



**REGULAR BOARD MEETING AGENDA
TRABUCO CANYON WATER DISTRICT
32003 DOVE CANYON DRIVE, TRABUCO CANYON, CALIFORNIA
ADMINISTRATIVE FACILITY
DECEMBER 17, 2025 AT 6:00 PM**

BOARD OF DIRECTORS

Edward Mandich, President
Glenn Acosta, Vice President
Mark Anderson, Director
John Horst, Director
Michael Safranski, Director

DISTRICT STAFF

Michael Perea, Interim General Manager/District Secretary
Ian Berg, District Treasurer
Hanson Bridgett LLP, District General Legal Counsel

AGENDA NOTE:

Trabuco Canyon Water District (District) will make this Regular Board Meeting available by telephone audio as follows:

Telephone Audio: 1 (669) 900-6833 (Toll Free) **Access Code:** 964-7642-1987

Persons desiring to monitor the Board meeting agenda items may download the Board meeting agenda and documents on the internet at www.tcwd.ca.gov. You may submit public comments by email to the Board at mperea@tcwd.ca.gov. In order to be part of the record, emailed comments on meeting agenda items must be received by the District, at the referenced e-mail address, not later than 5:00 p.m. (PDT) on the day of the meeting.

CALL MEETING TO ORDER

PLEDGE OF ALLEGIANCE

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

Determine need and take action on item(s) that arose subsequent to posting the Regular Board Meeting agenda.

VISITOR PARTICIPATION

Members of the public wishing to address the Board regarding a particular item on the agenda are requested to submit public comments by email to the Board at mperea@tcwd.ca.gov. Public comments may also be submitted by teleconference during the meeting. The Board President will call on the visitor following the Board's discussion about the matter. Members of the public will be given the opportunity to speak prior to the Board taking action on that item. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

ORAL COMMUNICATION

Members of the public who wish to comment on matters not appearing on the agenda are requested to submit oral communication by email to the Board at mperea@tcwd.ca.gov. Public comments may also be submitted by teleconference during the meeting. Under the requirements of State Law, Directors cannot act on items not identified on the agenda and will not make decisions on such matters. The Board President may direct District Staff to follow up on issues as may be deemed appropriate. For persons desiring to make verbal comments and utilizing a translator to present their comments into English reasonable time accommodations, consistent with State law, shall be provided. Please limit comments to three minutes.

DIRECTORS' COMMENTS AND MEETING REPORTS

REPORT FROM THE INTERIM GENERAL MANAGER

CONSENT CALENDAR

All matters under the Consent Calendar will be approved by one motion unless a Board member or staff member requests a separate action on a specific item.

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)

RECOMMENDED ACTION

Approve the minutes of the following Board Meetings:

- 1. November 3, 2025 Special Board Meeting*
- 2. November 6, 2025 Special Board Meeting*
- 3. November 19, 2025 Regular Board Meeting*

ITEM 2: TREASURER’S REPORT

a. *FINANCE/AUDIT COMMITTEE MEETING*

RECOMMENDED ACTION:

Receive and file the following Finance/Audit Committee Meeting Recap(s):

- 1. November 13, 2025*

b. *PRESENTATION OF FINANCIALS*

RECOMMENDED ACTION:

Receive and file the preliminary statement(s) of revenues and expenses and preliminary unaudited financials for the following month(s):

- 1. October 2025*

c. *PAYMENT OF BILLS FOR CONSIDERATION*

RECOMMENDED ACTION:

Ratify the payment of bills for consideration, Payroll and Payroll Taxes for November 2025.

ITEM 3: APPROVAL OF ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP(S)

RECOMMENDED ACTION:

Receive and file the following Engineering/Operational Committee Meeting Recap(s):

- 1. November 5, 2025*

ITEM 4: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP(S)

RECOMMENDED ACTION:

Receive and file the following Executive Committee Meeting Recap(s):

- 1. November 3, 2025*



ACTION CALENDAR

All matters under the Action Calendar have been reviewed by the Interim General Manager and Staff prior to the Board's consideration.

ADMINISTRATIVE MATTERS

ITEM 5: APPROVAL OF GENERAL MANAGER EMPLOYMENT AGREEMENT

RECOMMENDED ACTION(S):

Provide announcement of action(s) taken by the Board of Directors and take other related action(s) as determined by the Board of Directors.

ITEM 6: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ ATTENDANCE

RECOMMENDED ACTION(S):

Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees for the following period(s):

1. November 2025

ITEM 7: INFORMATIONAL UPDATES FROM BOARD COMMITTEES

RECOMMENDED ACTION(S):

Receive updates and information from Board Committee Chairs/Members and take action(s) as deemed appropriate.

ITEM 8: STATUS UPDATE ON REQUEST FOR PROPOSALS FOR COMBINED SERVICES TO ACHIEVE RATE RELIEF

RECOMMENDED ACTION(S):

Receive updates and information from Board and take action(s) as deemed appropriate.

ITEM 9: ELECTION OF BOARD OFFICERS

RECOMMENDED ACTION(S):

Pursuant to the District's General Policy and Rules and Regulations, hold elections for the offices of President and Vice President of the Board of Directors.

ITEM 10: PRESENTATION ON BOARD DISTRICTING/ESTABLISHING VOTER DIVISIONS – GENERAL COUNSEL

RECOMMENDED ACTION(S):

1. Receive presentation at the time of the meeting.
2. Adopt Resolution No. 2025-1362 – Resolution of the Board of Directors of Trabuco Canyon Water District Declaring Its Intention To Transition from an At-Large Election System to a District-Based Election System Pursuant To California Elections Code 10010.



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ITEM 11: ADOPTION OF RESOLUTION COMMEMORATING THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY'S (MWDOC) 75TH ANNIVERSARY

RECOMMENDED ACTION(S):

Adopt Resolution No. 2025-1361 – Resolution of the Board of Directors of Trabuco Canyon Water District In Recognition and Commemoration of the Seventy-Fifth Anniversary of the Municipal Water District of Orange County (MWDOC).

FINANCIAL MATTERS

ITEM 12: PRESENTATION OF TRABUCO CANYON WATER DISTRICT'S FISCAL YEAR 2024-25 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

RECOMMENDED ACTION:

Receive presentation at the time of the meeting and file the Trabuco Canyon Water District Fiscal Year 2024-25 Annual Comprehensive Financial Report (ACFR)

ENGINEERING MATTERS

ITEM 13: SADDLE CREST RESERVOIR OUTLET IMPROVEMENTS CONSTRUCTION CONTRACT AWARD

RECOMMENDED ACTION:

Authorize the Interim General Manager to award a Construction contract for the Saddle Crest Reservoir Outlet Improvement Project to JA Salazar Construction & Supply Corp. in the amount of \$172,720 plus a 10% contingency of \$17,272, for a not-to-exceed amount of \$189,992.

ITEM 14: ROBINSON RANCH WASTEWATER TREATMENT PLANT BLOWER ROOM MOTOR CONTROL CENTER (MCC) IMPROVEMENTS – PHASE 1 & PHASE 2 EMERGENCY WORK

RECOMMENDED ACTION:

Authorize the Interim General Manager to award a construction contract for the WWTP Blower Room MCC Improvements to Hydrotech Electric in the amount of \$362,993.56 plus a 10% contingency of \$36,299, for a not-to-exceed amount of \$399,292.56.

ITEM 15: DIMENSION WATER TREATMENT PLANT TRANSMISSION MAIN PIPELINE REHABILITATION PROJECT UPDATE

RECOMMENDED ACTION:

Receive project updates at the time of the meeting. No action required.

LEGISLATIVE AND OTHER MATTERS

ITEM 16: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

RECOMMENDED ACTION(S):

Receive information at the time of the meeting and take action(s) as deemed appropriate.



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CLOSED SESSION(S):

CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)

Agency Designated Representatives: Claire Collins, Molly Kaban

Employee Organization: IBEW Local 47

CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code § 54956.8)

Property: 32003 Dove Canyon Dr., Trabuco Canyon, CA 92679, APN: 804-542-27

Agency Negotiators: Ed Mandich, Mark Anderson, & Michael Perea

Negotiating Parties: Irvine Ranch Water District and/or Santa Margarita Water District

Under Negotiation: Price and Terms of Payment

RETURN TO OPEN SESSION

ITEM 17: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

RECOMMENDED ACTION(S):

Provide announcement(s) of any action(s) taken in Closed Session(s), if any.

ITEM 18: MEMORANDUM OF UNDERSTANDING BETWEEN TCWD AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

RECOMMENDED ACTION(S):

Announce the status of negotiations of a memorandum of understanding.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

ITEM 19: _____

ITEM 20: _____

GENERAL COUNSEL REPORT

OTHER INFORMATION/MATTERS

Reports or comments from the General Manager and/or Staff

ADDITIONAL DIRECTORS' COMMENTS

Additional reports or comments from Directors

END ACTION CALENDAR & ADJOURNMENT

AVAILABILITY OF AGENDA MATERIALS

Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Trabuco Canyon Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board of Directors are available for public inspection at the Trabuco Canyon Water District Administrative Facility, 32003 Dove Canyon Drive, Trabuco Canyon, California (District Administrative Facility) and will be posted online on the District's website located at www.tcwd.ca.gov. If such writings are distributed to members of the Board less than 72 hours



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prior to the meeting, they will be available online at www.tcwd.ca.gov at the same time as they are distributed to the Board Members, except that, if such writings are distributed immediately prior to or during the meeting, they will be posted online on the District's website located at www.tcwd.ca.gov.

COMPLIANCE WITH THE REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE SECTION 54954.2

In compliance with California law and the Americans with Disabilities Act, if you need special disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 858-0277, at least 48 hours in advance of the scheduled Board meeting. Notification at least 48 hours prior to the meeting will assist the District in making reasonable arrangements to accommodate your request. The Board Meeting Room is wheelchair accessible.

FUTURE SCHEDULED REGULAR BOARD MEETINGS OF THE BOARD OF DIRECTORS

Upcoming Regular Meetings of the Board are expected to be held at the District Administrative Facility (Board Meeting Room) located at 32003 Dove Canyon Drive, Trabuco Canyon, California 92679 and are currently scheduled as follows:

January 21, 2026 | February 18, 2026 | March 18, 2026



**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

CONSENT CALENDAR

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)

RECOMMENDED ACTION

Approve the minutes of the following Board Meetings:

- 1. November 3, 2025 Special Board Meeting*
- 2. November 6, 2025 Special Board Meeting*
- 3. November 19, 2025 Regular Board Meeting*

CONTACTS (staff responsible): PEREA



MINUTES OF THE SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | NOVEMBER 3, 2025

The Special Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on November 3, 2025, was called to order by President Edward Mandich at 8:31 a.m. in the Board Room at the District Administrative Facility located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Michael Perea, District Secretary, transcribed the minutes thereof.

DIRECTORS PRESENT

President Ed Mandich
Vice President Glenn Acosta
Director Mark Anderson
Director John Horst
Director Michael Safranski

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Roseann Lejsek, Executive Assistant
Karen Warner, Principal Accountant
Phil Serpas, CMMS/SCADA Administrator

DISTRICT CONSULTANTS

None

PUBLIC PRESENT

None

PLEDGE OF ALLEGIANCE

Director Anderson led the Board of Directors, District staff, and audience in the Pledge of Allegiance.

VISITOR PARTICIPATION

None

ORAL COMMUNICATION

None

DIRECTOR'S COMMENTS

None

REPORT FROM THE GENERAL MANAGER

Mr. Paludi had no comments.

Mr. Perea reported that Mr. Fernando Valdez, Water Department Chief Plant Operator, received his D5 certification. Mr. Perea noted that five District employees have their D5 certification.

**TRABUCO CANYON WATER DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS MINUTES | NOVEMBER 3, 2025**

ACTION CALENDAR

CLOSED SESSION(S):

PUBLIC EMPLOYEE APPOINTMENT (Gov. Code § 54957) - TITLE: GENERAL MANAGER

The Board of Directors entered closed session in accordance with the agenda at 8:33 a.m. The General Manager participated in closed session.

The closed session ended at 11:00 a.m.

ITEM 1: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

Director Mandich reported that the Board of Directors met in closed session to review the matters as agendaized, and that there was no action to be reported in closed session.

MOTION: None

ADJOURNMENT

President Mandich adjourned the November 3, 2025 Special Board Meeting at 11:01 a.m.

DRAFT



MINUTES OF THE SPECIAL BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | NOVEMBER 6, 2025

The Special Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on November 6, 2025, was called to order by President Edward Mandich at 8:02 a.m. in the Board Room at the District Administrative Facility located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Michael Perea, District Secretary, transcribed the minutes thereof.

DIRECTORS PRESENT

President Ed Mandich
Vice President Glenn Acosta
Director Mark Anderson
Director John Horst
Director Michael Safranski

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Roseann Lejsek, Executive Assistant
Karen Warner, Principal Accountant
Phil Serpas, CMMS/SCADA Administrator

DISTRICT CONSULTANTS

Lauren Gerson-Greene, WBCP

PUBLIC PRESENT

None

PLEDGE OF ALLEGIANCE

Director Safranski led the Board of Directors, District staff, and audience in the Pledge of Allegiance.

VISITOR PARTICIPATION

None

ORAL COMMUNICATION

None

DIRECTOR'S COMMENTS

None

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported on the following matters:

- The District has been awarded the Special District Leadership Foundation's (SDLF) District Transparency Certificate of Excellence through the California Special Districts Association (CSDA). Mr. Paludi expressed his appreciation to Mr. Perea and Ms. Lejsek for their hard work in ensuring compliance requirements were met to receive this distinction.

**TRABUCO CANYON WATER DISTRICT
SPECIAL MEETING OF THE BOARD OF DIRECTORS MINUTES | NOVEMBER 6, 2025**

- Phase 1A of the Dimension Water Treatment Plant Pipeline Rehabilitation Project is complete and Phase 1B will start the following week.
- Irvine Ranch Water District (IRWD) and Santa Margarita Water District (SMWD) will forego their December meeting and instead meet during the Association of California Water Agencies (ACWA) 2025 Fall Conference to discuss the District's RFP for rate relief.

ACTION CALENDAR

CLOSED SESSION(S):

PUBLIC EMPLOYEE APPOINTMENT (Gov. Code § 54957) - TITLE: GENERAL MANAGER

The Board of Directors entered closed session in accordance with the agenda at 8:11 a.m. The General Manager participated in closed session.

The closed session ended at 1:25 p.m.

ITEM 1: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

Director Mandich reported that the Board of Directors met in closed session to review the matters as agendaized, and that there was no action to be reported in closed session.

MOTION: None

ADJOURNMENT

President Mandich adjourned the November 6, 2025 Special Board Meeting at 1:26 p.m.

DRAFT



MINUTES OF THE REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF TRABUCO CANYON WATER DISTRICT | NOVEMBER 19, 2025

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD or District) conducted on November 19, 2025, was called to order by President Ed Mandich at 6:03 p.m. in the Board Room at the District Administrative Facility located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Mr. Michael Perea, District Secretary, transcribed the minutes thereof.

DIRECTORS PRESENT

President Ed Mandich
Director Mark Anderson
Director John Horst
Director Michael Safranski

DIRECTORS ABSENT

Vice President Glenn Acosta

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Karen Warner, Principal Accountant
Roseann Lejsek, Executive Assistant
Phil Serpas, CMMS/SCADA Administrator
Gary Kessler, Water Operations Superintendent
Oscar Ulloa, Wastewater Operations Superintendent
Other staff were present

STAFF ABSENT

None

DISTRICT CONSULTANTS

Claire Collins, District General Legal Counsel - Hanson Bridgett, LLP
Ian Berg, District Treasurer – Starting Line Advisory
Habib Isaac, IB Consulting
Andrea Boehling, IB Consulting
Dr. Deborah Diep, Center for Demographic Research, Cal State Fullerton

PUBLIC PRESENT

There were members of the public present.

PLEDGE OF ALLEGIANCE

Director Horst led the Board of Directors, District staff, and audience in the Pledge of Allegiance.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

None

VISITOR PARTICIPATION

None

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | NOVEMBER 19, 2025**

On behalf of the Board of Directors, President Mandich presented Mr. Paludi with a proclamation honoring his six years of service with Trabuco Canyon Water District. Director Mandich expressed his appreciation to Mr. Paludi for his leadership of the District.

Director Safranski expressed his appreciation to Mr. Paludi for his leadership of the District over the last six years despite the many challenges he faced during his tenure.

Director Anderson stated that it has been a pleasure working with Mr. Paludi.

Director Horst thanked Mr. Paludi for helping to educate him on the water industry.

ORAL COMMUNICATION

Director Mandich read the names of members of the public that submitted e-comments after the posting of the agenda.

Olga Poletaeva – Ms. Poletaeva addressed the Board of Directors with her concerns regarding the District's rates and charges. Ms. Poletaeva stated that she has submitted a meter downsize request, however, she believes her account should be reviewed for an allocation adjustment in order to decrease her charges.

Nicholas Jaber – Mr. Jaber addressed the Board of Directors and introduced himself as an attorney with water and wastewater experience in Santa Cruz County. Mr. Jaber offered himself as a resource to the Board and to the community. Mr. Jaber added that he appreciates all that the District does.

Margaret (Peggy) Munhall – Ms. Munhall addressed the Board of Directors with her concerns regarding the District's rates and charges. Ms. Munhall expressed her opinion that the District should consolidate to decrease customer expenses.

Allan Burnham – Mr. Burnham addressed the Board of Directors with his observations of non-District owned heavy equipment on Porter Ranch Road and the absence of a water truck on-site.

DIRECTOR'S COMMENTS

Director Safranski provided a brief report on the City of Rancho Santa Margarita City Council Meeting that he attended earlier in the month.

Director Horst provided a brief report on the Municipal Water District of Orange County (MWDOC) meetings he attended earlier in the month.

Director Anderson reported on a meeting he had with the newly appointed OC LAFCO Executive Officer to gain an understanding of the consolidation process, along with the timeframe for TCWD's next municipal service review.

Director Mandich had no comments.

REPORT FROM THE GENERAL MANAGER

Mr. Paludi reported that the Engineering/Operational Committee meeting would be rescheduled due to the Association of California Water Agencies (ACWA) Conference.

Mr. Paludi noted that this would be his final Board meeting, and he expressed his appreciation to the Directors for the opportunities they provided which contributed to his professional growth. Mr. Paludi thanked staff for their support, which allowed him to accomplish much during his employment with the District. Lastly, Mr. Paludi expressed his appreciation to the customers.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | NOVEMBER 19, 2025**

CONSENT CALENDAR

Director Mandich indicated that all matters under the Consent Calendar would be approved by one motion unless a Board member or staff member requests separate action on a specific item. Mr. Paludi presented Items 1-3 for Board consideration and approval in accordance with the agenda.

ITEM 1: APPROVAL OF MINUTES OF BOARD MEETING(S)

1. October 15, 2025 Special Board Meeting Minutes
2. October 15, 2025 Regular Board Meeting Minutes
3. October 21, 2025 Special Board Meeting Minutes
4. October 29, 2025 Special Board Meeting Minutes
5. October 30, 2025 Special Board Meeting Minutes

ITEM 2: TREASURER’S REPORT

1. October 9, 2025 Finance/Audit Committee Meeting Recap
2. September 2025 Preliminary Unaudited Financials
3. October 2025 Bills for Consideration, Payroll and Payroll Taxes

ITEM 3: APPROVAL OF ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP(S)

1. October 1, 2025 Engineering/Operational Committee Meeting Recap

ITEM 4: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP(S)

1. September 8, 2025 Executive Committee Meeting Recap
2. October 13, 2025 Executive Committee Meeting Recap

MOTION: Approve the consent calendar as presented – Director Anderson

SECOND: Director Safranski

AYES: Directors Mandich, Anderson, Horst & Safranski

NOES: None

ABSTAIN: None

ABSENT: Director Acosta

MOTION PASSED/FAILED: Passed 4 – 0 – 1 with Director Acosta absent

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 5: RATIFICATION OF DIRECTORS’ FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/ATTENDANCE

Mr. Paludi presented this matter for Director consideration and comment, and he reported that this matter was reviewed with the Finance/Audit Committee.

MOTION: Approve the tentative future meetings/attendance items and ratify the amended Directors’ expenses and fees from October 2025 – Director Horst

SECOND: Director Mandich

AYES: Directors Mandich, Anderson, Horst & Safranski

NOES: None

ABSTAIN: None

ABSENT: Director Acosta

MOTION PASSED/FAILED: Passed 4 – 0 – 1 with Director Acosta absent

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | NOVEMBER 19, 2025**

ITEM 6: INFORMATIONAL UPDATES FROM BOARD COMMITTEES

Committee members provided updates on the following Committees:

Finance/Audit Committee – Director Horst reported that the Committee discussed the pass-through rate postcard mailer and how to better communicate the overall rate increases beginning January 1, 2026.

Director Mandich reported that the Board has hired Mr. Larry McKenney to be the District’s new General Manager beginning January 2026. Director Mandich added that Mr. McKenney is from Southern California and is familiar with our neighboring agencies.

MOTION: None. Informational item only.

ITEM 7: SPECIAL DISTRICT LEADERSHIP FOUNDATION (SDLF) TRANSPARENCY CERTIFICATE OF EXCELLENCE AWARD TO TRABUCO CANYON WATER DISTRICT

Mr. Perea expressed his appreciation to Ms. Lejsek for her assistance and hard work in obtaining the certificate.

Mr. Paludi reported that earning this certificate requires meeting numerous requirements, which can be challenging for smaller Districts. Mr. Paludi summarized the key compliance obligations, and that the District has met these requirements, receiving two letters of support from neighboring agencies. Mr. Paludi congratulated the District on achieving this distinction.

MOTION: None. Informational item only.

ITEM 8: PRESENTATION ON BOARD DISTRICTING/ESTABLISHING VOTER DIVISIONS – GENERAL COUNSEL

Ms. Collins presented this matter for Board consideration. Ms. Collins reported that this was the first meeting being held to discuss potentially moving the District from at-large elections into Division-based elections. Ms. Collins provided an overview of the legal vulnerabilities that agencies are facing in potential lawsuits related to operating under at-large elections. Ms. Collins introduced Dr. Deborah Diep with the Center for Demographic Research, Cal State Fullerton to provide further information.

Dr. Diep addressed the Board of Directors with a brief history of the agency’s formation and an overview of the required process, timeline and next steps in order to adopt a Division-based election process.

Ms. Collins added that the District is in a good position to make this change in time for the 2026 elections, and she stated that a resolution is being proposed to the state of intention to initiate this process. Ms. Collins asked Director Mandich to open the public hearing on this matter.

Director Mandich opened the Public Hearing at 6:44 p.m.

Ray Chandos – Mr. Chandos addressed the Board of Directors with his concerns regarding this matter, and he questioned the proposed actions of establishing voter divisions based on what he believes is a hypothetical threat of action. Mr. Chandos requested that this matter be tabled or rejected by the Board.

Allan Burnham – Mr. Burnham addressed the Board of Directors to inquire about the origin of this request to move to Division-based elections. Mr. Burnham stated that he believes there is no need for this change to the District’s voting system.

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Gloria Sefton – Ms. Sefton addressed the Board of Directors stating that, considering the potential for consolidation, she does not believe it is prudent to proceed with this matter as this time, and that this matter should be tabled or cancelled.

Sue Marucci – Ms. Marucci addressed the Board of Directors with her concerns regarding the District spending money on this matter in light of a potential merger. Ms. Marucci stated that she does not find this change necessary, and that she believes the Board should wait to determine whether the District will consolidate.

Nicholas Jaber – Mr. Jaber addressed the Board of Directors with his concerns regarding this matter, and he stated that he believes there is not a lot of foundation to support this change to the election process. Mr. Jaber requested that the District provide data points and the likelihood of litigation to support this matter.

Director Mandich closed the Public Hearing at 6:55 p.m.

Discussion occurred regarding the benefit of starting this process now versus waiting due to potential consolidation.

- MOTION:** Adopt Resolution No. 2025-1360 – Resolution of the Board of Directors of Trabuco Canyon Water District Declaring Its Intention to Transition From An At-Large Election System to a District-Based Election System Pursuant to California Elections Code 10010 – Director Horst
- SECOND:** Director Mandich
- AYES:** Directors Mandich and Horst
- NOES:** Directors Anderson and Safranski
- ABSTAIN:** None
- ABSENT:** Director Acosta
- MOTION PASSED/FAILED:** Failed 2 – 2 – 1 with Director Acosta absent

FINANCIAL MATTERS

ITEM 9: DISCUSSION AND POSSIBLE ACTION(S) CONCERNING TRABUCO CANYON WATER DISTRICT’S CURRENT RATES & CHARGES

Mr. Paludi presented this matter for Board consideration, and he reported that both partners from IB Consulting were in attendance to answer any questions.

Public Comment was received related to this item on the agenda.

Jay Gentile – Mr. Gentile addressed the Board of Directors with his concerns regarding the District’s fixed charges, and he requested that the Board reassess the fixed charge amounts for the 5/8-inch, ¾-inch, and 1-inch meter charges.

Ray Chandos – Mr. Chandos addressed the Board of Directors requesting that the matter be tabled pending the outcome of the consolidation discussion.

Sue Marucci – Ms. Marucci addressed the Board of Directors with her concerns regarding the District’s fixed charges. Ms. Marucci stated that she believes that the District would benefit from having a different firm perform the rate study to provide a fresh perspective. Ms. Marucci stated that she believes the District has high legal costs and that the District should be conservative with spending money on this matter. Ms. Marucci stated that she believes this matter should be tabled due to the pending consolidation discussion.

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Pat Lawrence – Mr. Lawrence addressed the Board of Directors with his concerns regarding the District’s rates and charges, and he stated that he believes that the 1-inch meter fixed charge should be the same as the ¾” and 5/8-inch fixed charges.

Director Safranski raised the question on whether it makes sense to start a new rate study at this time. Director Safranski agreed with public comment that utilizing a different rate consultant may provide new perspective.

Director Anderson commented that he is having difficulty understanding which specific questions the District intends to address with a new rate study. Director Anderson explained that his objective in conducting such a study is to compare the District’s figures with those of neighboring agencies once the RFP responses are received. Director Anderson also noted that a significant rate reduction would be necessary in order to support consolidation. Director Anderson also expressed his preference for having the existing firm re-run the model to obtain the required data.

Director Horst asked IB Consulting whether the potable water portion of the rate study could be completed in the next couple of months. Mr. Isaac and Ms. Boehling confirmed that this timeframe was reasonable, and noted that the sewer and recycled rate components could be phased in. Director Horst inquired whether IB Consulting’s pending litigation would affect their ability to perform the work. Mr. Isaac stated that it would not, and that the rate study could be completed without issue.

Mr. Isaac walked through the proposed phases of a rate study with offramps for Board consideration.

Mr. Berg reported to the Board that staff is currently preparing a mid-year budget update for their consideration during the next few months which may provide additional key information for determining the District’s rate revenue requirements.

Discussion occurred regarding the District’s capital costs, aging infrastructure, and proposed rate setting methodologies would be used in a new rate study.

- MOTION:** Approve a contract with IB Consulting to perform a Utility Rate Cost-of-Service Study in Three Phases for a not-to-exceed amount of \$95,960 – Director Horst
- SECOND:** Director Anderson
- AYES:** Directors Mandich, Anderson, Horst and Safranski
- NOES:** None
- ABSTAIN:** None
- ABSENT:** Director Acosta
- MOTION PASSED/FAILED:** Passed 4 – 0 – 1 with Director Acosta absent

ITEM 10: ADOPTION OF RESOLUTION FOR REIMBURSEMENT OF CERTAIN COSTS FROM PROCEEDS OF TAX EXEMPT OBLIGATIONS

Mr. Paludi presented this matter for Board consideration. Mr. Berg reported that adopting this resolution adds flexibility to financial planning so that if unrestricted reserves are needed to cover capital costs prior to issuing debt, those reserve funds can be restored at the time of the transaction.

- MOTION:** Adopt Resolution No. 2025-1359 – A Resolution of the Board of Directors of the Trabuco Canyon Water District Regarding Its Intention to Reimburse Certain Costs from Proceeds of Tax-Exempt Obligations – Director Horst
- SECOND:** Director Safranski
- AYES:** Directors Mandich, Anderson, Horst and Safranski

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | NOVEMBER 19, 2025**

NOES: None
ABSTAIN: None
ABSENT: Director Acosta
MOTION PASSED/FAILED: Passed 4 – 0 – 1 with Director Acosta absent

ENGINEERING MATTERS

ITEM 11: AWARD OF CONSTRUCTION CONTRACT FOR HERITAGE SEWER LIFT STATION IMPROVEMENTS

Mr. Paludi presented this matter for Board consideration. Ms. Lausten provided an overview of the proposed site improvements, and she reported that staff solicited bids from five contractors and received two proposals. Ms. Lausten presented a bid comparison summary, and she stated that staff's recommendation is to award a contract to Ferreira Construction. Ms. Lausten noted that the project cost came in lower than the engineer's estimate, and she commended the Wastewater Operations staff for their efforts in keeping the station operational.

MOTION: Authorize the General Manager to award a construction contract for the Heritage SLS Improvement Project to Ferreria Construction Co., Inc. DBA Ferreira Coastal Construction, in the amount of \$1,799,813 plus a 10% contingency of \$179,981, for a not-to-exceed amount of \$1,979,794 – Director Safranski
SECOND: Director Mandich
AYES: Directors Mandich, Anderson, Horst and Safranski
NOES: None
ABSTAIN: None
ABSENT: Director Acosta
MOTION PASSED/FAILED: Passed 4 – 0 – 1 with Director Acosta absent

ITEM 12: DIMENSION WATER TREATMENT PLANT TRANSMISSION MAIN PIPELINE REHABILITATION PROJECT UPDATE

Ms. Lausten presented this matter for Board consideration, and she reported that Phase 1A is complete, and that Phae 1B has started near the County of Orange bike trail at El Toro Road. Ms. Lausten noted a delay due to a pending permit from the City of Mission Viejo, and that the pipeline is expected to be back in service in January, followed by restoration of the site by the end of February.

MOTION: None – Informational item only.

LEGISLATIVE AND OTHER MATTERS

ITEM 13: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

There were no matters presented.

MOTION: None.

CLOSED SESSION

The Board of Directors entered closed session in accordance with the agenda at 8:13 p.m. The Assistant General Manager participated in closed session.

The Assistant General Manager left closed session at 9:00 p.m. and the General Manager and District General Counsel entered closed session.

The closed session ended at 10:03 p.m.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD OF DIRECTORS MEETING MINUTES | NOVEMBER 19, 2025**

ITEM 14: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION

Ms. Collins reported that the Board of Directors met in closed session to review the matters as agendized, and that there was no action to be reported in closed session.

ITEM 15: APPOINTEMENT OF INTERIM GENERAL MANAGER

Ms. Collins announced the motion as follows:

MOTION: Appoint Michael Perea as Interim General Manager for the period of November 20, 2025 through January 4, 2026, at a monthly salary of \$24,877, prorated for the terms of the appointment – Director Mandich

SECOND: Director Safranski

AYES: Directors Mandich, Anderson, Horst and Safranski

NOES: None

ABSTAIN: None

ABSENT: Director Acosta

MOTION PASSED/FAILED: Passed 4 – 0 – 1 with Director Acosta absent

GENERAL COUNSEL REPORT

None

OTHER INFORMATION/MATTERS

None

ADDITIONAL DIRECTORS' COMMENTS

None

ADJOURNMENT

Director Mandich adjourned the November 19, 2025 Regular Board Meeting at 10:05 p.m.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

CONSENT CALENDAR

ITEM 2: TREASURER'S REPORT

a. *FINANCE/AUDIT COMMITTEE MEETING*

RECOMMENDED ACTION:

Receive and file the following Finance/Audit Committee Meeting Recap(s):

1. *November 13, 2025*

b. *PRESENTATION OF FINANCIALS*

RECOMMENDED ACTION:

Receive and file the preliminary statement(s) of revenues and expenses and preliminary unaudited financials for the following month(s):

1. *October 2025*

c. *PAYMENT OF BILLS FOR CONSIDERATION*

RECOMMENDED ACTION:

Ratify the payment of bills for consideration, Payroll and Payroll Taxes for November 2025.

