0.0% | 0 |
| 820 R&R Lift Stations | 0 | - | - | 0.0% | 0 |
| 830 R&R Equipment | 0 | - | - | 0.0% | 0 |
| 832 R&R Mains/Service Lines | 0 | - | - | 0.0% | - |
| 840 R&R Vehicles | - | - | - | 0.0% | - |
| | - | - | - | 0.0% | - |
| Repairs & Replacement > | 2,500 | - | - | 0.0% | 2,500 |
| Total Expenses > | 1,238,310 | - | - | 0.0% | 1,238,310 |
| Expense Notes | | | | | |

QA

| 0 | Water Budget Variance Report July 1, 2026 through June 30, 2027 As of July 2026 | 2026-2027 Budget Annual | YTD | Target % > Actual YTD | 0.0% % Spent | GL WATER Total Remaining |
|-----|--|----------------------------|----------|-----------------------------|--------------------|--------------------------------|
| | Expenses | | | | | |
| 505 | Salaries & Wages | 253,741 | - | | 0.0% | 253,741 |
| 520 | FICA - District Share | 21,119 | - | | 0.0% | 21,119 |
| 530 | Medical Ins - District Share | 50,688 | - | | 0.0% | 50,688 |
| 540 | CalPERS - District Share | 17,045 | - | | 0.0% | 17,045 |
| 550 | Unemployment | 0 | - | | 0.0% | 0 |
| 560 | Workmans Compensation | 27,897 | - | | 0.0% | 27,897 |
| | Salaries and Employee Benefits > | 370,491 | - | - | 0.0% | 370,491 |
| 605 | Advertising | 0 | - | | 0.0% | 0 |
| 610 | Bank Fees | 0 | - | | 0.0% | 0 |
| 620 | Communications & Internet | 14,300 | - | | 0.0% | 14,300 |
| 622 | Board Exp | 0 | - | | 0.0% | 0 |
| 625 | Equip - Field <\$4,999.00 | 0 | - | | 0.0% | 0 |
| 630 | Equip - Office | 500 | - | | 0.0% | 500 |
| 640 | Fuel & Oil | 10,200 | - | | 0.0% | 10,200 |
| 645 | Insurance | 78,935 | - | | 0.0% | 78,935 |
| 650 | Interest | 0 | - | | 0.0% | 0 |
| 657 | Outside Lab / Internal Lab | 28,700 | - | | 0.0% | 28,700 |
| 660 | Memberships/Subscriptions/Permits | 39,600 | - | | 0.0% | 39,600 |
| 665 | Mileage Reimb | - | - | | 0.0% | - |
| 670 | Postage & Shipping | 0 | - | | 0.0% | 0 |
| 675 | Professional Services (SCADA, Mtce Prog) | 22,900 | - | | 0.0% | 22,900 |
| 685 | Rents | 0 | - | | 0.0% | 0 |
| 690 | Safety & Security (includes boots) | 4,950 | - | | 0.0% | 4,950 |
| 700 | Tools & Instruments | 3,700 | - | | 0.0% | 3,700 |
| 703 | Apparel | 3,300 | - | | 0.0% | 3,300 |
| 705 | Supplies - Office | 2,000 | - | | 0.0% | 2,000 |
| 715 | Treatment Chemicals | 137,775 | - | | 0.0% | 137,775 |
| 720 | Supplies - Operating - Other | 5,000 | - | | 0.0% | 5,000 |
| 730 | Vacant | 0 | - | | 0.0% | 0 |
| 735 | Training, Certifications | 7,000 | - | | 0.0% | 7,000 |
| 745 | Travel | 500 | - | | 0.0% | 500 |
| 750 | Utilities | 309,800 | - | | 0.0% | 309,800 |
| 760 | Waste Disposal | 15,000 | - | | 0.0% | 15,000 |
| 795 | Yolo Co | 61,000 | - | | 0.0% | 61,000 |
| 798 | Customer Refund | | - | | | |
| 799 | Team Building | 0 | - | | 0.0% | 0 |
| | Services and Supplies > | 745,160 | - | - | 0.0% | 745,160 |
| | Repairs & Replacement | | | | | |
| 810 | R&R Buildings & Grounds | 5,000 | - | | 0.0% | 5,000 |
| 815 | R & R Damage Claims | 0 | - | | 0.0% | 0 |
| 820 | R&R Lift Stations | 0 | - | | 0.0% | 0 |
| 830 | R&R Equipment | 0 | - | | 0.0% | 0 |
| 832 | R&R Mains | 0 | - | | 0.0% | - |
| 840 | R&R Vehicles | 0 | - | | 0.0% | 0 |
| | Repairs & Replacement > | 5,000 | - | - | 0.0% | 5,000 |
| | Total Expenses > | 1,120,651 | - | - | 0.0% | 1,120,651 |

Clearlake Oaks Co Water District
Budget Variance Report July 1, 2026 through June 30, 2027

Target % > **0.0%** **CRP-PC**

0
 As of July 2026

| Summary | Budget Annual | YTD | Actual YTD Amount | % |
|-----------------|---------------|-----|-------------------|----|
| PC CRP Revenue | 19,536 | - | 0.0% | 0% |
| PC CRP Expenses | 0 | - | 0.0% | 0% |

