

MINUTES OF THE MEETING OF THE
FISCAL POLICY COMMITTEE OF
VISTA IRRIGATION DISTRICT

May 1, 2025

A meeting of the Fiscal Policy Committee of Vista Irrigation District was held on Thursday, May 1, 2025, at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

Chair Sanchez called the meeting to order at 9:00 a.m.

2. ROLL CALL

Directors present: Sanchez and Miller.

Directors absent: None.

Staff present: Brett Hodgkiss, General Manager; Shallako Goodrick, Director of Administration; Randy Whitmann, Director of Engineering; Lesley Dobalian, Director of Water Resources; Frank Wolinski, Director of Operations and Field Services; and Elizabeth Xaverius, Administrative Assistant.

Other attendees: None.

3. APPROVAL OF AGENDA

The agenda was approved as presented.

4. ORAL COMMUNICATIONS

No public comments were presented on items not appearing on the agenda.

5. DRAFT FISCAL YEAR 2026 BUDGET

See staff report attached hereto.

Director of Administration Shallako Goodrick stated that the draft Fiscal Year (FY) 2026 Budget projects water sales of 15,250 acre-feet (AF); 13,600 AF of water is projected to be purchased from the San Diego County Water Authority (Water Authority) and 2,700 AF of local water is projected to come from Lake Henshaw. She noted that local water is typically projected using a 10-year average; however, this average has been impacted by a few years where local water deliveries were limited/suspended due to concerns with the presence of Harmful Algal Blooms (HABs). Ms. Goodrick said that staff anticipates that local water production will be higher than the 10-year average when taking into consideration the current lake level and delivery limitation/suspension being less likely now that the District has a preventative algaecide treatment and chemical sediment sealing program in place.

Ms. Goodrick stated that the Revenue Budget is projected to increase by over eight percent as a result of the implementation of the Water Authority's pass-through rate increase and the District's annual inflationary water rate adjustment effective July 1, 2025.

In reviewing the Operating Budget, Ms. Goodrick stated that the projected 14 percent increase was largely due to the need to purchase additional water from the Water Authority and increased water treatment costs at the Escondido-Vista Water Treatment Plant (EVWTP). She highlighted several individual account groups making up the balance of the projected increase. Wages and Benefits and Taxes increased by \$800,000 and \$655,400, respectively. A majority of the increase to Wages was based on the implementation of salary adjustments set forth in current labor agreements (estimate of 12-month inflation rate plus two percent); benefits and taxes increased primarily due to higher projected pension and health insurance costs. Power increased primarily due to the anticipated costs to pump water from the Warner Ranch Well Field. Insurance increased primarily due to higher loss experience attributable to property damage caused by mainline and fire hydrant leaks over the past two years.

Ms. Goodrick reviewed the Capital Budget and noted a nine percent increase. She explained that the budget for the Mainline Replacement Program had been increased due to the higher cost of parts and materials as well as services (e.g. paving, etc.), the inclusion of environmental mitigation fees for AB pipeline replacement, and the District's intention to replace more mainline in FY 2026. Staff provided clarification regarding the vehicle lift system and new computer desktops capital items.

Ms. Goodrick reviewed the Capital Improvement Program Listing and highlighted a newly added column reflecting total project costs with inflation; she noted that inflation-adjusted project costs may be more useful to the Board given the extended timelines of larger projects. Mr. Hodgkiss noted that the projected costs align with those utilized in the water rate study. The Committee recommended identifying any estimated debt financing alongside its associated project.

Ms. Goodrick noted that it is anticipated that approximately \$1,444,000 will be contributed to reserves in FY 2026.

Mr. Hodgkiss noted the Cash Flow Projection does not include the additional revenue derived from future water rate adjustments; there was a brief discussion regarding the information that would be presented with the comprehensive cost of service/water rate study and how it would contribute to the District's water rate-setting decisions.

The Committee and staff agreed that the draft FY 2026 Budget would be presented to the Board on June 4, 2025.

The Committee recommended that comments be added regarding the District's management of investments and the District's compliance with accounting standards. The Committee also recommended explaining the connection between the District reserves and the water rate study.

6. COMMENTS BY COMMITTEE MEMBERS

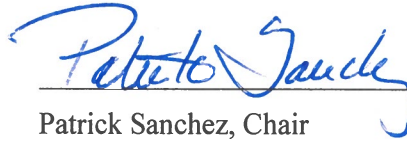
None were presented.

7. COMMENTS BY GENERAL MANAGER

None were presented.


8. ADJOURNMENT

There being no further business to come before the Committee, at 10:13 a.m. Chair Sanchez adjourned the meeting.



Patrick Sanchez, Chair

ATTEST:



Elizabeth Xaverius, Assistant Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



**FISCAL POLICY COMMITTEE
STAFF REPORT**

Agenda Item: 5

Meeting Date:
Prepared By:
Approved By:

May 1, 2025
Shallako Goodrick
Brett Hodgkiss

SUBJECT: DRAFT FISCAL YEAR 2026 BUDGET

RECOMMENDATION: Review draft Fiscal Year 2026 Budget.

FISCAL IMPACT: The draft Budget projects revenues of \$73,361,160, operating expenses of \$65,382,185 and capital outlay of \$6,535,000. Revenues are projected to be \$5.6 million more than the previous year; operating expenses are projected to be approximately \$7.9 million more than in the previous year's budget primarily due to the need to purchase additional water from the San Diego County Water Authority (CWA), increased water treatment costs at the Escondido-Vista Water Treatment Plant (EVWTP) and inflation; and capital outlay is \$557,500 higher than in the previous year's budget. It is estimated that approximately \$1,444,000 will be contributed to District reserves in Fiscal Year (FY) 2026.

SUMMARY: The draft Budget projects water sales of 15,250 acre-feet (AF); 13,600 AF of water is projected to be purchased from the CWA and 2,700 AF of local water is projected to come from Lake Henshaw. Typically, local water production is projected using a 10-year average (2,167 AF); however, this average has been impacted by two consecutive years where local water deliveries were limited/suspended due to emerging concerns with the presence of harmful algal blooms (HABs). Staff anticipates that local water production will be higher than the 10-year average when taking into consideration the current lake level and with delivery limitations/suspensions being less likely now that the District has a preventative algaecide treatment and chemical sediment sealing program in place.

The Revenue Budget is projected to increase by over 8% primarily as a result of the implementation of CWA's pass-through rate increase and the District's annual water rate adjustment effective July 1, 2025. The Operating Budget is projected to increase by approximately 14% primarily due to the need to purchase additional water from the CWA, increased water treatment costs at the EVWTP and inflation.

The Capital Budget is projected to increase by 9% to \$6,535,000. Approximately 98% of the Capital Budget is designated for necessary water-related and infrastructure improvement projects; the other Capital Budget items are for information technology equipment and a mobile vehicle lift system.

DETAILED REPORT: The summary information presented below describes considerations that were taken into account during the preparation of the Fiscal Year 2026 Budget as well as the reasons for increases/decreases in certain accounts.

Revenue Budget

- Water sales are estimated based on a five-year average at 15,250 AF for FY 2026.
- Service Charge revenue is projected to increase by \$1,030,000 after implementing the annual water rate adjustment effective July 1, 2025.

Operating Budget

- Variable CWA Charges have increased by \$3,130,000, and Fixed CWA Charges have increased by \$1,939,000.

- Wages increased by \$800,000 and Benefits and Taxes increased by \$655,400. Wages have been adjusted based on an estimated twelve-month inflation rate for calendar year 2024 plus 2% based on current labor agreements, the addition of a new Operations Manager position approved in FY 2025, and the elimination of a Water Resources Office Assistant position. Higher projected pension (PERS) and Health Insurance costs are the primary drivers of the increase in Benefits and Taxes.
- Approximately \$3,695,050 will be spent on monitoring and treating HABs in Lake Henshaw in FY 2026. The District and the City of Escondido will equally share the cost of HABs monitoring and treatment; therefore, only the District's portion of said costs (\$1,847,525) have been included in the budget. HABs expenses have been budgeted as follows: \$1,126,275 (oxygenation pilot study and algaecide application) in Contractual Services, \$636,250 in Supplies (algaecide), \$5,000 in Fees & Permits, \$50,000 in Power (oxygenation pilot study) and \$30,000 in Consultants.
- In Contractual Services, EVWTP costs increased by \$1,150,000 due to higher than expected inflation in FYs 2024 and 2025.
- Power increased by \$115,800; it is anticipated that the Warner Ranch Well Field will need to be operated during FY 2026.
- Insurance has increased by \$508,000 primarily due to higher loss experience attributable to property damage caused by mainline and fire hydrant leaks over the past two years.
- Almost all expense categories have been impacted by inflationary pressures.

Capital Budget

- The Capital Budget includes \$4,650,000 for the Main Replacement Program; \$1,000,000 to begin design and environmental work on the Vista Flume Replacement; an additional \$750,000 to continue design of the Pechstein II Reservoir; and \$135,000 for new computers, two new switches and a mobile vehicle lift system.

Reserves

It is projected the District will contribute approximately \$1,444,000 to reserves in Fiscal Year 2026.

See Draft Fiscal Year 2026 Budget for detailed information regarding projected revenues and proposed operating expenses and Capital Budget expenditures.

ATTACHMENTS:

- Draft Budget – Fiscal Year 2026
- Cash Flow Projection including Draft Fiscal Year 2026 Budget
- Capital Improvement Program Listing



BUDGET
Fiscal Year 2026
July 1, 2025 to June 30, 2026

Draft

VISTA IRRIGATION DISTRICT

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Budget Overview

Vista Irrigation District BUDGET OVERVIEW Fiscal Year 2026

Vista Irrigation District's (District) 2026 Budget represents a financial plan for the next fiscal year (July 1, 2025 through June 30, 2026). This financial plan includes the cost of purchasing water and other costs that are essential to support the continued investment in infrastructure maintenance and repair.

The Fiscal Year (FY) 2026 Budget projects revenues of \$73,361,160, which includes \$43,720,000 (approximately 60%) from Water Sales. It is projected that the District will sell 15,250 acre-feet (AF) of water in FY 2026.

Operating expenses for FY 2026 are projected to be \$65,382,185. Purchased Water costs represent approximately 48% (\$31,551,700) of the Operating Budget. Purchased water is the amount paid directly to the water wholesaler, the San Diego County Water Authority (CWA), to provide water to the District. The FY 2026 Budget estimates that the District will need to purchase 13,600 AF of water from the CWA. The Budget also estimates that the District will produce 2,700 AF of water from its local water source, Lake Henshaw. Total water production and water sales are estimated at 16,300 AF and 15,250 AF, respectively; the water larger production figure takes into account estimates for system losses (e.g. main breaks and leak, hit fire hydrants etc.), theft, fire suppression activities, water in storage, etc.