EXHIBITS:

1. Disbursement Report – November 2025
2. Summary of Disbursements – November 2025
3. General Fund Warrant Register – November 2025
4. General Fund Payroll Warrant Register – November 2025

CONTACTS (staff responsible): PEREA/WARNER



**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP | NOVEMBER 13, 2025**

DIRECTORS PRESENT

John Horst, Committee Chair
Mike Safranski, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Karen Warner, Principal Accountant
Roseann Lejsek, Executive Assistant

STAFF ABSENT

None

CONSULTANTS PRESENT

Ian Berg, Starting Line Advisory

PUBLIC PRESENT

None

CALL MEETING TO ORDER

Director Horst called the November 13, 2025 Finance/Audit Committee Meeting to order at 8:00 a.m.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

Director Safranski reported on his attendance at the City of Rancho Santa Margarita City Council Meeting.

Director Horst had no comments.

REPORT FROM THE GENERAL MANAGER

Mr. Perea reported that the General Manager was out of the office and would be returning the following Monday.

ITEM 1: FINANCE/AUDIT COMMITTEE MEETING RECAP

Mr. Perea presented the Finance/Audit Committee Meeting Recap for Committee review in accordance with the agenda.

RECOMMENDATION: The Committee recommended forwarding this matter to the Board of Directors (Consent Calendar).

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | NOVEMBER 13, 2025**

ITEM 2: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, TENTATIVE FUTURE MEETINGS/ATTENDANCE

Mr. Perea presented the Directors' Fees and Expenses Report and Tentative Future Meetings/Attendance Report for Committee consideration and review.

RECOMMENDATION: Recommend the Board of Directors ratify the Directors' fees and expenses for October 2025 and tentative future meetings/attendance (Action Calendar).

ITEM 3: MID-YEAR OPERATING AND CAPITAL BUDGET PLANNING UPDATE

Mr. Perea presented this matter for Committee consideration. Mr. Berg reported that he prepared two mid-year budget presentation examples for the Committee's review and provided handouts for discussion. Mr. Berg presented the proposed format of the upcoming mid-year budget and the proposed presentation format of monthly financial reports after adoption of the mid-year budget.

Director Horst expressed his appreciation to Mr. Berg for presenting the budget comparisons previously requested by the Committee.

RECOMMENDATION: None – Informational item only.

ITEM 4: DISCUSSION CONCERNING RATE PASS THROUGH ADJUSTMENTS EFFECTIVE JANUARY 1, 2026

Mr. Perea presented this matter for Committee consideration. Mr. Berg delivered a PowerPoint presentation outlining the District's pass-through rates, a summary of the historical drivers influencing these increases, and the updated fixed and variable pass-through rates effective January 1, 2026.

Mr. Perea provided a draft copy of the pass-through notice mailer to the Committee. The Committee requested modification of the notice to include the scheduled increases approved by the Board on June 18, 2025 along with the total fixed and variable rates as of January 1, 2026, for transparency purposes. Discussion occurred concerning the status of the Board's request for a proposal from IB Consulting as made at the October regular meeting; Mr. Perea reported that IB Consulting has submitted a proposal as requested and this matter will be agendaized for Board consideration at the next regular meeting. Mr. Perea recommended the Board issue a request for proposals (RFP) for rate study consulting services.

RECOMMENDATION: None – Informational item only.

ITEM 5: CAPITAL FUNDING REIMBURSEMENT RESOLUTION

Mr. Perea presented this matter for Committee consideration, and he reported that the proposed resolution would give the District flexibility to replenish reserve funds with debt proceeds when used to fund capital projects.

The Committee expressed their support of the resolution.

RECOMMENDATION: Recommend the Board of Directors adopt Resolution No. 2025-1359: A Resolution of the Board of Directors of the Trabuco Canyon Water District Regarding Its Intention to Reimburse Certain Costs from Proceeds of Tax-Exempt Obligations (Action Calendar).

**TRABUCO CANYON WATER DISTRICT
FINANCE AUDIT COMMITTEE MEETING RECAP | NOVEMBER 13, 2025**

ITEM 6: FINANCIAL REPORT

Mr. Berg and Ms. Warner presented the preliminary unaudited financials for September 2025.

FINANCIAL ANALYSIS SUMMARY

Discussion occurred concerning the top 10 vendor payments related to costs of the District's legal services. Director Horst commented that the incoming General Manager will be given direction to be more prudent concerning legal services/costs.

DISTRICT SUMMARY BUDGET v. ACTUAL

Discussion occurred concerning Net Revenue/Expenses year to date.

CIP BUDGET v. ACTUAL

Discussion occurred regarding ways to improve visibility of budget targets for multi-year projects.

RECOMMENDATION: Recommend the Board of Directors receive and file this information (Action Calendar).

ITEM 7: OTHER MATTERS

Director Safranski commented on the responsibilities of elected officials. Director Safranski expressed his appreciation to Mr. Perea for the recent tour of the Dimension Water Treatment Plant.

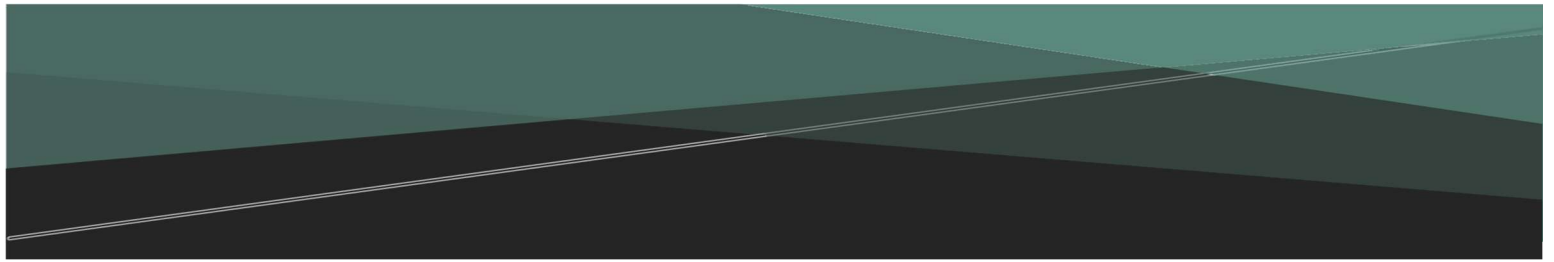
Mr. Berg commented that staff is looking into changing banking services and payroll services.

Director Horst requested information regarding the tour of the transmission main pipe bursting portion of the rehabilitation project. Ms. Lausten reported that the project has experienced a delay due to permitting issues, but she noted that the pipe bursting work began earlier that day. Ms. Lausten added that she would contact the Board members to schedule a site tour during construction periods.

RECOMMENDATION: None – Informational item only.

ADJOURNMENT

Director Horst adjourned the November 13, 2025 Finance/Audit Committee Meeting at 9:09 a.m.



Financial Reporting

October 2025

No assurance is provided on these financial statements. These statements do not include a statement of cash flows. All disclosures required by Generally Accepted Accounting Principles (GAAP) are not included.





**Trabuco Canyon Water District
Financial Analysis
October 2025**

CASH & INVESTMENTS

As of the reporting date, District cash and investments total \$11,063,141 and decreased \$1,549,599 from the prior reporting month. The portfolio is primarily invested in the California Cooperative Liquid Assets Securities System (CLASS) Prime Fund investments due to the safety and liquidity offered by the pool. The estimated average CLASS return throughout the reporting month outperformed the Local Agency Investment Fund (LAIF) by approximately 0.039%. Current month outflows included payments of approximately \$1.37M for construction on the Dimension Water Treatment Plant transmission main. The cash flow highlights and top ten vendor payments for the reporting month are displayed below:

CASH FLOW HIGHLIGHTS

Cash Inflows	Utility Billing Payments	\$1,465,273.63
	Property Tax Receipts	\$14,565.07
	Investments	\$47,049.53
	Other	\$6,928.18
	Total Inflows	\$1,533,816.41
Cash Outflows	Accounts Payable	\$2,665,113.05
	ADP Payroll / Fees & CalPERS Benefits	\$418,302.74
	Debt Service Payments	\$-
	Other	\$-
	Total Outflows	\$3,083,415.79
	Net Cash Inflow / (Outflow)	\$(1,549,599.38)



**Trabuco Canyon Water District
Financial Analysis
October 2025**

TOP 10 VENDOR PAYMENTS

Top 10 Payments	Vendor	Ops / CIP	Description of Payments
\$1,367,997.15	T.E. ROBERTS INC	CIP	Dimension Water Treatment Plant pipeline project progress payment
\$310,605.03	ADP	Ops	Employee payroll
\$179,942.50	DUPERON CORPORATION	CIP	WW-50 Robinson Ranch WWTP Headworks Replacement project
\$176,505.81	JES ENGINEERING CONTRACTORS, INC.	CIP	Final billing for RW-51 Reservoir V-Ditch Rehabilitation project
\$131,850.21	MWDOC	Ops	September 2025 water purchases and Urban Water Management Plan shared services program
\$107,697.71	CALPERS	Ops	Employee health insurance and retirement contributions
\$95,289.84	SOUTHERN CALIFORNIA EDISON	Ops	Power for District operations and the administrative office
\$77,528.08	HAZEN & SAWYER	CIP / Ops	July to September 2025 engineering for PW-03 Dimension Water Treatment Plant transmission main, FY 25/26 on-call engineering services through September 2025
\$62,668.00	BUTIER ENGINEERING, INC.	CIP	Construction management services PW-03 Dimension Water Treatment Plant transmission main
\$51,048.26	JIG CONSULTANTS	CIP	Engineering design services for various capital projects

FINANCIAL SUMMARY

The District Financial Summary presents financial performance in comparison to the adopted budget for each major category. The current reporting period represents 33.3% of the fiscal year.

- **Line 1 Fixed Service Charges** includes fixed charges to customers for Potable and Recycled Water service. The District implemented Recycled Water rates at 100% of the 2023 Cost-of-Service (COS) study rate plan for FY 2026 and Potable Water rates at 94.0% on July 1, 2025. The budget plans to adjust Potable Water rates to 100% of the allowable rate on January 1, 2026. Due to the semiannual rate adjustment schedule for Potable Water, this line will trend behind the expected target budget throughout the fiscal year.



**Trabuco Canyon Water District
Financial Analysis
October 2025**

- **Line 2 Variable Service Charges** includes volumetric charges for Potable and Recycled Water services. The District implemented Recycled Water rates at 100% of the 2023 Cost-of-Service (COS) study rate plan for FY 2026 and Potable Water rates at 94.0% on July 1, 2025. The budget plans to adjust Potable Water rates to 100% of the allowable rate on January 1, 2026. As of the reporting period, increased volumetric water purchases during the summer months are offsetting the delayed timing of the Potable Water rate adjustments and results are trending ahead of expected targets.
- **Line 3 Pass-Through Charges** includes Potable Water fixed and variable charges passed through to customers to recover wholesale water cost escalations beyond the assumptions included in the 2023 COS study. The Board adopted this pass-through rate provision during the Proposition 218 process. The budget plans to implement updated pass-through rates on January 1, 2026, based on updated wholesale water supply costs. As of the reporting period, increased volumetric water purchases are causing results to trend ahead of expected targets.
- **Line 4 BTP Wholesale Charges** includes one-to-one reimbursement from the City of San Clemente for Baker Water Treatment Plant (BTP) water purchased from the District at Metropolitan Water District of Southern California (MET) untreated water rates, as well as a pro-rated share of maintenance cost reimbursements. The District budget included 1,113 AF of wholesale water sold and 87 AF of BTP water used for District customer supply. As of the reporting period, the District has sold 256.8 AF to the City of San Clemente and used 172.0 AF to supply District customers.
- **Line 5 Wastewater Charges** include fixed and variable charges billed to customers for wastewater service. The District implemented Wastewater rates at 100.0% of the 2023 COS study rate plan on July 1, 2025.
- **Line 6 Other Revenue** includes property tax receipts, customer fees, investment earnings and other miscellaneous revenue. The District receives most of the property tax revenue in semiannual installments during the fiscal year. YTD is trending behind the expected target budget due to the timing of these receipts.
- **Line 8 Source of Supply** includes the cost of Potable and Recycled water supplies to meet customer demand. This includes the purchase of untreated water at the Dimension Water Treatment Plant, fully treated water purchases via neighboring agency connections, MET/MWDOC surcharges on volumetric water, and MET/MWDOC fixed water costs. Currently, the DWTP conveyance pipeline is non-operational, and the budget includes 6-months of more expensive emergency Potable Water purchases during FY 2026. YTD is trending ahead of the expected budget due to increased Summer demand, and the expensive source of emergency water purchases planned for the first half of the fiscal year.
- **Line 9 Cost of BTP Wholesale** includes the cost of Baker Water Treatment Plant water sold to the City of San Clemente. This line item accounts for the per acre-foot charge of water paid to MWDOC at MET untreated water rates, excluding the SAC Operational Surcharge, and the quarterly maintenance charges. This line is trending behind expected targets due to the reduction in sales to the City of San Clemente and the timing of quarterly maintenance costs paid to IRWD.
- **Line 10 Staffing Resources** includes employee compensation, health benefits, retirement contributions, retiree health insurance, and OPEB trust reimbursements (reimbursements from the District's Section 115 OPEB trust).
- **Line 11 Operations & Maintenance** includes general repairs and maintenance, electrical repairs, vehicle and equipment maintenance, distribution electricity, lab testing and operating supplies.
- **Line 12 General & Administrative** includes professional services, office maintenance and supplies, Board of Directors, liability insurance, dues and memberships, public outreach and rebate programs, customer service and billing, conference, training, travel and miscellaneous expenses. YTD is trending ahead of the expected target budget due to annual payments for insurance, LAFCO fees, ACWA dues, and MWDOC programs participation.



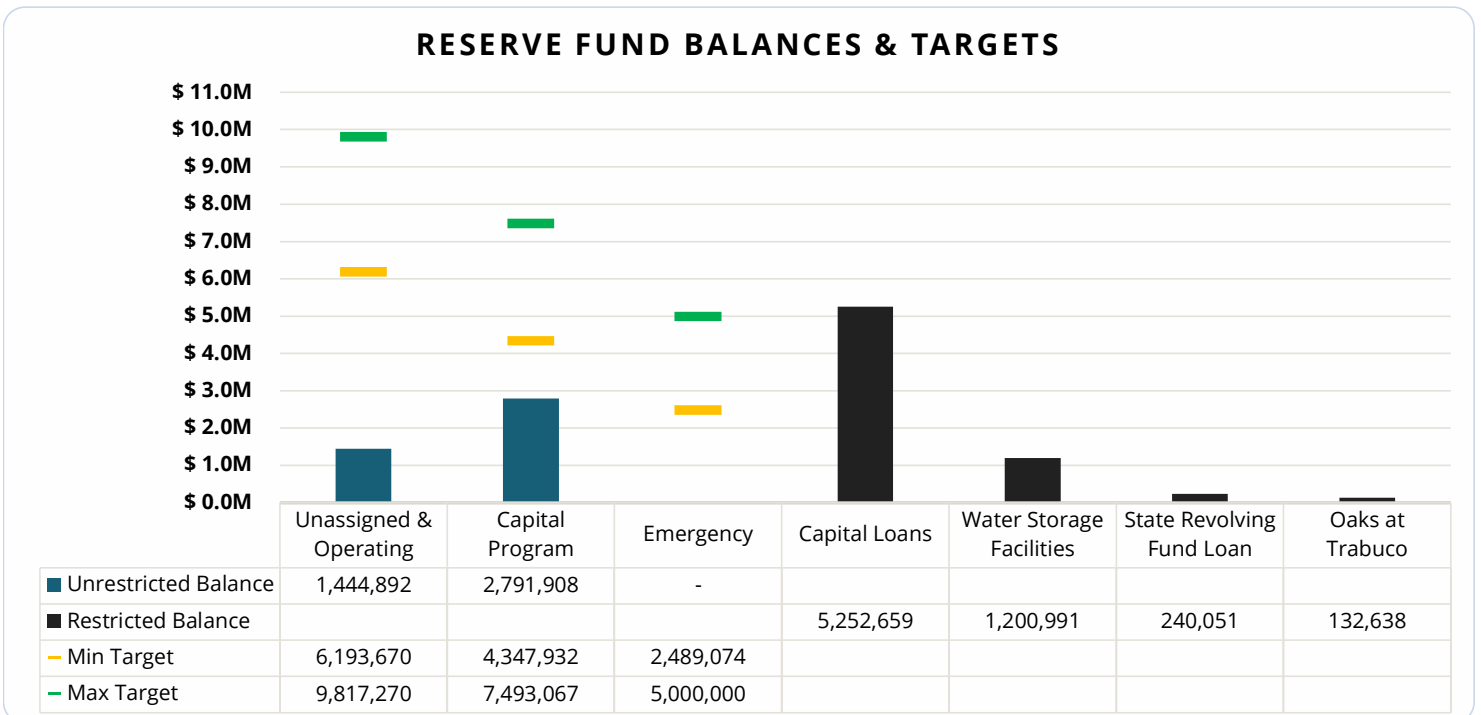
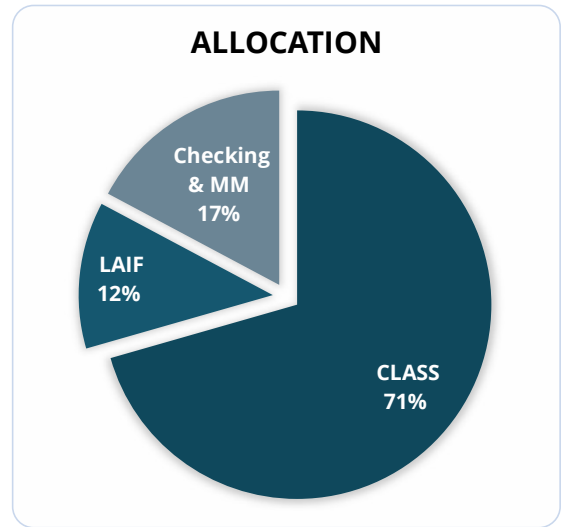
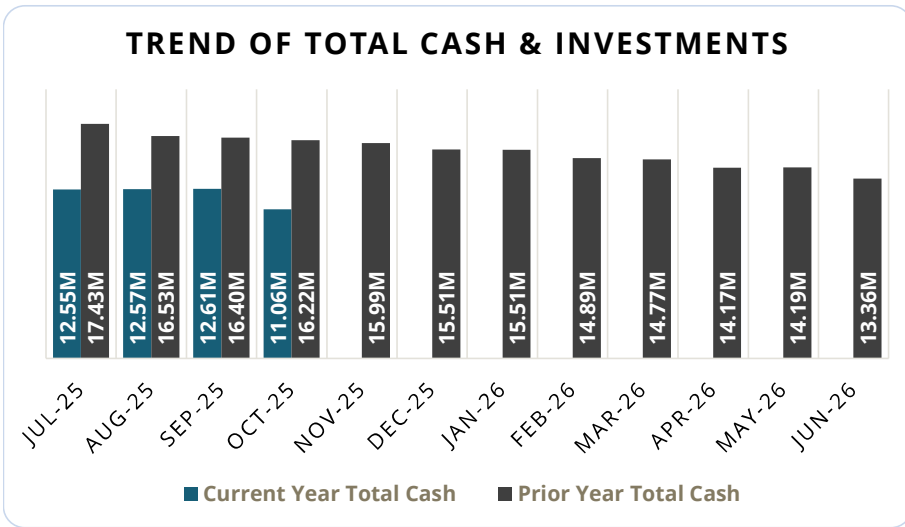
**Trabuco Canyon Water District
Financial Analysis
October 2025**

- **Line 15 Capital Loans Reserve** includes restricted capital loan funding purposed for use on the District Capital Improvement Program.
- **Line 16 Grant Proceeds for CIP** includes anticipated grant funds received for capital projects. The FY 2026 budget includes \$220.7K for project RW-23 (Tick & Dove Creek Pump Station Improvements) and \$250K for project DW-03 (Admin Building Server Replacement – *prior fiscal year*).
- **Line 17 Capital Improvement Program** includes planned CIP during FY 2026. The Capital Improvement Program Report outlines the financial progress of individual projects as of the reporting date.
- **Line 18 CIP Contingency** includes a 10% contingency amount for unplanned capital project needs. This funding was planned in the budget process to allocate resources towards critical projects and emergencies unknown at the time of budget adoption.
- **Line 19 Debt Service** includes debt service payments for the 2011 SRF loan, 2024 capital project loan, and the projected and budgeted 2026 short-term capital project loan planned at the time of budget adoption. The 2011 and 2024 loans are paid twice per year in December (due January 1st) and in June (due July 1st).

District

Cash & Investments as of October 31, 2025

	Type	Rate	Par / Book		% Portfolio
			Value	Market Value	
Local Agency Investment Fund	LAIF	4.150%	\$ 1,352,691	\$ 1,355,301	12.2%
California Cooperative Liquid Assets Securities System	CLASS	4.189%	\$ 7,806,966	\$ 7,808,513	70.6%
BMO Checking	Checking	0.000%	\$ 1,663,432	\$ 1,663,432	15.0%
CB&T Money Market (SRF Loan Reserve)	Money Market	0.300%	\$ 240,051	\$ 240,051	2.2%
Total Cash & Investments			\$ 11,063,141	\$ 11,067,298	100.0%



Treasurer Certification

I certify that all investment actions executed since the last reporting period have been made in full compliance with the District's Investment Policy and the District is able to meet its expenditure obligations for the next six months.

Ian Berg, CPA
District Treasurer

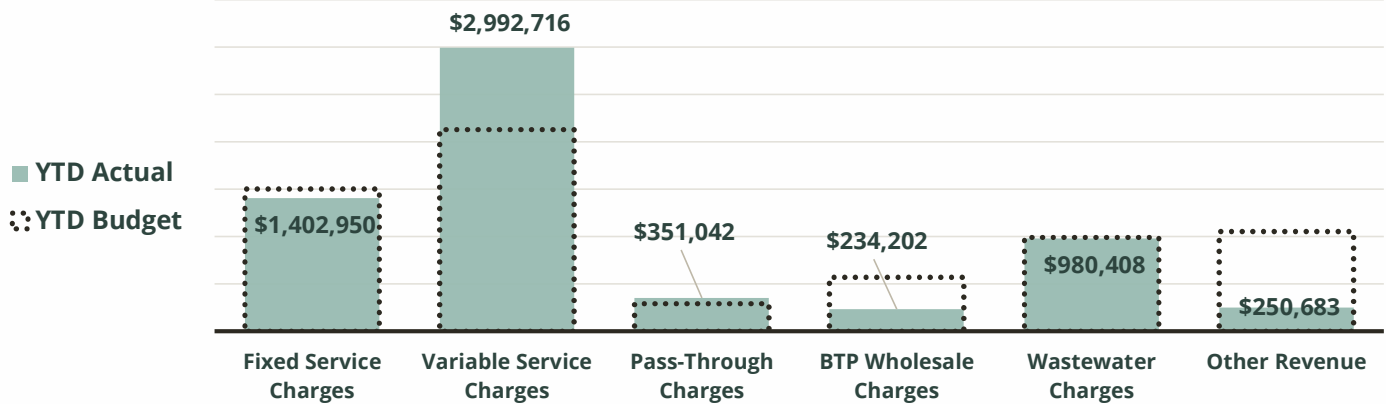


District

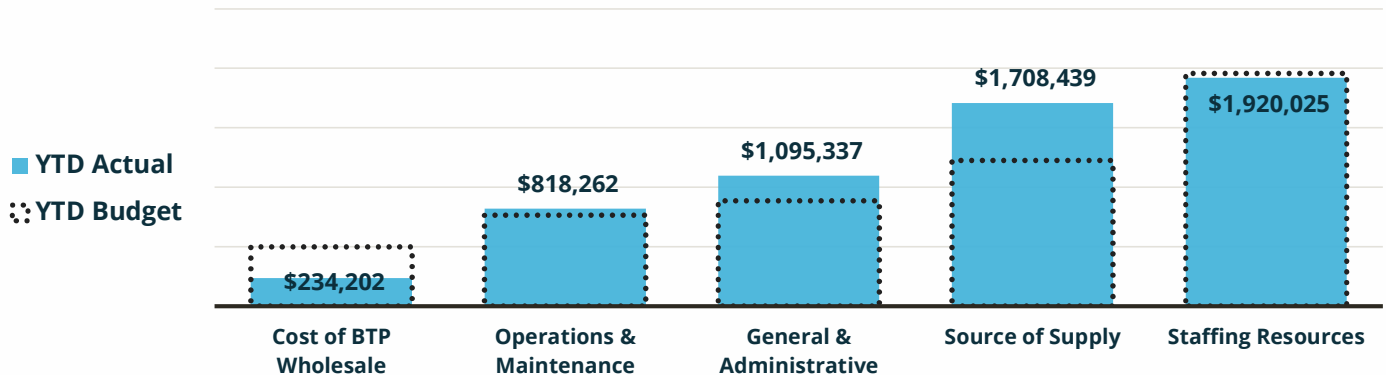
Financial Summary October 2025

	A	B	C	D = C - B	E = B / C	
	Oct 2025	Oct 2025	FY 2026	FY 2026	YTD % of	
	Period	YTD	Adopted	Remaining	Budget	
	Actuals	Actuals	Budget	Budget	33.3%	
1	Fixed Service Charges	\$ 366,168	\$ 1,402,950	\$ 4,499,900	\$ 3,096,950	31.2%
2	Variable Service Charges	709,143	2,992,716	6,386,300	3,393,584	46.9%
3	Pass-Through Charges	84,082	351,042	870,800	519,758	40.3%
4	BTP Wholesale Charges	68,674	234,202	1,708,700	1,474,498 ▲	13.7%
5	Wastewater Charges	256,507	980,408	2,973,200	1,992,792	33.0%
6	Other Revenue	70,514	250,683	3,155,600	2,904,917 ▲	7.9%
7	Total Revenue	1,555,087	6,212,000	19,594,500	13,382,500	31.7%
8	Source of Supply	419,124	1,708,439	3,674,900	1,966,461 ▲	46.5%
9	Cost of BTP Wholesale	68,674	234,202	1,493,900	1,259,698	15.7%
10	Staffing Resources	510,291	1,920,025	5,870,500	3,950,475	32.7%
11	Operations & Maintenance	263,375	818,262	2,296,100	1,477,838	35.6%
12	General & Administrative	340,111	1,095,337	2,652,900	1,557,563 ▲	41.3%
13	Total Expense	1,601,575	5,776,265	15,988,300	10,212,035	36.1%
14	Net Income / (Loss) from Operations	(46,488)	435,735	3,606,200	3,170,465 ▲	12.1%
15	Capital Loans Reserve	290,400	2,292,059	10,570,177	8,278,119	21.7%
16	Grant Proceeds for CIP	-	-	470,700	470,700	0.0%
17	Capital Improvement Program	(325,264)	(2,406,534)	(10,969,877)	(8,563,343)	21.9%
18	CIP Contingency	-	-	(1,097,000)	(1,097,000)	0.0%
19	Debt Service	-	-	(2,570,070)	(2,570,070)	0.0%
20	Net Change in Unrestricted Cash	\$ (81,352)	\$ 321,260	\$ 10,130	\$ (311,129)	3171.3%

YTD Revenue v. YTD Target Budget



YTD Expense v. YTD Target Budget





District

Operating Budget v. Actual October 2025

	A	B	C	D = C - B	E = B / C	
	Oct 2025	Oct 2025	FY 2026	FY 2026	YTD % of	
	Period	YTD	Adopted	Remaining	Budget	
	Actuals	Actuals	Budget	Budget	33.3%	
1	Fixed Service Charges	\$ 366,168	\$ 1,402,950	\$ 4,499,900	\$ 3,096,950	31.2%
2	Variable Service Charges	709,143	2,992,716	6,386,300	3,393,584	46.9%
3	Fixed Service Charges Pass-Through	18,725	73,788	262,700	188,912	28.1%
4	Variable Service Charges Pass-Through	65,356	277,254	608,100	330,846	45.6%
5	BTP Wholesale Water Sales	68,674	234,202	1,054,800	820,598	22.2%
6	BTP Maintenance Charges	-	-	439,100	439,100	0.0%
7	BTP Capital Recovery	-	-	214,800	214,800	0.0%
8	Wastewater Charges	256,507	980,408	2,973,200	1,992,792	33.0%
9	Property Tax Receipts	9,047	52,610	2,437,300	2,384,690	2.2%
10	Customer Fees	36,657	137,795	520,200	382,405	26.5%
11	Interest Revenue	18,382	47,743	160,000	112,257	29.8%
12	Miscellaneous Revenue	6,428	12,535	38,100	25,565	32.9%
13	Total Revenue	1,555,087	6,212,000	19,594,500	13,382,500	31.7%
14	Source of Supply					
15	Variable Water Purchases	338,446	1,321,540	2,849,800	1,528,260	46.4%
16	BTP Water Purchases TCWD	26,070	158,770	93,600	(65,170)	169.6%
17	BTP Maintenance Expense TCWD	-	-	46,800	46,800	0.0%
18	Fixed Water Purchases	38,450	194,639	401,700	207,061	48.5%
19	Chemicals & Electricity	16,158	33,489	283,000	249,511	11.8%
20	Total Source of Supply	419,124	1,708,439	3,674,900	1,966,461	46.5%
21	Cost of BTP Wholesale					
22	BTP Water Purchases for Wholesale	68,674	234,202	1,054,800	820,598	22.2%
23	BTP Maintenance Expense Sales	-	-	439,100	439,100	0.0%
24	Total Cost of BTP Wholesale	68,674	234,202	1,493,900	1,259,698	15.7%
25	Staffing Resources					
26	Employee Compensation	346,913	1,306,859	4,115,500	2,808,641	31.8%
27	Employee Benefits	112,598	410,046	1,360,000	949,954	30.2%
28	CalPERS Retirement Unfunded Liability	32,917	131,666	395,000	263,334	33.3%
29	Retiree Health Insurance Payments	17,863	71,453	201,700	130,247	35.4%
30	OPEB Trust Reimbursement	-	-	(201,700)	(201,700)	0.0%
31	Total Staffing Resources	510,291	1,920,025	5,870,500	3,950,475	32.7%
32	Operations & Maintenance					
33	System Repairs and Maintenance	135,259	375,106	1,030,600	655,494	36.4%
34	Distribution Electricity	73,245	300,529	914,700	614,171	32.9%
35	Vehicles and Equipment	27,294	73,346	188,800	115,454	38.8%
36	Lab Testing & Supplies	27,577	69,282	162,000	92,718	42.8%
37	Total Operations & Maintenance	263,375	818,262	2,296,100	1,477,838	35.6%
38	General & Administrative					
39	Professional Services	78,206	311,239	1,033,000	721,761	30.1%
40	Office Maintenance & Supplies	89,191	286,347	616,200	329,853	46.5%
41	Board of Directors	10,256	35,668	111,700	76,032	31.9%
42	District Insurance	129,543	243,663	237,500	(6,163)	102.6%
43	Dues and Memberships	22,504	148,544	247,200	98,656	60.1%
44	Public Outreach & Rebate Programs	129	27,915	100,000	72,085	27.9%
45	Customer Service and Billing	8,143	33,687	81,600	47,913	41.3%
46	Conference, Trainings and Travel	1,151	8,645	32,300	23,655	26.8%
47	Miscellaneous Expense	987	(372)	193,400	193,772	-0.2%
48	Total General & Administrative	340,111	1,095,337	2,652,900	1,557,563	41.3%
49	Total Expense	1,601,575	5,776,265	15,988,300	10,212,035	36.1%
50	Net Income / (Loss) from Operations	\$ (46,488)	\$ 435,735	\$ 3,606,200	\$ 3,170,465	12.1%