| Expenses | | 2026-2027 Budget | | Actual | % | Total |
|---------------------------------------|-------------------------------|------------------|----------|----------|-------------|-----------|
| | | Annual | YTD | YTD | Spent | Remaining |
| 605 | Advertising | - | - | - | 0.0% | - |
| 610 | Bank Fees | - | - | - | 0.0% | - |
| 620 | Communications & Internet | - | - | - | 0.0% | - |
| 622 | Board | - | - | - | 0.0% | - |
| 625 | Equip - Field <\$4,999.00 | - | - | - | 0.0% | - |
| 630 | Equip - Office | - | - | - | 0.0% | - |
| 640 | Fuel & Oil | - | - | - | 0.0% | - |
| 645 | Insurance | - | - | - | 0.0% | - |
| 650 | Interest | - | - | - | 0.0% | - |
| 657 | Outsource Lab / Internal Lab | - | - | - | 0.0% | - |
| 660 | Memberships & Subscriptions | - | - | - | 0.0% | - |
| 665 | Mileage Reimb | - | - | - | 0.0% | - |
| 670 | Postage & Shipping | - | - | - | 0.0% | - |
| 675 | Professional Services (SCADA) | - | - | - | 0.0% | - |
| 685 | Rents | - | - | - | 0.0% | - |
| 690 | Safety & Security | - | - | - | 0.0% | - |
| 700 | Tools & Instruments | - | - | - | 0.0% | - |
| 703 | Apparel | - | - | - | 0.0% | - |
| 705 | Supplies - Office | - | - | - | 0.0% | - |
| 715 | Treatment Chemicals | - | - | - | 0.0% | - |
| 720 | Supplies - Operating - Other | - | - | - | 0.0% | - |
| 730 | Vacant | - | - | - | 0.0% | - |
| 735 | Training, Certifications | - | - | - | 0.0% | - |
| 745 | Travel / Lodging | - | - | - | 0.0% | - |
| 750 | Utilities | - | - | - | 0.0% | - |
| 760 | Waste Disposal | - | - | - | 0.0% | - |
| 795 | Yolo Co | - | - | - | 0.0% | - |
| 799 | Team Building | 0 | - | - | 0.0% | 0 |
| Services and Supplies > | | 0 | - | - | 0.0% | 0 |
| Repairs & Replacement | | | | | | |
| 810 | R&R Buildings & Grounds | - | - | - | 0.0% | - |
| 815 | R&R Damage Claims | 0 | - | - | 0.0% | 0 |
| 820 | R&R Lift Stations | - | - | - | 0.0% | - |
| 830 | R&R Equipment | - | - | - | 0.0% | - |
| 832 | R&R Mains/Laterals | - | - | - | 0.0% | - |
| 840 | R&R Vehicles | - | - | - | 0.0% | - |
| Repairs & Replacement > | | 0 | - | - | 0.0% | 0 |
| Total Expenses > | | 0 | - | - | 0.0% | 0 |

95

Budget Variance Report July 1, 2026 through June 30, 2027

0

Target % > 0.0% CRP-WATER

| As of July 2026 Summary | WATER - CRP Budget | | Actual YTD | |
|----------------------------|-----------------------|-----|------------|----|
| | Annual | YTD | Amount | % |
| WATER CRP Revenue | 516,304 | - | 0.0% | 0% |
| WATER CRP Expenses | 503,074 | - | 0.0% | 0% |

Operating Balance

13,230

| Expenses | | 2026-2027 Budget Annual | YTD | Actual YTD | % Spent | Total Remaining |
|--|------------------------------------|----------------------------|----------|---------------|-------------|--------------------|
| 505 | Salaries & Wages | 241,919 | - | - | 0.0% | 241,919 |
| 520 | FICA - District Share | 20,008 | - | - | 0.0% | 20,008 |
| 530 | Medical Ins - District Share | 40,767 | - | - | 0.0% | 40,767 |
| 540 | CalPERS - District Share | 17,080 | - | - | 0.0% | 17,080 |
| 550 | Unemployment | 0 | - | - | 0.0% | 0 |
| 560 | Workmans Compensation | 10,000 | - | - | 0.0% | 10,000 |
| Salaries and Employee Benefits > | | 329,774 | - | - | 0.0% | 329,774 |
| 605 | Advertising | 0 | - | - | 0.0% | 0 |
| 610 | Bank Fees | 0 | - | - | 0.0% | 0 |
| 620 | Communications & Internet | 3,500 | - | - | 0.0% | 3,500 |
| 622 | Board | 0 | - | - | 0.0% | 0 |
| 625 | Equip - Field <\$4,999.00 | 2,500 | - | - | 0.0% | 2,500 |
| 630 | Equip - Office | - | - | - | 0.0% | - |
| 640 | Fuel & Oil | 18,100 | - | - | 0.0% | 18,100 |
| 645 | Insurance | 0 | - | - | 0.0% | 0 |
| 650 | Interest | 6,000 | - | - | 0.0% | 6,000 |
| 657 | Outsource Lab / Internal Lab | 2,500 | - | - | 0.0% | 2,500 |
| 660 | Memberships/Subscriptions/Licenses | 0 | - | - | 0.0% | 0 |
| 665 | Mileage Reimb | 0 | - | - | 0.0% | 0 |
| 670 | Postage & Shipping | 0 | - | - | 0.0% | 0 |
| 675 | Professional Services Leak Chk | - | - | - | 0.0% | - |
| 685 | Rents | 0 | - | - | 0.0% | 0 |
| 690 | Safety & Security | 5,000 | - | - | 0.0% | 5,000 |
| 700 | Tools & Instruments | 2,000 | - | - | 0.0% | 2,000 |
| 703 | Apparel | 2,200 | - | - | 0.0% | 2,200 |
| 705 | Supplies - Office | - | - | - | 0.0% | - |
| 715 | Treatment Chemicals | 0 | - | - | 0.0% | 0 |
| 720 | Supplies - Operating - Other | 4,000 | - | - | 0.0% | 4,000 |
| 735 | Training, Certifications | 1,500 | - | - | 0.0% | 1,500 |
| 745 | Travel | - | - | - | 0.0% | - |
| 750 | Utilities | 0 | - | - | 0.0% | 0 |
| 760 | Waste Disposal | 0 | - | - | 0.0% | 0 |
| 795 | Yolo Co | 0 | - | - | 0.0% | 0 |
| 799 | Team Building | 0 | - | - | 0.0% | 0 |
| Services and Supplies > | | 47,300 | - | - | 0.0% | 47,300 |
| Repairs & Replacement | | | | | | |
| 810 | R&R Buildings & Grounds | 1,000 | - | - | 0.0% | 1,000 |
| 815 | R & R Damage Claims | 0 | - | - | 0.0% | 0 |
| 820 | R&R Lift Stations | 0 | - | - | 0.0% | 0 |
| 830 | R&R Equipment | 55,000 | - | - | 0.0% | 55,000 |
| 830.1 | Hydrants | 10,000 | - | - | 0.0% | 10,000 |
| 832 | R&R Mains/Service Lines/Tanks | 40,000 | - | - | 0.0% | 40,000 |
| 840 | R&R Vehicles | 20,000 | - | - | 0.0% | 20,000 |
| Repairs & Replacement > | | 126,000 | - | - | 0.0% | 126,000 |
| Total Expenses > | | 503,074 | - | - | 0.0% | 503,074 |