The Capital Budget for FY 2026 is \$6,535,000. Of this total, approximately 98% (\$6,400,000) has been designated for necessary water-related and infrastructure improvement projects.

Budget Summary

Vista Irrigation District BUDGET SUMMARY Fiscal Year 2026

	2025	2026	\$	%
	<u>Budget</u>	<u>Budget</u>	<u>Increase/ (Decrease)</u>	<u>Increase/ (Decrease)</u>
Source of Funds				
Revenue Budget	\$ 67,806,261	\$ 73,361,160	\$ 5,554,899	8.19%
Reserves	-	-	-	-
	<u>\$ 67,806,261</u>	<u>\$ 73,361,160</u>		
Use of Funds				
Operating Budget	\$ 57,485,761	\$ 65,382,185	\$ 7,896,424	13.74%
Capital Budget	5,977,500	6,535,000	557,500	9.33%
Contribution to Reserves	4,343,000	1,443,975	(2,899,025)	(66.75%)
	<u>\$ 67,806,261</u>	<u>\$ 73,361,160</u>		

Revenue Budget

Vista Irrigation District REVENUE BUDGET Fiscal Year 2026

	2023 Actual	2024 Actual	2025 Budget	Six Months Ended 12/31/2024 Actual	2026 Budget
WATER REVENUES					
Water Sales	\$ 32,516,348	\$ 34,558,146	\$ 39,170,000	\$ 24,035,053	\$ 43,720,000
Service Charges/Fees	<u>20,369,892</u>	<u>22,597,352</u>	<u>24,512,000</u>	<u>12,158,048</u>	<u>25,675,000</u>
	52,886,240	57,155,498	63,682,000	36,193,101	69,395,000
OTHER REVENUES					
Other Services	370,786	476,066	314,000	248,145	357,000
System Fees	921,233	543,696	808,000	218,736	590,000
Property Rentals	913,042	958,802	972,599	474,093	941,216
Property Taxes	662,402	713,904	689,000	244,942	743,000
Investment Income	1,321,865	1,521,687	1,340,662	866,787	1,334,944
Federal & State Assistance	<u>-</u>	<u>405</u>	<u>-</u>	<u>-</u>	<u>-</u>
	4,189,328	4,214,560	4,124,261	2,052,703	3,966,160
TOTAL REVENUE BUDGET	<u>\$ 57,075,568</u>	<u>\$ 61,370,058</u>	<u>\$ 67,806,261</u>	<u>\$ 38,245,804</u>	<u>\$ 73,361,160</u>
WATER SALES (ACRE FEET)	<u>14,346</u>	<u>14,048</u>	<u>15,500</u>	<u>8,749</u>	<u>15,250</u>

Revenue Account Descriptions

REVENUE ACCOUNT DESCRIPTIONS

Account Group: <u>Water Sales</u> Account Number: 60xx	<u>2023</u> Actual	<u>2024</u> Actual	<u>2025</u> Budget	<u>2026</u> Budget
	\$32,516,348	\$34,558,146	\$39,170,000	\$43,720,000

This account group includes revenue from water sales to agricultural, commercial, industrial, single and multi-family residential, mobile home park and government entities. The District projects to sell 15,250 acre feet of water which is based upon recent history.

Account Group: <u>Service Charges/Fees</u> Account Number: 605x	<u>2023</u> Actual	<u>2024</u> Actual	<u>2025</u> Budget	<u>2026</u> Budget
	\$20,369,892	\$22,597,352	\$24,512,000	\$25,675,000

This account group contains revenue from readiness-to-serve fees, infrastructure access charges (IAC), and fees and penalties collected on past due accounts. The IAC fee is a pass-through charge that the District collects for the San Diego County Water Authority.

Meter Size	Number of Meters	Monthly Service Charge			
		FY <u>2023</u>	FY <u>2024</u>	FY <u>2025</u>	FY <u>2026</u>
5/8"	6,829	\$ 32.82	\$ 36.66	\$ 39.64	\$ 41.44
3/4"	17,031	43.30	48.37	52.30	54.67
1"	2,894	63.98	71.47	77.28	80.78
1½"	1,313	116.14	129.73	140.28	146.63
2"	887	178.50	199.39	215.60	225.36
3"	55	344.85	385.21	416.53	435.40
4"	24	531.89	594.14	642.45	671.55
6"	13	1,259.65	1,407.07	1,521.47	1,590.38
8"	2	1,675.71	1,871.82	2,024.01	2,115.68
10"	1	2,507.47	2,800.92	3,028.65	3,165.82

Account Group: <u>Other Services</u> Account Number: 61xx	<u>2023</u> Actual	<u>2024</u> Actual	<u>2025</u> Budget	<u>2026</u> Budget
	\$370,786	\$476,066	\$314,000	\$357,000

This account group includes revenue from miscellaneous non-construction fees and the installation of water meters, fire hydrants, fire services and service changes.

Account Group: <u>System Fees</u> Account Number: 62xx	<u>2023</u> Actual	<u>2024</u> Actual	<u>2025</u> Budget	<u>2026</u> Budget
	\$921,233	\$543,696	\$808,000	\$590,000

This account group includes capacity fees, annexation and detachment fees. The budget is based upon a 10-year rolling average of actual revenues collected and current year's activity within the District.

REVENUE ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Property Rentals</u>				
Account Number: 6301	\$913,042	\$958,802	\$972,599	\$941,216

This account group includes revenue to the District from the following lease and license agreements:

Hein Hettinga Cattle	\$ 299,000
Department of Defense2- Navy	132,800
My Country Club	70,896
Department of Defense- Navy	70,221
Crown Castle/T-Mobile- Cabrillo Circle	60,635
T-Mobile/Omnipoint- Lupine Hills	60,728
Lake Henshaw Resort	58,300
Crown Castle GT Co.	52,460
Cingular Wireless - AT&T	48,920
Verizon Wireless	26,263
Crown Castle - Vista Towers	30,377
Puerta La Cruz	14,136
Sempra Energy	12,971
Taylor Grazing	1,650
S&S Seeds	1,000
Department of Agriculture - Forestry Service	500
Vallecitos Water District	360
	\$ 941,216

Note: With the implementation of Government Accounting Standards Board 87, part of the lease related revenue can be found under Investment Income.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Property Taxes</u>				
Account Number: 8001	\$662,402	\$713,904	\$689,000	\$743,000

This account group contains various property taxes that the District receives by State Code.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Investment Income</u>				
Account Number: 81xx	\$1,321,865	\$1,521,687	\$1,340,662	\$1,334,944

This account group includes interest income and gains and losses on investments.

Revenue Budget Detail

REVENUE BUDGET DETAIL
Fiscal Year 2026

<u>Account</u>	<u>Description</u>	<u>2024 Actual</u>	<u>2025 Budget</u>	<u>Six Months Ended 12/31/2024 Actual</u>	<u>2026 Budget</u>
Water Sales					
6001	Single Family	\$ 16,878,595	\$ 19,250,000	\$ 11,895,009	\$ 21,340,000
6002	Multi Family	7,133,924	8,030,000	4,177,506	9,030,000
6003	Irrigation	3,577,688	4,170,000	3,306,326	4,530,000
6004	Commercial	2,774,132	3,060,000	1,756,891	3,510,000
6005	Agricultural	1,295,517	1,460,000	1,058,139	1,640,000
6006	Government	723,696	620,000	469,947	920,000
6007	Industrial	1,318,207	1,570,000	844,934	1,670,000
6008	Mobile Home	852,949	1,000,000	524,989	1,080,000
6010	Unmetered	3,438	10,000	1,312	-
		<u>34,558,146</u>	<u>39,170,000</u>	<u>24,035,053</u>	<u>43,720,000</u>
Service Charges/Fees					
6051	Ready To Serve Fees	19,984,107	21,970,000	10,846,249	23,000,000
6052	Infrastructure Access Charge	1,866,674	1,888,000	967,517	1,951,000
6053	Penalties/Fees	746,571	654,000	344,282	724,000
		<u>22,597,352</u>	<u>24,512,000</u>	<u>12,158,048</u>	<u>25,675,000</u>
Other Services					
6101	Construction Services	112,883	114,000	98,150	144,000
6102	Jobs Gain/(Loss)	-	-	-	-
6103	Non Construction Services	363,167	200,000	150,104	213,000
6104	Overages/Shortages	16	-	(109)	-
		<u>476,066</u>	<u>314,000</u>	<u>248,145</u>	<u>357,000</u>
System Fees					
6201	Capacity Fees	543,696	808,000	218,736	590,000
6203	Annexation/Detachment Fees	-	-	-	-
		<u>543,696</u>	<u>808,000</u>	<u>218,736</u>	<u>590,000</u>
Property Rentals					
6301	Property Rentals	958,802	972,599	474,093	941,216
		<u>958,802</u>	<u>972,599</u>	<u>474,093</u>	<u>941,216</u>
Property Taxes					
8001	Property Taxes	713,904	689,000	244,942	743,000
		<u>713,904</u>	<u>689,000</u>	<u>244,942</u>	<u>743,000</u>
Investment Income					
8101	Interest Income	811,785	709,000	542,542	832,000
8102	Investment Gain/Loss	633,828	561,000	287,521	441,000
8103	Interest Income - Leases	76,074	70,662	36,724	61,944
		<u>1,521,687</u>	<u>1,340,662</u>	<u>866,787</u>	<u>1,334,944</u>
Federal & State Assistance					
8301	Federal & State Assistance	405	-	-	-
		<u>405</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenue Budget		<u>\$ 61,370,058</u>	<u>\$ 67,806,261</u>	<u>\$ 38,245,804</u>	<u>\$ 73,361,160</u>