District

Capital Improvement Program October 2025

ID	Project Description						Since Project Inception	
		A	B	C	D = C - B	E = B / C	F	G
		Oct 2025 Period Actuals	Oct 2025 YTD Actuals	FY 2026 Adopted Budget	FY 2026 Remaining Budget	YTD % of Budget 33.3%	Total Project Actuals	Total Project Budget
Potable Water								
PW-02	DWTP Electrical Improvements	\$ 1,448	\$ 1,448	\$ 300,000	\$ 298,552	0.5%	\$ 1,448	\$ 2,000,000
PW-03	Transmission Main Replacement - DWTP to Ridgeline PS	61,967	1,494,271	7,000,000	6,938,033	0.9%	1,661,710	11,000,000
PW-04	DWTP Improvements - Phase 2	46,465	46,999	-	(46,465)	NA	55,999	391,820
PW-20	10" Pipeline Replacement - Cooks Corner to Harris Grade	-	-	225,000	225,000	0.0%	178,184	3,489,000
PW-25	Fire Flow Availability Improvements	-	-	150,000	150,000	0.0%	-	1,539,800
PW-35	Pressure Reducing Vault Improvements - PW	-	2,252	-	-	NA	2,252	386,600
PW-38	Saddle Crest Reservoir Outlet Pipe	-	3,799	275,000	275,000	0.0%	3,799	300,000
PW-41	Meter Replacements - PW	-	10,117	-	-	NA	10,117	-
PW-77	Small Capital - PW	-	10,150	-	-	NA	10,150	-
Total Potable Water		109,880	1,569,036	7,950,000	6,380,964	19.7%	1,923,659	19,107,220
Recycled Water								
RW-13	Dove Canyon Recycled Booster Pump Station	16,980	29,870	560,000	543,020	3.0%	234,977	1,430,000
RW-23	Tick & Dove Creek Pump Station Improvements	-	-	259,700	259,700	0.0%	15,193	1,119,400
RW-51	Reservoir V-Ditch Rehabilitation	-	192,106	-	-	NA	192,106	185,000
RW-77	Small Capital - RW	-	18,071	-	-	NA	18,071	-
Total Recycled Water		16,980	240,047	819,700	579,653	29.3%	460,347	2,734,400
Wastewater								
WW-06	WWTP Influent EQB Piping to SBRs & Pump Improvements	10,207	10,207	-	(10,207)	NA	10,207	1,000,000
WW-09	Heritage Sewer Lift Station Rehabilitation	23,859	26,957	400,000	376,141	6.0%	396,528	1,506,360
WW-40	WWTP Hoffman Blower Building Rehabilitation	97,381	180,565	1,290,177	1,192,797	7.5%	686,070	1,995,000
WW-41	WWTP SCADA & Fiber Optic Upgrade	14,087	23,319	-	(14,087)	NA	390,560	330,000
WW-48	Pump Replacements - WW	9,384	39,722	-	(9,384)	NA	39,722	1,915,000
WW-49	SMWD Chiquita WWTP Shared Capital	8,623	8,623	140,000	131,377	6.2%	101,898	1,840,000
WW-50	WWTP Headworks Replacement	-	224,055	370,000	370,000	0.0%	224,055	380,000
WW-77	Small Capital - WW	19,058	61,623	-	(19,058)	NA	61,623	-
Total Wastewater		182,598	575,072	2,200,177	1,625,105	26.1%	1,910,664	8,966,360
Wastewater / Recycled								
WR-77	Pump Replacements - WW / Recycled	9,076	9,076	-	(9,076)	NA	9,076	-
Total Wastewater / Recycled		9,076	9,076	-	(9,076)	NA	9,076	-
Joint Projects								
DW-77	Small Capital - DW	6,730	13,303	-	(6,730)	NA	13,303	-
Total Joint Projects		6,730	13,303	-	(13,303)	NA	13,303	-
Total Capital Improvement Program		\$ 325,264	\$ 2,406,534	\$ 10,969,877	\$ 8,563,343	21.9%	\$ 4,317,049	\$ 30,807,980



Trabuco Canyon Water District, CA

Bank Transaction Report

Transaction Detail

Issued Date Range: 11/01/2025 - 11/30/2025

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Accounts Payable							
Bank Draft							
11/03/2025	11/30/2025	DFT0004222	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Cleared	Bank Draft	-6,016.23
11/04/2025	11/30/2025	DFT0004223	ADP	Accounts Payable	Cleared	Bank Draft	-153,630.62
11/04/2025	11/30/2025	DFT0004224	BRINKS HOME SECURITY	Accounts Payable	Cleared	Bank Draft	-269.99
11/04/2025	11/30/2025	DFT0004225	CALPERS	Accounts Payable	Cleared	Bank Draft	-71,438.86
11/04/2025	11/30/2025	DFT0004226	VSP	Accounts Payable	Cleared	Bank Draft	-775.06
11/06/2025	11/30/2025	DFT0004227	CALPERS	Accounts Payable	Cleared	Bank Draft	-70,500.46
11/06/2025	11/30/2025	DFT0004228	COX COMMUNICATIONS	Accounts Payable	Cleared	Bank Draft	-2,434.58
11/10/2025	11/30/2025	DFT0004229	ADP	Accounts Payable	Cleared	Bank Draft	-2,192.18
11/10/2025	11/30/2025	DFT0004230	COX COMMUNICATIONS	Accounts Payable	Cleared	Bank Draft	-1,661.17
11/13/2025	11/30/2025	DFT0004231	CR&R Incorporated	Accounts Payable	Cleared	Bank Draft	-132.49
11/13/2025	11/30/2025	DFT0004232	VERIZON BUSINESS	Accounts Payable	Cleared	Bank Draft	-1,723.45
11/17/2025	11/30/2025	DFT0004233	COX COMMUNICATIONS	Accounts Payable	Cleared	Bank Draft	-75.50
11/17/2025	11/30/2025	DFT0004234	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Cleared	Bank Draft	-253.95
11/17/2025	11/30/2025	DFT0004235	SOUTHERN CALIFORNIA EDISON	Accounts Payable	Cleared	Bank Draft	-76,345.35
11/17/2025	11/30/2025	DFT0004236	TAB ANSWER NETWORK	Accounts Payable	Cleared	Bank Draft	-258.70
11/17/2025	11/30/2025	DFT0004237	XEROX CORPORATION	Accounts Payable	Cleared	Bank Draft	-238.63
11/18/2025	11/30/2025	DFT0004238	WEX FLEET UNIVERSAL	Accounts Payable	Cleared	Bank Draft	-6,029.19
11/19/2025	11/30/2025	DFT0004239	ADP	Accounts Payable	Cleared	Bank Draft	-150,701.07
11/19/2025	11/30/2025	DFT0004240	CALPERS	Accounts Payable	Cleared	Bank Draft	-28,524.31
11/19/2025	11/30/2025	DFT0004241	COX COMMUNICATIONS	Accounts Payable	Cleared	Bank Draft	-1,030.00
11/19/2025	11/30/2025	DFT0004242	THE TOLL ROADS	Accounts Payable	Cleared	Bank Draft	-675.00
11/19/2025	11/30/2025	DFT0004243	WAGE WORKS, INC.	Accounts Payable	Cleared	Bank Draft	-69.79
11/20/2025	11/30/2025	DFT0004244	CALPERS	Accounts Payable	Cleared	Bank Draft	-9,467.49
11/20/2025	11/30/2025	DFT0004245	SHRED-IT USA, LLC	Accounts Payable	Cleared	Bank Draft	-272.00
11/24/2025	11/30/2025	DFT0004246	WAGE WORKS, INC.	Accounts Payable	Cleared	Bank Draft	-75.00
11/25/2025	11/30/2025	DFT0004247	HOME DEPOT CREDIT SERVICES	Accounts Payable	Cleared	Bank Draft	-190.01
11/26/2025	11/30/2025	DFT0004248	CSDA Commercial Card - UMPQUA BANK	Accounts Payable	Cleared	Bank Draft	-7,670.92
11/26/2025	11/30/2025	DFT0004249	GUARDIAN	Accounts Payable	Cleared	Bank Draft	-4,150.84
11/28/2025	11/30/2025	DFT0004250	ADP	Accounts Payable	Cleared	Bank Draft	-116.00
Bank Draft Total: (29)							-596,918.84
Check							
11/04/2025	11/30/2025	13750	STATE WATER RESOURCES CONTROL BOARD	Accounts Payable	Cleared	Check	-60.00
11/04/2025	11/30/2025	13751	AT&T	Accounts Payable	Cleared	Check	-719.16
11/04/2025	11/30/2025	13752	CHAMPION PAVING, INC.	Accounts Payable	Cleared	Check	-3,320.00

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
11/04/2025	11/30/2025	13753	DMV	Accounts Payable	Cleared	Check	-32.00
11/04/2025	11/30/2025	13754	DUNN-EDWARDS CORPORATION	Accounts Payable	Cleared	Check	-542.02
11/04/2025	11/30/2025	13755	FARRELL PRINTING, INC.	Accounts Payable	Cleared	Check	-186.09
11/04/2025	11/30/2025	13756	FEDEX	Accounts Payable	Cleared	Check	-39.71
11/04/2025	11/30/2025	13757	FERGUSON WATERWORKS	Accounts Payable	Cleared	Check	-10,206.92
11/04/2025	11/30/2025	13758	HAAKER EQUIPMENT COMPANY	Accounts Payable	Cleared	Check	-17.55
11/04/2025		13759	IB CONSULTING	Accounts Payable	Outstanding	Check	-2,205.00
11/04/2025	11/30/2025	13760	LINDE GAS & EQUIPMENT, INC.	Accounts Payable	Cleared	Check	-5,424.26
11/04/2025	11/30/2025	13761	OCCUPATIONAL HEALTH CENTERS OF CA	Accounts Payable	Cleared	Check	-66.00
11/04/2025	11/30/2025	13762	ORANGE COAST PETROLEUM EQUIPMENT, INC.	Accounts Payable	Cleared	Check	-6,730.02
11/04/2025	11/30/2025	13763	ORKIN, INC.	Accounts Payable	Cleared	Check	-1,035.96
11/04/2025	11/30/2025	13764	PEBBLE SPRING WATER	Accounts Payable	Cleared	Check	-110.00
11/04/2025	11/30/2025	13765	SANTIAGO AQUEDUCT COMMISSION	Accounts Payable	Cleared	Check	-1,291.67
11/04/2025	11/30/2025	13766	SIERRA ANALYTICAL	Accounts Payable	Cleared	Check	-5,768.50
11/04/2025	11/30/2025	13767	SOUTHERN COUNTIES LUBRICANTS, LLC	Accounts Payable	Cleared	Check	-792.08
11/04/2025		13768	SS MECHANICAL CONSTRUCTION CORP.	Accounts Payable	Outstanding	Check	-46,464.50
11/04/2025	11/30/2025	13769	SWRCB ACCOUNTING OFFICE	Accounts Payable	Cleared	Check	-11,692.00
11/04/2025	11/30/2025	13770	TOUCH TEL MOBILE	Accounts Payable	Cleared	Check	-625.00
11/04/2025	11/30/2025	13771	VEGA AMERICAS, INC.	Accounts Payable	Cleared	Check	-5,984.76
11/04/2025	11/30/2025	13772	YO FIRE	Accounts Payable	Cleared	Check	-307.09
11/12/2025		13773	STATE WATER RESOURCES CONTROL BOARD	Accounts Payable	Outstanding	Check	-105.00
11/13/2025	11/30/2025	13774	ADVANCED INTEGRATION & CONTROLS	Accounts Payable	Cleared	Check	-7,911.90
11/13/2025	11/30/2025	13775	AT&T MOBILITY	Accounts Payable	Cleared	Check	-124.71
11/13/2025	11/30/2025	13776	C.G. LANDSCAPE INC	Accounts Payable	Cleared	Check	-695.00
11/13/2025	11/30/2025	13777	COUNTY OF ORANGE	Accounts Payable	Cleared	Check	-7,620.90
11/13/2025	11/30/2025	13778	COUNTY OF ORANGE	Accounts Payable	Cleared	Check	-3,255.22
11/13/2025	11/30/2025	13779	DMC ENGINEERING	Accounts Payable	Cleared	Check	-600.00
11/13/2025	11/30/2025	13780	DXP ENTERPRISES, INC.	Accounts Payable	Cleared	Check	-30,338.28
11/13/2025	11/30/2025	13781	FERNANDO VALDEZ	Accounts Payable	Cleared	Check	-120.00
11/13/2025	11/30/2025	13782	GARY KESSLER	Accounts Payable	Cleared	Check	-5,632.43
11/13/2025	11/30/2025	13783	GRAINGER	Accounts Payable	Cleared	Check	-206.82
11/13/2025	11/30/2025	13784	HAAKER EQUIPMENT COMPANY	Accounts Payable	Cleared	Check	-293.99
11/13/2025	11/30/2025	13785	HACH COMPANY	Accounts Payable	Cleared	Check	-10,015.04
11/13/2025	11/30/2025	13786	HANSON BRIDGETT LLP	Accounts Payable	Cleared	Check	-36,228.00
11/13/2025	11/30/2025	13787	HARRINGTON INDUSTRIAL PLASTICS LLC	Accounts Payable	Cleared	Check	-1,680.90
11/13/2025	11/30/2025	13788	LINDE GAS & EQUIPMENT, INC.	Accounts Payable	Cleared	Check	-203.15
11/13/2025	11/30/2025	13789	MKN	Accounts Payable	Cleared	Check	-3,819.50
11/13/2025	11/30/2025	13790	OCCUPATIONAL HEALTH CENTERS OF CA	Accounts Payable	Cleared	Check	-66.00
11/13/2025	11/30/2025	13791	ORKIN, INC.	Accounts Payable	Cleared	Check	-1,986.97
11/13/2025	11/30/2025	13792	POWER BROS. MACHINE, INC.	Accounts Payable	Cleared	Check	-19,057.55
11/13/2025	11/30/2025	13793	PSOMAS	Accounts Payable	Cleared	Check	-1,980.00
11/13/2025		13794	ROBERT BARGERON	Accounts Payable	Outstanding	Check	-240.00
11/13/2025	11/30/2025	13795	SANTA MARGARITA WATER DISTRICT	Accounts Payable	Cleared	Check	-73,030.27

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
11/13/2025	11/30/2025	13796	SOTO RESOURCES	Accounts Payable	Cleared	Check	-1,138.75
11/13/2025	11/30/2025	13797	STARTING LINE ADVISORY	Accounts Payable	Cleared	Check	-11,375.00
11/13/2025	11/30/2025	13798	USA BLUEBOOK	Accounts Payable	Cleared	Check	-82.43
11/13/2025	11/30/2025	13799	MICHAEL PEREA	Accounts Payable	Cleared	Check	-7,708.50
11/13/2025	11/30/2025	13800	KAREN WARNER	Accounts Payable	Cleared	Check	-2,007.87
11/19/2025	11/30/2025	13801	HYDROTECH ELECTRIC	Accounts Payable	Cleared	Check	-1,448.10
11/19/2025	11/30/2025	13802	LONE STAR BLOWER, INC.	Accounts Payable	Cleared	Check	-86,130.77
11/19/2025		13803	MOULTON NIGUEL WATER DISTRICT	Accounts Payable	Outstanding	Check	-564.09
11/19/2025	11/30/2025	13804	SANTA MARGARITA FORD	Accounts Payable	Cleared	Check	-115.57
11/19/2025	11/30/2025	13805	SANTA MARGARITA WATER DISTRICT	Accounts Payable	Cleared	Check	-660.00
11/19/2025	11/30/2025	13806	SIERRA ANALYTICAL	Accounts Payable	Cleared	Check	-2,989.50
11/24/2025		13807	RAEGINA SMITH	Accounts Payable	Outstanding	Check	-1,100.00
Check Total: (58)							-424,152.50
EFT							
11/05/2025	11/30/2025	836	ACWA JPIA - WC, PROP., & LIAB	Accounts Payable	Cleared	EFT	-12,514.97
11/05/2025	11/30/2025	837	AMAZON	Accounts Payable	Cleared	EFT	-1,098.60
11/05/2025	11/30/2025	838	BLACK KNIGHT FINANCIAL SERVICES, LCC	Accounts Payable	Cleared	EFT	-6.60
11/05/2025	11/30/2025	839	DUTHIE ELECTRIC SERVICE CORPORATION	Accounts Payable	Cleared	EFT	-3,631.16
11/05/2025	11/30/2025	840	FIELDMAN, ROLAPP & ASSOC.	Accounts Payable	Cleared	EFT	-726.06
11/05/2025	11/30/2025	841	HIGHROAD INFORMATION TECHNOLOGY, LLC.	Accounts Payable	Cleared	EFT	-7,058.00
11/05/2025	11/30/2025	842	LANDSCAPE WEST MANGEMENT SERVICES INC	Accounts Payable	Cleared	EFT	-14,400.00
11/05/2025	11/30/2025	843	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Cleared	EFT	-2,130.00
11/05/2025	11/30/2025	844	UNDERGROUND SERVICE ALERT/SC	Accounts Payable	Cleared	EFT	-154.00
11/05/2025	11/30/2025	845	UNIFIRST CORPORATION	Accounts Payable	Cleared	EFT	-545.14
11/05/2025	11/30/2025	846	VORTEX INDUSTRIES, INC.	Accounts Payable	Cleared	EFT	-1,135.00
11/05/2025	11/30/2025	847	WECK LABORATORIES	Accounts Payable	Cleared	EFT	-312.00
11/06/2025	11/30/2025	848	ESRI	Accounts Payable	Cleared	EFT	-2,000.00
11/14/2025	11/30/2025	849	ACWA JPIA - LIFE	Accounts Payable	Cleared	EFT	-1,208.28
11/14/2025	11/30/2025	850	AMAZON	Accounts Payable	Cleared	EFT	-2,464.69
11/14/2025	11/30/2025	851	CS-AMSCO	Accounts Payable	Cleared	EFT	-17,324.50
11/14/2025	11/30/2025	852	HARBOR POINTE AIR CONDITIONING & CONTROL SYSTEM:	Accounts Payable	Cleared	EFT	-1,422.73
11/14/2025	11/30/2025	853	INFOSEND, INC.	Accounts Payable	Cleared	EFT	-3,185.50
11/14/2025	11/30/2025	854	IRVINE PIPE SUPPLY	Accounts Payable	Cleared	EFT	-3,607.61
11/14/2025	11/30/2025	855	IRVINE RANCH WATER DISTRICT	Accounts Payable	Cleared	EFT	-357,901.13
11/14/2025	11/30/2025	856	JCI JONES CHEMICALS, INC	Accounts Payable	Cleared	EFT	-4,875.92
11/14/2025	11/30/2025	857	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Cleared	EFT	-1,420.00
11/14/2025	11/30/2025	858	O'REILLY AUTOMOTIVE, INC.	Accounts Payable	Cleared	EFT	-133.75
11/14/2025	11/30/2025	859	UNIFIRST CORPORATION	Accounts Payable	Cleared	EFT	-545.14
11/14/2025	11/30/2025	860	WECK LABORATORIES	Accounts Payable	Cleared	EFT	-312.00
11/19/2025	11/30/2025	861	ACWA JPIA - WC, PROP., & LIAB	Accounts Payable	Cleared	EFT	-5,081.00
11/19/2025	11/30/2025	862	ACWA JPIA - WC, PROP., & LIAB	Accounts Payable	Cleared	EFT	-172,724.46
11/20/2025	11/30/2025	863	DMS FACILITY SERVICES	Accounts Payable	Cleared	EFT	-2,681.96

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
11/20/2025	11/30/2025	864	IBEW Local 47	Accounts Payable	Cleared	EFT	-480.00
11/20/2025	11/30/2025	865	LANDSCAPE WEST MANGEMENT SERVICES INC	Accounts Payable	Cleared	EFT	-19,900.00
EFT Total: (30)							-640,980.20
Accounts Payable Total: (117)							-1,662,051.54

Accounts Receivable

Deposit							
Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
11/04/2025	11/30/2025	DEP0030290	Apply Admin Fees - PT 11/04/25	Accounts Receivable	Cleared	Deposit	261.72
11/04/2025	11/30/2025	DEP0030290	Apply Admin Fees - PT 11/04/25	Accounts Receivable	Cleared	Deposit	2.58
11/04/2025	11/30/2025	DEP0030290	Apply Admin Fees - PT 11/04/25	Accounts Receivable	Cleared	Deposit	0.58
11/04/2025	11/30/2025	DEP0030290	Apply Admin Fees - PT 11/04/25	Accounts Receivable	Cleared	Deposit	-264.88
11/04/2025	11/30/2025	DEP0030290	Apply Admin Fees - PT 11/04/25	Accounts Receivable	Cleared	Deposit	-264.89
11/04/2025	11/30/2025	DEP0030290	Apply Admin Fees - PT 11/04/25	Accounts Receivable	Cleared	Deposit	0.58
11/04/2025	11/30/2025	DEP0030290	Apply Admin Fees - PT 11/04/25	Accounts Receivable	Cleared	Deposit	2.58
11/04/2025	11/30/2025	DEP0030290	Apply Admin Fees - PT 11/04/25	Accounts Receivable	Cleared	Deposit	261.73
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	104,427.67
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	231.15
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	1,029.19
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	231.16
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	2,964.12
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	1,109.58
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	1,109.58
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	104,427.67
11/06/2025	11/30/2025	DEP0030293	County of Orange - Property Taxes 11/04/25	Accounts Receivable	Cleared	Deposit	1,029.19
11/12/2025	11/30/2025	DEP0030300	OCFA Invoice AR-A00625 & AR-A00641 11-12-2025	Accounts Receivable	Cleared	Deposit	150.00
11/12/2025	11/30/2025	DEP0030300	OCFA Invoice AR-A00625 & AR-A00641 11-12-2025	Accounts Receivable	Cleared	Deposit	150.00
11/12/2025	11/30/2025	DEP0030302	OCPW Invoice AR-A00624 & AR-A00640 11-12-2025	Accounts Receivable	Cleared	Deposit	150.00
11/12/2025	11/30/2025	DEP0030302	OCPW Invoice AR-A00624 & AR-A00640 11-12-2025	Accounts Receivable	Cleared	Deposit	360.00
11/12/2025	11/30/2025	DEP0030302	OCPW Invoice AR-A00624 & AR-A00640 11-12-2025	Accounts Receivable	Cleared	Deposit	3,760.00
11/12/2025	11/30/2025	DEP0030302	OCPW Invoice AR-A00624 & AR-A00640 11-12-2025	Accounts Receivable	Cleared	Deposit	150.00
11/12/2025	11/30/2025	DEP0030302	OCPW Invoice AR-A00624 & AR-A00640 11-12-2025	Accounts Receivable	Cleared	Deposit	3,760.00
11/12/2025	11/30/2025	DEP0030302	OCPW Invoice AR-A00624 & AR-A00640 11-12-2025	Accounts Receivable	Cleared	Deposit	360.00
11/17/2025	11/30/2025	DEP0030346	T-mobile Lease Invoice AR-A00651 11-17-2025	Accounts Receivable	Cleared	Deposit	2,628.74
11/17/2025	11/30/2025	DEP0030348	SA Recycling Invoice 11-17-2025	Accounts Receivable	Cleared	Deposit	134.87
11/17/2025	11/30/2025	DEP0030348	SA Recycling Invoice 11-17-2025	Accounts Receivable	Cleared	Deposit	48.17
11/17/2025	11/30/2025	DEP0030348	SA Recycling Invoice 11-17-2025	Accounts Receivable	Cleared	Deposit	9.63
11/17/2025	11/30/2025	DEP0030350	SA Recycling invoice 11-17-2025	Accounts Receivable	Cleared	Deposit	58.62
11/17/2025	11/30/2025	DEP0030350	SA Recycling invoice 11-17-2025	Accounts Receivable	Cleared	Deposit	293.08
11/17/2025	11/30/2025	DEP0030350	SA Recycling invoice 11-17-2025	Accounts Receivable	Cleared	Deposit	820.63
11/21/2025	11/30/2025	DEP0030413	SMWD Conserv. & Water Recovery Proj. Invoice 1	Accounts Receivable	Cleared	Deposit	6,681.67
11/24/2025	11/30/2025	DEP0030479	Apply adjustment	Accounts Receivable	Cleared	Deposit	-1,120.00
11/24/2025	11/30/2025	DEP0030479	Apply adjustment	Accounts Receivable	Cleared	Deposit	-400.00
11/24/2025	11/30/2025	DEP0030479	Apply adjustment	Accounts Receivable	Cleared	Deposit	1,120.00

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
11/24/2025	11/30/2025	DEP0030479	Apply adjustment	Accounts Receivable	Cleared	Deposit	-80.00
11/24/2025	11/30/2025	DEP0030479	Apply adjustment	Accounts Receivable	Cleared	Deposit	80.00
11/24/2025	11/30/2025	DEP0030479	Apply adjustment	Accounts Receivable	Cleared	Deposit	400.00
11/24/2025	11/30/2025	DEP0030528	Pace Payments - Refund	Accounts Receivable	Cleared	Deposit	60.19
11/24/2025	11/30/2025	DEP0030528	Pace Payments - Refund	Accounts Receivable	Cleared	Deposit	300.95
11/24/2025	11/30/2025	DEP0030528	Pace Payments - Refund	Accounts Receivable	Cleared	Deposit	842.66
11/24/2025	11/30/2025	DEP0030537	County of Orange - Property Taxes Admin Charges 11/24/25	Accounts Receivable	Cleared	Deposit	259.65
11/24/2025	11/30/2025	DEP0030537	County of Orange - Property Taxes Admin Charges 11/24/25	Accounts Receivable	Cleared	Deposit	-259.65
11/24/2025	11/30/2025	DEP0030537	County of Orange - Property Taxes Admin Charges 11/24/25	Accounts Receivable	Cleared	Deposit	259.66
11/24/2025	11/30/2025	DEP0030537	County of Orange - Property Taxes Admin Charges 11/24/25	Accounts Receivable	Cleared	Deposit	-259.66
11/24/2025	11/30/2025	DEP0030540	Reverse credit application	Accounts Receivable	Cleared	Deposit	259.65
11/24/2025	11/30/2025	DEP0030540	Reverse credit application	Accounts Receivable	Cleared	Deposit	-259.66
11/24/2025	11/30/2025	DEP0030540	Reverse credit application	Accounts Receivable	Cleared	Deposit	-259.65
11/24/2025	11/30/2025	DEP0030540	Reverse credit application	Accounts Receivable	Cleared	Deposit	259.66
11/24/2025	11/30/2025	DEP0030543	County of Orange - Property Taxes Admin Charges 11/24/25	Accounts Receivable	Cleared	Deposit	259.66
11/24/2025	11/30/2025	DEP0030543	County of Orange - Property Taxes Admin Charges 11/24/25	Accounts Receivable	Cleared	Deposit	-259.66
11/24/2025	11/30/2025	DEP0030543	County of Orange - Property Taxes Admin Charges 11/24/25	Accounts Receivable	Cleared	Deposit	259.65
11/24/2025	11/30/2025	DEP0030543	County of Orange - Property Taxes Admin Charges 11/24/25	Accounts Receivable	Cleared	Deposit	-259.65
11/26/2025	11/30/2025	DEP0030546	County of Orange - Property Taxes 11/24/25	Accounts Receivable	Cleared	Deposit	103,604.60
11/26/2025	11/30/2025	DEP0030546	County of Orange - Property Taxes 11/24/25	Accounts Receivable	Cleared	Deposit	103,604.60
11/26/2025	11/30/2025	DEP0030546	County of Orange - Property Taxes 11/24/25	Accounts Receivable	Cleared	Deposit	1,503.33
Deposit Total: (57)							445,991.05
Accounts Receivable Total: (57)							445,991.05

Utility Billing

Deposit							
11/03/2025	11/30/2025	DEP0030196	Utility Payment Packet UBPKT13599	Utility Billing	Cleared	Deposit	5,518.14
11/03/2025	11/30/2025	DEP0030199	Utility Payment Packet UBPKT13600	Utility Billing	Cleared	Deposit	4,135.63
11/03/2025	11/30/2025	DEP0030202	Utility Payment Packet UBPKT13601	Utility Billing	Cleared	Deposit	10,347.14
11/03/2025	11/30/2025	DEP0030205	Utility Payment Packet UBPKT13602	Utility Billing	Cleared	Deposit	12,683.17
11/03/2025	11/30/2025	DEP0030208	Utility Payment Packet UBPKT13603	Utility Billing	Cleared	Deposit	9,741.64
11/03/2025	11/30/2025	DEP0030211	Utility Payment Packet UBPKT13606	Utility Billing	Cleared	Deposit	9,273.64
11/04/2025	11/30/2025	DEP0030214	Utility Payment Packet UBPKT13607	Utility Billing	Cleared	Deposit	7,472.49
11/04/2025	11/30/2025	DEP0030217	Utility Payment Packet UBPKT13608	Utility Billing	Cleared	Deposit	6,596.26
11/04/2025	11/30/2025	DEP0030223	Utility Payment Packet UBPKT13609	Utility Billing	Cleared	Deposit	2,200.18
11/04/2025	11/30/2025	DEP0030226	Utility Payment Packet UBPKT13613	Utility Billing	Cleared	Deposit	27,342.27
11/05/2025	11/30/2025	DEP0030229	Utility Payment Packet UBPKT13614	Utility Billing	Cleared	Deposit	2,422.63
11/05/2025	11/30/2025	DEP0030232	Utility Payment Packet UBPKT13615	Utility Billing	Cleared	Deposit	6,861.02
11/05/2025	11/30/2025	DEP0030235	Utility Payment Packet UBPKT13618	Utility Billing	Cleared	Deposit	11,645.32
11/05/2025	11/30/2025	DEP0030238	Utility Payment Packet UBPKT13622	Utility Billing	Cleared	Deposit	8,770.03
11/06/2025	11/30/2025	DEP0030241	Utility Payment Packet UBPKT13623	Utility Billing	Cleared	Deposit	600.28
11/06/2025	11/30/2025	DEP0030244	Utility Payment Packet UBPKT13624	Utility Billing	Cleared	Deposit	7,293.09
11/06/2025	11/30/2025	DEP0030247	Utility Payment Packet UBPKT13626	Utility Billing	Cleared	Deposit	22,910.76