CRP-S = Tom, Heaven, Joshua, Kenney

CRP-W= Jeremy, Jesse

94

Budget Variance Report July 1, 2026 through June 30, 2027

0

SEWER-CRP

Target % > 0.0% CRP-SEWER

As of July 2026

| Summary | Budget | | Actual YTD | |
|--------------------|---------|-----|------------|----|
| | Annual | YTD | Amount | % |
| SEWER CRP Revenue | 486,760 | - | 0.0% | 0% |
| SEWER CRP Expenses | 500,676 | - | 0.0% | 0% |

Rating Balance (loss) (13,916)

| Expenses | 2026-2027 Budget | | Actual YTD | % Spent | Total Remaining |
|--|------------------|----------|------------|-------------|-----------------|
| | Annual | YTD | | | |
| 505 Salaries & Wages | 262,245 | - | - | 0.0% | 262,245 |
| 520 FICA - District Share | 21,659 | - | - | 0.0% | 21,659 |
| 530 Medical Ins - District Share | 57,067 | - | - | 0.0% | 57,067 |
| 540 CalPERS - District Share | 19,564 | - | - | 0.0% | 19,564 |
| 550 Unemployment | - | - | - | 0.0% | - |
| 560 Workmans Compensation | 24,541 | - | - | 0.0% | 24,541 |
| Salaries and Employee Benefits > | 385,076 | - | - | 0.0% | 385,076 |
| 605 Advertising | 0 | - | - | 0.0% | 0 |
| 610 Bank Fees | 0 | - | - | 0.0% | 0 |
| 620 Communications & Internet | 5,000 | - | - | 0.0% | 5,000 |
| 622 Board | 0 | - | - | 0.0% | 0 |
| 625 Equip - Field <\$4,999.00 | 2,500 | - | - | 0.0% | 2,500 |
| 630 Equip - Office | - | - | - | 0.0% | - |
| 640 Fuel & Oil | 18,100 | - | - | 0.0% | 18,100 |
| 645 Insurance | 0 | - | - | 0.0% | 0 |
| 650 Interest | 6,000 | - | - | 0.0% | 6,000 |
| 657 Outsource Lab / Internal Lab | 0 | - | - | 0.0% | 0 |
| 660 Memberships/Subscriptions/Licenses | 0 | - | - | 0.0% | 0 |
| 665 Mileage Reimb | 0 | - | - | 0.0% | 0 |
| 670 Postage & Shipping | 0 | - | - | 0.0% | 0 |
| 675 Professional Services (SCADA) | 0 | - | - | 0.0% | 0 |
| 685 Rents | - | - | - | 0.0% | - |
| 690 Safety & Security (includes Boots) | 7,000 | - | - | 0.0% | 7,000 |
| 700 Tools & Instruments | 2,000 | - | - | 0.0% | 2,000 |
| 703 Apparel | 3,500 | - | - | 0.0% | 3,500 |
| 705 Supplies - Office | - | - | - | 0.0% | - |
| 715 Treatment Chemicals | 0 | - | - | 0.0% | 0 |
| 720 Supplies - Operating - Other | 4,000 | - | - | 0.0% | 4,000 |
| 735 Training, Certification | 1,500 | - | - | 0.0% | 1,500 |
| 745 Travel | - | - | - | 0.0% | - |
| 750 Utilities | 0 | - | - | 0.0% | 0 |
| 760 Waste Disposal | 0 | - | - | 0.0% | 0 |
| 795 Yolo Co | 0 | - | - | 0.0% | 0 |
| 799 Team Building | 0 | - | - | 0.0% | 0 |
| Services and Supplies > | 49,600 | - | - | 0.0% | 49,600 |
| Repairs & Replacement | | | | | |
| 810 R&R Buildings & Grounds | 1,000 | - | - | 0.0% | 1,000 |
| 815 R & R Damage Claims | 0 | - | - | 0.0% | 0 |
| 820 R&R Lift Stations | 5,000 | - | - | 0.0% | 5,000 |
| 830 R&R Equipment | 30,000 | - | - | 0.0% | 30,000 |
| 832 R&R Mains/Laterals | 20,000 | - | - | 0.0% | 20,000 |
| 840 R&R Vehicles | 10,000 | - | - | 0.0% | 10,000 |
| | - | - | - | 0.0% | - |
| Repairs & Replacement > | 66,000 | - | - | 0.0% | 66,000 |
| Total Expenses > | 500,676 | - | - | 0.0% | 500,676 |

CRP-S = Tom, Heaven, Joshua, Kenney

CRP-W= Jeremy, Jesse

Clearlake Oaks County Water District

FINANCIAL STATEMENTS

AUDIT REPORT

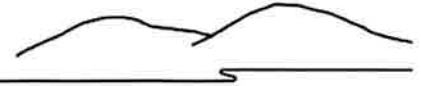
June 30, 2025

Clearlake Oaks County Water District

**Audit Report
June 30, 2025**

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| Independent Auditor's Report..... | 1 |
| Financial Statements | |
| Statement of Net Position..... | 4 |
| Statement of Activities..... | 5 |
| Statement of Revenues, Expenses and Change in Net Position | 6 |
| Statement of Cash Flows..... | 7 |
| Notes to Financial Statements..... | 8 |
| Supplemental Information | |
| Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 22 |



December 19, 2025

Clearlake Oaks County Water District

Clearlake Oaks, CA

INDEPENDENT AUDITOR'S REPORT

Opinions

We have audited the accompanying financial statements of Clearlake Oaks County Water District as of and for the year-ended June 30, 2025, as listed in the Table of Contents. In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Clearlake Oaks County Water District as of and June 30, 2025, and the respective changes in financial position, and cash flows where applicable for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America applicable to financial audits contained in Governmental Auditing (GAGAS) Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

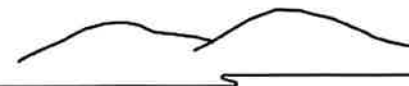
Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAGAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are



considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAGAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

The District has not presented Management's Discussion and Analysis or budgetary comparison information that accounting principles generally accepted in the United States of America require be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **December 19, 2025**, on our consideration of the Clearlake Oaks County Water District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Clearlake Oaks County Water District