Operating Budget

Vista Irrigation District

OPERATING BUDGET

Fiscal Year 2026

	2023	2024	2025	Six Months Ended	2026
	Actual	Actual	Budget	12/31/2024	Budget
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
PURCHASED WATER					
Variable CWA Charges	\$ 17,623,926	\$ 14,187,376	\$ 18,880,000	\$ 9,755,258	\$ 22,010,000
Fixed CWA Charges	7,391,649	7,707,052	7,607,000	4,077,307	9,546,000
Agricultural Rebates	(6,175)	(3,177)	(5,800)	(683)	(4,300)
	<u>25,009,400</u>	<u>21,891,251</u>	<u>26,481,200</u>	<u>13,831,882</u>	<u>31,551,700</u>
WAGES	8,382,123	8,897,557	9,330,000	4,421,872	10,130,000
BENEFITS & TAXES	8,341,177	9,264,409	6,967,500	4,310,554	7,622,900
OFFICE & GENERAL					
Fees & Permits	233,865	258,864	242,700	191,179	257,000
Postage	69,900	63,487	75,500	32,799	68,800
Computer Hardware	20,743	9,374	5,500	18,506	17,200
Computer Software	-	120	120	-	-
Travel	27,268	29,033	37,050	11,510	28,300
Training	34,329	62,036	45,200	20,601	54,350
Dues & Subscriptions	50,342	51,770	53,875	2,534	64,165
Employment Related Expense	30,462	31,306	31,550	22,402	32,845
Office Supplies	18,709	15,164	17,600	6,231	15,700
Printing	13,530	10,594	22,300	6,512	15,000
Award/Contributions	13,763	12,565	13,100	4,862	13,100
Recruitment	20,917	37,216	17,000	9,107	17,000
	<u>533,828</u>	<u>581,529</u>	<u>561,495</u>	<u>326,243</u>	<u>583,460</u>
DEPRECIATION	3,702,966	3,772,580	4,000,000	1,907,638	4,050,000
CONTRACTUAL SERVICES	24,152,930	4,391,608	7,170,120	5,189,467	8,454,695
SUPPLIES	2,146,360	2,866,886	2,681,200	1,303,447	2,377,650
POWER	623,560	647,091	711,900	319,357	827,700
PROFESSIONAL FEES					
Audit	18,500	25,000	25,750	25,000	25,500
Legal	228,411	126,541	198,900	46,262	160,700
Consultants	112,131	152,959	389,700	64,841	203,000
	<u>359,042</u>	<u>304,500</u>	<u>614,350</u>	<u>136,103</u>	<u>389,200</u>
INSURANCE	360,513	420,786	410,000	332,650	918,000
COMMUNICATIONS	58,823	62,636	71,780	30,922	71,880
UNCOLLECTIBLE ACCOUNTS	28,083	72,539	55,000	55,151	85,000
BURDEN ALLOCATION	(1,863,755)	(1,843,090)	(1,570,000)	(741,352)	(1,680,000)

Vista Irrigation District OPERATING BUDGET Fiscal Year 2026

	<u>2023 Actual</u>	<u>2024 Actual</u>	<u>2025 Budget</u>	<u>Six Months Ended 12/31/2024 Actual</u>	<u>2026 Budget</u>
INTEREST EXPENSE	2,403	1,216	1,216	-	-
LOSS/(GAIN) ON ASSETS	621	(69,959)	-	(21,400)	-
TOTAL OPERATING BUDGET	<u>\$ 71,838,073</u>	<u>\$ 51,261,539</u>	<u>\$ 57,485,761</u>	<u>\$ 31,402,534</u>	<u>\$ 65,382,185</u>
 WATER SOURCES (ACRE FEET):					
Water Purchases	13,738	10,623	12,500	6,415	13,600
Local Water	<u>1,755</u>	<u>4,654</u>	<u>4,000</u>	<u>2,938</u>	<u>2,700</u>
Total Water Production	<u>15,493</u>	<u>15,277</u>	<u>16,500</u>	<u>9,353</u>	<u>16,300</u>

Operating Account Descriptions

OPERATING ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Variable CWA Charges</u>				
Account Number: 7001				
Variable CWA Charges	\$17,623,926	\$14,187,376	\$18,880,000	\$22,010,000

This account group includes the variable cost of treated and untreated water purchased from the San Diego County Water Authority (CWA) including transportation charges. The budget assumes that local water production will equal 2,700 acre feet. The remaining 13,600 acre feet of water needed will be purchased from CWA. The budget does not reflect any future rate increases from CWA and it assumes no penalties from CWA for exceeding any imposed water purchase allocation.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Fixed CWA Charges</u>				
Account Number: 7002				
	\$7,391,649	\$7,707,052	\$7,607,000	\$9,546,000

This account group includes fixed charges from CWA related to water purchases. The budget does not reflect any future rate changes from CWA. The fixed charges are as follows:

Storage Charge - CWA	\$ 2,576,832
Infrastructure Access Charge - CWA	1,951,080
Supply Reliability Charge - CWA	1,929,228
Customer Service Charge - CWA	1,132,776
Transportation Charge - CWA	1,132,776
Readiness-to-Serve Charge, net - MWD	431,196
Capacity Reservation Charge - MWD	391,968
	\$ 9,545,856

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Agricultural Rebates</u>				
Account Number: 7003				
	(\$6,175)	(\$3,177)	(\$5,800)	(\$4,300)

This account group includes rebates received from CWA for the Special Agricultural Water Rate Program.

OPERATING ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: Wages				
Account Number: 71xx	\$8,382,123	\$8,897,557	\$9,330,000	\$10,130,000

This account group consists of compensation for labor reflecting the most recent labor agreements effective January 1, 2025. This account group includes the following labor costs:

General	\$ 8,455,534
Vacation	871,489
Holiday	503,751
Sick Leave	271,017
Other Leave	28,209
	\$ 10,130,000

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: Benefits & Taxes				
Account Number: 72xx	\$8,341,177	\$9,264,409	\$6,967,500	\$7,622,900

This account group consists of budgeted fringe benefits and taxes.

Public Employees Retirement System (PERS)	\$ 3,880,000
Health Insurances (Medical, Dental & Vision)	2,571,000
FICA & Medicare	790,100
Worker's Compensation	140,000
Deferred Compensation Plan Matching (457 Plan)	119,300
Life and Disability Insurance	80,000
Uniforms (Clothing and Boots)	27,500
Tuition Reimbursement	7,000
Unemployment Insurance	5,000
EAP Counseling	3,000
Retiree Health	-
	\$ 7,622,900

OPERATING ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Fees & Permits</u>				
Account Number: 7301	\$233,865	\$258,864	\$242,700	\$257,000

This account group includes \$140,800 of water-related costs and \$116,200 of non water-related costs. The water-related costs include \$110,000 to the State Water Resources Control Board and to County Health Services for various permits, \$17,300 to the Department of Water Resources for dam fees, \$4,700 to Environmental Lab Accreditation Program, \$3,800 Regional Water Quality Control Board and \$5,000 for Aquatic Pesticide and the Lanthanum permits. The non water-related costs include \$53,500 for excavation permits, \$38,500 for LAFCO fees, \$13,000 for District headquarters and Edgehill Gate association dues, \$4,000 for San Diego County Air Pollution District permits, \$2,000 for Dig Safe Board Fees and \$5,200 for miscellaneous fees and permits.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Postage</u>				
Account Number: 7302	\$69,900	\$63,487	\$75,500	\$68,800

This account group includes postage for water bills and all other District mailings.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Computer Hardware</u>				
Account Number: 7303	\$20,743	\$9,374	\$5,500	\$17,200

This account group consists of computer hardware such as servers, desktop and laptop computers, inkjet and laser printers, scanners, monitors, etc.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Computer Software</u>				
Account Number: 7304	-	\$120	\$120	-

This account group consists of various Network and Desktop software.

OPERATING ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Travel</u>				
Account Number: 7305	\$27,268	\$29,033	\$37,050	\$28,300

This account group includes travel expenses related to attending conferences, meetings, training and other District business. The travel budget is organized by the following divisions:

Board of Directors	\$ 20,000
General Manager Division	4,500
Administration Division	1,900
Engineering Division	1,000
Water Resources Division	550
Operations and Field Services Division	350
	\$ 28,300

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Training</u>				
Account Number: 7306	\$34,329	\$62,036	\$45,200	\$54,350

This account group includes the cost of training and seminars. The largest components of the 2026 training budget include: \$20,000 for various Safety Cal/OSHA required trainings, \$13,000 for training and conferences for the Board, \$8,850 for electrical, construction, and other water related training, \$12,500 for various management development and employee training workshops, and etc.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Dues & Subscriptions</u>				
Account Number: 7307	\$50,342	\$51,770	\$53,875	\$64,165

This account group covers dues for memberships to professional associations such as AWWA, ACWA and CSDA, subscriptions to industry periodicals and the purchase of books.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Employment Related Expense</u>				
Account Number: 7308	\$30,462	\$31,306	\$31,550	\$32,845

This account group contains costs for first aid, water treatment operator certificate fees, professional license fees, benefits fair, employee appreciation event, etc.

OPERATING ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Office Supplies and Furniture</u> Account Number: 7309	\$18,709	\$15,164	\$17,600	\$15,700

This account group includes items such as pens, pencils, clips, folders, binders, labels, tablets, calculators, copier/fax/printer supplies, paper, computer supplies, and non-capitalized office furniture.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Printing</u> Account Number: 7310	\$13,530	\$10,594	\$22,300	\$15,000

This account group includes the cost of printing water bills and notices, letterhead, business cards, map books, old drawing restorations, the water quality report and other special printing.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Awards/Contributions</u> Account Number: 7311	\$13,763	\$12,565	\$13,100	\$13,100

This account group includes contributions to the San Diego County Department of Education for a mobile science lab and District funded student scholarships.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Recruitment</u> Account Number: 7313	\$20,917	\$37,216	\$17,000	\$17,000

This account group contains costs for pre-employment physicals, advertising job openings, background checks, employment testing, etc.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Depreciation</u> Account Number: 7401	\$3,702,966	\$3,772,580	\$4,000,000	\$4,050,000

This account group reflects the current year usage of existing capital assets. These funds are used to replenish construction reserves, which pay for infrastructure replacement.