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
11/06/2025	11/30/2025	DEP0030250	Utility Payment Packet UBPKT13629	Utility Billing	Cleared	Deposit	10,082.99
11/07/2025	11/30/2025	DEP0030253	Utility Payment Packet UBPKT13630	Utility Billing	Cleared	Deposit	3,406.10
11/07/2025	11/30/2025	DEP0030256	Utility Payment Packet UBPKT13631	Utility Billing	Cleared	Deposit	2,397.86
11/07/2025	11/30/2025	DEP0030259	Utility Reverse Payment Packet UBPKT13632	Utility Billing	Cleared	Deposit	-558.98
11/07/2025	11/30/2025	DEP0030262	Utility Payment Packet UBPKT13638	Utility Billing	Cleared	Deposit	27,308.71
11/10/2025	11/30/2025	DEP0030265	Utility Payment Packet UBPKT13640	Utility Billing	Cleared	Deposit	3,957.95
11/10/2025	11/30/2025	DEP0030269	Utility Payment Packet UBPKT13642	Utility Billing	Cleared	Deposit	2,228.43
11/10/2025	11/30/2025	DEP0030272	Utility Payment Packet UBPKT13644	Utility Billing	Cleared	Deposit	38,171.49
11/10/2025	11/30/2025	DEP0030275	Utility Payment Packet UBPKT13653	Utility Billing	Cleared	Deposit	8,583.63
11/10/2025	11/30/2025	DEP0030278	Utility Payment Packet UBPKT13654	Utility Billing	Cleared	Deposit	25,315.24
11/11/2025	11/30/2025	DEP0030281	Utility Payment Packet UBPKT13655	Utility Billing	Cleared	Deposit	3,219.38
11/12/2025	11/30/2025	DEP0030284	Utility Payment Packet UBPKT13656	Utility Billing	Cleared	Deposit	5,743.60
11/12/2025	11/30/2025	DEP0030287	Utility Reverse Payment Packet UBPKT13658	Utility Billing	Cleared	Deposit	-297.00
11/12/2025	11/30/2025	DEP0030298	Utility Payment Packet UBPKT13661	Utility Billing	Cleared	Deposit	3,520.65
11/12/2025	11/30/2025	DEP0030305	Utility Payment Packet UBPKT13662	Utility Billing	Cleared	Deposit	17,946.19
11/13/2025	11/30/2025	DEP0030308	Utility Payment Packet UBPKT13663	Utility Billing	Cleared	Deposit	4,339.15
11/13/2025	11/30/2025	DEP0030311	Utility Payment Packet UBPKT13664	Utility Billing	Cleared	Deposit	4,359.19
11/13/2025	11/30/2025	DEP0030314	Utility Payment Packet UBPKT13665	Utility Billing	Cleared	Deposit	3,025.32
11/13/2025	11/30/2025	DEP0030318	Utility Payment Packet UBPKT13666	Utility Billing	Cleared	Deposit	8,105.53
11/14/2025	11/30/2025	DEP0030323	Utility Payment Packet UBPKT13667	Utility Billing	Cleared	Deposit	12,439.11
11/14/2025	11/30/2025	DEP0030326	Utility Payment Packet UBPKT13668	Utility Billing	Cleared	Deposit	8,100.67
11/14/2025	11/30/2025	DEP0030329	Utility Payment Packet UBPKT13669	Utility Billing	Cleared	Deposit	24,348.68
11/17/2025	11/30/2025	DEP0030320	ACH Draft Packet UBPKT13548	Utility Billing	Cleared	Deposit	291,176.90
11/17/2025	11/30/2025	DEP0030332	Utility Payment Packet UBPKT13670	Utility Billing	Cleared	Deposit	16,118.30
11/17/2025	11/30/2025	DEP0030335	Utility Payment Packet UBPKT13671	Utility Billing	Cleared	Deposit	7,434.83
11/17/2025	11/30/2025	DEP0030338	Utility Reverse Payment Packet UBPKT13672	Utility Billing	Cleared	Deposit	-165.00
11/17/2025	11/30/2025	DEP0030344	Utility Payment Packet UBPKT13674	Utility Billing	Cleared	Deposit	13,887.22
11/17/2025	11/30/2025	DEP0030353	Utility Payment Packet UBPKT13676	Utility Billing	Cleared	Deposit	362,178.17
11/18/2025	11/30/2025	DEP0030356	Utility Payment Packet UBPKT13677	Utility Billing	Cleared	Deposit	2,045.17
11/18/2025	11/30/2025	DEP0030359	Utility Payment Packet UBPKT13678	Utility Billing	Cleared	Deposit	10,680.17
11/18/2025	11/30/2025	DEP0030362	Utility Payment Packet UBPKT13679	Utility Billing	Cleared	Deposit	4,363.10
11/18/2025	11/30/2025	DEP0030365	Utility Payment Packet UBPKT13680	Utility Billing	Cleared	Deposit	1,188.22
11/18/2025	11/30/2025	DEP0030374	Utility Payment Packet UBPKT13690	Utility Billing	Cleared	Deposit	69,879.36
11/19/2025	11/30/2025	DEP0030377	Utility Payment Packet UBPKT13691	Utility Billing	Cleared	Deposit	1,116.28
11/19/2025	11/30/2025	DEP0030380	Utility Payment Packet UBPKT13692	Utility Billing	Cleared	Deposit	1,525.53
11/19/2025	11/30/2025	DEP0030383	Utility Payment Packet UBPKT13693	Utility Billing	Cleared	Deposit	75,052.82
11/20/2025	11/30/2025	DEP0030386	Utility Payment Packet UBPKT13694	Utility Billing	Cleared	Deposit	634.81
11/20/2025	11/30/2025	DEP0030389	Utility Payment Packet UBPKT13695	Utility Billing	Cleared	Deposit	1,680.42
11/20/2025	11/30/2025	DEP0030392	Utility Payment Packet UBPKT13696	Utility Billing	Cleared	Deposit	3,396.89
11/21/2025	11/30/2025	DEP0030395	Utility Payment Packet UBPKT13697	Utility Billing	Cleared	Deposit	500.00
11/21/2025	11/30/2025	DEP0030398	Utility Payment Packet UBPKT13698	Utility Billing	Cleared	Deposit	275.95
11/21/2025	11/30/2025	DEP0030401	Utility Reverse Payment Packet UBPKT13699	Utility Billing	Cleared	Deposit	-441.07
11/21/2025	11/30/2025	DEP0030404	Utility Reverse Payment Packet UBPKT13701	Utility Billing	Cleared	Deposit	-356.64

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
11/21/2025	11/30/2025	DEP0030407	Utility Reverse Payment Packet UBPKT13703	Utility Billing	Cleared	Deposit	-518.43
11/21/2025	11/30/2025	DEP0030411	Utility Payment Packet UBPKT13706	Utility Billing	Cleared	Deposit	4,102.48
11/21/2025	11/30/2025	DEP0030419	Utility Payment Packet UBPKT13717	Utility Billing	Cleared	Deposit	18,713.49
11/24/2025	11/30/2025	DEP0030416	Utility Reverse Payment Packet UBPKT13715	Utility Billing	Cleared	Deposit	-160.21
11/24/2025	11/30/2025	DEP0030422	Utility Payment Packet UBPKT13718	Utility Billing	Cleared	Deposit	884.68
11/24/2025	11/30/2025	DEP0030425	Utility Payment Packet UBPKT13719	Utility Billing	Cleared	Deposit	215.03
11/24/2025	11/30/2025	DEP0030428	Utility Payment Packet UBPKT13722	Utility Billing	Cleared	Deposit	899.98
11/24/2025	11/30/2025	DEP0030431	Utility Payment Packet UBPKT13726	Utility Billing	Cleared	Deposit	8,990.89
11/25/2025	11/30/2025	DEP0030434	Utility Payment Packet UBPKT13727	Utility Billing	Cleared	Deposit	1,793.01
11/25/2025	11/30/2025	DEP0030437	Utility Payment Packet UBPKT13728	Utility Billing	Cleared	Deposit	507.10
11/25/2025	11/30/2025	DEP0030440	Utility Payment Packet UBPKT13744	Utility Billing	Cleared	Deposit	34,610.12
11/25/2025	11/30/2025	DEP0030582	Utility Reverse Payment Packet UBPKT13821	Utility Billing	Cleared	Deposit	-2,017.51
11/25/2025	11/30/2025	DEP0030585	Utility Payment Packet UBPKT13822	Utility Billing	Cleared	Deposit	2,017.51
11/26/2025	11/30/2025	DEP0030443	Utility Payment Packet UBPKT13745	Utility Billing	Cleared	Deposit	1,431.93
11/26/2025	11/30/2025	DEP0030446	Utility Payment Packet UBPKT13746	Utility Billing	Cleared	Deposit	1,028.27
11/26/2025	11/30/2025	DEP0030449	Utility Payment Packet UBPKT13747	Utility Billing	Outstanding	Deposit	10,769.05
11/27/2025	11/30/2025	DEP0030452	Utility Payment Packet UBPKT13748	Utility Billing	Cleared	Deposit	3,374.40
11/28/2025	11/30/2025	DEP0030455	Utility Payment Packet UBPKT13749	Utility Billing	Cleared	Deposit	2,311.45
11/28/2025	11/30/2025	DEP0030458	Utility Payment Packet UBPKT13750	Utility Billing	Outstanding	Deposit	51,995.85
Deposit Total: (79)							1,374,678.10
Utility Billing Total: (79)							1,374,678.10
Report Total: (253)							158,617.61

Summary

Bank Account	Count	Amount
030866939 BMO Checking	253	158,617.61
Report Total:	253	158,617.61

Cash Account	Count	Amount
99 99-000-1004 BMO Checking (Pooled Cash)	253	158,617.61
Report Total:	253	158,617.61

Transaction Type	Count	Amount
Bank Draft	29	-596,918.84
Check	58	-424,152.50
Deposit	136	1,820,669.15
EFT	30	-640,980.20
Report Total:	253	158,617.61



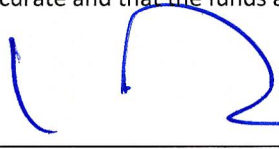
Trabuco Canyon Water District
General Fund Warrant Register
11/13/2025

Summary of Disbursements

Computer Checks	1,982,236.27
UB Refund Checks	-
Void UB Refund	-
Bank Drafts	647,984.83
Bank EFTs	428,703.43
Voided Payments	-
Total Disbursements	3,058,924.53

I hereby certify that the claims or demands covered by the above listed warrants have been audited as to accuracy and the availability of funds for payment thereof; and that the said claims or demands are accurate and that the funds are available.

This is to certify that claims or demands covered by the above listed warrants have been audited by the Finance/Audit Committee of the Trabuco Canyon Water District and that all of the said warrants are approved for payment.


11/13/2025
General Manager / Assistant General Manager


By:

11-13-25
Date:

Michael F. Schrenski 11/13/25
By: Date:



Trabuco Canyon Water District, CA

Bank Transaction Report

Transaction Detail

Issued Date Range: 10/08/2025 - 11/10/2025

Cleared Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
Accounts Payable							
Bank Draft							
10/08/2025		DFT0004199	CALPERS	Accounts Payable	Outstanding	Bank Draft	-9,467.49
10/08/2025		DFT0004200	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-2,430.54
10/09/2025		DFT0004201	COUNTY OF ORANGE	Accounts Payable	Outstanding	Bank Draft	-977.84
10/10/2025		DFT0004202	ADP	Accounts Payable	Outstanding	Bank Draft	-2,192.18
10/14/2025		DFT0004203	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-1,660.28
10/14/2025		DFT0004204	SOUTHERN CALIFORNIA EDISON	Accounts Payable	Outstanding	Bank Draft	-95,289.84
10/14/2025		DFT0004205	VERIZON BUSINESS	Accounts Payable	Outstanding	Bank Draft	-1,548.52
10/15/2025		DFT0004206	WAGE WORKS, INC.	Accounts Payable	Outstanding	Bank Draft	-50.00
10/15/2025		DFT0004214	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Outstanding	Bank Draft	-300.80
10/16/2025		DFT0004207	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-75.03
10/17/2025		DFT0004208	ADP	Accounts Payable	Outstanding	Bank Draft	-154,063.24
10/17/2025		DFT0004209	CALPERS	Accounts Payable	Outstanding	Bank Draft	-37,583.96
10/17/2025		DFT0004210	HOME DEPOT CREDIT SERVICES	Accounts Payable	Outstanding	Bank Draft	-1,226.67
10/17/2025		DFT0004211	XEROX CORPORATION	Accounts Payable	Outstanding	Bank Draft	-264.87
10/20/2025		DFT0004212	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-1,030.00
10/20/2025		DFT0004213	TAB ANSWER NETWORK	Accounts Payable	Outstanding	Bank Draft	-250.42
10/21/2025		DFT0004215	WEX FLEET UNIVERSAL	Accounts Payable	Outstanding	Bank Draft	-5,682.28
10/22/2025		DFT0004216	GUARDIAN	Accounts Payable	Outstanding	Bank Draft	-4,150.84
10/23/2025		DFT0004217	HOME DEPOT CREDIT SERVICES	Accounts Payable	Outstanding	Bank Draft	-6,305.57
10/23/2025		DFT0004218	WAGE WORKS, INC.	Accounts Payable	Outstanding	Bank Draft	-75.00
10/27/2025		DFT0004219	CSDA Commercial Card - UMPQUA BANK	Accounts Payable	Outstanding	Bank Draft	-9,026.92
10/31/2025		DFT0004220	ADP	Accounts Payable	Outstanding	Bank Draft	-112.00
10/31/2025		DFT0004221	SANTA MARGARITA WATER DISTRICT	Accounts Payable	Outstanding	Bank Draft	-5,301.39
11/03/2025		DFT0004222	PACE PAYMENT SYSTEMS, INC.	Accounts Payable	Outstanding	Bank Draft	-6,016.23
11/04/2025		DFT0004223	ADP	Accounts Payable	Outstanding	Bank Draft	-153,630.62
11/04/2025		DFT0004224	BRINKS HOME SECURITY	Accounts Payable	Outstanding	Bank Draft	-269.99
11/04/2025		DFT0004225	CALPERS	Accounts Payable	Outstanding	Bank Draft	-71,438.86
11/04/2025		DFT0004226	VSP	Accounts Payable	Outstanding	Bank Draft	-775.06
11/06/2025		DFT0004227	CALPERS	Accounts Payable	Outstanding	Bank Draft	-70,500.46
11/06/2025		DFT0004228	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-2,434.58
11/10/2025		DFT0004229	ADP	Accounts Payable	Outstanding	Bank Draft	-2,192.18
11/10/2025		DFT0004230	COX COMMUNICATIONS	Accounts Payable	Outstanding	Bank Draft	-1,661.17
Bank Draft Total: (32)							-647,984.83

Check

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
10/08/2025		13700	DUPERON CORPORATION	Accounts Payable	Outstanding	Check	-89,971.25
10/09/2025		13701	FERNANDO VALDEZ	Accounts Payable	Outstanding	Check	-4,194.68
10/09/2025		13702	LYNDSAY WEST	Accounts Payable	Outstanding	Check	-385.75
10/15/2025		13703	AT&T MOBILITY	Accounts Payable	Outstanding	Check	-124.71
10/15/2025		13704	BUTIER ENGINEERING, INC.	Accounts Payable	Outstanding	Check	-9,296.00
10/15/2025		13705	CHAMPION PAVING, INC.	Accounts Payable	Outstanding	Check	-2,550.00
10/15/2025		13706	COOK'S TIRE & SERVICE	Accounts Payable	Outstanding	Check	-1,238.92
10/15/2025		13707	DMC ENGINEERING	Accounts Payable	Outstanding	Check	-17,316.70
10/15/2025		13708	FULL TRAFFICE MAINTENANCE, INC.	Accounts Payable	Outstanding	Check	-6,838.20
10/15/2025		13709	GMU GEOTECHNICAL, INC.	Accounts Payable	Outstanding	Check	-2,310.00
10/15/2025		13710	GOVERNMENT FINANCE OFFICERS ASSOCIATION	Accounts Payable	Outstanding	Check	-200.00
10/15/2025		13711	HAZEN & SAWYER	Accounts Payable	Outstanding	Check	-53,254.33
10/15/2025		13712	HYDROTECH ELECTRIC	Accounts Payable	Outstanding	Check	-23,116.54
10/15/2025		13713	INFOSEND, INC.	Accounts Payable	Outstanding	Check	-3,099.82
10/15/2025		13714	JIG CONSULTANTS	Accounts Payable	Outstanding	Check	-6,660.76
10/15/2025		13715	JRT ROOFING & WATERPROOFING	Accounts Payable	Outstanding	Check	-2,980.30
10/15/2025		13716	MKN	Accounts Payable	Outstanding	Check	-9,121.72
10/15/2025		13717	PROJECT PARTNERS, INC.	Accounts Payable	Outstanding	Check	-30,850.00
10/15/2025		13718	PSOMAS	Accounts Payable	Outstanding	Check	-8,572.50
10/15/2025		13719	SIERRA ANALYTICAL	Accounts Payable	Outstanding	Check	-2,377.50
10/15/2025		13720	SUPERIOR ELECTRIC MOTOR SERVICE, INC	Accounts Payable	Outstanding	Check	-4,970.84
10/15/2025		13721	T.E. ROBERTS INC	Accounts Payable	Outstanding	Check	-1,367,997.15
10/15/2025		13722	VAUGHAN'S INDUSTRIAL REPAIR COMPANY, INC.	Accounts Payable	Outstanding	Check	-12,645.19
10/15/2025		13723	WALTERS WHOLESALE ELECTRIC CO.	Accounts Payable	Outstanding	Check	-497.74
10/15/2025		13724	WASTEQUIP MANUFACTURING COMPANY	Accounts Payable	Outstanding	Check	-10,149.89
10/15/2025		13725	WBCP INC	Accounts Payable	Outstanding	Check	-10,228.00
10/22/2025		13726	BUTIER ENGINEERING, INC.	Accounts Payable	Outstanding	Check	-53,372.00
10/22/2025		13727	CHARLES P. CROWLEY COMPANY	Accounts Payable	Outstanding	Check	-12,195.38
10/22/2025		13728	CSDA	Accounts Payable	Outstanding	Check	-9,930.00
10/22/2025		13729	ELITE AUTOMOTIVE SERVICES	Accounts Payable	Outstanding	Check	-2,207.62
10/22/2025		13730	FERGUSON WATERWORKS	Accounts Payable	Outstanding	Check	-1,961.19
10/22/2025		13731	GRAINGER	Accounts Payable	Outstanding	Check	-851.35
10/22/2025		13732	HAAKER EQUIPMENT COMPANY	Accounts Payable	Outstanding	Check	-6,109.47
10/22/2025		13733	HACH COMPANY	Accounts Payable	Outstanding	Check	-8,033.52
10/22/2025		13734	HAZEN & SAWYER	Accounts Payable	Outstanding	Check	-24,273.75
10/22/2025		13735	JIG CONSULTANTS	Accounts Payable	Outstanding	Check	-44,387.50
10/22/2025		13736	ORKIN, INC.	Accounts Payable	Outstanding	Check	-764.99
10/22/2025		13737	PEBBLE SPRING WATER	Accounts Payable	Outstanding	Check	-66.00
10/22/2025		13738	SANTA MARGARITA WATER DISTRICT	Accounts Payable	Outstanding	Check	-660.00
10/22/2025		13739	SECURITAS TECHNOLOGY	Accounts Payable	Outstanding	Check	-2,482.52
10/22/2025		13740	SHERWIN-WILLIAMS	Accounts Payable	Outstanding	Check	-965.63
10/22/2025		13741	SIERRA ANALYTICAL	Accounts Payable	Outstanding	Check	-3,537.00
10/22/2025		13742	SOTO RESOURCES	Accounts Payable	Outstanding	Check	-641.25

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
10/22/2025		13743	STARTING LINE ADVISORY	Accounts Payable	Outstanding	Check	-11,375.00
10/22/2025		13744	USA BLUEBOOK	Accounts Payable	Outstanding	Check	-9,796.87
10/22/2025		13745	VISTA PAINT	Accounts Payable	Outstanding	Check	-290.76
10/22/2025		13746	USA BLUEBOOK	Accounts Payable	Outstanding	Check	-9,796.87
10/23/2025		13747	DAVID RODRIGUEZ	Accounts Payable	Outstanding	Check	-20.08
10/30/2025		13748	BRENT MONSON	Accounts Payable	Outstanding	Check	-3,434.61
10/30/2025		13749	CHRIS HOLBROOK	Accounts Payable	Outstanding	Check	-311.00
11/04/2025		13750	STATE WATER RESOURCES CONTROL BOARD	Accounts Payable	Outstanding	Check	-60.00
11/04/2025		13751	AT&T	Accounts Payable	Outstanding	Check	-719.16
11/04/2025		13752	CHAMPION PAVING, INC.	Accounts Payable	Outstanding	Check	-3,320.00
11/04/2025		13753	DMV	Accounts Payable	Outstanding	Check	-32.00
11/04/2025		13754	DUNN-EDWARDS CORPORATION	Accounts Payable	Outstanding	Check	-542.02
11/04/2025		13755	FARRELL PRINTING, INC.	Accounts Payable	Outstanding	Check	-186.09
11/04/2025		13756	FEDEX	Accounts Payable	Outstanding	Check	-39.71
11/04/2025		13757	FERGUSON WATERWORKS	Accounts Payable	Outstanding	Check	-10,206.92
11/04/2025		13758	HAAKER EQUIPMENT COMPANY	Accounts Payable	Outstanding	Check	-17.55
11/04/2025		13759	IB CONSULTING	Accounts Payable	Outstanding	Check	-2,205.00
11/04/2025		13760	LINDE GAS & EQUIPMENT, INC.	Accounts Payable	Outstanding	Check	-5,424.26
11/04/2025		13761	OCCUPATIONAL HEALTH CENTERS OF CA	Accounts Payable	Outstanding	Check	-66.00
11/04/2025		13762	ORANGE COAST PETROLEUM EQUIPMENT, INC.	Accounts Payable	Outstanding	Check	-6,730.02
11/04/2025		13763	ORKIN, INC.	Accounts Payable	Outstanding	Check	-1,035.96
11/04/2025		13764	PEBBLE SPRING WATER	Accounts Payable	Outstanding	Check	-110.00
11/04/2025		13765	SANTIAGO AQUEDUCT COMMISSION	Accounts Payable	Outstanding	Check	-1,291.67
11/04/2025		13766	SIERRA ANALYTICAL	Accounts Payable	Outstanding	Check	-5,768.50
11/04/2025		13767	SOUTHERN COUNTIES LUBRICANTS, LLC	Accounts Payable	Outstanding	Check	-792.08
11/04/2025		13768	SS MECHANICAL CONSTRUCTION CORP.	Accounts Payable	Outstanding	Check	-46,464.50
11/04/2025		13769	SWRCB ACCOUNTING OFFICE	Accounts Payable	Outstanding	Check	-11,692.00
11/04/2025		13770	TOUCH TEL MOBILE	Accounts Payable	Outstanding	Check	-625.00
11/04/2025		13771	VEGA AMERICAS, INC.	Accounts Payable	Outstanding	Check	-5,984.76
11/04/2025		13772	YO FIRE	Accounts Payable	Outstanding	Check	-307.09
Check Total: (73)							-1,992,033.14
Check Reversal							
10/22/2025		13744	USA BLUEBOOK Reversal	Accounts Payable	Outstanding	Check Reversal	9,796.87
Check Reversal Total: (1)							9,796.87
EFT							
10/08/2025		813	AMAZON	Accounts Payable	Outstanding	EFT	-1,403.21
10/08/2025		814	DUTHIE ELECTRIC SERVICE CORPORATION	Accounts Payable	Outstanding	EFT	-960.11
10/08/2025		815	MWDOC	Accounts Payable	Outstanding	EFT	-54,291.00
10/08/2025		816	UNIFIRST CORPORATION	Accounts Payable	Outstanding	EFT	-423.66
10/16/2025		817	ACWA	Accounts Payable	Outstanding	EFT	-24,685.00
10/16/2025		818	ARC	Accounts Payable	Outstanding	EFT	-326.57
10/16/2025		819	LANDSCAPE WEST MANGEMENT SERVICES INC	Accounts Payable	Outstanding	EFT	-24,000.00

Bank Transaction Report

Issued Date Range: -

Issued Date	Cleared Date	Number	Description	Module	Status	Type	Amount
10/16/2025		820	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Outstanding	EFT	-710.00
10/16/2025		821	UNITED PUMPING SERVICE, INC.	Accounts Payable	Outstanding	EFT	-16,215.63
10/23/2025		822	AMAZON	Accounts Payable	Outstanding	EFT	-1,061.14
10/23/2025		823	CLA-VAL	Accounts Payable	Outstanding	EFT	-3,151.70
10/23/2025		824	DUPERON CORPORATION	Accounts Payable	Outstanding	EFT	-89,971.25
10/23/2025		825	HIGHROAD INFORMATION TECHNOLOGY, LLC.	Accounts Payable	Outstanding	EFT	-35,096.83
10/23/2025		826	IBEW Local 47	Accounts Payable	Outstanding	EFT	-480.00
10/23/2025		827	INFOSEND, INC.	Accounts Payable	Outstanding	EFT	-1,205.50
10/23/2025		828	IRVINE RANCH WATER DISTRICT	Accounts Payable	Outstanding	EFT	-29,337.05
10/23/2025		829	JCI JONES CHEMICALS, INC	Accounts Payable	Outstanding	EFT	-5,114.71
10/23/2025		830	MWDOC	Accounts Payable	Outstanding	EFT	-77,559.21
10/23/2025		831	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Outstanding	EFT	-2,130.00
10/23/2025		832	SANTA FE SPRINGS WATER SYSTEMS CO	Accounts Payable	Outstanding	EFT	-3,733.54
10/23/2025		833	UNIFIRST CORPORATION	Accounts Payable	Outstanding	EFT	-815.79
10/23/2025		834	VAUGHAN'S INDUSTRIAL REPAIR COMPANY, INC.	Accounts Payable	Outstanding	EFT	-9,384.00
10/23/2025		835	WECK LABORATORIES	Accounts Payable	Outstanding	EFT	-936.00
11/05/2025		836	ACWA JPIA - WC, PROP., & LIAB	Accounts Payable	Outstanding	EFT	-12,514.97
11/05/2025		837	AMAZON	Accounts Payable	Outstanding	EFT	-1,098.60
11/05/2025		838	BLACK KNIGHT FINANCIAL SERVICES, LCC	Accounts Payable	Outstanding	EFT	-6.60
11/05/2025		839	DUTHIE ELECTRIC SERVICE CORPORATION	Accounts Payable	Outstanding	EFT	-3,631.16
11/05/2025		840	FIELDMAN, ROLAPP & ASSOC.	Accounts Payable	Outstanding	EFT	-726.06
11/05/2025		841	HIGHROAD INFORMATION TECHNOLOGY, LLC.	Accounts Payable	Outstanding	EFT	-7,058.00
11/05/2025		842	LANDSCAPE WEST MANGEMENT SERVICES INC	Accounts Payable	Outstanding	EFT	-14,400.00
11/05/2025		843	ORANGE COUNTY PUMPING, INC.	Accounts Payable	Outstanding	EFT	-2,130.00
11/05/2025		844	UNDERGROUND SERVICE ALERT/SC	Accounts Payable	Outstanding	EFT	-154.00
11/05/2025		845	UNIFIRST CORPORATION	Accounts Payable	Outstanding	EFT	-545.14
11/05/2025		846	VORTEX INDUSTRIES, INC.	Accounts Payable	Outstanding	EFT	-1,135.00
11/05/2025		847	WECK LABORATORIES	Accounts Payable	Outstanding	EFT	-312.00
11/06/2025		848	ESRI	Accounts Payable	Outstanding	EFT	-2,000.00
EFT Total: (36)							-428,703.43
Accounts Payable Total: (142)							-3,058,924.53
Report Total: (142)							-3,058,924.53

Summary

Bank Account	Count	Amount
030866939 BMO Checking	142	-3,058,924.53
Report Total:	142	-3,058,924.53

Cash Account	Count	Amount
99 99-000-1004 BMO Checking (Pooled Cash)	142	-3,058,924.53
Report Total:	142	-3,058,924.53

Transaction Type	Count	Amount
Bank Draft	32	-647,984.83
Check	73	-1,992,033.14
Check Reversal	1	9,796.87
EFT	36	-428,703.43
Report Total:	142	-3,058,924.53



Warrant Registry
Trabuco Canyon Water District
County of Orange
State of California

GENERAL FUND PAYROLL WARRANT REGISTER

For the Month of: November 2025

\$ 305,336.46

I hereby certify that the claims or demands covered by the above listed warrants have been audited as to accuracy and the availability of funds for payment thereof; and that the said claims or demands are accurate and that the funds are available.

This is to certify that claims or demands covered by the above listed warrants have been audited by the Finance/Audit Committee of the Trabuco Canyon Water District and that all of the said warrants are approved for payment.

[Signature] 12/11/2025
General Manager / Assistant General Manager

[Signature] 12/11/25
Chair Date

Michael F. Schramski 12/11/25
Member Date

Net Pay	Checks				.00
	Direct Deposits				97,278.84
	Subtotal Net Pay				97,278.84
	Adjustments				15,348.80
	Total Net Pay Liability (Net Cash)				112,627.64

Taxes		You are responsible for		Amount debited		
		Depositing these amounts		from your account		
Federal	Agency	Rate	EE withheld	ER contrib.	EE withheld	ER contrib.
	Federal Income Tax				24,151.18	
	Earned Income Credit Advances					
	Social Security				5,433.86	5,433.86
	Medicare				2,527.73	2,527.74
	Medicare Surtax				551.64	
	Federal Unemployment Tax					
	Subtotal Federal		32,664.41	7,961.60		40,626.01
	FMLA-PSL Payments Credit					
	FMLA-PSL ER FICA Credit					
	FMLA-PSL Health Care Premium Credit					
	Employee Retention Qualified Payments Cre					
	Employee Retention Qualified Health Care					
	Cobra Premium Assistance Payments					
	Total Federal		32,664.41	7,961.60		40,626.01
State	CA State Income Tax				10,706.61	
	CA State Unemployment Insurance-ER 7000					
	CA State Disability Insurance-EE				2,089.61	
	Subtotal CA				12,796.22	12,796.22
	Total Taxes	.00	.00	45,460.63	7,961.60	53,422.23
	Amount ADP Debited From AccountXXXX6939			Tran/ABA XXXXXXXXX		53,422.23 Excludes Taxes That Are Your Responsibility

Other	ADP Direct Deposit				97,278.84	27 Employee Transactions
	Transfers Amount ADP Debited From AccountXXXX6939			Tran/ABA XXXXXXXXX		97,278.84
	Total Amount ADP Debited From Your Accounts					150,701.07



Statistical Summary
Detail

TRABUCO CANYON WATER

Region Name : **GKN**
Company Code : ADP RESOURCE

Batch : **0333**
Quarter Number : **4**
Service Center: **580**

Period Ending : **11/15/2025** **Week 47**
Pay Date : **11/20/2025**
Current Date : **11/18/2025** Page 2

Net Pay	Checks					1,589.56
	Direct Deposits					102,757.20
	Subtotal Net Pay					104,346.76
	Adjustments					.00
	Total Net Pay Liability (Net Cash)					104,346.76

Taxes		You are responsible for		Amount debited		
		Depositing these amounts		from your account		
Federal	Agency	Rate	EE withheld	ER contrib.	EE withheld	ER contrib.
	Federal Income Tax				21,766.35	
	Earned Income Credit Advances					
	Social Security				5,936.91	5,936.93
	Medicare				2,366.06	2,366.06
	Medicare Surtax				493.64	
	Federal Unemployment Tax					
	Subtotal Federal		30,562.96		8,302.99	38,865.95
	FMLA-PSL Payments Credit					
	FMLA-PSL ER FICA Credit					
	FMLA-PSL Health Care Premium Credit					
	Employee Retention Qualified Payments Cre					
	Employee Retention Qualified Health Care					
	Cobra Premium Assistance Payments					
	Total Federal		30,562.96		8,302.99	38,865.95
State	CA State Income Tax				9,523.90	
	CA State Unemployment Insurance-ER 7000					
	CA State Disability Insurance-EE				1,898.78	
	Subtotal CA				11,422.68	11,422.68
	Total Taxes	.00	.00	41,985.64	8,302.99	50,288.63
	Amount ADP Debited From AccountXXXX6939					50,288.63

Excludes Taxes That Are Your Responsibility

Other	ADP Direct Deposit					102,757.20	30 Employee Transactions
Transfers	ADP Check					1,589.56	
	Amount ADP Debited From AccountXXXX6939						104,346.76
	Total Amount ADP Debited From Your Accounts						154,635.39



Statistical Summary Detail

TRABUCO CANYON WATER

Region Name : **GKN**
Company Code : ADP RESOURCE

Batch : **1316**
Quarter Number : **4**
Service Center : **580**

Period Ending : **11/30/2025**
Pay Date : **12/05/2025**
Current Date : **12/03/2025**

Week 49
Page 2

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

CONSENT CALENDAR

ITEM 3: APPROVAL OF ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP(S)

RECOMMENDED ACTION:

Approve the following Engineering/Operational Committee Meeting Recap(s) and recommend that the Board receive and file same (Consent Calendar):

1. *November 5, 2025*

CONTACTS (staff responsible): PEREA



**TRABUCO CANYON WATER DISTRICT
ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP | NOVEMBER 5, 2025**

DIRECTORS PRESENT

Mark Anderson, Committee Chair
Glenn Acosta, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Lorrie Lausten, District Engineer
Gary Kessler, Water Superintendent
Oscar Ulloa, Wastewater Superintendent
Jason Stroud, Maintenance Superintendent
Karen Warner, Principal Accountant
Roseann Lejsek, Executive Assistant
Phil Serpas, CMMS/SCADA Administrator

STAFF ABSENT

None

DISTRICT CONSULTANTS

None

PUBLIC PRESENT

There were members of the public present.