Statement of Net Position

June 30, 2025

ASSETS

Current Assets:

| | |
|-----------------------------|------------------|
| Cash | \$ 274,227 |
| Restricted Cash | 1,000,945 |
| Accounts Receivable | 718,285 |
| Deposits & Prepaid Expenses | <u>11,038</u> |
| Total Current Assets | <u>2,004,495</u> |

Capital Assets:

| | |
|-------------------------------------|---------------------|
| Land | 299,770 |
| Buildings, Improvements & Equipment | 36,123,880 |
| Construction in Progress | 987,394 |
| Less: Accumulated Depreciation | <u>(13,285,663)</u> |
| Total Capital Assets | <u>24,125,381</u> |

TOTAL ASSETS 26,129,876

DEFERRED OUTFLOW

| | |
|-----------------|----------------|
| GASB 68 Pension | <u>491,788</u> |
|-----------------|----------------|

TOTAL DEFERRED OUTFLOW 491,788

TOTAL ASSETS AND DEFERRED OUTFLOWS 26,621,664

LIABILITIES

Current Liabilities:

| | |
|------------------------------|----------------|
| Accounts Payable | 172,007 |
| Current Portion | |
| Accrued Compensated Absences | <u>95,247</u> |
| Total Current Liabilities | <u>267,254</u> |

Long-term Liabilities:

| | |
|-----------------------------|------------------|
| Note Payable | 7,345,396 |
| Net Pension Liability | <u>1,288,230</u> |
| Total Long-term Liabilities | <u>8,633,626</u> |

TOTAL LIABILITIES 8,900,880

DEFERRED INFLOWS

| | |
|-----------------------------|---------------|
| USDA Construction Retainage | - |
| GASB 68 Pension | <u>28,577</u> |

TOTAL DEFERRED INFLOWS 28,577

TOTAL LIABILITIES AND DEFERRED INFLOWS 8,929,457

NET POSITION

| | |
|----------------------------------|-----------------------------|
| Net Investment in Capital Assets | 16,779,985 |
| Restricted | 1,000,945 |
| Unrestricted | <u>(88,723)</u> |
| TOTAL NET POSITION | <u>\$ 17,692,207</u> |

The accompanying notes are an integral part of these financial statements.

Clearlake Oaks County Water District
Statement of Activities
For the Year-Ended
June 30, 2025

| | Expenses | Charges for Services | Capital Grants and Contributions | Excess of Revenues/(Expenses) |
|--|-----------------|-----------------------------|---|--------------------------------------|
| <u>Governmental Activities</u> | | | | |
| Water | 2,130,307 | 2,074,768 | 33,475 | (22,064) |
| Sewer | 2,323,339 | 1,788,028 | 340 | (534,971) |
| Total Governmental Activities | | | | (557,035) |
| General Revenues: | | | | |
| Tax Revenue | | | | 301,869 |
| Interest & Investment Earnings | | | | 19,922 |
| Total General Revenues | | | | 321,791 |
| NET CHANGE IN NET POSITION | | | | (235,245) |
| NET POSITION, BEGINNING OF YEAR | | | | 17,927,452 |
| NET POSITION, END OF YEAR | | | | \$ 17,692,207 |

The accompanying notes are an integral part of these financial statements.

Clearlake Oaks County Water District

**Statement of Revenues, Expenses & Change in Fund Net Position
For the Year Ended
June 30, 2025**

| <u>OPERATING REVENUE</u> | <u>Water</u> | <u>Sewer</u> | <u>Total</u> |
|---|---------------------|---------------------|---------------------|
| Charges for Service | \$ 1,548,243 | \$ 1,215,683 | \$ 2,763,926 |
| CRP Charges | 526,525 | 572,345 | 1,098,870 |
| Misc Revenue | - | - | - |
| TOTAL OPERATING REVENUE | 2,074,768 | 1,788,028 | 3,862,796 |
| <u>OPERATING EXPENSES</u> | | | |
| Depreciation | 254,617 | 406,630 | 661,247 |
| Insurance | 42,222 | 42,223 | 84,445 |
| Improvements | - | 22,419 | 22,419 |
| Repairs & Maintenance | 76,826 | 57,157 | 133,982 |
| Salaries and Employee Benefits | 954,628 | 1,075,323 | 2,029,950 |
| Services, Supplies and Refunds | 390,709 | 367,878 | 758,587 |
| Professional Fees | 76,074 | 63,206 | 139,280 |
| Utilities | 270,992 | 234,291 | 505,283 |
| TOTAL OPERATING EXPENSES | 2,066,067 | 2,269,126 | 4,335,193 |
| OPERATING INCOME (Loss) | 8,701 | (481,098) | (472,397) |
| <u>NON-OPERATING REVENUES/EXPENSES</u> | | | |
| Interest Income | 9,961 | 9,961 | 19,922 |
| Grants & Contributions | 33,475 | 340 | 33,815 |
| Property Taxes | 150,935 | 150,935 | 301,869 |
| Interest Expense | (64,240) | (54,213) | (118,453) |
| TOTAL NON-OPERATING REVENUES/EXPENSES | 130,130 | 107,023 | 237,153 |
| CHANGE IN NET POSITION | \$ 138,831 | \$ (374,076) | \$ (235,244) |

The accompanying notes are an integral part of these financial statements.