OPERATING ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Contractual Services</u>				
Account Number: 75xx	\$24,152,930	\$4,391,608	\$7,170,120	\$8,454,695

This account group includes contractual services for the following:

Escondido Treatment Plant	\$	4,710,000
Water Treatment (HABS- oxygenation and algaecide application)		1,033,775
Transmission and Distribution Systems		652,700
Escondido Canal		510,000
General		371,700
Software Subscriptions		332,260
Buildings and Grounds		270,400
Weese Treatment Plant		183,410
Water Quality Testing (HABS)		105,200
Fire Hydrants/Fire Services		87,000
Garage		78,300
Flume		40,000
Pump Stations		26,500
Dam		14,000
Reservoirs		11,250
SCADA		10,400
Temporary Agencies		10,000
Well Field		7,800
		\$ 8,454,695

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Supplies</u>				
Account Number: 76xx	\$2,146,360	\$2,866,886	\$2,681,200	\$2,377,650

This account group includes supplies for the following:

Water Treatment (HABS- algaecide)	\$	688,500
Transmission and Distribution Systems		646,800
General		231,700
Fuel		221,300
Fire Hydrants/Fire Services		200,000
Garage		183,400
Buildings and Grounds		47,400
SCADA		40,600
Water Quality Testing		38,650
Pump Stations		23,000
Flume		20,000
Inventory Adjustments		15,000
Reservoirs		9,000
Well Field		4,900
Ditches		3,900
Dam		3,500
		\$ 2,377,650

OPERATING ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: Power Account Number: 77xx	\$623,560	\$647,091	\$711,900	\$827,700

This account group includes:

Pump Stations	\$	320,000
Well Field		226,800
Main Office and Henshaw Office		219,700
Water Treatment (oxygenation)		50,000
Transmission and Distribution Systems		11,200
	\$	827,700

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: Audit Account Number: 7721	\$18,500	\$25,000	\$25,750	\$25,500

This account group includes auditing services performed by a Certified Public Accounting firm.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: Legal Account Numbers: 7722 & 7723	\$228,411	\$126,541	\$198,900	\$160,700

This account group includes general legal services and legal services in connection with the implementation of the San Luis Rey Indian Water Rights Settlement Agreement.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: Consultants Account Numbers: 7724 & 7725	\$112,131	\$152,959	\$389,700	\$203,000

This account group includes:

Electric Vehicle Planning		\$55,000
HABs Consulting/Technical Support		30,000
Public Relations		25,000
Engineering related environmental, surveying, encroachments, etc		25,000
Grant Research/Writing		20,000
Water Rate Study		20,000
Municipal Financial Advisor		20,000
Actuarial Services		8,000
		\$ 203,000

OPERATING ACCOUNT DESCRIPTIONS

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Insurance</u> Account Number: 7731	\$360,513	\$420,786	\$410,000	\$918,000

This account group includes liability, property and dam insurance from the Association of California Water Agencies Joint Powers Insurance Authority.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Communications</u> Account Number: 7741	\$58,823	\$62,636	\$71,780	\$71,880

This account group includes the costs of: telephone service, SCADA/telemetry communication service, radio system, Internet service, cellular phones and pagers.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Uncollectible Accounts</u> Account Number: 7751	\$28,083	\$72,539	\$55,000	\$85,000

This account group represents bills that cannot be collected by the District or its collection agencies and are therefore written off. The budget includes \$10,000 for uncollectible water bills and \$75,000 for uncollectible claims for damage to District property.

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Burden Allocation</u> Account Number: 7799	(\$1,863,755)	(\$1,843,090)	(\$1,570,000)	(\$1,680,000)

The District allocates overhead burden costs to pipeline installation jobs, inspection jobs, fixed fee jobs, damage claims and other small jobs. The overhead burden costs include use of equipment, warehousing, management salaries, benefits, and other overhead

	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Account Group: <u>Interest Expense</u> Account Number: 8201	\$2,403	\$1,216	\$1,216	-

This account group represents the interest calculated for any material software subscriptions lasting longer than one year. The Government Accounting Standards Board created a new standard 96 in FY 2023 requiring governments to present value and

Operating Budget Detail

OPERATING BUDGET DETAIL
Fiscal Year 2026

<u>Account</u>	<u>Description</u>	<u>2024 Actual</u>	<u>2025 Budget</u>	<u>Six Months Ended 12/31/2024 Actual</u>	<u>2026 Budget</u>
Variable CWA Charges					
7001	Purchased Water-CWA Variable	\$ 14,187,376	\$ 18,880,000	\$ 9,755,258	\$ 22,010,000
		14,187,376	18,880,000	9,755,258	22,010,000
Fixed CWA Charges					
7002	Purchased Water-CWA Fixed	7,707,052	7,607,000	4,077,307	9,546,000
		7,707,052	7,607,000	4,077,307	9,546,000
Agricultural Rebates					
7003	Purchased Water-Ag. Rebate	(3,177)	(5,800)	(683)	(4,300)
		(3,177)	(5,800)	(683)	(4,300)
Wages					
7101	Wages-General	7,354,121	7,788,497	3,796,460	8,455,534
7102	Vacation	823,833	802,288	301,306	871,489
7103	Sick Leave	257,314	249,498	108,066	271,017
7104	Holiday	442,508	463,751	206,120	503,751
7105	Other Leave	19,781	25,966	9,920	28,209
		8,897,557	9,330,000	4,421,872	10,130,000
Benefits & Taxes					
7201	Health Insurance	2,267,827	2,436,000	1,117,083	2,571,000
7202	PERS	6,027,832	3,440,000	2,695,982	3,880,000
7203	FICA & Medicare	695,386	720,000	333,332	790,100
7204	Retiree Health Insurance	(86,925)	-	-	-
7205	Workers Compensation	122,649	137,000	56,698	140,000
7206	457 Plan Matching	118,223	117,000	43,342	119,300
7207	Life & Disability Insurance	78,908	80,000	39,472	80,000
7208	Uniforms/Boots	26,502	27,500	14,722	27,500
7209	Unemployment Insurance	6,981	-	4,066	5,000
7210	EAP Counseling	2,841	3,000	2,841	3,000
7211	Tuition Reimbursement	4,185	7,000	3,016	7,000
		9,264,409	6,967,500	4,310,554	7,622,900

OPERATING BUDGET DETAIL
Fiscal Year 2026

<u>Account</u>	<u>Description</u>	<u>2024 Actual</u>	<u>2025 Budget</u>	<u>Six Months Ended 12/31/2024 Actual</u>	<u>2026 Budget</u>
Fees & Permits					
7301	Fees & Permits	258,864	242,700	191,179	257,000
		258,864	242,700	191,179	257,000
Postage					
7302	Postage	63,487	75,500	32,799	68,800
		63,487	75,500	32,799	68,800
Computer Hardware					
7303	Computer Hardware	9,374	5,500	18,506	17,200
		9,374	5,500	18,506	17,200
Computer Software					
7304	Computer Software	120	120	-	-
		120	120	-	-
Travel					
7305	Travel	29,033	37,050	11,510	28,300
		29,033	37,050	11,510	28,300
Training					
7306	Training	62,036	45,200	20,601	54,350
		62,036	45,200	20,601	54,350
Dues & Subscriptions					
7307	Dues & Subscriptions	51,770	53,875	2,534	64,165
		51,770	53,875	2,534	64,165
Employment Related Expense					
7308	Employment Related Expense	31,306	31,550	22,402	32,845
		31,306	31,550	22,402	32,845
Office Supplies					
7309	Office Supplies and Furniture	15,164	17,600	6,231	15,700
		15,164	17,600	6,231	15,700
Printing					
7310	Printing	10,594	22,300	6,512	15,000
		10,594	22,300	6,512	15,000
Awards/Contributions					
7311	Awards/Contributions	12,565	13,100	4,862	13,100
		12,565	13,100	4,862	13,100
Recruitment					
7313	Recruitment	37,216	17,000	9,107	17,000
		37,216	17,000	9,107	17,000
Depreciation					
7401	Depreciation	3,772,580	4,000,000	1,907,638	4,050,000
		3,772,580	4,000,000	1,907,638	4,050,000

OPERATING BUDGET DETAIL
Fiscal Year 2026

<u>Account</u>	<u>Description</u>	<u>2024 Actual</u>	<u>2025 Budget</u>	<u>Six Months Ended 12/31/2024 Actual</u>	<u>2026 Budget</u>
Contractual Services					
7501	Services-General	429,460	287,605	167,826	371,700
7502	Services-Buildings & Grounds	337,555	273,400	104,890	270,400
7503	Services-Garage	76,518	68,900	16,202	78,300
7504	Services-T & D Systems	481,475	606,200	675,254	652,700
7505	Services-FireHyd/Fire Services	156,864	87,000	40,933	87,000
7506	Services-Reservoirs	4,683	5,750	234	11,250
7507	Services-SCADA	8,832	10,300	9,691	10,400
7508	Services-Pump Stations	-	26,500	-	26,500
7509	Services-Water Quality Testing	127,257	98,700	60,476	105,200
7510	Services-Water Treatment	201,354	1,152,560	143,691	1,033,775
7511	Services-Flume	198	10,000	2,980	40,000
7512	Services-Dam	10,069	16,000	-	14,000
7513	Services-Ditches	-	-	-	-
7514	Services-Well Field	-	13,000	-	7,800
7515	Services-Escondido Canal	483,525	470,000	230,640	510,000
7516	Services-Escondido Plant	3,742,387	3,560,000	3,536,839	4,710,000
7517	Services-Weese Plant	119,672	250,830	34,254	183,410
7518	Services-Water Rights	(1,788,240)	-	7	-
7519	Services-Software Subscriptions	-	233,375	156,522	332,260
7520	Temporary Agencies	-	-	9,028	10,000
		<u>4,391,608</u>	<u>7,170,120</u>	<u>5,189,467</u>	<u>8,454,695</u>
Supplies					
7601	Supplies-General	241,560	204,500	121,196	231,700
7602	Supplies-Buildings & Grounds	48,674	36,600	35,777	47,400
7603	Supplies-Garage	154,157	156,800	98,032	183,400
7604	Supplies-T & D Systems	571,496	578,800	349,073	646,800
7605	Supplies-FireHyd/Fire Services	344,078	259,000	117,922	200,000
7606	Supplies-Reservoirs	3,901	9,000	4,280	9,000
7607	Supplies-SCADA	39,386	38,100	15,131	40,600
7608	Supplies-Pump Stations	15,228	29,000	22,501	23,000
7609	Supplies-Water Quality Testing	31,586	33,600	12,901	38,650
7610	Supplies-Water Treatment	1,164,078	1,046,400	423,836	688,500
7611	Supplies-Flume	2,588	20,000	3,513	20,000
7612	Supplies-Dam	4,177	2,000	2,818	3,500
7613	Supplies-Ditches	227	3,900	166	3,900
7614	Supplies-Well Field	347	5,200	1,981	4,900
7615	Fuel	218,286	251,300	94,482	221,300
7616	Conservation Programs	-	-	-	-
7697	Inventory Adjustments	28,369	7,000	(36)	15,000
7698	Trade Discounts	(1,248)	-	(126)	-
		<u>2,866,886</u>	<u>2,681,200</u>	<u>1,303,447</u>	<u>2,377,650</u>