CALL MEETING TO ORDER

Director Anderson called the November 5, 2025 Engineering/Operational Committee Meeting to order at 8:00 a.m.

VISITOR PARTICIPATION

No comments were received.

ORAL COMMUNICATION

No comments were received.

COMMITTEE MEMBER COMMENTS

None

REPORT FROM THE GENERAL MANAGER

None

ITEM 1: ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP

Mr. Paludi presented the Engineering/Operational Committee Meeting Recap for Committee review in accordance with the agenda.

RECOMMENDATION: The Committee recommended forwarding this matter to the Board of Directors (Consent Calendar).

**TRABUCO CANYON WATER DISTRICT
ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP | NOVEMBER 5, 2025**

ITEM 2: HERITAGE SEWER LIFT STATION IMPROVEMENTS CONSTRUCTION CONTRACT AWARD

Mr. Paludi presented this matter for Committee consideration. Ms. Lausten reported that staff solicited bids from five contractors and received two bids. Ms. Lausten provided a bid proposal comparison handout to the Committee and reviewed the cost analysis. Ms. Lausten reported that she is recommending award of the construction contract to Ferreira Construction.

RECOMMENDATION: Recommend that the Board of Directors award a Construction Contract for the Heritage Sewer Lift Station Improvement Project to Ferreira Construction in the amount of \$1,799,813 plus a 10% contingency of \$179,981, for a not-to-exceed amount of \$1,979,794 (Action Calendar).

ITEM 3: HAMILTON OAKS COMMUNITY SYSTEM PRESSURES TECHNICAL MEMORANDUM - HAZEN

Mr. Paludi presented this matter for Committee consideration. Mr. Perea reported that District staff requested a technical memorandum and conceptual estimate from Hazen for potential system pressure improvements within the Hamilton Oaks community due to feedback from District customers. Mr. Perea reported that the memorandum addressed a conceptual solution to improve the minimum pressures to homes and fire flow demands to the community. Mr. Perea provided a high-level overview of the memorandum including pressure criteria for the distribution system, proposed pump station components and the cost estimate summary.

Public Comment was received in relation to this item on the agenda.

Sue Marucci – Ms. Marucci addressed the Committee with her concerns regarding the pressure issues within the Hamilton Oaks community. Ms. Marucci commented that her concern is not with pressures to her home, noting that many in the community have booster pumps. Ms. Marucci emphasized the importance of ensuring adequate hydrant pressure for safety reasons, and that she believes the District is responsible for providing sufficient fire flow.

Jay Gentile – Mr. Gentile addressed the Committee with his concerns regarding costs and funding of the potential project. Mr. Gentile stated that, as he understands Proposition 218, a project benefiting a specific area should not be funded by all ratepayers, but rather by the residents of the community that will directly benefit from it. Mr. Gentile urged the Committee to explore potential grant funding opportunities to help subsidize the potential project.

A brief discussion occurred regarding the potential for additional storage and on-site tanks within the community. Mr. Perea stated that he would discuss this matter with Hazen.

RECOMMENDATION: None – Informational item only.

ITEM 3: OTHER ENGINEERING AND OPERATIONS PROJECT UPDATES

1. Dimension Water Treatment Plant Pipeline Rehabilitation Project

Ms. Lausten reported that Phase 1A would be completed today and that Phase 1B would start the following day. Ms. Lausten presented the Committee with a Construction Report handout for the month of October and she provided a brief summary of the report. Ms. Lausten noted a delay in obtaining permits from the City of Mission Viejo but that that project is still moving forward.

2. Other Projects

None.

RECOMMENDATION: None – Informational item only.

**TRABUCO CANYON WATER DISTRICT
ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP | NOVEMBER 5, 2025**

ITEM 4: WATER SYSTEM UPDATES

Mr. Kessler reviewed the projects and repairs for the prior month, and he reported that Water Operations staff had completed the following tasks:

1. Worked with contractor to repair 2" broken service saddle in Falcon Estates.
2. Replaced pump motor on the valve truck.
3. Worked with the Meter Department to replace curb stop on Canyon Ridge in Portola Hills.
4. Recoated piping and equipment at Rose Canyon PS, Robinson Ranch PS and Harris Grade Reservoir.
5. Rebuilt pilot system on the Altitude Valve at Harris Grade.
6. Worked with OC Public Works to locate 2 main breaks on 6" transmission line at Joplin.
7. Coated L Brackets that were installed to secure filter #4.
8. Continued to work with T.E. Roberts on MTL repair.

Mr. Kessler presented the Water System Summary for Committee review, and he noted that the Santa Margarita Water District (SMWD) Treated Interconnection amount of 21.3 acre-feet reflected in the report may be inaccurate due to meter issues experienced by SMWD. Mr. Kessler added that the amount may be adjusted if a correction is needed.

RECOMMENDATION: None – Informational item only.

ITEM 5: WASTEWATER SYSTEM UPDATES

Mr. Ulloa reviewed the projects and repairs for the prior month, and he reported that Wastewater Operations staff had completed the following tasks:

1. Replaced a motor for the NEQ pump at the WWTP.
2. Installed an emergency alarm system for sewer flows at Heritage Lift Station.
3. Dove Creek soils removal to comply with Division of Safety of Dams (DSOD) requirements.
4. Removed an equipment pad and repaired an airline for operations control at the WWTP.
5. Removed 80' of discontinued 6" waste line at WWTP.
6. Installed a new 8" diversion and valve to prep for a new NEQ pump install.

Mr. Ulloa presented the Recycled Water System Summary for Committee review, and he noted that reservoir level was at 1252 feet and that Dove Lake had 7.6 feet of freeboard. Mr. Ulloa reported that total rainfall was 1 inch and that Dove/Tick Dry Season production was 3.2 acre feet.

RECOMMENDATION: None – Informational item only.

ITEM 6: MAINTENANCE DEPARTMENT UPDATES

Mr. Stroud reviewed the projects and repairs for the prior month, and he reported that Maintenance staff completed the following tasks:

Projects and Repairs

Maintenance staff performed and/or completed the following tasks and projects:

Water Operations

1. Saddle Crest generator PM's, prep for emergency standby.

**TRABUCO CANYON WATER DISTRICT
ENGINEERING/OPERATIONAL COMMITTEE MEETING RECAP | NOVEMBER 5, 2025**

Wastewater Operations

1. Received new Sutorbilt blower for WWTP.
2. SBR dry pit piping cleanup/removal with Waste Ops.
3. Assist Waste Ops on surge tank removal.

District Fleet Upgrades & Other Projects

1. Prep truck #14 for 200-gallon water tank system.
2. Order new 20' storage container.
3. Gen and ATS checks.
4. Replace Vactor hos reel and guide brackets.
5. OBD II clean air inspection on F650 Dump Truck #27.
6. Replace broken park brake lever on truck #26.
7. Ford recall repairs on #7 and #19.
8. Prep all new small portable gas generators.
9. Rebuilt carb on MULE.

Mr. Perea noted that in relation to item 8, staff will update the list of generators, and he explained the importance of maintaining generators to keep the SCADA system operational during power outages.

RECOMMENDATION: None – Informational item only.

ITEM 7: OTHER MATTERS/REPORTS

No other matters were reported.

RECOMMENDATION: None

ADJOURNMENT

Director Anderson adjourned the November 5, 2025 Engineering/Operational Committee Meeting at 8:46 a.m.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

CONSENT CALENDAR

ITEM 4: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP(S)

RECOMMENDED ACTION:

Approve the following Engineering/Operational Committee Meeting Recap(s) and recommend that the Board receive and file same (Consent Calendar):

1. *November 3, 2025*

CONTACTS (staff responsible): PEREA



TRABUCO CANYON WATER DISTRICT EXECUTIVE COMMITTEE MEETING RECAP | NOVEMBER 3, 2025

DIRECTORS PRESENT

Vice President Glenn Acosta, Committee Chair
President Edward Mandich, Committee Member

STAFF PRESENT

Fernando Paludi, General Manager
Michael Perea, Assistant General Manager
Roseann Lejsek, Executive Assistant

CONSULTANTS PRESENT (REMOTE)

Claire Collins, District General Legal Counsel – Hanson Bridgett, LLP

PUBLIC PRESENT

None

CALL MEETING TO ORDER

Vice President Acosta called the November 3, 2025 Executive Committee Meeting to order at 4:02 PM.

VISITOR PARTICIPATION

No visitor participation was received.

ORAL COMMUNICATION

No oral communication was received.

COMMITTEE MEMBER COMMENTS

None

REPORT FROM THE GENERAL MANAGER

None

ADMINISTRATIVE MATTERS

ITEM 1: APPROVAL OF EXECUTIVE COMMITTEE MEETING RECAP

Mr. Paludi presented the Executive Committee Meeting Recap(s) for Committee consideration in accordance with the agenda.

RECOMMENDATION: The Committee recommended forwarding this matter to the Board of Directors (Consent Calendar).

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING RECAP | NOVEMBER 3, 2025**

DISCUSSION MATTERS

ITEM 2: BOARD AGENDA PLANNING CALENDAR

Mr. Paludi provided a handout that included the following agenda planning items for Committee review and consideration:

November 2025

Regular Board Meeting – (11/19)

- Committee Reports (E/O, F/A, Exec, Labor Neg. Ad Hoc)
- TCWD Districting (Establishing Voter Divisions) Presentation by Center for Demographic Research
- Award Heritage SLS Improvements Construction Contract (E/O)
- Award Amendment to Hazen Agreement for DWTP Pipeline Rehab (E/O)
- Adopt Reimbursement Resolution for Future Debt Proceeds (F/A)
- Consideration or Rate Study Proposal and Fee
- Closed Session
 - GM Appointment (Interim)
 - Labor Negotiations

Special Board Meeting (TBD)

- Sewer/Recycled Water Systems Overview Staff Presentation

December 2025

Regular Board Meeting – (12/17)

- Elect Board Officers for 2026
- RFP for Rate Relief Update
- Award Construction Contract for Saddle Crest Res Outlet Improvements (E/O)
- Award Design Contract for Dove/Tick PS Improvements (E/O)
- Approve Mid-Year Budget Revisions (F/A)
- Receive & File FY 2024-25 Annual Comp Financial Report (F/A)

January 2026

Regular Board Meeting – (1/21)

- Approve 2026 Board Member Committee Appointments & Assignments
- RFP for Rate Relief Update

Trabuco Canyon Public Financing Authority (1/21)

- Confirmation of President and Vice President

Trabuco Canyon Improvement Corporation (1/21)

- Confirmation of President and Vice President

Other Potential Future Board Items

- Approve Collective Bargaining Agreement (Exec)
- Approve Ridgeline Connection Agreement with IRWD (E/O)
- Approve Rate Study Consultant Contract (TBD)

Discussion occurred regarding public outreach related to the Districting discussions.

RECOMMENDATION: None – Informational item only.

**TRABUCO CANYON WATER DISTRICT
EXECUTIVE COMMITTEE MEETING RECAP | NOVEMBER 3, 2025**

OTHER MATTERS

ITEM 3: REPORTS OR COMMENTS FROM THE GENERAL MANAGER AND/OR STAFF

There were no other matters presented.

RECOMMENDATION: None.

ADJOURNMENT

Vice President Acosta adjourned the November 3, 2025 Executive Committee Meeting at 4:36 p.m.

DRAFT

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 5: APPROVAL OF GENERAL MANAGER EMPLOYMENT AGREEMENT

RECOMMENDED ACTION:

Provide announcement of action(s) taken by the Board of Directors and take other related action(s) as determined by the Board of Directors.

EXHIBITS:

1. General Manager Employment Agreement

CONTACTS (staff responsible): PEREA/COLLINS

EMPLOYMENT AGREEMENT

This Employment Agreement (“**Agreement**”) is effective as of January 5, 2026 and is between the **TRABUCO CANYON WATER DISTRICT**, a County Water District (“**District**”) acting by and through its Board of Directors (“**Board**”), and **LARRY B. MCKENNEY**, an individual (“**Mr. McKenney**”) (individually sometimes referred to as “**Party**” or collectively as “**Parties**”).

A. The District is a county water district, organized and operating pursuant to the provisions of Water Code Section 30000 *et seq.*

B. The District is authorized pursuant to the terms of Water Code Sections 30540(a) and 30542 to appoint and hire a General Manager to have the function of principal administrator of the District’s operations and functions.

C. The District and Mr. McKenney intend by this Agreement to provide for the terms of employment under which Mr. McKenney will serve as General Manager.

The Parties therefore agree as follows:

1. Term.

1.1 The term of this Agreement commences on the Effective Date, and ends on December 31, 2027.

1.2 This Agreement will automatically renew on a month-to-month basis beginning on January 1, 2028, unless terminated by either Party upon 30 days notice.

2. Status of Employee; Employment and Duties.

2.1 Duties. The job description set forth in Attachment A sets out the minimum duties the General Manager is expected and required to perform. The Board of Directors may further reasonably define the General Manager’s duties from time to time.

2.2 Exclusive Role. So long as he serves as the General Manager of the District, Mr. McKenney shall devote his full energies, interest and abilities and productive time to the performance that role and shall not, without the prior written consent of the Board, render to others services of any kind, for compensation, or that would materially interfere with the performance of his duties, responsibilities, and services under this Agreement.

3. Compensation

The District shall pay Mr. McKenney a gross annual salary of **\$305,000** for his services as General Manager, payable in equal increments at the same time that other District employees are paid. Compensation will be subject to renegotiation each November for the annual period beginning each January.

4. Benefits.

4.1 Benefits. Except as otherwise provided for herein, Mr. McKenney will be entitled to all of the same benefits given to other District employees, which benefits specifically include

vacation time (as set out in Section 4.2), holidays, sick/personal necessity leave, health insurance (subject to Section 4.4), life insurance (defined benefit plan) and other benefits.

4.2 Leave. Notwithstanding Section 4(a) above, Mr. McKenney shall receive **four weeks** annual paid vacation, subject to all other conditions as provided in the District's Personnel and Salary Policy ("**Policy**"). Vacation time cannot be carried over from year to year.

4.3 Car Allowance. Mr. McKenney is expected to primarily use his own vehicle in the performance of his services as General Manager, including being available 24 hours per day when practical to respond to emergency situations for the District. The District shall pay Mr. McKenney **\$650.00 per month**, as reimbursement for automobile expenses. The monthly reimbursement may be adjusted at the sole discretion of the Board. Mr. McKenney will maintain insurance coverage for his vehicle at the following minimum limits: \$250,000 / \$500,000. The District will also maintain insurance coverage for Mr. McKenney's vehicle for its use during the course and scope of his performing services as General Manager. Mr. McKenney may, on occasion, use a District vehicle, if necessary or appropriate to the circumstances.

4.4 Cash In Lieu. Mr. McKenney may, at his option, elect to receive cash in lieu of medical and dental coverage benefits in an amount equal to 50% of such benefit(s) costs, but only if Mr. McKenney has and shows proof of coverage under another medical insurance plan that provides coverage that is comparable to the medical benefits provided under the medical insurance plan available to eligible employees of the District. If Mr. McKenney qualifies and elects to receive cash in lieu of medical and dental coverage benefits as described above, Mr. McKenney shall receive, as an additional compensation hereunder, an amount of money equal to 50% of the amount(s) that the District would otherwise expend to maintain such medical and dental coverage for Mr. McKenney. Mr. McKenney may restore medical and dental benefits in lieu of cash payments at any time, subject to applicable enrollment and eligibility rules of those policies.

4.5 Relocation Benefits. In acknowledgement of the need for Mr. McKenney to relocate from Northern California to Orange County to serve in the role of General Manager, the District shall reimburse Mr. McKenney for up to \$10,000 in relocation costs, subject to submittal of documentary evidence of those relocation-related costs.

5. Reimbursement of Business Expenses.

Mr. McKenney is authorized to incur reasonable business expenses in the discharge of his functions as General Manager. The District will reimburse Mr. McKenney upon submittal of appropriate documentary evidence as required by District policies.

6. Periodic Review.

The Board shall meet with Mr. McKenney to conduct a review of and confer with Mr. McKenney regarding his performance at least annually, but the Board may conduct a review of and confer regarding Mr. McKenney's performance at any time.

7. Termination, Resignation, Severance.

7.1 At-Will. The District employs Mr. McKenney to serve as its General Manager, at the pleasure of the Board, upon the terms and conditions set forth in this Agreement.

Notwithstanding the term of this Agreement, Mr. McKenney will be an “at-will” employee of the District and will not be afforded any termination or discipline-related access to due process, appeal, or grievance procedure. Mr. McKenney’s employment may be terminated with or without cause, at any time, with or without notice, by the Board or by Mr. McKenney.

7.2 Severance.

A. If the Board terminates Mr. McKenney’s employment before the expiration of the term of employment set forth in Section 1.1, and during any time that Mr. McKenney is willing and able to perform the duties of the General Manager position, the District shall make a lump severance payment to Mr. McKenney equal to the lesser of

(i) six months of Mr. McKenney’s monthly salary at the time of termination; or

(ii) Mr. McKenney’s monthly salary at the time of termination multiplied by the number of months left on the unexpired term of this Agreement. “Unexpired term” includes the remainder of any automatic renewal period that has already begun, but does not include any future automatic renewal periods.

B. Pursuant to California Government Code § 53260, in no event will the lump sum severance payment exceed the monthly salary of Mr. McKenney multiplied by six.

(i) Any severance payment will be made within 15 days after the effective date of the termination.

(ii) The lump sum severance payment is in addition to any accrued and unused vacation to which Mr. McKenney is entitled. All sums paid herein are subject to applicable withholding taxes. Pursuant to California Government Code § 53243.2, if Mr. McKenney is convicted of a crime involving an abuse of his/her office or position, including as set forth in California Government Code § 53243.4, then Mr. McKenney shall reimburse to the District any lump severance payment paid to Mr. McKenney under this section.

7.3 Resignation. The District prefers Mr. McKenney provide it at least 90 days advance notice before Mr. McKenney voluntarily resigns from the General Manager position. While such courtesy is desired, it is not required as the employment relationship created in this Agreement is “at-will.” If he voluntarily resigns, Mr. McKenney acknowledges that he will not be eligible to receive any severance pay. In that instance, Mr. McKenney will only receive his accrued but unused holiday and vacation leave, if any.

7.4 Benefits. All health and other benefits set forth in this Agreement will cease on the day of termination of this Agreement by either Party or on the expiration of this Agreement.

8. **Confidential Information.**

In the performance of his duties, Mr. McKenney will obtain confidential information of the District. Mr. McKenney shall not directly or indirectly disclose or use at any time during the term of his employment by the District or after, any confidential District information (including records, lists, data, drawings, reports of a business or technical nature) unless such disclosure is authorized by the Board President and Vice President in writing.

9. District's Personnel and Salary Policy.

The terms and conditions of employment will be governed by this Agreement and all provisions of the District's Personnel and Salary Policy as amended from time to time. If any provisions of the District's Personnel and Salary Policy conflict with a provision in this Agreement, the provision in this Agreement will control.

10. Waiver

Either Party may specifically and expressly waive, in writing, compliance by the other Party with any term, condition or requirements set forth in this Agreement. Either Party may specifically and expressly waive, in writing, any breach of any term, condition or requirement of this Agreement. Any single waiver will not constitute a further or continuing waiver of any preceding or succeeding breach, or requirement of compliance with, the same or any other provision or contractual requirement unless a specific statement to the contrary is contained within that waiver. The waiving Party may, at any time thereafter, require further compliance by the other Party with the requirements or provisions of this Agreement that have been so waived. No waiver or consent will be implied from the silence or from the failure of any Party to act, except as otherwise specified in this Agreement.

11. Notices.

Any notice, request, demand, consent, or approval or other communication required under this Agreement must be sent by U.S. mail to the following addresses, with a courtesy copy by email:

To District: Trabuco Canyon Water District
32003 Dove Canyon Drive
Trabuco Canyon, CA 92679
Attn: Board President
and by email to the current board president

Copy to: Hanson Bridgett, LLP
Attn: Claire Collins,
Esq.
601 W. Fifth Street, Suite 300
Los Angeles, CA 90071
Email: ccollins@hansonbridgett.com

To Mr. McKenney: Larry B. McKenney
10886 Sutter Circle
Sutter Creek, CA 95685
Larry.McKenney@gmail.com

12. Jurisdiction.

This Agreement is governed by California law.

13. Amendments.

No addition to or modification of any provision of this Agreement will be effective unless set forth in a writing signed by both Parties.

14. Mutual Agreement To Arbitrate All Disputes and Claims.

The Parties shall arbitrate any and all disputes and claims between them that cannot otherwise be resolved voluntarily.

15. Interpretation.

If a dispute arises between the Parties regarding this Agreement, it will be interpreted according to the Agreement's plain meaning, and no presumption will arise concerning the drafter of any particular provision.

The Parties are signing this Agreement to be effective as of the Effective Date.

TRABUCO CANYON WATER DISTRICT

By: _____
Ed Mandich, President

Approved as to Form:



Claire H. Collins, General Counsel



Larry B. McKenney

ATTACHMENT "A"

Trabuco Canyon Water District General Manager Description

JOB SUMMARY: Under the direction of the Board of Directors, the General Manager organizes, controls and directs the overall activities of the District, acts as liaison with the Board of Directors, administers all functions of the District through management staff, and represents and advocates for the District in the community and at local, county and state governmental entities.

SPECIFIC DUTIES AND RESPONSIBILITIES:

- Prepares or supervises the preparation of proposed District policy and recommends such policy for action of the Board of Directors.
- Ensures that the Board of Directors is informed of major activities of the District and the extent to which objectives are being met; discusses possible agenda items with the Board and management staff; determines items to be presented; reviews agenda and items to be presented prior to meetings.
- Implements policy or procedural decisions of the Board; provides for adequate guidelines for management to implement new or revised policies or procedures.
- Prepares, in conjunction with management staff, and recommends overall District plans, budgets, operating philosophies, and objectives.
- Seeks counsel of the Board of Directors, individually or collectively, on difficult decisions or issues.
- Coordinates efforts of the District's legal counsel in the presentation and resolution of matters requiring legal attention and informs Board of litigation and/or potential liability.
- Provides for a well-staffed, motivated, and efficient organization, including operational (water and sanitation), administrative service (public relations, customer service, purchasing), and financial departments.
- Makes decisions on critical issues within the framework of established policy or guidelines of the Board of Directors; establishes priorities where conflicts or schedules require.
- Prepares, or supervises the preparation of, objectives for each department; establishes organizational controls and measures performance against approved objectives.
- Reviews financial, operations, engineering, and other reports periodically; identifies trends; presents and highlights results to the Board.
- Encourages cooperative efforts of District staff; develops subordinates through delegation of authority, monitoring performance, and providing feedback and counseling to key personnel.

- Monitors and reviews expenditures through budgets and other guidelines; identifies and resolves questions regarding variances from expected expenditure levels.
- Evaluates personnel needs of the District and skill levels required in key management staff; makes recommendations to Board for selection of management personnel.
- Selects, or reviews the selection of, consultants; approves capital expenditures within established authorization limits.
- Represents the District to outside interest groups and special water or sanitation agencies; represents the District in appearances before legislative bodies and regulatory agencies.
- Communicates and interfaces with general managers of other districts; negotiates agreements with other districts at the local, regional, or state levels.
- Provides for a community image stressing high quality, efficiency, and community concern.
- Performs other special projects or studies as required.

EMPLOYMENT STANDARDS

ABILITY TO:

- Plan, organize, coordinate, and direct the work of staff to achieve efficient operations and meet program goals.
- Prepare and administer a District budgeting and fiscal control process.
- Collect, organize, and analyze data on a variety of industry-related topics.
- Prepare concise and comprehensive reports.
- Oversee the preparation of Board agendas and materials.
- Communicate well during public presentations.
- Exercise leadership, authority; supervision tactfully and effectively.
- Evaluate and make recommendation on improvements to existing District operations, programs, and services.
- Provide advice and consultation to the Board of Directors on the development of ordinances, regulations, programs, and policies.
- Effectively represent the District's policies, programs, and services with individual citizens, community groups, and other government organizations.
- Establish and maintain cooperative working relationships.

KNOWLEDGE OF:

- Principles and practices of public administration, including administrative analysis, fiscal planning and control, and policy and program development.
- Laws, rules, ordinances, and legislative processes controlling District functions, programs, and operations.
- Organization, operations, and problems of special districts.
- Research and evaluation methods
- Budgeting principles and practices.
- Cost estimating and contract administration.
- Public personnel administration and employer-employee relations.
- Principles of supervision training and management.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

**ITEM 6: RATIFICATION OF DIRECTORS' FEES AND EXPENSES, AND TENTATIVE FUTURE MEETINGS/
ATTENDANCE**

FEES AND EXPENSES

Consistent with Board policy, Directors are reimbursed for expenses incurred while serving in their capacity as Directors. Additionally, Directors earn a per diem stipend for attendance at meetings or functions in a Director capacity. Per Ordinance No. 91-15 (adopted July 17, 1991), Directors' per diem amount is limited to \$125 per day for a maximum of ten days per calendar month. The attached spreadsheet provides a recap of the meetings, seminars, and conferences attended by Directors along with expenses recorded to date.

TENTATIVE FUTURE MEETINGS

The attached spreadsheet provides a schedule of the tentative future meetings and attendance items.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

FY 2025-26 Budgeted Board Expenses: \$45,100

Directors receive \$125.00 per diem, not to exceed ten (10) per diems per month, for meetings approved by the Board.

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

RECOMMENDED ACTION:

Approve the tentative future meetings/attendance items and ratify the Directors' expenses and fees from the following period(s):

1. *November 2025*

EXHIBITS:

1. Directors Fees and Expenses Monthly Report for November 2025
2. Directors Future/Tentative Meeting/Attendance Schedule for Calendar Year 2025

CONTACTS (staff responsible): PEREA

**TRABUCO CANYON WATER DISTRICT
DIRECTORS' FEES AND EXPENSES MONTHLY REPORT | NOVEMBER 2025**

MEETING DESCRIPTION	ACOSTA	ANDERSON	HORST	MANDICH	SAFRANSKI
DISTRICT MEETINGS					
Engineering/Operational Committee Meeting	11/05/25	11/05/25			
Executive Committee Meeting	11/03/25			11/03/25	
Finance/Audit Committee Meeting			11/13/25		11/13/25
Individual Meeting with General Manager	11/10/25	11/19/25	11/18/25	11/17/25	11/18/25
Public Outreach Ad Hoc Committee Meeting No. 1	11/10/25		11/10/25		
Public Outreach Ad Hoc Committee Meeting No. 2	11/25/25		11/25/25		
Regular Board Meeting		11/19/25	11/19/25	11/19/25	11/19/25
Special Board Meeting No. 1 - Public Employee Appointment - General Manager (GM)	11/03/25	11/03/25	11/03/25	11/03/25	11/03/25
Special Board Meeting No. 2 - Public Employee Appointment - GM	11/06/25	11/06/25	11/06/25	11/06/25	11/06/25
REPRESENTATIVE MEETINGS					
Community Associations of Rancho (CAR) Meeting					11/04/25
City of Rancho Santa Margarita - City Council Meeting					11/12/25
Independent Special Districts of Orange County (ISDOC) Monthly Meeting					
MWDOC Administration/Finance Committee Meeting			11/12/25		
MWDOC Board Meeting			11/19/25		
Orange County Local Agency Formation Commission (OC LAFCO)		11/12/25			
South Orange County Agencies Group Meeting					11/25/25
Water Advisory Commission of Orange County (WACO)					
NUMBER OF MEETINGS ATTENDED	5	5	8	4	8
PER DIEMS (\$125 per each meeting*)	\$625.00	\$625.00	\$1,000.00	\$500.00	\$1,000.00
DIRECT REIMBURSABLE EXPENSES					
DIRECT REIMBURSABLE EXPENSES TOTALS					
INDIRECT REIMBURSABLE EXPENSES					
INDIRECT REIMBURSABLE EXPENSES TOTALS					
TOTAL (PER DIEMS + DIRECT REIMBURSABLE EXPENSES)	\$625.00	\$625.00	\$1,000.00	\$500.00	\$1,000.00
<i>* Maximum per diem per day is one; maximum per month is 10</i>					

DIRECTOR SIGNATURE _____

TRABUCO CANYON WATER DISTRICT | 2025 PUBLIC MEETING AND CONFERENCE CALENDAR

		2025											
LINE ITEM	MEETING DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
DISTRICT PUBLIC MEETINGS													
1	Executive Committee Meeting	01/06/25	02/03/25	03/03/25	04/07/25	05/05/25	06/02/25	07/07/25	08/04/25	09/01/25	10/06/25	11/03/25	12/01/25
2	Engineering/Operational Committee Meeting	01/08/25	02/05/25	03/05/25	04/02/25	05/07/25	06/04/25	07/02/25	08/06/25	09/03/25	10/01/25	11/05/25	12/03/25
3	Finance/Audit Committee Meeting	01/09/25	02/13/25	03/13/25	04/10/25	05/08/25	06/12/25	07/10/25	08/14/25	09/11/25	10/09/25	11/13/25	12/11/25
4	Regular Board Meeting	01/16/25	02/20/25	03/19/25	04/16/25	05/21/25	06/18/25	07/16/25	08/20/25	09/17/25	10/15/25	11/19/25	12/17/25
5	District Properties Ad Hoc Committee Meeting	-	-	-	-	-	-	-	-	-	-	-	-
PUBLIC MEETINGS													
6	City of RSM City Council Meeting - Meeting No. 1	01/08/25	02/12/25	03/12/25	04/09/25	05/14/25	06/11/25	07/09/25	08/13/25	09/10/25	10/08/25	11/12/25	12/10/25
7	City of RSM City Council Meeting - Meeting No. 2	01/22/25	02/26/25	03/26/25	04/23/25	05/28/25	06/25/25	07/23/25	08/27/25	09/24/25	10/22/25	11/26/25	12/24/25
8	City of RSM Planning Commission Meeting	01/01/25	02/05/25	03/05/25	04/02/25	05/07/25	06/04/25	07/02/25	08/06/25	09/03/25	10/01/25	11/05/25	12/03/25
9	Independent Special Districts of Orange County Meeting - Executive	01/07/25	02/04/25	03/04/25	04/01/25	05/06/25	06/03/25	07/01/25	08/05/25	09/02/25	10/07/25	11/04/25	12/09/25
10	Independent Special Districts of Orange County Meeting - Quarterly	01/30/25	-	-	04/24/25	-	-	07/31/25	-	-	10/30/25	-	-
11	Orange County Local Agency Formation Commission (OC LAFCO)	01/08/25	02/12/25	03/12/25	04/09/25	05/14/25	06/11/25	07/09/25	08/13/25	09/10/25	10/08/25	11/12/25	12/10/25
12	Municipal Water District of Orange County (MWDOC) Board Meeting	01/15/25	02/19/25	03/19/25	04/16/25	05/21/25	06/18/25	07/16/25	08/20/25	09/17/25	10/15/25	11/19/25	12/17/25
13	Santiago Aqueduct Commission Meeting	-	-	03/20/25	-	-	06/19/25	-	-	09/18/25	-	-	12/18/25
14	Quarterly South Orange County Integrated Regional Watershed Management Executive Committee												
15	Monthly South Orange County Integrated Regional Watershed Management Executive Committee												
16	South Orange County Water Agencies Group Meeting*	01/27/25	-	03/24/25	-	05/26/25	-	07/28/25	-	09/22/25	-	11/24/25	-
17	Water Advisory Committee of Orange County	01/03/25	02/07/25	03/07/25	04/04/25	05/02/25	06/06/25	07/11/25	08/01/25	09/05/25	10/03/25	11/07/25	12/05/25
CONFERENCES													
18	ACWA Spring Conference - Monterey, CA					05/13-05/15							
19	ACWA Fall Conference - San Diego, CA												12/02-12/04
20	CSDA Annual Conference -Monterey, CA								08/25-08/28				
21	CSDA GM Leadership Summit - Lake Tahoe, CA						06/29-07/01						
22	CSDA SDLA Conference - La Quinta, CA				04/21-04/24								
23	Colorado River Water User's Association (CRWUA) Annual Conference – Las Vegas, NV												12/16-12/18
24	Urban Water Institute (UWI) Annual Conference - San Diego, CA								08/20-08/22				
25	Urban Water Institute (UWI) Spring Conference - Palm Springs, CA		02/26-02/28										

LEGEND
 District Observed Holiday - Reschedule Meeting
 *4th Tuesday of the Odd Numbered Month

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 7: INFORMATIONAL UPDATES FROM BOARD COMMITTEES

The Trabuco Canyon Water District (TCWD or District) Board of Directors have established standing committees for designated purposes, and occasionally, may establish ad hoc committees for specific purposes for a short term. Each committee has a Chair that may provide an update at the time of the meeting.