104

Clearlake Oaks County Water District
Statement of Cash Flows
For the Year-Ended
June 30, 2025

| | Total |
|---|---------------------|
| <u>CASH FLOWS FROM OPERATING ACTIVITIES:</u> | |
| Cash Received from Charges for Service | \$ 3,765,514 |
| Cash Received from Other Income | - |
| Deduct: Cash paid for Operating Expenses | (3,729,478) |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 36,037 |
| <u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u> | |
| Interest Expense | (118,453) |
| Capital Grants | 33,815 |
| Notes Payable Payments | (247,270) |
| Purchase of Capital Assets | (66,649) |
| NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | (398,557) |
| <u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u> | |
| Property Tax Receipts | 301,869 |
| NET CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | 301,869 |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | |
| Interest Receipts | 19,922 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 19,922 |
| <u>NET INCREASE (DECREASE) IN CASH</u> | 25,920 |
| <u>CASH, BEGINNING OF YEAR</u> | 1,249,252 |
| <u>CASH, END OF YEAR</u> | \$ 1,275,172 |
| <u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</u> | |
| Operating Income (Loss) | \$ (472,397) |
| Adjustments to reconcile operating income to net cash provided by operating activities | |
| Add back depreciation | 661,247 |
| (Increase) Decrease in Operating Accounts Receivable | (97,282) |
| (Increase) Decrease in Prepaid | 2,533 |
| Increase (Decrease) in Accounts Payable | (10,232) |
| Increase (Decrease) in other liabilities | 79,018 |
| Increase (Decrease) in Current Liabilities | 11,539 |
| Net Cash Provided by Operating Activities | \$ 36,037 |

The accompanying notes to the financial statements are an integral part of this statement.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Clearlake Oaks County Water District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Description of the Reporting Entity

The District was established in 1960, under the California State Government Code. The District currently provides water and sewer services throughout the un-incorporated area of the Clearlake Oaks Community in Lake County.

The District is a governed entity administered by a Board of Directors (Board) that acts as the authoritative and legislative body of the entity. The Board is comprised of five board members who are elected by voters living within the District's boundaries. Elections are held within the Board to appoint the President. The President's responsibilities are to preside at all meetings of the Board; be the chief officer of the District; perform all duties commonly incident to the position of presiding officer of a board, commission, or business organization; and exercise supervision over the business of the District, its officers, and its employees.

The accompanying general-purpose financial statements comply with the provisions of GASB Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has no component units.

B. Basis of Accounting/Measurement Focus

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, revenues, expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

C. Government-Wide Financial Statements

The District Government-Wide Financial Statements include a Statement of Net Position and a Statement of Revenues, Expenses and Changes in Net Position. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. These statements are presented on an "economic resources" measurement focus and the accrual basis of

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

accounting. Accordingly, all of the District's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Revenues, Expenses and Changes presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as operating revenues for the District are reported as charges for services.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

Operating revenues include (1) charges paid by the recipients of services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements if a particular program. Revenues that are not classified as program revenues, including taxes are presented instead as non-operating revenues.

Enterprise Funds – The enterprises funds are used to account for all the financial resources of the District. The enterprise net assets is available to the District for any purpose, provided it is expended or transferred according to the general laws of California and the bylaws of the District. The District maintains separate funds for Water, and Sewer.

Exchange and Non-Exchange Transactions of Revenues – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Non-exchange transactions, in which the District receives value without directly giving value in return, include taxes and donations. Revenues are recognized when susceptible to accrual, when they become both 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. The District considers property taxes as available if they are collected within 60 days after year-end. The assessor of the County determines the assessed valuations of such property and the tax collector of the County collects the taxes. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

Expenses - On an accrual basis of accounting, expenses are recognized at the time they are incurred.

D. Funds on Deposit, County and Bank

The District maintains its cash in a pool managed by the County Treasury. The County Treasury, in turn, invests its cash with the State of California in the local agency investment fund as well as other banking institutions. The District does not own any specific identifiable investments in the pool. The risk of loss is minimal.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

As of, the primary government had the following investments:

| | <u>Fair Value</u> | <u>Rating</u> | <u>Rating Agency</u> |
|------------------------------|-------------------|---------------|----------------------|
| Cash in County Treasury | 96,976 | Unrated | NA |
| Cash in Local Bank | 56,237 | FDIC ins. | NA |
| Restricted Short Lived Asset | 47,017 | Unrated | NA |
| Restricted Short Lived Asset | 29,796 | Unrated | NA |
| Restricted USDA reserve | 386,395 | Unrated | NA |
| Cal Class | 653,532 | Unrated | NA |
| Cash in LAIF | 4,821 | Unrated | NA |
| Petty Cash | \$307 | | |
| Total Cash | 1,275,172 | | |

Interest rate risk. - The District does not currently have a policy regarding interest rate risk.

Credit risk. - The District does not have a formal policy regarding credit risk

Custodial credit risk. -The District's investment in the State and County Treasurer's investment pools represents a proportionate interest in the pool's portfolio; however, the District's portion is not identified with specific investments and is not subject to custodial credit risk. Cash in local bank is covered by federal depository insurance.

Concentration of credit risk. - The District does not have a policy for concentration of credit risk.

E. Accounts Receivable

Accounts receivable are recorded at their gross value, where appropriate are reduced by the portion that is considered uncollectable. Accounts receivable consists primarily of service fees that have been billed but not paid as of year-end. Management believes its receivables to be fully collectable due to the ability to place a tax lien against property for unpaid receivables and, accordingly no allowance for doubtful accounts is necessary.

F. Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods are recorded as prepaid items.

G. Fixed Assets

Capital assets, which include property, plant, and equipment, infrastructure assets and intangible are reported in the applicable governmental -type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an estimated useful life in excess of one year. Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Donated or contributed capital assets are recorded at their estimated fair value on the date received. The current capitalization threshold is \$5,000 for an individual item.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

H. Accounts Payable

On an accrual basis, expenses are recognized in the fiscal year in which the goods or services are received. Payables are liabilities of the District based upon current year charges for goods or services received but not paid in the current year.

I. Accrued Expenses

The District's employees accrue PTO after 90 days of employment at varying levels depending on years of service. Employees are allowed to accumulate up to 320 hours of PTO hours. Any accumulated PTO leave is paid-out to employees at their most recent rate of pay upon termination. The District records a liability for compensated absences based upon total PTO and CTO.