OPERATING BUDGET DETAIL
Fiscal Year 2026

Account	Description	2024 Actual	2025 Budget	Six Months Ended 12/31/2024 Actual	2026 Budget
Power					
7701	Power-Buildings/Grounds	191,605	219,700	102,471	219,700
7702	Power-T & D Systems	4,781	5,200	1,460	11,200
7703	Power-Reservoirs	12,943	4,600	20,612	-
7704	Power-Pump Station	325,712	320,000	150,166	320,000
7705	Power-Water Treatment	1,620	45,800	580	50,000
7706	Power-Well Field	110,430	116,600	44,068	226,800
		<u>647,091</u>	<u>711,900</u>	<u>319,357</u>	<u>827,700</u>
Audit					
7721	Audit	25,000	25,750	25,000	25,500
		<u>25,000</u>	<u>25,750</u>	<u>25,000</u>	<u>25,500</u>
Legal					
7722	Legal-General	53,280	72,900	27,622	75,700
7723	Legal-Water Rights	73,261	126,000	18,640	85,000
		<u>126,541</u>	<u>198,900</u>	<u>46,262</u>	<u>160,700</u>
Consultants					
7724	Consultants-General	152,959	389,700	64,841	203,000
		<u>152,959</u>	<u>389,700</u>	<u>64,841</u>	<u>203,000</u>
Insurance					
7731	Insurance	420,786	410,000	332,650	918,000
		<u>420,786</u>	<u>410,000</u>	<u>332,650</u>	<u>918,000</u>
Communications					
7741	Communications	62,636	71,780	30,922	71,880
		<u>62,636</u>	<u>71,780</u>	<u>30,922</u>	<u>71,880</u>
Uncollectible Accounts					
7751	Uncollectible Accounts	72,539	55,000	55,151	85,000
		<u>72,539</u>	<u>55,000</u>	<u>55,151</u>	<u>85,000</u>
Burden Allocation					
7799	Burden Allocation	(1,843,090)	(1,570,000)	(741,352)	(1,680,000)
		<u>(1,843,090)</u>	<u>(1,570,000)</u>	<u>(741,352)</u>	<u>(1,680,000)</u>
Interest Expense					
8201	Interest Expense	1,216	1,216	-	-
		<u>1,216</u>	<u>1,216</u>	<u>-</u>	<u>-</u>
Loss/(Gain) on Assets					
8401	Asset Disposal Net Book Value	10,517	-	2,047	-
8402	Asset Disposal Proceeds	(80,475)	-	(23,447)	-
		<u>(69,959)</u>	<u>-</u>	<u>(21,400)</u>	<u>-</u>
Total Operating Budget		<u>\$ 51,224,323</u>	<u>\$ 57,485,761</u>	<u>\$ 31,393,427</u>	<u>\$ 65,382,185</u>

Capital Budget

Vista Irrigation District

CAPITAL BUDGET

Fiscal Year 2026

	Page No.	Budget Item No.	2025 Budget
ENGINEERING:			
Vista Flume Replacement	22	21-01	1,000,000
Pechstein II Reservoir	23	25-02	750,000
Main Replacement Program	24	99-99	4,650,000
			6,400,000
 FIELD SERVICES:			
Mobile Column Vehicle Lift System	25		68,000
			68,000
 INFORMATION TECHNOLOGY:			
Computer Desktops	26		30,000
IDF Switch (2)	27		37,000
			67,000
TOTAL CAPITAL BUDGET			\$ 6,535,000

Capital Budget Detail

Capital Budget Request

Project or Equipment Information		
Title:	Vista Flume Replacement	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
Description:	Alignment study, design, environmental, and construction to replace the 11 mile Vista Flume.	
Reason for Request:	The Vista Flume is approaching its useful life and needs to be replaced. The alignment study was completed at the end of FY 2025. The next phase for the project is design and environmental work with an estimated to take four years to complete with an estimated cost of \$16 million; the budget request is to cover the estimated costs during FY 2026 and assumes design work will begin by January 2026.	
Asset Being Replaced (If Applicable):	All assets related to the Vista Flume may be replaced. All disposal amounts to be determined during project design.	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
All Prior Years Budget:		1,500,000	1,500,000
FY 2023 Budget:		700,000	700,000
FY 2024 Budget:			
FY 2025 Budget:			
FY 2026 Budget:		1,000,000	1,000,000
FY 2027 and thereafter:		194,670,000	194,670,000
Total Projected Amount:	0	197,870,000	197,870,000

Requesting Department: Engineering

Budget Item Number: 21-01

Capital Budget Request

Project or Equipment Information		
Title:	Pechstein II Reservoir	<input checked="" type="checkbox"/> New Item <input type="checkbox"/> Replacement
Description:	Site planning, design, environmental, and construction for a new Pechstein II Reservoir.	
Reason for Request:	<p>The existing 20 mg Pechstein Reservoir is located along Buena Creek Road and was built in 1976. The original wood framed/corrugated metal roof is in need of full replacement with a new, lightweight aluminum dome roof. Pechstein Reservoir constitutes approximately one-half of all the storage within the water system and cannot be taken out of service for the period of time needed to replace the roof (approximately one year). Construction of a new Pechstein II Reservoir sized between 8 and 10 mg is proposed to allow subsequent roof replacement and provide operational flexibility in the future. Planning, design, and environmental work (design) by a consultant was awarded in April 2025. Design is estimated to take three years to complete; the budget request is to cover the estimated design expenditures during FY 2026.</p>	
Asset Being Replaced (If Applicable):		

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
All Prior Years Budget:			
FY 2023 Budget:			
FY 2024 Budget:			
FY 2025 Budget:		500,000	500,000
FY 2026 Budget:		750,000	750,000
FY 2027 and thereafter:		36,448,000	36,448,000
Total Projected Amount:		37,698,000	37,698,000

Requesting Department: Engineering

Budget Item Number: 25-02

Capital Budget Request

Project or Equipment Information		
Title:	Main Replacement Program	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
Description:	On going program to replace various pipelines throughout the District.	
Reason for Request:	<p>The goal of the main replacement program is to replace pipelines before they reach the end of their useful lives and become a maintenance liability or pipelines that need to be replaced due to street realignments and/or improvements. Therefore, replacement of mains is an ongoing project based on analysis of leak history, age and type of pipe material, input from District Field Crews, liability reduction, operational benefit, water quality problem reduction, future street improvement projects and other pertinent factors. The budget requested estimates replacing two miles of pipeline at \$2.25 million per mile plus an additional \$150,000 for estimated environmental mitigation requirements to replace the AB pipeline.</p>	
Asset Being Replaced (If Applicable):	Various pipelines throughout the distribution system.	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
All Prior Years Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2023 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2024 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2025 Budget:	<input type="text"/>	<input type="text"/>	<input type="text"/>
FY 2026 Budget:	2,050,000	2,600,000	4,650,000
FY 2027 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Projected Amount:	2,050,000	2,600,000	4,650,000

Requesting Department: Engineering

Budget Item Number: 99-99

Capital Budget Request

Project or Equipment Information		
Title:	Mobile Column Vehicle Lift System	<input checked="" type="checkbox"/> New Item <input type="checkbox"/> Replacement
Description:	<p>The system consists of four (4) mobile column vehicle lifts (14,000 pound capacity each) with a 73-inch maximum lift height, adjustable lifting forks for tires up to R22.5 plus attachments and a smart control system on each column. The mobile lift system will be used to lift medium and heavy duty fleet and equipment.</p>	
Reason for Request:	<p>The District's 25-year-old existing inground vehicle lift system's only lifting points are at the rear axle and front axle or subframe. Newer fleet vehicles often have mounting brackets, hydraulic lines, electrical and other appurtenances attached or closely mounted near these lifting points that make establishing contact points limited or nonexistent. As a result, a growing number of large fleet vehicles cannot be lifted with the inground lift system.</p>	
Asset Being Replaced (If Applicable):	 	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
All Prior Years Budget:	<input type="text"/>	<input type="text"/>	<input type="text" value="0"/>
FY 2023 Budget:	<input type="text"/>	<input type="text"/>	<input type="text" value="0"/>
FY 2024 Budget:	<input type="text"/>	<input type="text"/>	<input type="text" value="0"/>
FY 2025 Budget:	<input type="text"/>	<input type="text"/>	<input type="text" value="0"/>
FY 2026 Budget:	<input type="text" value="0"/>	<input type="text" value="68,000"/>	<input type="text" value="68,000"/>
FY 2027 and thereafter:	<input type="text"/>	<input type="text"/>	<input type="text" value="0"/>
Total Projected Amount:	<input type="text" value="0"/>	<input type="text" value="68,000"/>	<input type="text" value="68,000"/>

Requesting Department: Field Services

Budget Item Number: _____

Capital Budget Request

Project or Equipment Information		
Title:	Computer Desktops	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
Description:	Initiate a computer desktop cycle for 30 out of 90 desktop computers, which are nearing the end of their lifecycle at 6 years old.	
Reason for Request:	This upgrade will replace outdated desktop computers with new systems, increasing efficiency and ensuring compatibility with the latest software and security protocols. The new desktops will have advanced processors, more memory, and better storage, supporting staff's growing computational needs and maintaining a secure informational technology infrastructure.	
Asset Being Replaced (If Applicable):	Desktop computers were originally expensed.	

Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
All Prior Years Budget:	<input type="text"/>	<input type="text"/>	0
FY 2022 Budget:	<input type="text"/>	<input type="text"/>	0
FY 2023 Budget:	<input type="text"/>	<input type="text"/>	0
FY 2024 Budget:	<input type="text"/>	<input type="text"/>	0
FY 2025 Budget:	<input type="text"/>	30,000	30,000
FY 2026 and thereafter:	<input type="text"/>	60,000	60,000
Total Projected Amount:	<input type="text"/>	90,000	90,000

Requesting Department: Information Technology

Budget Item Number: _____

Capital Budget Request

Project or Equipment Information		
Title:	Intermediate Distribution Frame Switches	<input type="checkbox"/> New Item <input checked="" type="checkbox"/> Replacement
Description:	Two Intermediate Distribution Frame (IDF) 9300 series Cisco switches to replace end-of-life Catalyst 4503-E network switches assets number 3374 and 3375.	
Reason for Request:	The switches extend the District's network throughout the different wings of the building, connecting all computers to the network. The IDF switches purchased in 2016 will reach end-of-life status on October 31, 2025 when they no longer receive support or security patches. Failure to replace the existing switches with new, updated models that receive security patches and support will significantly increase vulnerability to security threats and the likelihood of successful cyber attacks.	
Asset Being Replaced (If Applicable):	Disposal of Asset No. 3374 IDF Switch Network IDF2 Original Cost \$13,340. Net Book Value: \$0. Disposal of Asset No. 3375 IDF Switch Network IDF3 Original Cost \$8,729. Net Book Value: \$0.	