Standing Committees

1. Executive Committee
2. District Properties Committee
3. Engineering/Operational Committee
4. Finance/Audit Committee

Ad Hoc Committees

5. Labor Negotiations Ad Hoc Committee
6. Public Outreach Ad Hoc Committee
7. Shared Services Ad Hoc Committee
8. Sources of Supply Ad Hoc Committee

FUNDING SOURCE:

General Fund

FISCAL IMPACT

Not applicable

RECOMMENDED ACTION:

Receive updates and information from Board Committee Chairs/Members and take action(s) as deemed appropriate.

EXHIBITS:

None

CONTACTS (staff responsible): PEREA

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 8: STATUS UPDATE ON REQUEST FOR PROPOSALS FOR COMBINED SERVICES TO ACHIEVE RATE RELIEF

At the April 16, 2025 Regular Board Meeting, the Board of Directors discussed the concept of preparing and issuing a Request for Proposals from neighboring agencies to gauge interest in and potentially receive information regarding options for achieving rate relief for District customers.

The Board subsequently adopted Resolution No. 2025-1347 at the April 28, 2025 Special Board Meeting which authorized the General Manager to issue a Request for Proposal (RFP) for combined services to achieve rate relief consistent with the Board’s criteria and District goals, and that provides an opportunity for non-binding evaluation of potential strategies that would be in the best long-term interests of the ratepayers.

The Board has provided periodic updates at regular meetings as this matter has developed and directed staff to develop a dedicated [webpage](#) with a timeline of actions and updates. More information may be presented at the time of the meeting.

FUNDING SOURCE:

Not applicable

FISCAL IMPACT

Not applicable

RECOMMENDED ACTION:

Receive updates and information from Board and take action(s) as deemed appropriate.

EXHIBITS:

1. Resolution No. 2025-1347 – Resolution of the Board of Directors of the Trabuco Canyon Water District Authorizing the General Manager to Issue a Request for Proposals for Combined Services to Achieve Rate Relief

CONTACTS (staff responsible): PEREA

RESOLUTION NO. 2025-1347

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE TRABUCO CANYON WATER DISTRICT
AUTHORIZING THE GENERAL MANAGER TO ISSUE
A REQUEST FOR PROPOSALS FOR COMBINED SERVICES TO ACHIEVE RATE RELIEF**

The Trabuco Canyon Water District (“TCWD” or “District”) owns and operates a potable water system, a recycled water system, and a wastewater system.

As part of its fiscal duty to District ratepayers, the Board is interested in evaluating options to achieve rate relief for its customers while ensuring long-term reliability of water supply and delivery and sewage collection and treatment. Among the various options for rate relief is the potential to combine some or all of the District’s services with services provided by neighboring public agencies.

The intent of this resolution is for the Board to authorize the General Manager to issue a Request for Proposals to neighboring public agencies for options to achieve rate relief through combining services.

THE BOARD OF DIRECTORS OF THE TRABUCO CANYON WATER DISTRICT THEREFORE RESOLVES AS FOLLOWS:

Section 1. The Board hereby finds and determines as follows:

- (a) This resolution does not create any binding responsibilities on the part of the District.
- (b) The District seeks to issue a Request for Proposals to solicit potential options for rate relief through combining services with neighboring utility providers, subject to further negotiation of key terms.
- (c) The District will consider combined services options that will:
 - (i) result in significant rate relief for District customers;
 - (ii) ensure the same or better quality of service to customers in the District’s jurisdiction;
 - (iii) ensure local representation;
 - (iv) maximize TCWD employee retention; and
 - (v) such other terms as the Board may require.
- (d) The District will consider proposals including total annexation, partial annexation, combined or shared services, contract operation, or other options that will meet the goals of Section 1(c).

Section 2. The General Manager is hereby directed to prepare and issue a Request for Proposals from public agencies for potential combined services options.

ADOPTED, SIGNED AND APPROVED on April 28, 2025.

TRABUCO CANYON WATER DISTRICT



President/Vice President

RESOLUTION NO. 2025-1347

LD

Secretary/Assistant Secretary

APPROVED AS TO FORM:

By: Crine H. Collins
District Counsel

RESOLUTION NO. 2025-1347

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

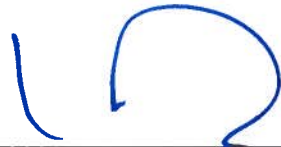
I, Michael Perea, Secretary of the Board of the Trabuco Canyon Water District, do hereby certify that the foregoing resolution was duly adopted by the Board of said District at a meeting of said Board held on April 28, 2025, of which meeting all of the members of the Board had due notice and at which a quorum thereof were present and acting throughout and for which notice and an agenda was prepared and posted as required by law and that at such meeting such resolution was adopted by the following vote:

AYES: Acosta, Anderson, Horst, & Safranski

NOES: Mandich

ABSTAIN: None

ABSENT: None



Secretary of the Board,
Trabuco Canyon Water District

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, Michael Perea, Secretary of the Board of the Trabuco Canyon Water District, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2025-1347 of such Board and that the same has not been amended or repealed.

Dated this 28th day of April, 2025.



Secretary of the Board,
Trabuco Canyon Water District

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 9: ELECTION OF BOARD OFFICERS

The District's General Policy and Rules and Regulations, adopted on March 16, 2005, stipulate that the December meeting of the Board of Directors shall address the office of the President and Vice President. A copy of the Organizational Meeting Procedures and Guidelines is included for the Board's review and information.

FUNDING SOURCE:

Not applicable

FISCAL IMPACT

Not applicable

RECOMMENDED ACTION:

Pursuant to the District's General Policy and Rules and Regulations, hold elections for the offices of President and Vice President of the Board of Directors.

EXHIBITS:

1. TCWD General Policy and Rules and Regulations, Section 2.3, Elections of President and Vice President

CONTACTS (staff responsible): PEREA

shall serve as chairperson over that meeting of the Board. And, in the event that both the President and Vice President of the

Board are absent, the remaining three members of the Board shall elect one of the members to serve as chairperson pro-tem over that Board meeting.

Section 2.3 Elections of President and Vice-President

2.3.1 Time of Elections. The election of the President and Vice-President of the Board shall occur each year in December. The President and/or Vice President may be re-elected for an additional one-year term, but in no instance may the President and/or Vice President serve in the same office more than two years consecutively. In the event that a new Director is appointed or elected to the Board to fill a vacant position, and the Director(s) whose office is so replaced was the President or Vice-President, the Board may, by action of a majority of the Board after the new Director(s) has assumed office, call for an election of President and/or Vice-President as appropriate.

2.3.1.1 The Board reserves the right to re-elect, or elect, a President and/or Vice-President at such time(s) as the Board shall determine or direct.

2.3.2 Procedure - Election of President.

2.3.2.1 Nominations. At the time and place set for the election, the General Manager shall request that nominations for the office of President be announced. Such nominations shall be made orally. Each Director shall make no more than one nomination. A Director may nominate another Director or him or herself. The General Manager shall then declare the nominations for the office of President to be closed.

2.3.2.2.1 Election. Following the close of nominations, the General Manager shall call each nominated Director's name and request votes in favor. The votes shall be cast orally. If no Director receives a majority of votes from the entire Board, then the nomination of any Director may be withdrawn and the

nominations may be reopened. The General Manager shall again request votes in favor of each nominee until a majority of the entire Board votes in favor of one nominee. In such election, Directors whose vote is required to break a tie or to constitute a majority of the entire Board shall not abstain from voting unless required to do so by State or Federal law. Following the completion of the election, the Director elected as President shall immediately assume the duties of that office.

2.3.3 Procedure - Election of Vice-President

2.3.3.1 Nominations. Nominations for Vice-President shall be held in the same manner as those for President. The President may make a nomination, but the President shall not be nominated for this office.

2.3.3.2 Election. The election of Vice-President shall be in the same manner as for the election of the President. The President may vote for such election. Following the completion of the election, the Director elected as Vice-President shall immediately assume the duties of that office.

Section 2.4 District Committees

2.4.1 General Committee Information. The Board has formed certain District committees in order to manage the flow of information, devote specific attention to particular matters and more efficiently employ the available time of each Director. The District committees shall be formed at the pleasure of the Board and shall perform such duties and functions as are specified by the Board.

Members of District committees shall be appointed by the President. Members of District committees may include Board Members and District staff. Members of the Board and staff may consult with the President on appointments of Board members and District staff to District committees.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 10: PRESENTATION ON BOARD DISTRICTING/ESTABLISHED VOTER DIVISIONS – GENERAL COUNSEL

At the District’s November regular meeting, the District’s Board discussed switching to by-division elections, and the board’s vote on whether to proceed was tied 2-2, with one Director absent. The Board will re-hear this matter and take a full vote on the topic at the December regular meeting.

The California Voting Rights Act of 2001 (CVRA) authorizes a local government that operates under at-large elections to adopt a resolution of intent to switch to by-division elections.

Recent litigation or threats of litigation throughout the state, including against Orange County water districts, indicate that Trabuco Canyon Water District risks similar threats, which could result in attorneys fees of up to \$33,000 to the plaintiff. In 2021, Santa Margarita Water District received a demand letter under the CVRA whereby a prospective plaintiff demanded the District move to a by-division election system. SMWD subsequently adopted a resolution initiating the process of establishing elections by divisions, and settled the plaintiff’s demand with a payment of \$30,000 under a settlement agreement. Irvine Ranch Water District underwent a similar process a few years earlier, with a similar outcome.

Of the Orange County water districts, a majority of districts are organized by division, including:

- | | |
|---------------------------------------|--|
| 1. Serrano Water District* | 5. Mesa Water District |
| 2. East Orange County Water District* | 6. South Coast Water District |
| 3. IRWD | 7. Orange County Water District |
| 4. Santa Margarita Water District | 8. Municipal Water District of Orange County |

The following water districts are still at large:

- | | |
|----------------|-------------------|
| 1. El Toro | 3. Moulton Niguel |
| 2. Yorba Linda | 4. TCWD |

In order to avoid this risk, General Counsel recommends that the District engage in a process to create 5 geographic divisions within the District from which a Director would be elected, instead of at-large.

The Trabuco Canyon Water District engaged the services of a demographer to provide the necessary analysis of the 2020 U.S. federal census data, demographic data, and any publicly submitted maps. Staff and General Counsel worked with Dr. Deborah Diep, Center for Demographic Research, to define the scope of work and provide a proposed timeline for the transition. General Counsel is recommending that the TCWD Board of Directors adopt Resolution No. 2025-1362, **RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRABUCO CANYON WATER DISTRICT DECLARING ITS INTENTION TO TRANSITION FROM AN AT-LARGE ELECTION SYSTEM TO A DISTRICT-BASED ELECTION SYSTEM PURSUANT TO CALIFORNIA ELECTIONS CODE 10010**, to protect the District from potential actions under the CVRA. A draft Resolution No. 2025-1362 is included as Exhibit 1.

The California Elections Code provides the process for completing the transition from at-large to by-division elections. A minimum of two public hearings are required before the Board may consider draft division maps, and a minimum of two public hearings must be held to consider any proposed maps. The District must create a division mapping page on its website, to serve as a central repository for all information and draft maps related to the

* Both agencies are smaller than TCWD

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

potential transition. Lastly, the District must provide opportunities for the public to engage in the districting process, including potentially drafting and submitting maps for the Board’s consideration.

process, including potentially drafting and submitting maps for the Board’s consideration.

The proposed timeline addresses the requirements of the Elections Code and establishes a public map submission period, providing the demographic consultant and General Counsel have sufficient time to review any proposed maps for California and Federal Voting Rights Act compliance.

Public Hearings & Timeline

Date/Location	Meeting Description
November 19, 2025 6:00 p.m. TCWD Administration Facility	Public Meeting No. 1 The District’s Board of Directors considered the item and had a tied vote on whether to proceed, with one Director absent.
December 17, 2025 6:00 p.m. TCWD Administration Facility	Public Meeting No. 2 <ul style="list-style-type: none"> • Pre-Map • District discussion and potential process kick-off • Solicit public input
January 7, 2026 6:00 p.m. TCWD Administration Facility	Public Hearing No. 1 <ul style="list-style-type: none"> • Pre-Map • Solicit public input • Present existing conditions report & Public Participation Kit • Open map submission period
January 21, 2026 6:00 p.m. TCWD Administration Facility	Public Hearing No. 2 <ul style="list-style-type: none"> • Pre-Map • Solicit public input
February 3, 2026 - Noon TCWD Administration Facility	Close of the public submission period for map proposals by the public
February 18, 2026 6:00 p.m. TCWD Administration Facility	Public Hearing No. 3 (optional) <ul style="list-style-type: none"> • Pre-Map • Solicit public input
March 4, 2026 6:00 p.m. TCWD Administration Facility	Public Hearing No. 4 <ul style="list-style-type: none"> • First review of draft maps
March 18, 2026 6:00 p.m. TCWD Administration Facility	Public Hearing No. 5 <ul style="list-style-type: none"> • Consideration of maps and any revised maps • Possible map selection
April 15, 2026 6:00 p.m. TCWD Administration Facility	Public Hearing No. 6 <ul style="list-style-type: none"> • <u>If needed, final meeting to select map</u> • Adopt resolution finalizing division boundaries

More information may be provided at the time of the meeting.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

Not applicable

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

RECOMMENDED ACTION:

1. *Receive presentation at the time of the meeting.*
2. *Adopt Resolution No. 2025-1362 – Resolution of the Board of Directors of Trabuco Canyon Water District Declaring Its Intention to Transition From An At-Large Election System to a District-Based Election System Pursuant to California Elections Code 10010*

EXHIBITS:

1. Draft Resolution No. 2025-1362

CONTACTS (staff responsible): PEREA/COLLINS

RESOLUTION NO. 2025-1362

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRABUCO CANYON WATER DISTRICT DECLARING ITS INTENTION TO TRANSITION FROM AN AT-LARGE ELECTION SYSTEM TO A DISTRICT-BASED ELECTION SYSTEM PURSUANT TO CALIFORNIA ELECTIONS CODE 10010

The Trabuco Canyon Water District ("TCWD" or "District") is a county water district formed and operating pursuant to Water Code Section 30000, *et seq.*, with five elected members of the Board of Directors elected to staggered four-year terms.

The Board of Directors is charged with managing the District's affairs, making final decisions on all important District matters, and adopting ordinances and resolutions necessary for efficient governmental operations.

Members of the Board of Directors are currently elected to staggered four-year terms in "at-large" elections in which each Board member is elected by the registered voters of the entire District.

California Elections Code section 10650 authorizes the legislative body of a special district to adopt a resolution to change its method of election from an at-large system to a district ("division")-based system in which each Board member is elected only by the registered voters in the division in which the candidate resides.

The District seeks to align its electoral system with the California Voting Rights Act ("CVRA"), ensuring it is fair, representative, and gives all residents the opportunity to elect candidates of their choice to the Board of Directors.

The District through its Board of Directors believes that a move to division-based Board elections will enhance the opportunity for all District residents – including any historically underrepresented groups – to elect candidates of their choice in the most fair and representative elections.

The District intends to make this transition from an at-large electoral system for members of the Board of Directors to a division-based system in furtherance of the CVRA, and in accordance with the procedural rules outlined in California Elections Code 10650 and Elections Code 10010.

The District will work with an experienced demographer to assist TCWD in making the transition to division-based elections to elect members of the Board; and

The District will hold at least two (2) public hearings within 30 days of the adoption of this resolution – the purpose of which is: (1) to hear presentations on both the CVRA and the move to division-based elections for members of the Board; (2) to receive public input about the District in terms of communities of interest and the contours of divisions; (3) to assist both the Board of Directors and the District's demographer in understanding what division boundaries might make sense; and, (4) to explain to District residents the rules and parameters regarding drawing divisions that comply with both state and federal election law.

These first hearings will occur and public input be received before the demographer draws any maps for the Board of Directors' consideration.

There is no limitation as to the number of public hearings or meetings the District may hold for the purpose of receiving input from District residents.

The District will then hold at least additional two public hearings at which the demographer will present draft maps drawn in accordance with both state and federal law and which take into account public input received at the first two public input hearings.

The District will publish any draft maps of new electoral divisions on its website and release them for public review at least seven days before any hearing where those maps will be considered, per Elections Code Section 21508(d).

Once the Board of Directors has selected a draft map or is further along in the draft map process, the District will take public input at its public hearings on draft maps regarding the proposed sequence of elections, because – given the District's staggered elections for Board members – three new divisions will be on the ballot in November of 2026 and the other two will be on the November 2028 ballot.

At (a fifth or) final meeting, the Board of Directors will select one of the draft maps and set the order of elections in the spirit of the CVRA.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TRABUCO CANYON WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. The Board of Directors hereby resolves, pursuant to Elections Code Section 10010, to bring the transition to a district ("division")-based election system for members of the Board of Directors in furtherance of the purposes of the CVRA, and as authorized by California Elections Code section 10650, for use in the District's Election for the Board of Directors in November 2026 and November 2028.

Section 3. The Board of Directors further resolves to retain a qualified demographer and to hold at least 5 public hearings for public input, with the first two hearings being for the purpose of public input on communities of interest and how maps should be drawn, with at least two more hearings at which draft maps will be presented. Any map that the Board of Directors will consider will be published on the District's website and available to the public at least 7 days in advance of that hearing. In these later hearings, the Board of Directors will also receive public input on the sequence of elections to further the purposes of the CVRA. The District will publicly release a draft schedule of the public hearings in advance, within a reasonable timeframe from this Resolution, and post the same on its website.

Section 4. At a (fifth and/or) final meeting, the Board of Directors will select a map, and also set the order of elections in 2026 and 2028 in the spirit of the CVRA.

Section 5. Working with the demographer, staff is directed to publicize relevant maps, information, notices, agendas and other materials regarding district-based elections and to establish means of communication to answer questions from the public.

Section 6. The District will post notices for all public hearings on its website and, in addition, publish them at least seven days before the hearing through methods that notify residents, including local newspapers or other means.

Section 7. The District will adopt a proposed schedule to complete the transition from an at-large elections system to a division-based elections system. The currently proposed schedule of the required public hearings is as follows. Future Board actions may change or augment this schedule.

Date	Event
December 17, 2025	Public Meeting No. 1
January 7, 2026	Public Hearing No. 1
January 21, 2026	Public Hearing No. 2
February 3, 2026	Close of public submission period for map proposals
February 18, 2026	Public Hearing No. 3
March 4, 2026	Public Hearing No. 4
May 18, 2026	Public Hearing No. 5
April 15, 2026	Public Hearing No. 6 (if needed)

Section 8. This Resolution shall become effective immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 17th day of December, 2025.

TRABUCO CANYON WATER DISTRICT:

President/Vice President

Secretary/Assistant Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, Michael Perea, Secretary of the Board of the Trabuco Canyon Water District, do hereby certify that the foregoing resolution was duly adopted by the Board of said District at a meeting of said Board held on December 17, 2025, of which meeting all of the members of the Board had due notice and at which a quorum thereof were present and acting throughout and for which notice and an agenda was prepared and posted as required by law and that at such meeting such resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Secretary of the Board,
Trabuco Canyon Water District

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

I, Michael Perea, Secretary of the Board of the Trabuco Canyon Water District, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2025-1362 of such Board and that the same has not been amended or repealed.

Dated this 17th day of December, 2025.

Secretary of the Board,
Trabuco Canyon Water District

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

ADMINISTRATIVE MATTERS

ITEM 11: ADOPTION OF RESOLUTION COMMEMORATING THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY'S (MWDOC) 75TH ANNIVERSARY

Trabuco Canyon Water District (TCWD or District) is a member agency of the Municipal Water District of Orange County (MWDOC). MWDOC is the wholesale water supplier, independent special district, and resource planning agency for twenty-seven retail agencies in Orange County and is the third largest member agency of the Metropolitan Water District of Southern California (MET).

Established in 1951, MWDOC was formed to bring imported water supplies from MET to Orange County, but has grown to ensure regional planning, manage water use efficiency incentive programs, and many other technical assistance programs, and fill in other administrative/ engineering gaps for member agencies throughout the county.

TCWD has actively participated in many choice programs, rebate programs, annual water quality report (CCRs) preparation assistance, and public outreach efforts over the many years as a member agency. District staff recommends the Board of Directors recognize and commemorate MWDOC's 75th anniversary by adopting Resolution No. 2025-1361 and direct staff to deliver the resolution to MWDOC at their January 21, 2026 regular board meeting.

More information may be presented at the time of the meeting.

FUNDING SOURCE:

Not applicable

FISCAL IMPACT

Not applicable

RECOMMENDED ACTION:

Adopt Resolution No. 2025-1361 – Resolution of the Board of Directors of Trabuco Canyon Water District In Recognition and Commemoration of the Seventy-Fifth Anniversary of the Municipal Water District of Orange County (MWDOC).

EXHIBITS:

1. Draft Resolution No. 2025-1361

CONTACTS (staff responsible): PEREA

RESOLUTION NO. 2025-1361

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRABUCO CANYON WATER DISTRICT IN RECOGNITION AND COMMEMORATION OF THE SEVENTY-FIFTH ANNIVERSARY OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)

The Trabuco Canyon Water District (the District) is a long-standing member agency of the Municipal Water District of Orange County (MWDOC).

MWDOC was established in 1951 to bring imported water supplies from the Metropolitan Water District of Southern California to Orange County and is organized as an independent special district governed by a seven-member Board of Directors elected by division.

MWDOC's mission is to provide reliable, high-quality water supplies at an equitable and economical cost and to promote water-use efficiency across all of Orange County.

MWDOC serves as a wholesale water supplier and resource-planning agency, delivering regional water reliability, emergency preparedness, water-use efficiency, and public education programs to Orange County's 3.2 million residents.

MWDOC represents 27 retail water agencies and is the third-largest member of The Metropolitan Water District of Southern California, ensuring that regional priorities, local reliability needs, and member-agency interests are effectively advocated in policy, planning, and budget decisions.

MWDOC administers regional water-use efficiency rebates and incentives on behalf of its member agencies, providing cost-effective opportunities for residents and businesses to conserve water, reduce long-term demand, and support regional water-supply reliability.

Since 2019, MWDOC has supported Orange County water providers through its Water Loss Control Leak Detection Program, which uses advanced leak-detection tools to locate hidden leaks, comply with state water-loss regulations, and improve system efficiency while protecting local infrastructure.

Since 2015, MWDOC's Water Loss Control Technical Assistance Program has strengthened system efficiency and supported Orange County water agencies in meeting evolving state requirements.

The countywide emergency-preparedness program for water and wastewater agencies was established in 1983 and, in 1999, was renamed the Water Emergency Response Organization of Orange County (WEROC), administered by MWDOC.

Since 1973, MWDOC has provided comprehensive water education programs, including in-class K-12 lessons, youth and Scout clinics, grab-and-go activities for teachers and families, and

the long-running Water Awareness Poster Contest, all of which cultivate water knowledge and stewardship and benefit the communities in water agency service areas.

MWDOC supports its member agencies by coordinating shared-cost services, including preparing Consumer Confidence Reports to ensure clear, consistent, and compliant communication with Orange County customers.

MWDOC is committed to sound planning, collaboration, and long-term investments that secure a sustainable water future for the region.

THE BOARD OF DIRECTORS OF THE TRABUCO CANYON WATER DISTRICT THEREFORE RESOLVES AS FOLLOWS:

Section 1. Trabuco Canyon Water District hereby recognizes and commemorates MWDOC's seventy-fifth anniversary and its dedication to ensuring that Orange County continues to receive safe, reliable, and high-quality water for generations to come.

Section 2. The Secretary is hereby directed to send a certified copy of this Resolution to MWDOC.

ADOPTED, SIGNED AND APPROVED this 17th day of December, 2025.

TRABUCO CANYON WATER DISTRICT

By: _____

President/Vice President

By: _____

District Secretary

STATE OF CALIFORNIA)) ss.
COUNTY OF ORANGE)

I, Michael Perea, District Secretary of the Trabuco Canyon Water District, do hereby certify that the foregoing resolution was duly adopted by the Board of said District at a regular meeting of such Board held on the 17th day of December, 2025, of which meeting all of the members of the Board had due notice and at which a quorum thereof were present and acting throughout and for which notice and an agenda was prepared and posted as required by law and that at said meeting such resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

District Secretary,
Trabuco Canyon Water District

STATE OF CALIFORNIA)) ss.
COUNTY OF ORANGE)

I, Michael Perea, District Secretary of the Trabuco Canyon Water District, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2025-1361 of such Board and that the same has not been amended, rescinded or repealed.

Dated this 17th day of December, 2025.

District Secretary,
Trabuco Canyon Water District

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

**ACTION CALENDAR
FINANCIAL MATTERS**

ITEM 12: PRESENTATION OF TRABUCO CANYON WATER DISTRICT'S FISCAL YEAR 2024-25 ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

Trabuco Canyon Water District's (District) Annual Comprehensive Financial Report (ACFR) for Fiscal Year (FY) 2024-25 contains the audited financial statements for the District as well as additional information intended to give the reader a better understanding of the financial statements. The ACFR is prepared in accordance with guidelines established by the Government Accounting Standards Board (GASB) and in conformance with requirements of the Government Finance Officers Association (GFOA) in order to be considered for GFOA's Certificate of Achievement for Excellence award. This award recognizes governments whose annual financial reports achieve the highest standards in government accounting and financial reporting. TCWD was honored with the award for its ACFR for Fiscal Years 2021-22 and FY 2022-23.

The FY 2024-25 financial statements were prepared by District staff and audited by certified independent auditors Nigro & Nigro LLP. The ACFR reports the District's financial position as of FY 2024-25 and the change in financial position from FY 2023-24. It includes an Introductory Section, audited financial statements, accompanying auditor's report, Management's Discussion and Analysis, and Statistical Section with ten consecutive years of financial and statistical information.

ACFR highlights will be presented to the Board and additional information regarding the financial audit process may be provided at the time of the meeting.

FUNDING SOURCE:

General Fund

FISCAL IMPACT

The District's contract with Nigro & Nigro LLP for independent auditing services for a three-year period (beginning FYE 2022) is for a total not-to-exceed amount of \$61,500.

COMMITTEE STATUS:

This matter was reviewed with the Finance/Audit Committee.

RECOMMENDED ACTION:

Receive presentation at the time of the meeting and file the Trabuco Canyon Water District Fiscal Year 2024-25 Annual Comprehensive Financial Report (ACFR)

EXHIBITS:

1. TCWD FY 2024-25 Annual Comprehensive Financial Report
 - a. Presentation to the Board of Directors
 - b. Final Communication with Governance Letter
 - c. Audited Financials 2025 - DRAFT

CONTACTS (staff responsible): PEREA/BERG/WARNER

TABUCO CANYON WATER DISTRICT
Presentation to the Board of Directors
For the Fiscal Year Ended
June 30, 2025

NIGRO & NIGRO^{PC}



SCOPE OF WORK

Perform Audit Testwork of the Entity's Annual Financial Statements/Report

Report on the Entity's internal control over financial reporting and on compliance in accordance with Government Auditing Standards

OUR RESPONSIBILITY IN ACCORDANCE WITH PROFESSIONAL STANDARDS

1. Form and express an opinion about whether the Annual Financial Statements results, that have been prepared by management, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
2. Our responsibility is to plan and perform the audit to obtain **reasonable assurance (not absolute assurance)** about whether the Annual Financial Statements are free of material misstatements.
3. We are to consider the Entity's internal controls and segregations of duties over accounting procedures and financial reporting as we perform our audit testwork. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal controls.

AUDIT RESULTS

An Auditor's **Unmodified Opinion** has been issued on the Annual Financial Statements.

- The Annual Financial Statements are fairly presented in all material respects.
- The adopted significant accounting policies have been consistently applied.
- Estimates are considered reasonable for Depreciation, Pension, and OPEB expense as well as Lease and SBITA calculations.
- New GASB Pronouncements were adopted.
- Required disclosures are properly reflected in the Annual Financial Statements.

AU-C 265 – Communicating Internal Control Related Matters Identified in an Audit

No Material Issues Arose to be Reported to the Governing Board/Management

Any Minor Issues Were Discussed Orally and Corrected by Management

How Do We Make You Better?

Best Practice Solutions Were Conveyed to Management – That's the Audit ROI

Trabuco Canyon Water District
Dashboard – Audited Financial Statements
June 30, 2025 vs 2024

Revenues & Expenses	2025	2024	Variance
Operating Revenues:			
Water consumption sales	\$ 4,944,513	\$ 3,642,268	\$ 1,302,245
Water service charges	3,725,327	3,256,048	469,279
Sewer service charges	2,847,510	2,480,724	366,786
Recycled water sales	1,536,695	1,101,951	434,744
Wholesale water sales - Baker Treatment	1,536,256	1,831,802	(295,546)
Other operating revenues	248,214	216,807	31,407
			<u>2,308,915</u>
Non-Operating Revenues:			
Property taxes = Increase 1.75%	2,352,844	2,312,186	40,658
Rental revenue	27,065	27,065	-
Investment earnings	687,429	357,229	330,200
Other non-operating revenues	8,674	267,005	(258,331)
			<u>2,421,442</u>
Total Revenues	<u>17,914,527</u>	<u>15,493,085</u>	<u>2,421,442</u>
Operating Expenses:			
Source of supply	5,334,510	3,862,414	1,472,096
Pumping and power	400,961	339,222	61,739
Water treatment	104,637	167,006	(62,369)
Transmission and distribution	452,237	184,811	267,426
Sewer operations	636,746	643,577	(6,831)
Recycled operations	537,373	606,960	(69,587)
General and administrative	9,223,516	7,596,434	1,627,082
			<u>3,289,556</u>
Operating expenses before depr.	<u>16,689,980</u>	<u>13,400,424</u>	<u>3,289,556</u>
Depreciation Expense	4,797,192	4,347,932	449,260
			<u>3,738,816</u>
Total Operating Expenses	<u>21,487,172</u>	<u>17,748,356</u>	<u>3,738,816</u>
Non-Operating Expenses:			
Interest expense	1,014,525	178,714	835,811
Cost of debt issuance	-	65,000	(65,000)
Prop tax admin expense	14,776	10,189	4,587
			<u>4,514,214</u>
Total Expenses	<u>22,516,473</u>	<u>18,002,259</u>	<u>4,514,214</u>
Capital Contributions	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Change in Revenues & Expenses	<u>\$ (4,351,946)</u>	<u>\$ (2,509,174)</u>	<u>\$ (1,842,772)</u>
Capital Outlay:			
Capital Asset Additions	\$ (4,145,915)	\$ (2,848,490)	\$ (1,297,425)
Depreciation Expense	<u>4,797,192</u>	<u>4,347,932</u>	<u>449,260</u>
Change in Capital Expense	<u>\$ 651,277</u>	<u>\$ 1,499,442</u>	<u>\$ (848,165)</u>
Debt Service:			
Principal Paid	<u>\$ (97,153)</u>	<u>\$ 10,251,972</u>	<u>\$ (10,349,125)</u>
Cash & Investments	<u>\$ 14,101,836</u>	<u>\$ 18,429,648</u>	<u>\$ (4,327,812)</u>
Quick Summary:			
Change in Revenues & Expenses	\$ (4,351,946)		
Change in Capital Expense	651,277	Use of Cash	
Debt Service – Principal Payments	(97,153)	Use of Cash	
Change in Accounts Receivable	(859,737)	Use of Cash	
Change in Prepaid Expenses	(53,039)	Use of Cash	
Change in Accounts Payable	(305,831)	Use of Cash	
Change in Compensated Absences	93,350	Use of Cash	
Change in OPEB Liability	351,835	Change to Cash	
Change in Pension Liability	240,710	Change to Cash	
Change in Cash & Investments	<u>\$ (4,330,534)</u>	Approximately	<u>\$ (2,722)</u>
Investment Earnings to Portfolio	<u>4.23%</u>		

TRABUCO CANYON WATER DISTRICT
Report to the Board of Directors
For the Fiscal Year Ended
June 30, 2025

NIGRO & NIGRO^{PC}

TRABUCO CANYON WATER DISTRICT

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For the Fiscal Year Ended June 30, 2025

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NIGRO & NIGRO^{PC}

A Professional Accountancy Corporation

Board of Directors
Trabuco Canyon Water District
Trabuco Canyon, California

We are pleased to present this report related to our audit of the financial statements of the Trabuco Canyon Water District (District) as of and for the year ended June 30, 2025. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the District.