J. Loan

| | <u>USDA WATER</u> |
|-----------------|---------------------|
| Ending Balances | |
| Current | 103,000.00 |
| Long Term | <u>4,575,000.00</u> |
| | 4,678,000.00 |

| | <u>USDA SEWER</u> |
|-----------------|---------------------|
| Ending Balances | |
| Current | 56,000.00 |
| Long Term | <u>2,397,000.00</u> |
| | 2,453,000.00 |

| | <u>KANSAS STATE BANK</u> |
|-----------------|--------------------------|
| Ending Balances | |
| Current | 18,484.00 |
| Long Term | <u>10,083.00</u> |
| | 28,567.00 |

| | <u>KANSAS STATE BANK</u> |
|-----------------|--------------------------|
| Ending Balances | |
| Current | 146,555.00 |
| Long Term | <u>39,812.00</u> |
| | 186,367.00 |

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The District entered into an installment agreement with USDA to finance the construction of Sewer System Improvements.

| | |
|-----------|--------------|
| 2026 | 56,000 |
| 2027 | 56,000 |
| 2028 | 56,000 |
| 2029 | 61,000 |
| 2030 | 62,000 |
| 2031-2032 | 122,000 |
| 2033-2037 | 333,000 |
| 2038-2042 | 367,000 |
| 2043-2047 | 401,000 |
| 2048-2052 | 445,000 |
| 2053-2057 | 494,000 |
| | <hr/> |
| | \$ 2,453,000 |

The District entered into an installment agreement with USDA to finance the construction of Water System Improvements.

| | |
|-----------|--------------|
| 2026 | 103,000 |
| 2027 | 105,000 |
| 2028 | 106,000 |
| 2029 | 107,000 |
| 2030 | 108,000 |
| 2031-2032 | 222,000 |
| 2033-2037 | 579,000 |
| 2038-2042 | 616,000 |
| 2043-2047 | 655,000 |
| 2048-2052 | 699,000 |
| 2053-2057 | 745,000 |
| 2058-2061 | 633,000 |
| | <hr/> |
| | \$ 4,678,000 |

The District has a Capital Lease, Inc for the purchase of a crane truck on October 30, 2024. The Purchase price was \$211,921.09 at 4.55% and payable over 5 years with a monthly payment of \$3,955.

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

| | |
|------|---------------|
| 2026 | 39,812 |
| 2027 | 41,661 |
| 2028 | 43,597 |
| 2029 | 45,796 |
| 2030 | <u>15,501</u> |

\$186,367

The District has a Capital Lease, Inc for the purchase of a water truck on November 2021. The Purchase price was \$93,476.28 at 3.94% and payable over 5 years with a monthly payment of \$1,730.25

| | |
|------|--------------|
| 2026 | 19,996 |
| 2027 | <u>8,570</u> |

\$28,567

K. Property Tax Revenue

The County, through the Auditor-Controller’s Office and the Treasury-Tax Collector, is responsible for collecting and distributing property taxes according to the alternative method of distributing known as the Teeter Plan. Under the Teeter Plan, the current year’s secured property tax levy is distributed to participating agencies with the County without consideration of whether the tax has been collected.

L. Net Position

The District’s net position represents the difference between its assets and liabilities in the statement of net position. Net position is reported as restricted when there are legal limitations imposed on their use by their source. Portions of the unreserved net position or fund balance may be designated to indicate tentative plans for financial resources utilization in a future period, such as for general contingencies, purchase of capital assets, or debt service. Such plans or intent are subject to change and may never be legally authorized or result in expenditures.

| | Water | Sewer |
|----------------------------|--------------------|---------------------|
| Net Position 6/30/24 | <u>\$7,090,928</u> | <u>\$10,836,524</u> |
| Net Change in Net Position | <u>138,831</u> | <u>(374,076)</u> |
| Net Position 6/30/25 | <u>\$7,229,759</u> | <u>\$10,462,448</u> |

M. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2: RISK MANAGEMENT



Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

The District is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2025, the District contracted with private insurance agencies for liability, property, crime damage, and employee and director insurances.

NOTE 3: DEFINED BENEFIT PENSION PLAN

The District entered into the Public Employees Retirement System (PERS). Qualified employees are covered under a multiple-employer defined benefit pension plan maintained by an agency of the State of California. Employees are members of the Public Employees' Retirement System.

Plan Description: The District contributes to the PERS, an agent multiple- employer public employee defined benefit plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and district ordinance. Copies of PERS' annual financial report may be obtained from their Executive Office, 400 P Street, Sacramento, CA 95814.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Summary of Significant Accounting Policies

For Purposes of Measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this Purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report the following timeframes are used.

| | |
|-------------------------|-------------------------------|
| Validation Date (VD) | June 30, 2023 |
| Measurement Date (MD) | June 30, 2024 |
| Measurement Period (MP) | July 1, 2023 to June 30, 2024 |

General Information about the Pension Plan

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Plan Description, Benefits Provided and Employees Covered

The Plan is a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. For Public agency cost-sharing plans covered by either the Miscellaneous, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by the employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees
Actuarial Methods and Assumptions Used to determine Total Pension Liability

For the measurement period ending June 30, 2021 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2021 total pension liability. The June 30, 2022 total pension liability were based on the following actuarial methods and assumptions:

Employer Rate Plans in the Miscellaneous Risk Pool

| Employer rate plan | Miscellaneous | PEPRA Misc. |
|--|---------------------------|------------------------------|
| Hire Date | Prior to January 01, 2013 | On or after January 01, 2013 |
| Benefit formula | 2.0% @ 55 | 2.0% @ 62 |
| Benefit vesting schedule | 5 years of service | 5 years of service |
| Benefit payments | Monthly for life | Monthly for life |
| Retirement age | 50 | 52 |
| Monthly benefits, as of % of eligible compensation | 1.426% to 2.418% | 1.0% to 2.5% |

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Actuarial Methods and Assumptions

The collective total pension liability for the June 30, 2022 measurement period was determined by an actuarial valuation as of June 30, 2021, with update procedures used to roll forward the total pension liability to June 30, 2022. The collective total pension liability was based on the following assumptions:

| | |
|-----------------------------------|---|
| Investment rate of return | 6.90% |
| Inflation | 2.30% |
| Salary increases | Varies by Entry Age and Service |
| Mortality rate table ¹ | Derived using CalPERS' Membership Data for all Funds |
| Post-retirement benefit increase | Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies |

¹The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Discount Rate

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in your GASB 68 accounting valuation report may differ from the plan assets reported in your funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included in fiduciary net position. These amounts are excluded for rate setting purposes

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

in your funding actuarial valuation. In addition, differences may result from early CAFR closing and final reconciled reserves.

The following table shows the Plan's proportionate share of the risk pool collective net pension liability over the measurement period.