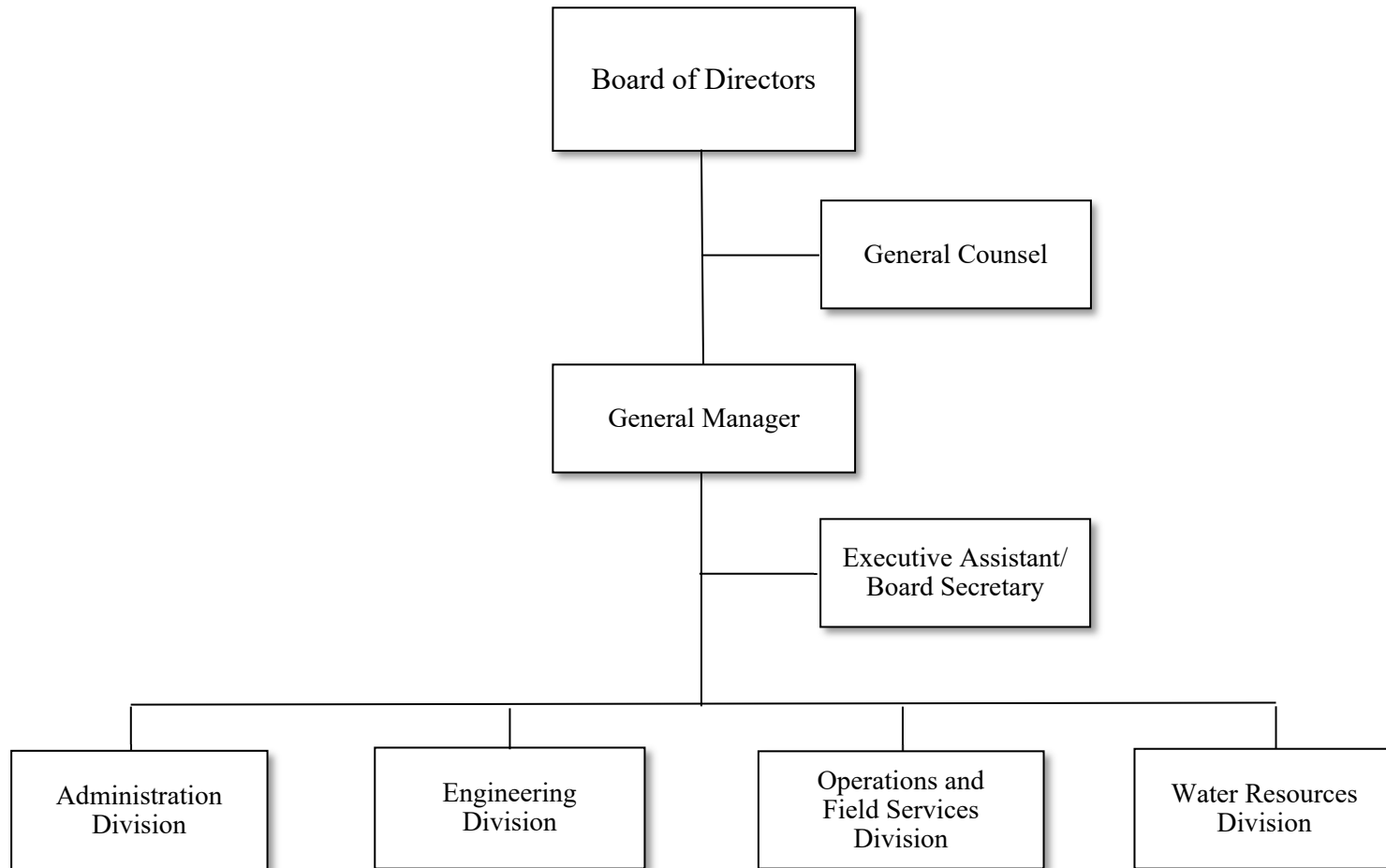
Cost Estimate (Whole Dollars only)			
	District Labor & Fringe	Outside Purchases	Total
All Prior Years Budget:			0
FY 2022 Budget:			0
FY 2023 Budget:			0
FY 2024 Budget:			0
FY 2025 Budget:		37,000	37,000
FY 2026 and thereafter:			0
Total Projected Amount:		37,000	37,000

Requesting Department: Information Technology

Budget Item Number: _____

Organization Profile

VID Divisions and Organization



Division Descriptions

ADMINISTRATION

Administrative Services
 -Public affairs
 -Records management

Customer Service
 -Customer relations
 -Meter reading/billing
 -Water conservation

Finance
 -Accounting
 -Budgeting
 -Cash management
 -Purchasing
 -Warehouse

Human Resources
 -Recruitment
 -Compensation and classification
 -Benefits
 -Safety/Risk Management
 *Safety training
 *Claims management

Information Technology
 -System support
 -Network administration
 -GIS

ENGINEERING

Engineering Services
 -Improvement plan review
 -Mapping
 -Water system design
 -Mapping

Engineering Projects
 -Master plan
 -Capital improvement program
 -Water facility inspection
 -Hydraulic computer simulation

OPERATIONS AND FIELD SERVICES

Water Distribution
 -System operations/maintenance
 -Water quality
 -Cross-connection control
 -Customer service

System Controls
 -Instrumentation/SCADA
 -Pump station/plant maintenance
 -Cathodic protection
 -Control valve maintenance

Construction
 -New construction
 -New service installation
 -Capital improvements
 -Infrastructure maintenance
 -Valve maintenance

Facilities
 -Buildings and grounds
 -Flume maintenance
 -Leak detection
 -Meter maintenance
 -Vehicle maintenance

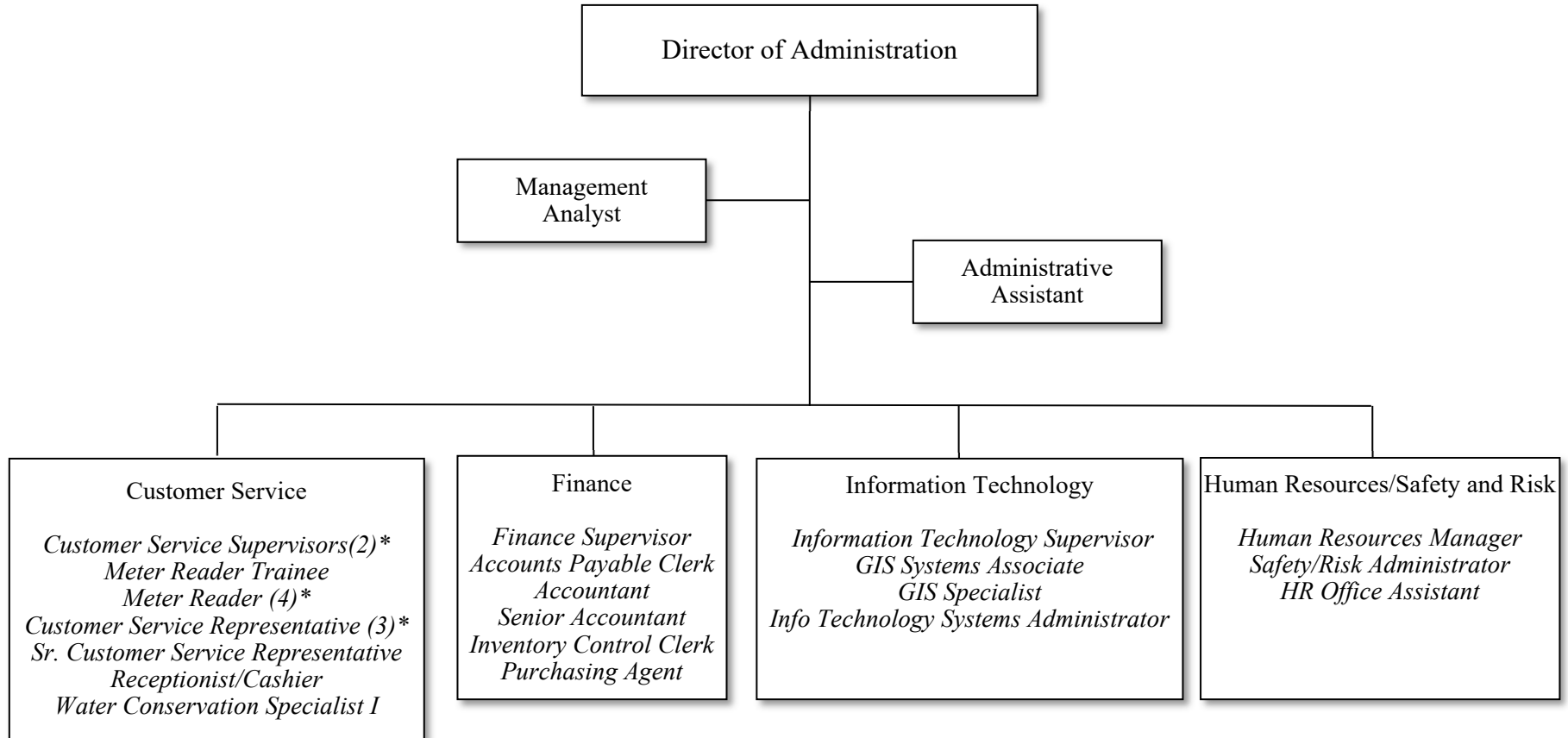
WATER RESOURCES

Water Resources
 -Dam safety
 -Henshaw Dam operations and maintenance
 -Henshaw projects
 -Wellfield production

Water Supply and Services Agreements
 -Escondido/Vista Water Treatment Plant
 -Local water system
 -Water agreement administration

Total Budgeted Positions	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
(on July 1)	90	90	89	89	89	88	88	89	89	89