Very truly yours,

Murrieta, California
December 17, 2025

Required Communications

TRABUCO CANYON WATER DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2025

Generally accepted auditing standards (AU-C 260, *The Auditor’s Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
<p>Our Responsibilities with Regard to the Financial Statement Audit</p>	<p>Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated May 1, 2025. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.</p>
<p>Overview of the Planned Scope and Timing of the Financial Statement Audit</p>	<p>An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions and the account-type of areas tested. There were no changes to the planned scope and timing of our audit testwork.</p>
<p>Accounting Policies and Practices</p>	<p>Accounting Policies and Practices Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. During our audit, no such circumstances were noted.</p> <p>Adoption of, or Change in, Significant Accounting Policies or Their Application Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.</p> <p>Significant or Unusual Transactions We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p>Management’s Judgments and Accounting Estimates Accounting estimates are an integral part of the preparation of financial statements and are based upon management’s current judgement. No such significant accounting estimates were noted or estimate applications were changed from the previous year.</p>
<p>Audit Adjustments</p>	<p>Audit adjustments are summarized in the attached Summary of Adjusting Journal Entries.</p>
<p>Uncorrected Misstatements</p>	<p>We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.</p>

TRABUCO CANYON WATER DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2025

Area	Comments
Discussions With Management	We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Disagreements With Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations With Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed With Management	No significant issues arising from the audit were discussed or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	No significant difficulties were encountered in performing our audit.
Required Supplementary Information	We applied certain limited procedures to the: <ol style="list-style-type: none">1. Management's Discussion and Analysis2. Required Pension Plan Disclosures3. Required OPEB Plan Disclosures Which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

TRABUCO CANYON WATER DISTRICT
Required Communications
For the Fiscal Year Ended June 30, 2025

Area	Comments
<p>Supplementary Information</p>	<p>We were engaged to report on the, Supplementary Information:</p> <ol style="list-style-type: none"> 1. Combining Balance Sheets 2. Combining Statements of Revenues, Expenses and Changes in Net Position <p>Which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.</p>

This information is intended solely for the information and use of Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Disclosure of Audit Adjustments and Reclassifications

As part of our external audit engagement, we operate under the presumption that the District’s books and records are materially accurate and appropriately closed prior to the commencement of audit fieldwork. Nonetheless, audit adjustments and reclassifications are often proposed during the course of the audit to ensure the District’s financial statements are presented in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), and to enhance comparability with prior-year financial data. In the interest of transparency and governance, we have included, as an attachment to this letter, a summary of audit adjustments and reclassification journal entries identified during the audit.

The existence or absence of such adjustments does not inherently indicate deficiencies, but rather reflects the auditor’s role in enhancing the fair presentation of the financial statements. Disclosure of these items provides the Board of Directors with insight into the scope and depth of the audit procedures performed.

To promote timely and accurate financial reporting, we recommend that management strengthen internal controls and oversight over the year-end financial close process. Enhancing these procedures can reduce the volume of post-closing audit adjustments and reclassifications, improve the quality of interim and year-end financial reporting, and support the District’s efforts in maintaining compliance with financial reporting requirements and best practices in fiscal governance.

Summary of Adjusting Journal Entries

TRABUCO CANYON WATER DISTRICT

Summary of Adjusting Journal Entries For the Fiscal Year Ended June 30, 2025

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
To adjust debt funding allocations and related accounts. PBC			
10-000-1123	CLASS 2024 Capital Loan Reserve	298,746.54	
10-000-2230	Current Loan Payable - Debt issuance 2024	66,315.27	
10-000-2430	Loan Payable - Debt issuance 2024	2,062,000.31	
10-000-5860	Debt Issuance - Principal Expense	66,468.93	
10-000-5869	Debt Clearing	66,315.27	
20-000-1010	Claim on Cash	1,677,834.24	
20-000-1123	CLASS 2024 Capital Loan Reserve	740,085.34	
20-000-1272	Debt Clearing Account	62,278.21	
20-000-5861	Debt Issuance - Interest Expense	95,469.77	
30-000-1123	CLASS 2024 Capital Loan Reserve	349,706.84	
30-000-1272	Debt Clearing Account	4,037.06	
30-000-5861	Debt Issuance - Interest Expense	6,188.63	
10-000-1010	Claim on Cash		1,519,523.25
10-000-1121	CLASS Unassigned Reserve		872,337.01
10-000-1126	CLASS Capital Program Reserve		12.39
10-000-1272	Debt Clearing Account		66,315.27
10-000-5861	Debt Issuance - Interest Expense		101,658.40
20-000-1121	CLASS Unassigned Reserve		471,673.68
20-000-2230	Current Loan Payable - Debt issuance 2024		62,278.21
20-000-2430	Loan Payable - Debt issuance 2024		1,936,472.37
20-000-5860	Debt Issuance - Principal Expense		42,965.09
20-000-5869	Debt Clearing		62,278.21
30-000-1010	Claim on Cash		158,310.99
30-000-1121	CLASS Unassigned Reserve		44,515.64
30-000-2230	Current Loan Payable - Debt issuance 2024		4,037.06
30-000-2430	Loan Payable - Debt issuance 2024		125,527.94
30-000-5860	Debt Issuance - Principal Expense		23,503.84
30-000-5869	Debt Clearing		4,037.06
Total		5,495,446.41	5,495,446.41
Adjusting Journal Entries JE # 2			
To reclass trust reimbursement for FINANCIAL REPORTING.			
10-100-4810	OPEB Trust Reimbursement	143,133.00	
20-200-4810	OPEB Trust Reimbursement	51,119.00	
30-300-4810	OPEB Trust Reimbursement	10,224.00	
10-620-5110	Health Insurance		143,133.00
20-620-5110	Health Insurance		51,119.00
30-620-5110	Health Insurance		10,224.00
Total		204,476.00	204,476.00
Adjusting Journal Entries JE # 3			
To true up OPEB related DORs and liability to the actuarial report.			
10-000-1907	DOR - OPEB Related	8,071.00	
10-000-2600	OPEB Liability	1.00	
20-000-1907	DOR - OPEB Related	2,883.00	
30-000-1907	DOR - OPEB Related	577.00	
10-600-5184	GASB 75 OPEB Expense		8,072.00
20-600-5184	GASB 75 OPEB Expense		2,883.00
30-600-5184	GASB 75 OPEB Expense		577.00
Total		11,532.00	11,532.00
	Total Adjusting Journal Entries	5,711,454.41	5,711,454.41



Trabuco Canyon Water District
Trabuco Canyon, California

Annual Comprehensive Financial Report

For the Fiscal Years Ended June 30, 2025 and 2024





Trabuco Canyon Water District

Annual Comprehensive Financial Report For the Fiscal Years Ended June 30, 2025 and 2024

**Trabuco Canyon Water District
32003 Dove Canyon Drive
Trabuco Canyon, California 92679**

**Prepared by:
Administrative Services Division**

TRABUCO CANYON

WATER DISTRICT

Mission Statement

“The Trabuco Canyon Water District’s purpose as a public service agency is to provide service to our customers which instills trust regarding the quality and quantity of the water supply, reliable service for collection, treatment, and reuse of wastewater, a work environment where safety and health of employees and customers is our paramount concern, information to our customers to foster and maintain a well-informed community and cost effective and efficient services in a courteous manner.”

Board of Directors

Edward Mandich, President
Glenn Acosta, Vice-President
Mark Anderson, Director
John Horst, Director
Michael Safranski, Director

District Management

Michael Perea, Interim General Manager
Ian Berg, District Treasurer

Trabuco Canyon Water District is a public agency serving portions of the cities of Rancho Santa Margarita, Mission Viejo, Lake Forest, and unincorporated Orange County.

TRABUCO CANYON WATER DISTRICT
For the Fiscal Years Ended June 30, 2025 and 2024
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Introductory Section

STAFF MEMBERS

Michael Perea, Interim General
Manager; District Secretary
Ian Berg, District Treasurer
Hanson Bridgett, LLP, Legal
Counsel



BOARD OF DIRECTORS

Edward Mandich, President
Glenn Acosta, Vice President
Mark Anderson, Director
John Horst, Director
Michael Safranski, Director

December 17, 2025

To the Honorable Board of Directors of the Trabuco Canyon Water District and Members of the Community

It is my pleasure to submit the Trabuco Canyon Water District's (District) Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2025 (FY 2025). The financial statements are presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited with generally accepted auditing standards.

The District is ultimately responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures in this financial report. I believe that the data presented is accurate in all material respects. This report is designed in a manner that helps to enhance the understanding of the District's financial position and activities. The management of the District has established an internal controls framework that is designed to protect the District's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP.

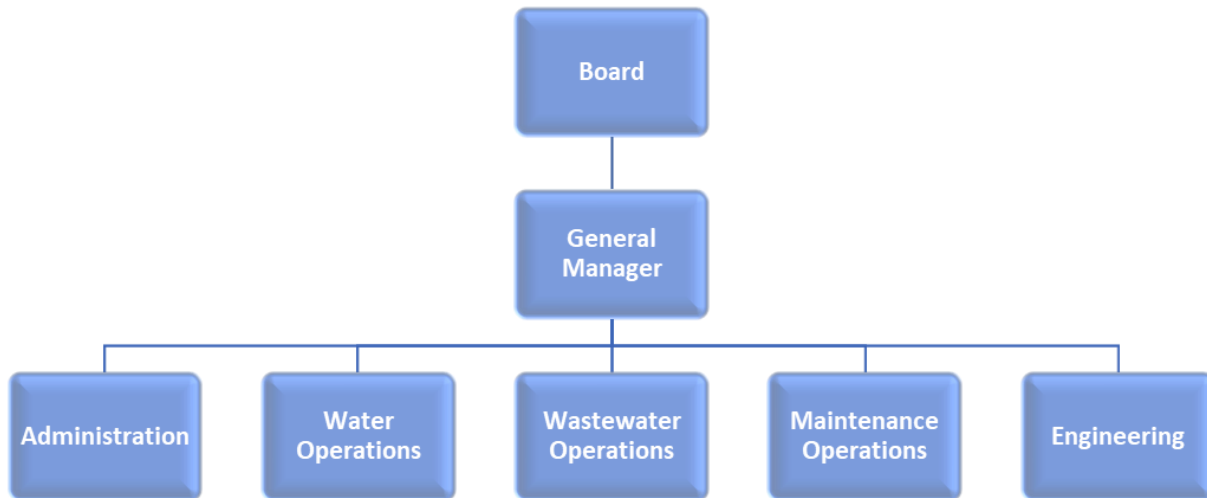
The District's financial statements have been audited by Nigro and Nigro, PC, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining on a test basis, the evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Based upon the audit, the independent auditors concluded that there was reasonable basis for rendering an unmodified opinion which states that the District's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of a Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Auditor's Report.

District Organizational Structure and Leadership

The Trabuco Canyon Water District is a county water district organized in 1962 and existing pursuant to California Water Code Sections 30000 (the County Water District Law) and other applicable provisions of State law. The District serves portions of the cities of Rancho Santa Margarita, Mission Viejo, Lake Forest, and unincorporated Orange County. The District is governed by a five-member publicly elected Board of Directors. The District's Board of Directors meets on the third Thursday of each month and the public is encouraged to attend.

The General Manager administers the day-to-day operations of the District in accordance with policies established by the Board of Directors. The District employs 21 regular employees organized in five departments: Administration, Engineering, Water Operations, Wastewater Operations, and Maintenance Operations as presented below.



District Services

The District is relatively small but complex in operations with a diversified portfolio of water resource management solutions and practices for the customers in its service area. In addition to the provision of safe drinking water, the District manages the sanitary sewer system in the master planned communities east of Plano Trabuco Road and in the west portion of its service area in Silverado Canyon and the Cities of Lake Forest and Mission Viejo. The District is committed to water recycling and urban runoff capture and reuse to help meet commercial irrigation demand.

Residential customers represent approximately 95% of the District's potable water customer accounts and consume approximately 83% of the potable water produced annually by the District. The District currently operates a drinking water filtration plant and two groundwater wells with a combined production capacity of 900 gallons per minute. Additionally, the District is the permitted distributor of recycled water from the Robinson Ranch Wastewater Treatment Plant.

The District's annual water-related revenues are predominantly variable and correlated to the volume of water sold to homes, business, and other users. Sales of potable or drinking water for indoor and outdoor use, including landscape irrigation, comprise nearly two-thirds of all revenue from customer charges. After a drop in annual water sales due to wetter than average weather in both FY 2023 and FY 2024, water consumption rebounded in FY 2025 by over 13% and averaging an approximate 3,100 acre-feet per year.

The District beneficially reuses 100% of the sewage or wastewater collected within its service territory, east of Plano Trabuco Road. The reclaimed water produced at the Robinson Ranch Wastewater Treatment Plant is augmented by natural urban runoff (recycled water) captured through a network of basins and Dove Lake and used for landscape irrigation by several Homeowners Associations (HOAs). Recycled water represents 100% conservation of drinking water supplies, which would otherwise be used for irrigation purposes. Recycled water supplies are limited and carefully managed by District operations personnel to maximize its benefit. Similar to demand for drinking water, demand for recycled water increased in FY 2025 by approximately 17% due to decreased rainfall conditions

Water Use Efficiency Programs

The District is committed to promoting and supporting efficient water use by its customers and demonstrates this commitment by reducing water waste, providing ongoing education and awareness of available financial incentives, and performing water use consultations.

Local Economic Condition and Outlook

The District continues to be impacted by post-pandemic price inflation and procurement delays that have driven up the cost of labor, materials, and equipment for District operations and capital projects. In addition, water conservation initiatives and wet weather have also impacted water sales within the District service area. The District has addressed these issues in the 2023 Cost of Service Study which has provided a basis for implementing utility rates from FY 2023-24 through FY 2027-28. The first of these rate implementations became effective July 1, 2023, with subsequent rate increases planned for July 1st of each following year within the rate-setting period. The rate adjustments within the rate-setting period are designed to maintain a high-level of ongoing service, invest in critical infrastructure, and promote long-term financial stability for the District. A long-range financial plan is prepared and reviewed each year to monitor changing conditions, compare actual financial results against rate study projections, and determine if previously authorized rate adjustments are still necessary to meet District debt covenants and reserve policy, or if adjustments are warranted.

Major Planned Initiatives and Significant Projects

During FY 2026, the District expects to complete or advance several important capital projects intended to modernize operations, and refurbish and replace capital facilities:

- Complete construction for the replacement of 2.5 miles of transmission main pipeline from the District's Dimension Water Treatment Plant to the Ridgeline Booster Pump Station through the Cities of Lake Forest, Mission Viejo, and unincorporated County of Orange. This project, which is designed to replace/rehabilitate portions of the potable water distribution system originally installed in the 1960s and will be phased over two years, is expected to total approximately \$11 million. The completion of this project will ensure the delivery of cost-

effective treated drinking water to District customers and restore the most cost-effective water supply to District customers.

- Complete the engineering design and bid documents of the Heritage Sewer Lift Station Rehabilitation Project. The facility plays a critical role in pumping sewer flows received from four communities and two other stations nearly 300 ft in elevation to the Robinson Ranch Wastewater Treatment Plant. When complete, the District will have invested over \$2.5 million in modernizing this facility for future generations.
- Provide final approvals for 65 new single-family homes in Saddle Crest community and accept ownership of associated water and sewer facilities.

FY 2025 Accomplishments

Notable accomplishments across the District from FY 2025 include:

- Conducted an annual review of the District's Financial Plan and approved the implementation of two semi-annual rate adjustments effective July 1, 2025 and January 1, 2026 to reduce the impact of the rate adjustment on customers while meeting the rate revenue requirements of the approved financial plan.
- Adopted and updated District Reserve Policy in line with industry best practices and District-specific needs to provide guidance during financial and strategic planning.
- Completed construction of the Golf Club Sewer Lift Station Rehabilitation Project. The facility plays a critical role in pumping sewer flows received from two other stations nearly 300 ft in elevation to the Robinson Ranch Wastewater Treatment Plant. The District invested over \$3 million in modernizing this facility for future generations.
- Completed engineering design and bid documents for replacement of large-scale air blowers that provide aeration for the wastewater treatment process. The project includes replacement of the blower room motor control center and other electrical improvements. Total estimated project cost is \$2 million.
- Prepared an updated Purchasing Policy & Guidelines with the assistance of legal counsel to promote efficiency and clarity in the District's procurement process; provide guidance on proper standards of conduct by employees, officers, and Board of Directors; and promote transparency to ensure the District's expenditures are reasonable.
- Received a \$578,000 federal grant award for the implementation of the Dove and Tick Creek Pump Station Improvements Project. Combined with a previous \$378,000 grant award from the State of California, the project's \$1 million total cost will be almost entirely funded through non-ratepayer sources.
- Prepared, submitted, and received a \$250,000 CalOES cybersecurity grant award to meet the needs of the District's Cybersecurity Enhancement Project which includes upgrading the business system servers, related equipment, and integrates best management practices consistent with US National Institute of Standards and Technology (NIST) Cybersecurity Framework to address security, resilience, and to mitigate any infrastructure gaps.

Internal Control Structure

District management is responsible for the establishment and maintenance of an internal control structure that ensures that District assets are protected from loss, theft, or misuse. The internal control structure also warrants that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

The Board of Directors approves an operating and capital budget annually prior to the start of each fiscal year. The budget reflects the District's priorities and needs for the upcoming year and provides the basis for reporting and control of financial operations and accountability for the District's activities. The budget and reporting treatment applied to the District are consistent with the accrual basis of accounting and the financial statement basis.

Investment Policy

The Board of Directors has adopted an investment policy that conforms to state law and prudent money management. The objectives of the Investment Policy are safety, liquidity, and return on investment. District funds are invested in the State Treasurer's Local Agency Investment Fund (LAIF), California Cooperative Liquid Assets Security System (CLASS) and checking accounts.

Independent Audit and Financial Reporting

The State Law and Bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Nigro & Nigro, PC has conducted an audit of the District's financial statements for FY 2025. Their Independent Auditor's Report appears in the Financial Section of this document.

Risk Management

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Authority). The purpose of the Authority is to arrange and administer insurance programs for the pooling of self-insured losses and to purchase excess insurance coverage, as necessary.

Other References

More information is contained in the Management's Discussion and Analysis and in the Notes to the Basic Financial Statements found in the Financial Section of the report.

Acknowledgements

Preparation of this report is the result of the collective efforts of District staff. I would like to thank the Board for their leadership and continued interest in, and support of, prudent fiscal management of the District. I would also like to extend my appreciation to all employees for their support in the District's mission, and for their dedication to providing the highest level of professionalism, teamwork, and service to our valued customers, and a special thank you to Ms. Karen Warner, Principal Accountant, who was instrumental in the preparation of this report.

Respectfully submitted,

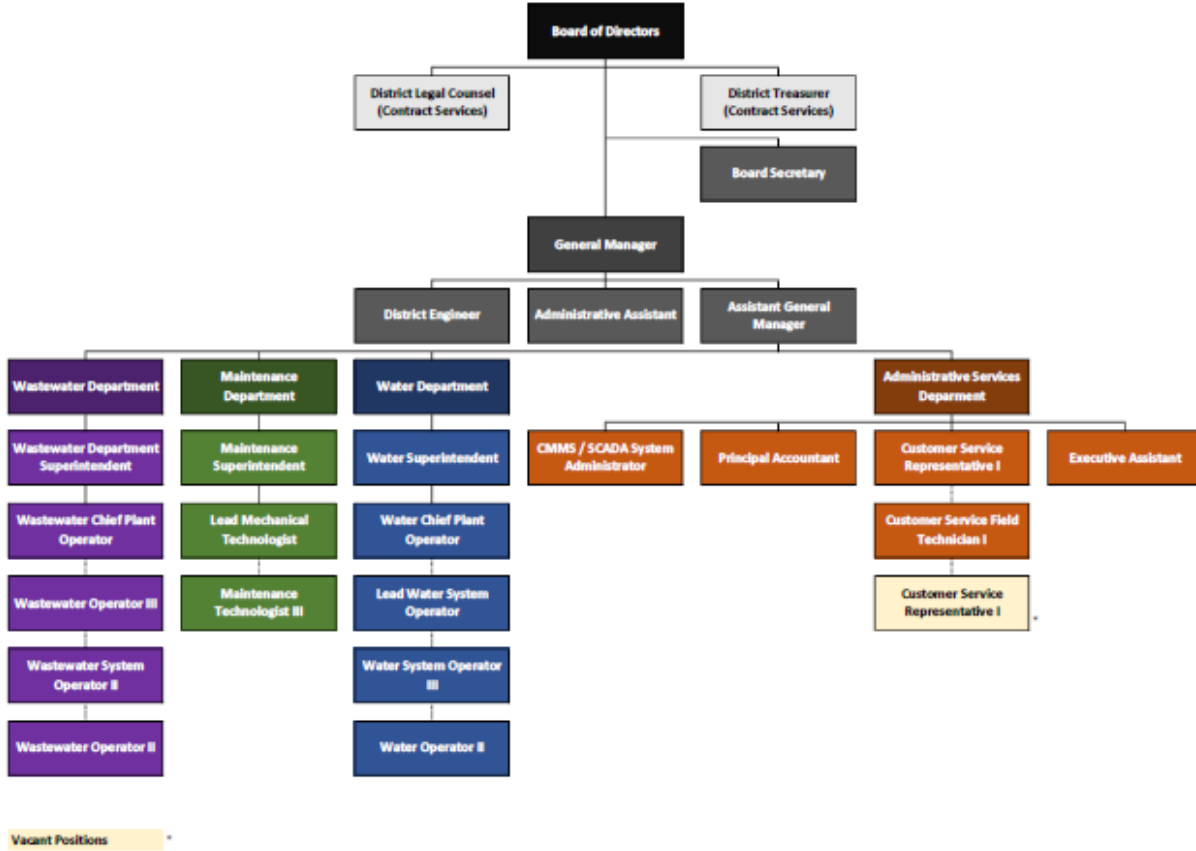


Michael Perea

Interim General Manager

TRABUCO CANYON WATER DISTRICT

Organizational Chart



TRABUCO CANYON WATER DISTRICT

GFOA Certificate of Achievement for Excellence in Financial Reporting



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Trabuco Canyon Water District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Directors
Trabuco Canyon Water District
Trabuco Canyon, California

Opinion

We have audited the accompanying financial statements of the Trabuco Canyon Water District (District), which comprise the balance sheets as of June 30, 2025 and 2024, and related statements of revenue, expenses, and changes in net position, and cash flows for the years then ended, and related notes to the financial statements, 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 the District as of June 30, 2025 and 2024, and the respective changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. 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 Agency 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 opinion.

Change in Accounting Principle

As described in Notes 1, 7, and 15 to the financial statements, as of July 1, 2024, the District adopted new accounting guidance, GASB Statement No. 101, Compensated Absences and Statement No. 102, Certain Risk Disclosures. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Agency'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 opinion. 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 generally accepted auditing standards and *Government Auditing Standards* 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 generally accepted auditing standards and *Government Auditing Standards*, 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 Agency'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 Agency'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of the Agency's Proportionate Share of the Plan's Net Pension Liability, Schedule of the Agency's Contributions to the Pension Plan, Schedule of Changes in the Agency's Net OPEB Liability and Related Ratios, and Schedule of the Agency's Contributions to the OPEB Plan 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 basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements as a whole. The Balance Sheets – Combined – Internal Funds and Schedule of Revenues, Expenses and Changes in Net Position – Combined – Internal Funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a separate report dated December 17, 2025, on our consideration of the Agency'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 effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Murrieta, California
December 17, 2025

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

Management's Discussion and Analysis (MD&A) offers readers of Trabuco Canyon Water District's (District's) financial statements a narrative overview of the District's financial activities for the years ended June 30, 2025 and 2024. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- In fiscal year 2025, the District's net position decreased 10.58%, or \$4,351,946 from the prior year's net position of \$41,125,357 to \$36,773,411, as a result of the year's operations.
- In fiscal year 2024, the District's net position decreased 5.75%, or \$2,509,174 from the prior year's net position of \$43,634,531 to \$41,125,357, as a result of the year's operations
- In fiscal year 2025, operating revenues increased by 18.43%, or \$2,308,915 from \$12,529,600 to \$14,838,515, from the prior year, primarily due to increases in water consumption sales and service charges, as well as sewer service charges.
- In fiscal year 2024, operating revenues increased by 27.67%, or \$2,715,863 from \$9,813,737 to \$12,529,600, from the prior year, primarily due to increases in water and sewer service charges.
- In fiscal year 2025, operating expenses before depreciation expense increased by 24.55% or \$3,289,556 from \$13,400,424 to \$16,689,657, from the prior year, primarily due to increases source of supply and in general and administrative expenses.
- In fiscal year 2024, operating expenses before depreciation expense increased by 8.72% or \$1,075,040 from \$12,325,384 to \$13,400,424, from the prior year, primarily due to increases source of supply and in general and administrative expenses.

REQUIRED FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Balance Sheet, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Balance Sheet includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Balance Sheet and the Statement of Revenues, Expenses and Changes in Net Position report information about the District in a way that helps answer this question.

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net position – the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation.

Condensed Balance Sheets

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Change</u>	<u>June 30, 2023</u>	<u>Change</u>
Assets:					
Current assets	\$ 8,335,799	\$ 6,097,470	\$ 2,238,329	\$ 3,637,958	\$ 2,459,512
Non-current assets	9,473,495	15,156,646	(5,683,151)	7,018,855	8,137,791
Capital assets, net	<u>47,466,520</u>	<u>48,117,797</u>	<u>(651,277)</u>	<u>49,617,239</u>	<u>(1,499,442)</u>
Total assets	<u>65,275,814</u>	<u>69,371,913</u>	<u>(4,096,099)</u>	<u>60,274,052</u>	<u>9,097,861</u>
Deferred outflows of resources	<u>3,097,405</u>	<u>2,822,616</u>	<u>274,789</u>	<u>2,508,005</u>	<u>314,611</u>
Total assets and deferred outflows of resources	<u>\$ 68,373,219</u>	<u>\$ 72,194,529</u>	<u>\$ (3,821,310)</u>	<u>\$ 62,782,057</u>	<u>\$ 9,412,472</u>
Liabilities:					
Current liabilities	\$ 3,736,048	\$ 3,269,712	\$ 466,336	\$ 2,402,381	\$ 867,331
Non-current liabilities	<u>27,562,694</u>	<u>27,328,249</u>	<u>234,445</u>	<u>16,097,840</u>	<u>11,230,409</u>
Total liabilities	<u>31,298,742</u>	<u>30,597,961</u>	<u>700,781</u>	<u>18,500,221</u>	<u>12,097,740</u>
Deferred inflows of resources	<u>301,066</u>	<u>471,211</u>	<u>(170,145)</u>	<u>647,305</u>	<u>(176,094)</u>
Net position:					
Net investment in capital assets	32,911,421	37,290,826	(4,379,405)	40,918,075	(3,627,249)
Restricted for capital improvements	1,300,747	3,864,207	(2,563,460)	3,885,460	(21,253)
Unrestricted	<u>2,561,243</u>	<u>(29,676)</u>	<u>2,590,919</u>	<u>(1,169,004)</u>	<u>1,139,328</u>
Total net position	<u>36,773,411</u>	<u>41,125,357</u>	<u>(4,351,946)</u>	<u>43,634,531</u>	<u>(2,509,174)</u>
Total liabilities, deferred outflows of resources and net position	<u>\$ 68,373,219</u>	<u>\$ 72,194,529</u>	<u>\$ (3,821,310)</u>	<u>\$ 62,782,057</u>	<u>\$ 9,412,472</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources by \$36,773,411 and \$41,125,357 as of June 30, 2025 and June 30, 2024, respectively.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Condensed Balance Sheets (continued)

By far the largest portion of the District's net position (89% and 91% as of June 30, 2025 and 2024, respectively) reflects the District's net investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its customers; consequently, these assets are not available for future spending.

At the end of year 2025, the District showed a positive balance in its unrestricted net position of \$2,561,243 which may be utilized in future years. At the end of year 2024, the District showed a negative (deficit) balance in its unrestricted net position of (\$29,676) which was due to the estimated \$2,745,592 amount for the net pension and net OPEB liabilities and their related deferred outflows/inflows.

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Change</u>	<u>June 30, 2023</u>	<u>Change</u>
Operating revenues	\$ 14,838,515	\$ 12,529,600	\$ 2,308,915	\$ 9,813,737	\$ 2,715,863
Operating expenses	<u>(16,689,980)</u>	<u>(13,400,424)</u>	<u>(3,289,556)</u>	<u>(12,325,384)</u>	<u>(1,075,040)</u>
Operating income before depreciation	(1,851,465)	(870,824)	(980,641)	(2,511,647)	1,640,823
Depreciation expense	<u>(4,797,192)</u>	<u>(4,347,932)</u>	<u>(449,260)</u>	<u>(4,357,962)</u>	10,030
Operating income	(6,648,657)	(5,218,756)	(1,429,901)	(6,869,609)	1,650,853
Non-operating revenues(expenses), net	<u>2,046,711</u>	<u>2,709,582</u>	<u>(662,871)</u>	<u>2,391,802</u>	<u>317,780</u>
Capital contributions	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>1,412,901</u>	<u>(1,412,901)</u>
Change in net position	(4,351,946)	(2,509,174)	(1,842,772)	(3,064,906)	555,732
Net position:					
Beginning of year	<u>41,125,357</u>	<u>43,634,531</u>	<u>(2,509,174)</u>	<u>46,699,437</u>	<u>(3,064,906)</u>
End of year	<u>\$ 36,773,411</u>	<u>\$ 41,125,357</u>	<u>\$ (4,351,946)</u>	<u>\$ 43,634,531</u>	<u>\$ (2,509,174)</u>

The statement of revenues, expenses and changes in net position shows how the District's net position changed during the fiscal years.

A closer examination of the sources of changes in net position reveals that:

In fiscal year 2025, the District's net position decreased 10.58%, or \$4,351,946 from the prior year's net position of \$41,125,357 to \$36,773,411, as a result of the year's operations.