The first amortized amounts are recognized in pension expense for the year gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pension and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

| | |
|--|--|
| Difference between projected and actual earnings | 5 year straight-line amortization |
| All other amounts | Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period |

The employer should amortize deferred outflows and deferred inflows of resources relating to Differences between Expected and Actual Experience, Changes of Assumptions, and employer-specific amounts over the EARSL of members provided with pensions through the Plan. The EARSL for PERF C for the June 30, 2018, measurement date is 3.8 years.

CalPERS derived the EARSL by dividing the total service years of 516,147 (the sum of remaining service lifetimes of all active employees) by 135,474 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to zero. The basis of total future service is the members' probability of decrementing due to an event other than receiving a cash refund.

| Ending Balances - Net Pension Liability & Deferred Outflows/Deferred Inflows of Resources Related to Pensions - 6/30/2025 Reporting Date: | | |
|---|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Changes of Assumptions | 33,110 | - |
| Differences between Expected and Actual Experience | 107,033 | - |
| Differences between Projected and Actual Investment Earnings | 74,162 | - |
| Differences between Employer's Contributions and Proportionate Share of Contributions | 77,256 | - |
| Change in Employer's Proportion | - | 28,577 |
| Pension Contributions Made Subsequent to Measurement Date | 200,227 | - |
| | <u>491,788</u> | <u>28,577</u> |
| Net Pension Liability as of 6/30/2025 | <u>1,288,230</u> | |

NOTE: Detailed breakdown of ending balances by Miscellaneous vs Safety can be found in the [Jul 2024-Jun 2025 JE Flow](#) worksheet

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

| | | | |
|--|--------------------------|---|--------------------------|
| Pension Expense as of June 30, 2025 259,146 | | | |
| At 6/30/2025, proportionate shares of Net Pension Liability/(Asset) by plan(s): | | | |
| | | Proportionate Share of Net Pension Liability/(Asset) | |
| Miscellaneous | | 1,288,230 | |
| Safety | | - | |
| Total | | 1,288,230 | |
| Proportionate share of the Net Pension Liability/(Asset) for the Plan as of 6/30/2024 and 6/30/2025: | | | |
| | Miscellaneous | Safety | Total |
| Proportion - June 30, 2024 | 0.02575% | 0.00000% | 0.02575% |
| Proportion - June 30, 2025 | 0.02663% | 0.00000% | 0.02663% |
| Change - Increase/(Decrease) | 0.00089% | 0.00000% | 0.00089% |
| Note: Due to the nature of calculating proportionate share of the Net Pension Liability/(asset), total proportion for all employer plans will not equal the sum of the miscellaneous proportion % and the safety proportion % | | | |
| Other deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows: | | | |
| | Miscellaneous | Safety | Total |
| Fiscal Year Ending June 30: | | | |
| 2026 | \$ 84,391 | \$ - | \$ 84,391 |
| 2027 | 192,647 | - | 192,647 |
| 2028 | 11,360 | - | 11,360 |
| 2029 | (25,414) | - | (25,414) |
| 2030 | - | - | - |
| Thereafter | - | - | - |
| | 262,984 | - | \$ 262,984 |
| Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to Changes in the Discount Rate: | | | |
| | Discount Rate -1% | Current Discount Rate | Discount Rate +1% |
| | 5.90% | 6.90% | 7.90% |
| Employer's Net Pension Liability/(Asset) - Miscellaneous | 1,886,061 | 1,288,230 | 796,127 |
| Employer's Net Pension Liability/(Asset) - Safety | - | - | - |
| Employer's Net Pension Liability/(Asset) - Total | 1,886,061 | 1,288,230 | 796,127 |

NOTE 3: USE OF RESTRICTED/UNRESTRICTED NET POSITION

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the District's policy is to apply restricted net position first.

NOTE 4: COMPARATIVE DATA AND RECLASSIFICATIONS

Comparative data for the prior year have been presented in certain sections of the accompanying financial statements in order to provide an understanding of changes in the District's financial position and

114

Clearlake Oaks County Water District

**NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with current year's presentation.

NOTE 5 JOINT POWERS INSURANCE AUTHORITY

The District participates in a joint venture under a joint agreement (JPA) with the Association of California Water Agencies (ACWA). The relationship between the District and the JPA is such that is not a component unit of the District and the JPA is not a component unit of the District for financial reporting purposes.

The JPA'S purpose is to jointly fund and develop programs to provide comprehensive and economical funding of property, workers compensation and employers liability coverage's for bodily injury by accident or by disease, including resulting from death, arising out of and in the course of an employee's employment with the District. This program is provided through collective self-insurance; the purchase of insurance benefit's; or a combination thereof. Copies of ACWA annual financial reports may be obtained from their executive office at 25620 Birdcage Street, Suite 200, Citrus Heights, CA.

NOTE 6: CONTIGENCIES

As of June 30, 2025, the District did not have any pending litigation or potential nondisclosed liabilities that management believes would have a material effect on the financial statements.

NOTE 7: DATE OF MANAGEMENT'S REVIEW

Subsequent events have been evaluated through **December 19, 2025**, which is the date the financial statements were available to be issued.

Clearlake Oaks County Water District

Supplemental Information

June 30, 2025



December 19, 2025

Board of Directors
Clearlake Oaks County Water District

Clearlake Oaks, CA

INDEPENDENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

We have audited the financial statements of Clearlake Oaks County Water District as of and for the year ended June 30, 2025, and have issued our report thereon dated **December 19, 2025**. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Clearlake Oaks County Water District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Clearlake Oaks County Water District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Clearlake Oaks County Water District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

Our consideration of the internal controls over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal controls such there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



Pehling's

INDEPENDENT REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(continued)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clearlake Oaks County Water District's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, others within the organization, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

PNPCPA

Board Appointed Ad Hoc Committees:

As of 02/19/2026

| <i>Ad Hoc Committee:</i> | <i>Meeting Date:</i> | <i>Directors:</i> |
|----------------------------|----------------------|------------------------------------|
| Yolo County Flood Control | RM 7/16/2020 | Samuel Boucher Stanley Archacki |
| District Code | RM 10/15/2020 | Stanley Archacki Michael Herman |
| District Easements | SM 07/06/2021 | Samuel Boucher Michael Herman |
| Customer Billing | RM 03/17/2022 | Michael Herman Samuel Boucher |
| Board ByLaws | RM 11/16/2023 | Michael Herman William McHugh |
| Annual Budget | Ongoing | Stanley Archacki William McHugh |
| Offsite Effluent Storage | RM 01/16/2025 | Michael Herman William McHugh |
| Fire Protection (Hydrants) | RM 01/16/2025 | Michael Herman James Burton |
| Basin 2000 Pipeline | RM 04/17/2025 | Michael Herman William McHugh |
| Geothermal | RM 02/19/2026 | Michael Herman William McHugh |