Administration Division



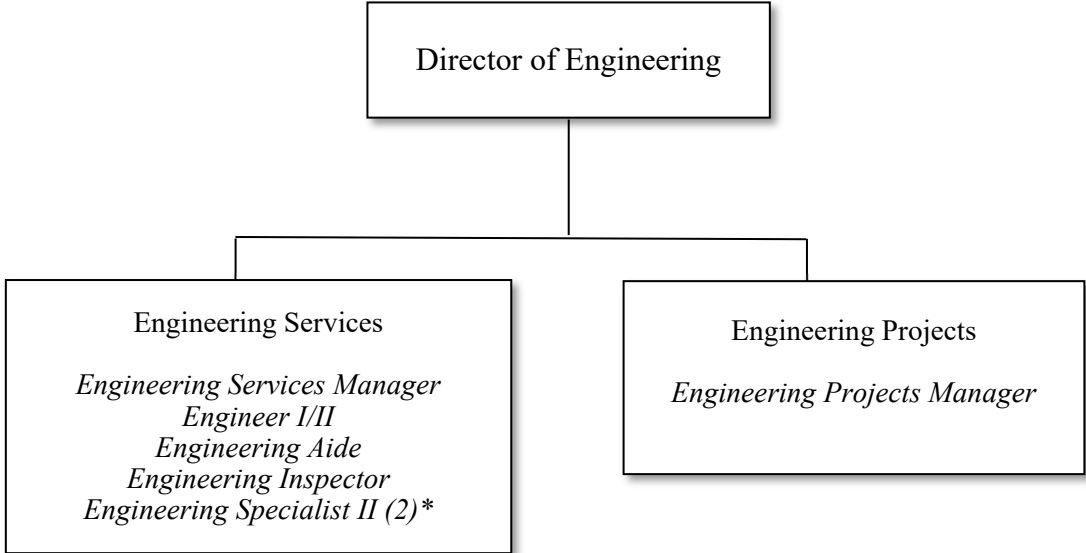
*Number of positions with the title if more than 1

Mission Statement

The mission of the Administration Division is to provide timely, accurate and useful information to the Board, staff and public; ensure that the District is in compliance with all applicable laws, statutes and reporting requirements; to provide administrative support to all the other divisions and departments in order to help them achieve their individual missions and the overall mission of the District; and to promote a positive and safe working environment for all District employees.

Number of Positions: 29

Engineering Division



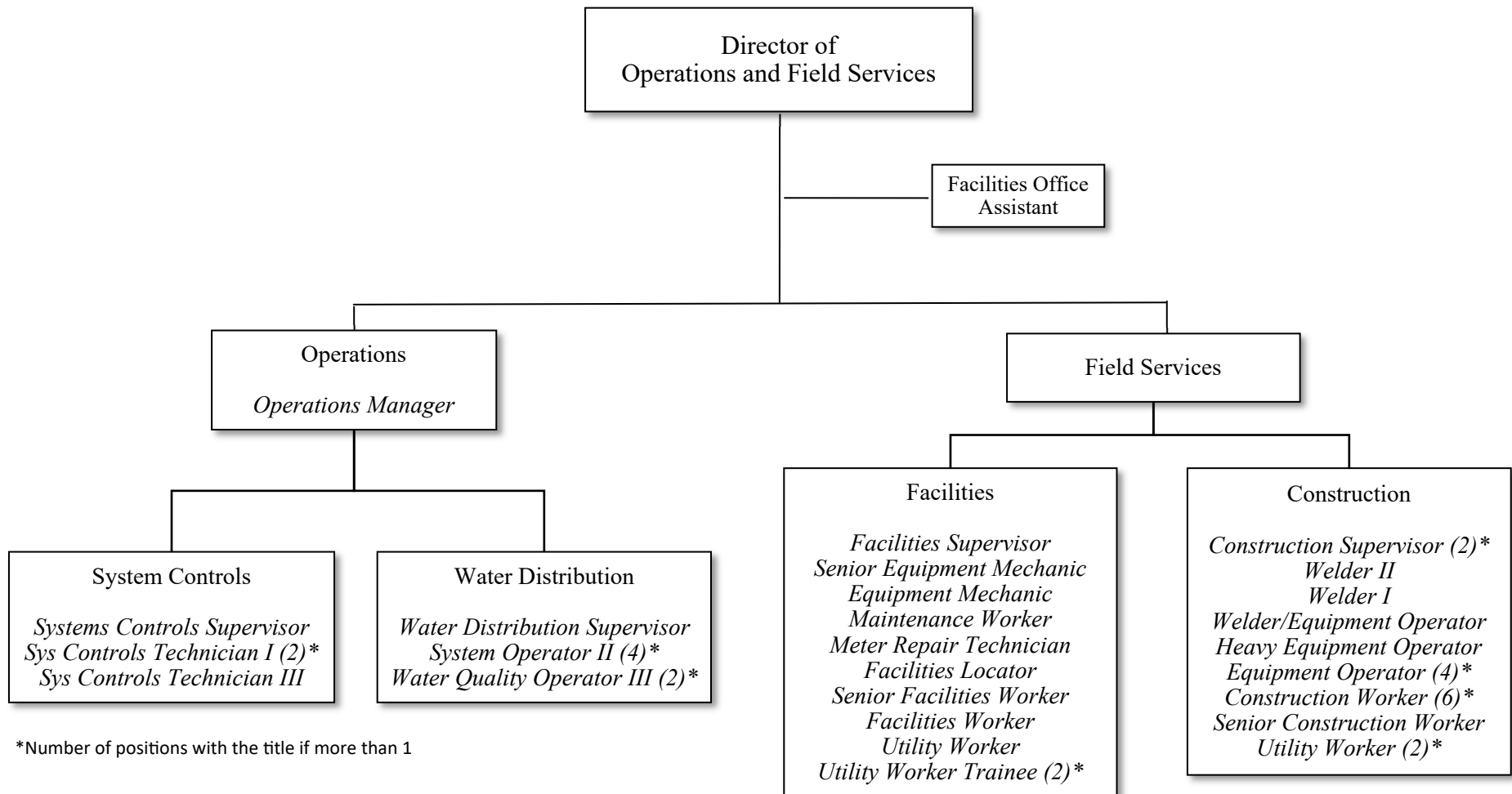
*Number of positions with the title if more than 1

Mission Statement

The mission of the Engineering Division is to provide our customers with a reliably designed distribution system that will deliver the needed quantity and quality of water in the most economically and environmentally sensitive manner and to provide courteous and professional assistance to the public, while insuring policies of the District are followed.

Number of Positions: 8

Operations and Field Services Division



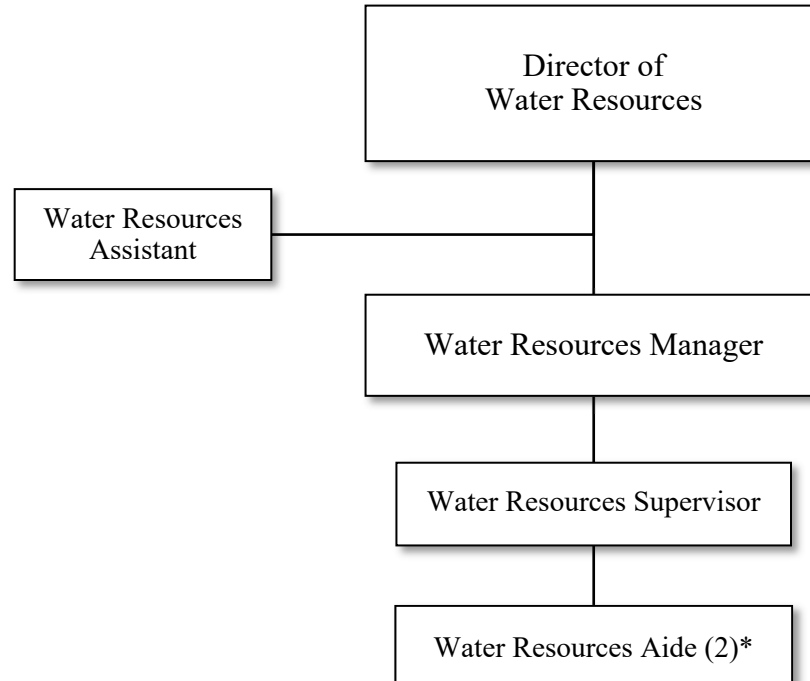
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Mission Statement

The mission of the Operations and Field Services Division is to effectively produce, treat, monitor and distribute a safe, reliable, potable water supply to our customers throughout the District’s service area; to manage and promote the cost effective and safe operation of the District’s construction and maintenance activities; to operate and maintain the District’s equipment and facilities in a professional and workman like manner; to provide reliability of service to our customers; to provide for a safe and efficient local water supply.

Number of Positions: 44

Water Resources Division



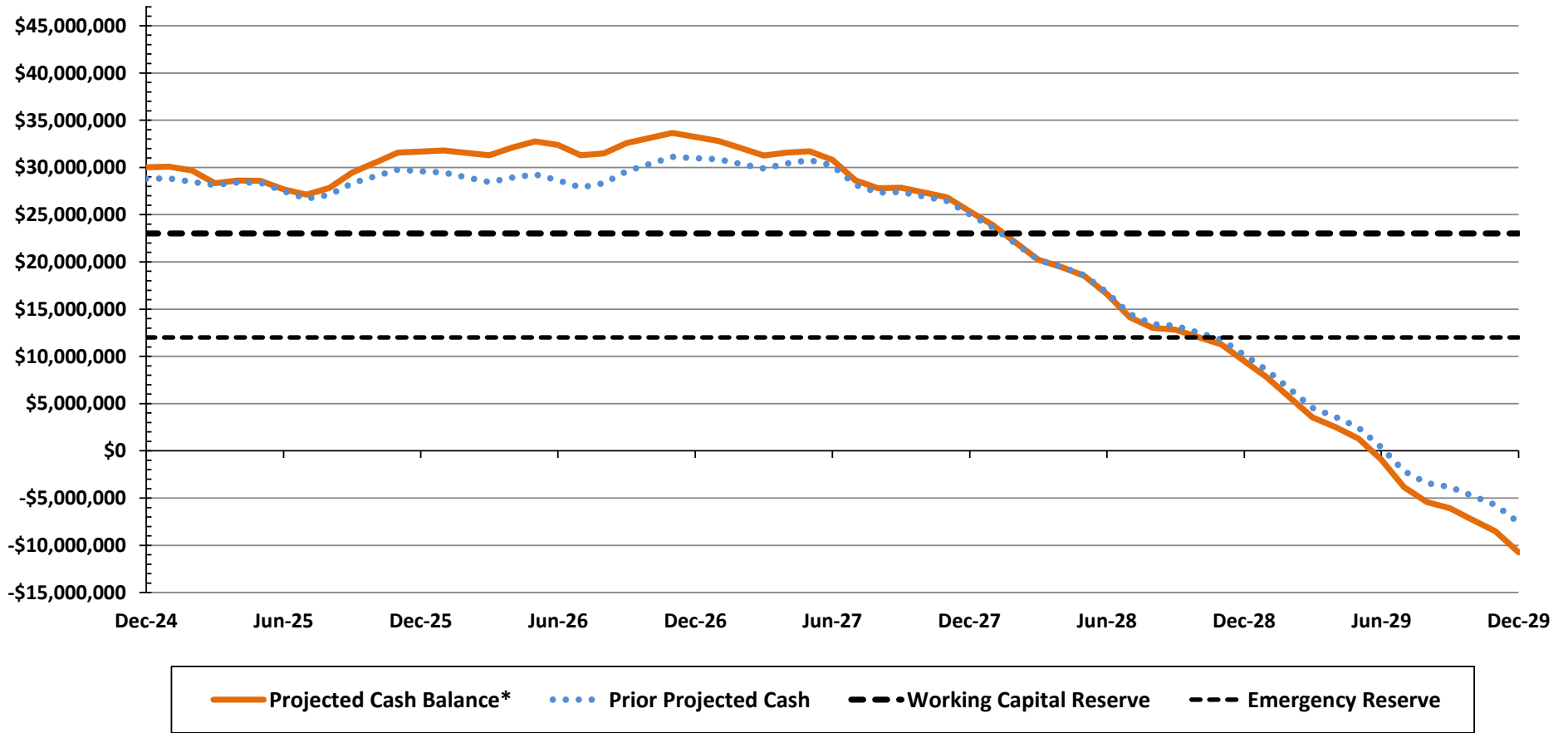
*Number of positions with the title if more than 1