April 28, 2026

Ms. Dianna Mann, General Manager
Clearlake Oaks County Water District
P.O. Box 709
Clearlake Oaks, California 94523-9326

Re: Training/Liability, Property, and Workers' Compensation Risk Assessment

Dear Ms. Mann:

It was great visiting with you during our annual risk assessment meeting on April 2, 2026. The purpose was to obtain an update on District operations, including risk control programs, and provide you with an update on JPIA resources. Please extend my appreciation to Francisco Castro, Wastewater Chief Plant Operator; Kurt Jensen, Water Treatment Plant Chief Operator; Jeremy Backus, Chief D/C Operator; and Olivia Mann, Administrative Services Manager, for their time and assistance.

The JPIA congratulates COCWD on its winning submission to the Risk Control Grant Program in the 2025-26 cycle. The winning lighting project at the wastewater treatment plant will improve the facility's visibility and enhance staff safety and security, aligning with a JPIA Commitment to Excellence Infrastructure Program best practice.

We started the day with staff participating in Lockout/Tagout (LOTO) training. LOTO is a set of procedures for authorized employees to follow to ensure that machines or equipment being serviced do not unexpectedly move or become energized, potentially injuring an employee or damaging the equipment. Only authorized and trained employees may initiate the LOTO protocol. The full Cal/OSHA requirements are detailed in [8 CCR 3314](#) but are summarized below. Section 20 in the [JPIA Risk Control Manual](#) has additional resources for the District's review and use. The District may find these items helpful:

- [Cal/OSHA Sample LOTO Safety Permit](#)
- [JPIA Sample Lockout, Tagout, Blockout Standard Operating Procedure](#)
- [JPIA Sample Lockout Tagout Authorized Person Form](#)
- [Lockout Tagout Sample Forms – Evaluations, Procedures, and Permits](#)

Following the training class, we conducted the District's annual risk assessment visit. Below are highlights of our discussions.

Ms. Dianna Mann, General Manager
Clearlake Oaks County Water District
April 28, 2026
Page 2

2025-26 Risk Focus Item

The following Risk Reduction and Loss Control Programs are highlighted this year. The goal is to promote the implementation of best practices that may limit exposures and reduce losses to the membership.

Cybersecurity

Cybersecurity is a growing and evolving risk impacting the public sector, including water entities. The JPIA offers resources to help its members mitigate cybersecurity risks, including KYND and KnowBe4.

- KYND – The JPIA has partnered with KYND to provide its Cyber Liability Program members access to the KYND ON dashboard and KYND Signals Report at no cost, helping members enhance their cyber risk management. Review the '[Getting Started with KYND](#)' webinar for more information.
- KnowBe4 – The JPIA has partnered with KnowBe4 to offer Security Awareness training along with simulated phishing exercises, carried out in three phases: baseline testing, training, and simulated phishing attacks. For more details, see the [Cybersecurity FAQs](#).

The JPIA's Cybersecurity Risk Specialist, Hunter Sargent, is available at 916-888-1813 or hsargent@acwaipia.com for more information. I have requested Hunter contact you to conduct a virtual orientation of KYND and KnowBe4 resources and login information. In addition, please see the attached flyer with details on KYND and KnowBe4.

Fall Protection

Federal OSHA revised its fixed ladder rule, requiring employers to use ladder safety or personal fall arrest systems for fixed ladders that extend more than 24 feet and phasing out the use of cages or wells for fall protection. OSHA defines a fixed ladder as one permanently attached to a structure, building, or equipment. These include individual-rung ladders but not ship stairs, step bolts, or manhole steps. The new rule, which addresses adequate fall protection for fixed ladders over 24 feet, becomes effective in November 2036. The JPIA is reminding its members to consider upgrading their ladder systems when rehabbing or replacing tanks and subsurface infrastructure, such as vaults and dry wells, to meet the new requirements by 2036. The District can obtain additional information about OSHA's revised standard through this [Splash Alert](#).

Ergonomics

Sprain and strain injuries are the leading cause of losses in the Workers' Compensation Program, accounting for 36 percent of all injuries. A JPIA training standard approved by our Executive Committee requires that all members participating in our Workers' Compensation Program have staff complete Ergonomics training upon hire and every four years thereafter. Ergonomics training can be completed through VectorSolutions or through instructor-led sessions offered by the JPIA.

Loss Review

We discussed the District's loss histories and associated Experience Modification (X-mod) rates. In the Workers' Compensation Program, the District's X-mod for the 2025-26 coverage year decreased slightly to 0.93. The X-mod in the Liability Program increased to 1.50 for the

Ms. Dianna Mann, General Manager
Clearlake Oaks County Water District
April 28, 2026
Page 3

2025-26 coverage year. While there is no X-mod in the Property Program, the District has experienced one loss in the last five coverage years.

Facility Walkthrough

After our meeting, we toured the District's Wastewater Treatment facility. Overall, the facility is well-maintained. I appreciate learning about the three 10,000-gallon vertical water tanks at both treatment facilities. The District purchased these tanks after completing a prior project and stores treated water from hydrant flushing cycles, transported from its hydroexcavator to these tanks. This recaptured water is used for construction water fill stations or, when necessary, for firefighting. The District now has 30,000 gallons of stored water on the east and west sides of its service area. The District is encouraged to evaluate whether this forward-thinking process could be nominated for an ACWA award.

I would like to thank the District for its membership and participation in the pooled programs. Please contact me if you have questions or need further assistance. I can be reached at rflint@acwajpia.com or (800) 231-5742, Ext. 3137.

Sincerely,



Robin Flint, ARM, CSP, CEAS I
Risk Control Manager

428:tl

Enc: JPIA Cybersecurity Resource

c: JPIA Member Services
Stan Archacki, JPIA Board Member