Mission Statement

The mission of the Water Resources Division is to procure a safe and reliable local water supply for the District; to treat the water to standards that meet or exceed state and federal law; to cooperatively administer agreements pertaining to Local and Supplemental Water; to provide for the safety and security of the Henshaw Dam; and to conserve the resources of the Warner Ranch, including its watershed and aquifers in a cost effective and environmentally responsibly manner.

Number of Positions: 6

Vista Irrigation District
CASH FLOW PROJECTION
Includes Draft FY2026 Budget and Capital Budget Update
through December 2029



Emergency Reserve	\$12 million
Working Capital Reserve	\$11 million
Total Reserves	<u>\$23 million</u>

*Projected Cash Balance does not include additional revenue derived from future water rate adjustments and financings to fund capital projects; this is why the Projected Cash Balance line moves below both reserve levels in 2028. Future water rate adjustments and financings will be necessary to fund critical infrastructure projects.

**Vista Irrigation District
CAPITAL PROJECTS
Fiscal Years 2025 to 2054**

Infrastructure	Current Cost	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037	FY 2038	FY 2039
Main Replacement Program	95,576,860	4,000,000	4,650,000	4,009,777	4,170,168	5,241,585	5,451,248	5,669,298	5,896,070	6,131,913	6,377,190	6,632,277	6,897,568	7,173,471	7,460,410	7,758,826
Deodar Reservoir	3,525,316	3,525,316	-	-	-	-	-	-	-	-	-	-	-	-	-	-
E. Reservoir Replacement/Upsize/Pump Station	1,034,958	1,034,958	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pechstein II Reservoir	37,698,000	500,000	750,000	1,378,000	15,373,862	15,409,512	8,434,680	-	-	-	-	-	-	-	-	-
Vista Flume Rehabilitation	196,098,057	428,057	1,000,000	4,307,680	4,804,467	4,996,646	5,355,028	31,496,102	32,755,946	34,066,184	35,428,831	36,845,985	38,319,824	33,470,040	-	-
Groundwater Well	200,000	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
486 Zone Pressure Relief	85,000	85,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Wellfield Assessment and Optimization	15,515,234	-	486,369	-	-	-	-	-	-	-	-	7,369,197	7,663,965	7,195,200	-	-
Santa Fe 18-inch Pipeline - Robelini and Buena Creek	1,500,000	-	-	1,560,000	-	-	-	-	-	-	-	-	-	-	-	-
C Reservoir Demo and PRV Feed Upgrade- Offset Mainline	1,553,250	-	-	807,690	839,998	-	-	-	-	-	-	-	-	-	-	-
San Marcos, S. Santa Fe Wide - Smilax to Bostick	559,170	-	-	-	279,999	337,791	-	-	-	-	-	-	-	-	-	-
E-1 Reservoir Demo-565 Zone PRV	3,106,500	-	-	-	-	1,747,195	1,817,083	-	-	-	-	-	-	-	-	-
Pechstein Rehabilitation	21,227,750	-	-	-	-	582,398	12,113,885	12,598,441	-	-	-	-	-	-	-	-
A Reservoir	8,284,000	-	-	-	-	-	484,555	503,938	4,716,856	4,905,530	-	-	-	-	-	-
Pump Stations 10 & 12 near Pechstein Reservoir	6,213,000	-	-	-	-	-	-	755,906	3,537,642	3,679,148	-	-	-	-	-	-
Valve Rehab on Dam Outlet	228,785	-	-	-	-	-	-	139,176	144,743	-	-	-	-	-	-	-
HB Pipeline	2,485,200	-	-	-	-	-	-	-	-	-	1,700,584	1,768,607	-	-	-	-
CO SD, S. Santa Fe Ave - Widening Project	4,970,400	-	-	-	-	-	-	-	-	-	1,133,723	2,947,679	3,065,586	-	-	-
2nd Pechstein Feed - Buena Creek to Monte Vista Drive	7,600,000	-	-	-	-	-	-	-	-	-	-	-	5,824,613	6,057,598	-	-
Santa Fe 18-inch Pipeline - Civic to Monte Vita	2,588,750	-	-	-	-	-	-	-	-	-	-	-	1,915,991	1,992,631	-	-
900 Zone Feed Regulator and Pipe	1,242,600	-	-	-	-	-	-	-	-	-	-	-	919,676	956,463	-	-
Habitat Conservation Plan	545,000	-	-	-	-	-	-	-	-	-	-	-	-	-	112,072	116,555
Robelini/Buena Creek Pipeline	5,384,600	-	-	-	-	-	-	-	-	-	-	-	-	-	4,310,459	4,482,877
Total Infrastructure	417,222,430	9,773,331	6,886,369	12,063,147	25,468,494	28,315,127	33,656,480	51,162,861	47,051,258	48,782,775	44,640,327	55,563,745	64,607,223	56,845,403	11,882,941	12,358,259
Non Infrastructure	18,025,177	1,234,657	135,000	618,634	643,379	669,114	695,879	723,714	752,662	782,769	814,080	846,643	880,509	915,729	952,358	990,452
Total	\$ 435,247,607	\$ 11,007,988	\$ 7,021,369	\$ 12,681,781	\$ 26,111,873	\$ 28,984,241	\$ 34,352,358	\$ 51,886,575	\$ 47,803,920	\$ 49,565,544	\$ 45,454,407	\$ 56,410,387	\$ 65,487,732	\$ 57,761,132	\$ 12,835,299	\$ 13,348,711

NOTES:

1. The Capital Project List shows the anticipated timing of expenditures for various projects; it is used to project cash flow over a given period of time. It is important to note that capital project expenditures may not occur entirely in the fiscal year that the project was budgeted.
2. Inflation is estimated at 4%; inflation is applied to projected costs beginning in Fiscal Year 2027.
3. Beginning in Fiscal Year 2031, a number of capital projects have their costs spread evenly over future years because it is unknown when the project will begin. Once a capital project's timing is known, its total cost and the timing of expenditures is updated.

**Vista Irrigation District
CAPITAL PROJECTS
Fiscal Years 2025 to 2054**

Infrastructure	FY 2040	FY 2041	FY 2042	FY 2043	FY 2044	FY 2045	FY 2046	FY 2047	FY 2048	FY 2049	FY 2050	FY 2051	FY 2052	FY 2053	FY 2054	Total with Inflation
Main Replacement Program	8,069,179	8,391,946	8,727,624	9,076,729	9,439,799	9,817,390	-	-	-	-	-	-	-	-	-	141,042,471
Deodar Reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,525,316
E. Reservoir Replacement/Upsize/Pump Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,034,958
Pechstein II Reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,846,055
Vista Flume Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	263,274,790
Groundwater Well	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000
486 Zone Pressure Relief	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	85,000
Wellfield Assessment and Optimization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,714,731
Santa Fe 18-inch Pipeline - Robelini and Buena Creek	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,560,000
C Reservoir Demo and PRV Feed Upgrade- Offset Mainline	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,647,688
San Marcos, S. Santa Fe Wide - Smilax to Bostick	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	617,790
E-1 Reservoir Demo-565 Zone PRV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,564,278
Pechstein Rehabilitation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,294,725
A Reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,610,880
Pump Stations 10 & 12 near Pechstein Reservoir	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,972,696
Valve Rehab on Dam Outlet	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	283,920
HB Pipeline	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,469,191
CO SD, S. Santa Fe Ave - Widening Project	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,146,987
2nd Pechstein Feed - Buena Creek to Monte Vista Drive	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,882,211
Santa Fe 18-inch Pipeline - Civic to Monte Vita	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,908,622
900 Zone Feed Regulator and Pipe	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,876,139
Habitat Conservation Plan	121,217	126,066	131,109	126,614	131,678	136,945	-	-	-	-	-	-	-	-	-	1,002,256
Robelini/Buena Creek Pipeline	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,793,336
Total Infrastructure	8,190,397	8,518,013	8,858,733	9,203,343	9,571,477	9,954,336	-	-	-	-	-	-	-	-	-	563,354,039
Non Infrastructure	1,030,070	1,071,273	1,114,124	1,158,689	1,205,037	1,253,238	1,303,368	1,355,502	1,409,722	1,466,111	1,524,756	1,585,746	1,649,176	1,715,143	1,783,749	32,281,283
Total	\$ 9,220,467	\$ 9,589,286	\$ 9,972,857	\$10,362,032	\$10,776,513	\$ 11,207,574	\$ 1,303,368	\$ 1,355,502	\$ 1,409,722	\$ 1,466,111	\$ 1,524,756	\$ 1,585,746	\$ 1,649,176	\$ 1,715,143	\$ 1,783,749	595,635,322