In fiscal year 2024, the District's net position decreased 5.75%, or \$2,509,174 from the prior year's net position of \$43,634,531 to \$41,125,357, as a result of the year's operations.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

The following tables present the detailed breakdown of the information presented in the condensed summary.

Total Revenues

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
Operating revenues:					
Water consumption sales	\$ 4,944,513	\$ 3,642,268	\$ 1,302,245	\$ 3,577,112	\$ 65,156
Water service charges	3,725,327	3,256,048	469,279	1,300,466	1,955,582
Sewer service charges	2,847,510	2,480,724	366,786	2,098,956	381,768
Recycled water sales	1,536,695	1,101,951	434,744	907,833	194,118
Wholesale water sales - Baker Treatment Plant	1,536,256	1,831,802	(295,546)	1,629,310	202,492
Other operating revenues	248,214	216,807	31,407	300,060	(83,253)
Total operating revenues	<u>14,838,515</u>	<u>12,529,600</u>	<u>2,308,915</u>	<u>9,813,737</u>	<u>2,715,863</u>
Non-operating revenues:					
Property taxes	2,352,844	2,312,186	40,658	2,203,522	108,664
Investment earnings	687,429	357,229	330,200	325,827	31,402
Rental revenue	27,065	27,065	-	27,064	1
Other non-operating revenues	8,674	267,005	(258,331)	34,966	232,039
Total non-operating revenues	<u>3,076,012</u>	<u>2,963,485</u>	<u>112,527</u>	<u>2,591,379</u>	<u>372,106</u>
Total revenues	<u>\$ 17,914,527</u>	<u>\$ 15,493,085</u>	<u>\$ 2,421,442</u>	<u>\$ 12,405,116</u>	<u>\$ 3,087,969</u>

In fiscal year 2025, operating revenues increased by 18.43%, or \$2,308,915 from \$12,529,600 to \$14,838,515, from the prior year, primarily due to increases in water consumption sales and service charges, as well as sewer service charges. Non-operating revenues increased by \$112,527 primarily due to an increase in investment earnings.

In fiscal year 2024, operating revenues increased by 27.67%, or \$2,715,863 from \$9,813,737 to \$12,529,600, from the prior year, primarily due to increases in water and sewer service charges. Non-operating revenues increased by \$372,106 primarily due to an increase in other non-operating revenues.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Total Expenses

	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>Increase (Decrease)</u>	<u>June 30, 2023</u>	<u>Increase (Decrease)</u>
Operating expenses:					
Source of supply	\$ 5,334,510	\$ 3,862,414	\$ 1,472,096	\$ 3,325,796	\$ 536,618
Pumping and power	400,961	339,222	61,739	279,177	60,045
Water treatment	104,637	167,006	(62,369)	351,136	(184,130)
Transmission and distribution	452,237	184,811	267,426	279,192	(94,381)
Sewer operations	636,746	643,577	(6,831)	566,643	76,934
Recycled operations	537,373	606,960	(69,587)	555,663	51,297
General and administrative	9,223,516	7,596,434	1,627,082	6,967,777	628,657
Total operating expenses	<u>16,689,980</u>	<u>13,400,424</u>	<u>3,289,556</u>	<u>12,325,384</u>	<u>1,075,040</u>
Depreciation expense	4,797,192	4,347,932	449,260	4,357,962	(10,030)
Non-operating expenses:					
Interest expense	1,014,525	178,714	835,811	189,447	(10,733)
Cost of debt issuance	-	65,000	(65,000)	-	65,000
Property tax administration expense	14,776	10,189	4,587	10,130	59
Total non-operating expenses	<u>1,029,301</u>	<u>253,903</u>	<u>775,398</u>	<u>199,577</u>	<u>54,326</u>
Total expenses	<u>\$ 22,516,473</u>	<u>\$ 18,002,259</u>	<u>\$ 4,514,214</u>	<u>\$ 16,882,923</u>	<u>\$ 1,119,336</u>

In fiscal year 2025, operating expenses before depreciation expense increased by 24.55% or \$3,289,556 from \$13,400,424 to \$16,689,657, from the prior year, primarily due to increases source of supply and in general and administrative expenses. Non-operating expenses increased by \$775,398 primarily due to an increase in interest expense from the 2024 debt issuance.

In fiscal year 2024, operating expenses before depreciation expense increased by 8.72% or \$1,075,040 from \$12,325,384 to \$13,400,424, from the prior year, primarily due to increases source of supply and in general and administrative expenses. Non-operating expenses increased by \$54,326 primarily due to a one-time debt issuance cost.

Capital Assets

	<u>Balance June 30, 2025</u>	<u>Balance June 30, 2024</u>	<u>Balance June 30, 2023</u>
Capital assets:			
Non-depreciable assets	\$ 3,715,632	\$ 6,131,719	\$ 4,816,815
Depreciable assets	132,836,735	126,648,551	125,261,793
Accumulated depreciation	<u>(89,085,847)</u>	<u>(84,662,473)</u>	<u>(80,461,369)</u>
Total capital assets, net	<u>\$ 47,466,520</u>	<u>\$ 48,117,797</u>	<u>\$ 49,617,239</u>

At June 30, 2025 and 2024, the District's investment in capital assets amounted to \$47,466,520 and \$48,117,797 (net of accumulated depreciation), respectively. Capital asset additions for 2025 amounted to \$4,145,915 for various projects and equipment. See Note 6 for further information.

TRABUCO CANYON WATER DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Years Ended June 30, 2025 and 2024

FINANCIAL ANALYSIS OF THE DISTRICT (continued)

Debt Administration

The long-term debt of the District is summarized below:

Long-term debt:	Balance	Balance	Balance
	June 30, 2025	June 30, 2024	June 30, 2023
Loans payable	<u>\$ 21,990,585</u>	<u>\$ 22,087,738</u>	<u>\$ 11,770,766</u>

For the years ended June 30, 2025 and 2024, long-term debt decreased by \$97,153 and increased by \$10,316,972, respectively. See Note 8 for further information.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

CONDITIONS AFFECTING CURRENT AND FUTURE FINANCIAL POSITION

The District's Board of Directors and management considered many factors when setting the fiscal year 2025 user fees and charges. A projection is made on the acre feet of water that will be purchased and sold. The District also looks at the increased cost of the source of supply. Since the District heavily relies on imported water, the costs are directly passed through by Metropolitan Water District. Some are fixed costs that do not vary depending upon the amount of water sold. Other expenses are budgeted individually to account for increases in such things as vehicle expenses and insurance coverages. The District's customer base has not changed significantly; therefore, revenue and costs are more easily projected. Questions concerning the information about the economic analysis, revenue and expense assumptions, and other budgetary process parameters utilized in the annual budget preparation can be obtained from the District's Finance department.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's funding sources, customers, stakeholders and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's General Manager, at 32003 Dove Canyon Drive, Trabuco Canyon, California 92679, (949) 858-0277.

TRABUCO CANYON WATER DISTRICT

Balance Sheets

June 30, 2025 and 2024

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>2025</u>	<u>2024</u>
Current assets:		
Cash and cash equivalents (Note 2)	\$ 4,642,564	\$ 3,322,824
Accrued interest receivable	6,769	2,506
Accounts receivable, net (Note 4)	2,527,855	2,098,459
Lease receivable (Note 5)	31,672	30,122
Other receivables	995,564	565,223
Prepaid expenses	131,375	78,336
Total current assets	<u>8,335,799</u>	<u>6,097,470</u>
Non-current assets:		
Restricted – cash and cash equivalents (Note 2 and 3)	9,459,272	15,106,824
Restricted – accrued interest receivable (Note 3)	14,223	18,150
Lease receivable - (Note 5)	-	31,672
Capital assets – not being depreciated (Note 6)	3,715,632	6,131,719
Capital assets – being depreciated, net (Note 6)	43,750,888	41,986,078
Total non-current assets	<u>56,940,015</u>	<u>63,274,443</u>
Total assets	<u>65,275,814</u>	<u>69,371,913</u>
Deferred outflows of resources:		
Deferred amounts related to net OPEB liability (Note 9)	1,619,910	966,636
Deferred amounts related to net pension liability (Note 10)	1,477,495	1,855,980
Total deferred outflows of resources	<u>3,097,405</u>	<u>2,822,616</u>
Total assets and deferred outflows of resources	<u>\$ 68,373,219</u>	<u>\$ 72,194,529</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,554,645	\$ 2,889,396
Deposits and unearned revenues	211,638	182,718
Long-term liabilities – due within one year:		
Compensated absences (Note 7)	133,118	100,445
Loans payable (Note 8)	836,647	97,153
Total current liabilities	<u>3,736,048</u>	<u>3,269,712</u>
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 7)	247,216	186,539
Loans payable (Note 8)	21,153,938	21,990,585
Net OPEB liability (Note 9)	2,002,185	948,175
Net pension liability (Note 10)	4,159,355	4,202,950
Total non-current liabilities	<u>27,562,694</u>	<u>27,328,249</u>
Total liabilities	<u>31,298,742</u>	<u>30,597,961</u>
Deferred inflows of resources:		
Deferred amounts related to leases (Note 5)	27,064	54,128
Deferred amounts related to net OPEB liability (Note 9)	216,450	265,351
Deferred amounts related to net pension liability (Note 10)	57,552	151,732
Total deferred inflows of resources	<u>301,066</u>	<u>471,211</u>
Net position:		
Net investment in capital assets (Note 11)	32,911,421	37,290,826
Restricted for capital improvements (Note 3)	1,300,747	3,864,207
Unrestricted (Deficit) (Note 12)	2,561,243	(29,676)
Total net position	<u>36,773,411</u>	<u>41,125,357</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 68,373,219</u>	<u>\$ 72,194,529</u>

TRABUCO CANYON WATER DISTRICT*Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2025 and 2024*

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Water consumption sales	\$ 4,944,513	\$ 3,642,268
Water service charges	3,725,327	3,256,048
Sewer service charges	2,847,510	2,480,724
Recycled water sales	1,536,695	1,101,951
Wholesale water sales – Baker Treatment Plant	1,536,256	1,831,802
Other operating revenues	248,214	216,807
Total operating revenues	<u>14,838,515</u>	<u>12,529,600</u>
Operating expenses:		
Source of supply	5,334,510	3,862,414
Pumping and power	400,961	339,222
Water treatment	104,637	167,006
Transmission and distribution	452,237	184,811
Sewer operations	636,746	643,577
Recycled operations	537,373	606,960
General and administrative	9,223,516	7,596,434
Total operating expenses	<u>16,689,980</u>	<u>13,400,424</u>
Operating loss before depreciation	(1,851,465)	(870,824)
Depreciation expense	(4,797,192)	(4,347,932)
Operating loss	<u>(6,648,657)</u>	<u>(5,218,756)</u>
Non-operating revenues(expenses):		
Property taxes	2,352,844	2,312,186
Investment earnings	687,429	357,229
Rental revenue	27,065	27,065
Interest expense	(1,014,525)	(178,714)
Cost of debt issuance	-	(65,000)
Property tax administration charge	(14,776)	(10,189)
Other non-operating revenues	8,674	267,005
Total non-operating revenues(expenses), net	<u>2,046,711</u>	<u>2,709,582</u>
Change in net position before capital contributions	<u>(4,601,946)</u>	<u>(2,509,174)</u>
Capital contributions:		
Capital grants	250,000	-
Total capital contributions	<u>250,000</u>	<u>-</u>
Change in net position	<u>(4,351,946)</u>	<u>(2,509,174)</u>
Net position:		
Beginning of year	<u>41,125,357</u>	<u>43,634,531</u>
End of year	<u>\$ 36,773,411</u>	<u>\$ 41,125,357</u>

TRABUCO CANYON WATER DISTRICT
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Cash receipts from customers and others	\$ 14,044,639	\$ 12,865,298
Cash paid to employees for salaries and wages	(3,461,730)	(2,981,093)
Cash paid to vendors and suppliers for materials and services	<u>(12,928,289)</u>	<u>(9,102,858)</u>
Net cash provided by (used in) operating activities	<u>(2,345,380)</u>	<u>781,347</u>
Cash flows from non-capital financing activities:		
Proceeds from property taxes	<u>2,338,068</u>	<u>2,301,997</u>
Net cash provided by non-capital financing activities	<u>2,338,068</u>	<u>2,301,997</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(4,145,915)	(2,848,490)
Capital grants	250,000	-
Proceeds from loan payable	-	20,443,000
Principal paid on long-term debt	(97,153)	(10,191,028)
Interest paid on long-term debt	<u>(1,014,525)</u>	<u>(178,714)</u>
Net cash provided by (used in) capital and related financing activities	<u>(5,007,593)</u>	<u>7,224,768</u>
Cash flows from investing activities:		
Investment earnings	<u>687,093</u>	<u>368,054</u>
Net cash provided by (used in) investing activities	<u>687,093</u>	<u>368,054</u>
Net increase(decrease) in cash and cash equivalents	<u>(4,327,812)</u>	<u>10,676,166</u>
Cash and cash equivalents:		
Beginning of year	<u>18,429,648</u>	<u>7,753,482</u>
End of year	<u>\$ 14,101,836</u>	<u>\$ 18,429,648</u>
Reconciliation of cash and cash equivalents:		
Cash and cash equivalents	\$ 4,642,564	\$ 3,322,824
Restricted – cash and cash equivalents	<u>9,459,272</u>	<u>15,106,824</u>
Total cash and cash equivalents	<u>\$ 14,101,836</u>	<u>\$ 18,429,648</u>

TRABUCO CANYON WATER DISTRICT
Statements of Cash Flows (continued)
For the Fiscal Year Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (6,648,657)	\$ (5,218,756)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	4,797,192	4,347,932
Rental and contract revenue	27,065	27,065
Other non-operating revenues	8,674	267,005
Change in assets - (increase)decrease:		
Accounts receivable, net	(429,396)	(221,134)
Lease receivable	30,122	28,630
Other receivables	(430,341)	234,132
Prepaid expenses	(53,039)	26,410
Change in deferred outflows of resources - (increase)decrease		
Deferred amounts related to net OPEB liability	(653,274)	(313,924)
Deferred amounts related to net pension liability	378,485	(687)
Change in liabilities - increase(decrease):		
Accounts payable and accrued expenses	(334,751)	839,008
Deposits and unearned revenues	28,920	19,724
Compensated absences	93,350	18,336
Net OPEB liability	1,054,010	505,048
Net pension liability	(43,595)	398,652
Change in deferred inflows of resources - increase(decrease)		
Deferred amounts related to leases	(27,064)	(27,064)
Deferred amounts related to net OPEB liability	(48,901)	(48,902)
Deferred amounts related to net pension liability	(94,180)	(100,128)
Total adjustments	<u>4,303,277</u>	<u>6,000,103</u>
Net cash provided by (used in) operating activities	<u>\$ (2,345,380)</u>	<u>\$ 781,347</u>

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The Trabuco Canyon Water District (District) was organized in January 1962, under provisions of the County Water District Act (Sections 30000 et. seq. of the Water Code of the State of California). The District is governed by a Board of Directors made up of five members elected by the qualified voters in the District. The purpose of the District is to finance, construct, operate and maintain a water system and wastewater system to serve properties within the District's boundaries. The Trabuco Canyon Water District includes the accounts of the District, Trabuco Canyon Improvement Corporation and Trabuco Canyon Public Financing Authority as blended component units.

The Trabuco Canyon Public Financing Authority (Authority) was organized on August 8, 1993, pursuant to the Government Code of the State of California (Title 1, Division 7 Section 6500 of the California Government Code), as a Joint Powers Agency, solely for the purpose of providing financial assistance to the District. Complete financial statements for the Authority are available at the District's office or upon request of the District's Treasurer at 32003 Dove Canyon Drive, Trabuco Canyon, California 92679.

The Trabuco Canyon Improvement Corporation (Corporation) was organized on September 1, 1988, pursuant to the Nonprofit Benefit Corporation Law of the State of California (Title 1, Division 2, Part 2 of the California Corporations Code), solely for the purpose of providing financial assistance to the District by financing the water improvement facilities for proposed future developments within the District.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Standards Board Statement No. 61, The Financial Reporting Entity (GASB Statement No. 61). The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

B. Basis of Presentation, Basis of Accounting

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation, Basis of Accounting (continued)

Operating revenues are those revenues that are generated from the primary operations of the District. The District reports a measure of operations by presenting the change in net position from operations as operating income in the statement of revenues, expenses, and changes in net position. Operating activities are defined by the District as all activities other than financing and investing activities (interest expense and investment income), grants and subsidies, and other infrequently occurring transactions of a non-operating nature. Operating expenses are those expenses that are essential to the primary operations of the District. All other expenses are reported as non-operating expenses.

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of 90 days or less, when purchased, to be cash equivalents. Cash deposits are reported at the carrying amount, which reasonably estimates fair value.

2. Investments

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

3. Restricted Assets

Amounts shown as restricted assets have been restricted by either bond indentures, external constraints, or laws and regulations of other governments.

4. Receivables and Allowance for Doubtful Accounts

Customer accounts receivable consist of amounts owed by private individuals and organizations for services rendered in the regular course of business operations. Receivables are shown net of allowances for doubtful accounts. Uncollectable accounts are based on prior experience and management's assessment of the collectability of existing accounts.

5. Prepaids

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

6. Lease Receivable and Deferred Inflows of Resources

The primary objective is to enhance the relevance and consistency of information about the governments' leasing activities. As a lessor, the District is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions. The District's lease receivable is measured at the present value of the lease payments expected to be received during the lease term. Under the lease agreement, the District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

7. Capital Assets

Capital assets are stated at cost or at their estimated acquisition value at date of donation. It is the District's policy to capitalize assets costing over \$5,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets. Estimated service lives for the District's classes of assets are as follows:

Description	Estimated Lives
Transmission and distribution system	5-40 years
Wastewater system	4-40 years
Structures and improvements	10-30 years
Equipment	3-15 years

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

9. Compensated Absences

The District's policy is to permit employees to accumulate earned vacation up to a total of 240 hours with amounts exceeding the limit being paid out as part of the employee's regular compensation. Upon termination of employment, employees are paid all unused vacation and forfeit any unused sick time. Upon retirement employees are paid all unused vacation and 50% of any unused sick time.

In accordance with GASB Statement No. 101, Compensated Absences, leave is recognized when it is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Management evaluates sick leave for other District employees to determine the amount that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This analysis includes assessing relevant factors such as historical information about the use, payment or forfeiture of compensated absences, and the District's policies related to compensated absences. The measurement of compensated absences includes salary-related payment such as the employer portion of medicare and social security taxes.

10. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans and addition to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. 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.

The following timeframes are used for pension reporting:

	<u>2025</u>	<u>2024</u>
Valuation Date	June 30, 2023	June 30, 2022
Measurement Date	June 30, 2024	June 30, 2023
Measurement Period	July 1, 2023 to June 30, 2024	July 1, 2022 to June 30, 2023

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

10. Pensions (continued)

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systemically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows as deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining lives of all members that are provided the benefits (active, inactive and retirees) as of the beginning of the measurement period.

11. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Retiree Benefits Plan ("the Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments which are reported at cost.

The following timeframes are used for OPEB reporting:

	<u>2025</u>	<u>2024</u>
Valuation Date	June 30, 2023	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Measurement Period	July 1, 2023 to June 30, 2024	July 1, 2022 to June 30, 2023

12. Net Position

Net position is classified into three components: net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- **Restricted** - This component of net position consists of external constraints placed on net position imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

E. Property Taxes

The Orange County Assessor's Office assesses all real and personal property within the County each year. The Orange County Tax Collector's Office bills and collects the District's share of property taxes. The Orange County Auditor-Controller's Office remits current property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article XIII A of the State Constitution at one percent (1%) of countywide assessed valuations. Property taxes receivable at year-end are related to property taxes collected by the Orange County Tax Collector's Office, which have not been credited to the District's cash balance as of June 30.

The property tax calendar is as follows:

Lien date March 1
Levy date July 1
Due dates November 1 and March 1
Collection dates December 10 and April 10

F. New Pronouncements–Governmental Accounting Standards Board (GASB)

During the fiscal year ended June 30, 2025, the District has implemented new GASB pronouncements as follows:

GASB Statement No. 101 – Compensated Absences

This GASB Statement amends the definition of a compensated absence to encompass the various types of benefits offered by governmental employees and establishes a unified model for accounting and reporting. The statement also revises the related financial statement disclosure requirements, including eliminating certain disclosures previously required that GASB research found did not provide essential information to financial statement users. The GASB statement applies to all units of state and local governments. The District adopted the Statement as of July 1, 2024. See Note 7 for the effect of this Statement.

GASB Statement No. 102 – Certain Risk Disclosures

This GASB Statement requires state and local governments to disclose vulnerabilities due to certain concentrations and constraints that could significantly impact their financial health. A concentration refers to a dependency on a specific source—such as a major revenue stream, customer, supplier, or workforce—while a constraint involves legal, regulatory, contractual, or other external limitations that restrict an entity's ability to respond to those risks. If these factors make the government vulnerable to a near-term severe impact, disclosure is required in the notes to the financial statements. The goal of Statement No. 102 is to improve transparency and provide users with better insight into potential risks that could affect a government's financial condition. The District adopted the Statement as of July 1, 2024. See Note 15 for the effect of this Statement.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents were classified in the accompanying financial statements as follows:

Description	June 30, 2025	June 30, 2024
Cash and cash equivalents	\$ 4,642,564	\$ 3,322,824
Restricted – cash and cash equivalents	9,459,272	15,106,824
Total cash and cash equivalents	\$ 14,101,836	\$ 18,429,648

Cash and cash equivalents consisted of the following:

Description	June 30, 2025	June 30, 2024
Demand deposits held with financial institutions	\$ 4,265,931	\$ 1,517,383
Local Agency Investment Fund (LAIF)	620,181	1,824,006
California Cooperative Liquid Assets Securities System (CLASS)	9,215,724	15,088,259
Total cash and cash equivalents	\$ 14,101,836	\$ 18,429,648

Demand Deposits with Financial Institutions

At June 30, 2025, and 2024, the carrying amount of the District's demand deposits were \$4,265,931 and \$1,517,383, respectively, and the financial institution's balances were \$4,243,350 and \$1,637,733, respectively. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items between the financial institution's balance and the District's balance for each year.

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depositor has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests taxpayers' money to manage the State's cash flow and strengthen the financial security of local governmental entities. PMIA policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs to taxpayers, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and carries a dollar-in dollar-out amortized cost methodology.

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, and 2024, the District held \$620,181 and \$1,824,006 in LAIF, respectively.

California Cooperative Liquid Assets Securities System (California CLASS)

The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected to optimize interest earnings while prioritizing safety and liquidity. The California CLASS Prime and Enhanced Cash funds offer public agencies the opportunity to strengthen and diversify their cash management programs in accordance with the safety, liquidity, and yield hierarchy that governs the investment of public funds.

The management of California CLASS is under the direction of a Board of Trustees comprised of eligible Participants of the program. The Board of Trustees has appointed Public Trust Advisors, LLC to serve as the Investment Advisor and Administrator of the program and has appointed U.S. Bank as the Custodian.

The District is a voluntary participant in California CLASS. The fair value of the District's investment in this pool is reported at an amount based upon the District's pro-rata share of the fair value provided by California CLASS for the entire California CLASS portfolio (in relation to the amortized cost of the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by California CLASS. California CLASS is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis. The California Class Prime and Enhanced Cash funds receive a credit rating of AAAM (S&P Global Ratings) and AAAf/S1 (FitchRatings), respectively. For financial reporting purposes, the District considers California CLASS a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2025, and 2024, the District held \$9,215,724 and \$15,088,259 in California CLASS, respectively.

Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. There were no investments in any one governmental or non-governmental issuer that represented 5% or more of the District's total investments that are subject to disclosure.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 3 – RESTRICTED – ASSETS AND RESTRICTED – NET POSITION

Restricted assets as of June 30, were classified in the accompanying financial statements as follows:

<u>Description</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Restricted – cash and cash equivalents	\$ 9,459,272	\$ 15,106,824
Restricted - accrued interest receivable	14,223	18,150
Total restricted assets	\$ 9,473,495	\$ 15,124,974

Restricted assets for the year ended June 30, were restricted as follows:

<u>Description</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Unspent proceeds from loan issuance	\$ 7,435,486	\$ 11,260,767
Developer and other capital improvements	1,300,747	1,251,055
Water reliability and emergency storage	-	2,613,152
Cash in transit – debt service	737,262	-
Total restricted assets	9,473,495	15,124,974
Less: Unspent proceeds from loan issuance	(7,435,486)	(11,260,767)
Cash in transit – debt service	(737,262)	-
Total restricted – net position	\$ 1,300,747	\$ 3,864,207

NOTE 4 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net of allowance for doubtful accounts consisted of the following:

<u>Description</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Accounts receivable	\$ 2,811,159	\$ 2,330,509
Allowance for doubtful accounts	(283,304)	(232,050)
Total accounts receivable, net	\$ 2,527,855	\$ 2,098,459

NOTE 5 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES

Changes in the District's lease receivable for the year ended June 30, 2025 was as follows:

<u>Description</u>	<u>Balance</u>			<u>Balance</u>
	<u>July 1, 2024</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2025</u>
Cellular antenna site rental	\$ 61,794	\$ -	\$ (30,122)	\$ 31,672

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 5 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES (continued)

Changes in the District’s lease receivable for the year ended June 30, 2024 was as follows:

Description	Balance			Balance
	July 1, 2023	Additions	Deductions	June 30, 2024
Cellular antenna site rental	\$ 90,424	\$ -	\$ (28,630)	\$ 61,794

The District is reporting a total lease receivable of \$31,672 and \$61,974 and a total related deferred inflows of resources of \$27,064 and \$54,128 for the years ending June 30, 2025 and 2024, respectively. Also, the District is reporting total lease revenue of \$27,064 and \$27,064 and interest revenue of \$961 and \$1,549 related to lease payments received for the years ending June 30, 2025 and 2024, respectively.

The lease held by the District does not have an implicit rate of return, therefore the District used their incremental borrowing rate of 2.00% to discount the lease revenue to the net present value. In some cases leases contain termination clauses. In these cases the clause requires the lessee or lessor to show cause to terminate the lease. Also, certain leasing-types are considered “volatile leases.” Those volatile leases were not extended past their initial lease period for financial statement recognition due to their volatility. The District’s lease is summarized as follows:

Cellular Antenna Site Rental

The District, on July 1, 2020, renewed a continuous lease for 72 months as lessor for the use of a cellular antenna site rental. An initial lease receivable was recorded in the amount of \$162,385. As of June 30, 2025, the value of the lease receivable was \$31,672. The lease is required to make monthly fixed payments of \$2,070 for the first 12-month period, then increase 3.0% per year. The lease has an interest rate of 2.00%. The value of the deferred inflow of resources was \$27,064 as of June 30, 2025. The District recognized lease revenue of \$27,064 and interest revenue of \$961 during the fiscal year. The lessee will be evaluated by the District for future extensions after the completion of this lease period. Since this is considered a volatile lease only this lease period has been recognized.

Minimum future lease receipts for the next four fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 31,672	\$ 347	\$ 32,019
Total	31,672	\$ 347	\$ 32,019
Current	(31,672)		
Long-term	\$ -		

Changes in the District’s deferred inflows of resources related to leases for June 30, 2025 is as follows:

Description	Balance			Balance
	July 1, 2024	Additions	Deductions	June 30, 2025
Cellular antenna site rental	\$ 54,128	\$ -	\$ (27,064)	\$ 27,064

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 5 – LEASE RECEIVABLE AND DEFERRED INFLOWS OF RESOURCES – LEASES (continued)

Changes in the District’s deferred inflows of resources related to leases for June 30, 2024 is as follows:

Description	Balance	Additions	Deductions	Balance
	July 1, 2023			June 30, 2024
Cellular antenna site rental	\$ 81,192	\$ -	\$ (27,064)	\$ 54,128

The amounts reported as deferred inflows of resources related to leases for the year ended June 30, 2025, will be amortized in future periods as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Inflows of Resources
2026	\$ 27,064
Total	\$ 27,064

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

Changes in capital assets for the fiscal year ended June 30, 2025, were as follows:

Description	Balance July 1, 2024	Additions	Deletions/ Transfers	Balance June 30, 2025
Non-depreciable assets:				
Land	\$ 2,339,113	\$ -	\$ -	\$ 2,339,113
Construction-in-process	3,792,606	4,708,987	(7,125,074)	1,376,519
Total non-depreciable assets	6,131,719	4,708,987	(7,125,074)	3,715,632
Depreciable assets:				
Water transmission and distribution system	59,465,312	158,157	(98,037)	59,525,432
Recycled water and wastewater system	59,964,016	4,453,170	(205,116)	64,212,070
Structures and improvements	1,661,634	-	-	1,661,634
Machinery and equipment	5,557,589	1,950,675	(70,665)	7,437,599
Total depreciable assets	126,648,551	6,562,002	(373,818)	132,836,735
Accumulated depreciation:				
Water transmission and distribution system	(37,041,037)	(1,920,191)	98,037	(38,863,191)
Recycled water and wastewater system	(43,240,070)	(2,192,275)	205,116	(45,227,229)
Structures and improvements	(1,381,770)	(60,741)	-	(1,442,511)
Machinery and equipment	(2,999,596)	(623,985)	70,665	(3,552,916)
Total accumulated depreciation	(84,662,473)	(4,797,192)	373,818	(89,085,847)
Total depreciable assets, net	41,986,078	1,764,810	-	43,750,888
Total capital assets, net	\$ 48,117,797	\$ 6,473,797	\$ (7,125,074)	\$ 47,466,520

In fiscal year 2025, major capital asset additions amounted to \$4,145,915, and depreciation expense amounted to \$4,797,192.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION (continued)

Changes in capital assets for the fiscal year ended June 30, 2024, were as follows:

Description	Balance July 1, 2023	Additions	Deletions/ Transfers	Balance June 30, 2024
Non-depreciable assets:				
Land	\$ 2,339,113	\$ -	\$ -	\$ 2,339,113
Construction-in-process	2,477,702	2,848,490	(1,533,586)	3,792,606
Total non-depreciable assets	4,816,815	2,848,490	(1,533,586)	6,131,719
Depreciable assets:				
Water transmission and distribution system	59,016,943	470,705	(22,336)	59,465,312
Recycled water and wastewater system	59,394,792	685,257	(116,033)	59,964,016
Structures and improvements	1,620,185	41,449	-	1,661,634
Machinery and equipment	5,229,873	336,175	(8,459)	5,557,589
Total depreciable assets	125,261,793	1,533,586	(146,828)	126,648,551
Accumulated depreciation:				
Water transmission and distribution system	(35,290,721)	(1,772,652)	22,336	(37,041,037)
Recycled water and wastewater system	(41,397,387)	(1,958,716)	116,033	(43,240,070)
Structures and improvements	(1,320,203)	(61,567)	-	(1,381,770)
Machinery and equipment	(2,453,058)	(554,997)	8,459	(2,999,596)
Total accumulated depreciation	(80,461,369)	(4,347,932)	146,828	(84,662,473)
Total depreciable assets, net	44,800,424	(2,814,346)	-	41,986,078
Total capital assets, net	\$ 49,617,239	\$ 34,144	\$ (1,533,586)	\$ 48,117,797

In fiscal year 2024 major capital asset additions amounted to \$2,848,490, and depreciation expense amounted to \$4,347,932.

NOTE 7 – COMPENSATED ABSENCES

Changes in compensated absences amounts for the year ended June 30, 2025, were as follows:

Balance July 1, 2024	Net Change	Balance June 30, 2025	Due Within One Year	Due in More Than One Year
\$ 286,984	\$ 93,350	\$ 380,334	\$ 133,118	\$ 247,216

Changes in compensated absences amounts for the year ended June 30, 2024, were as follows:

Balance July 1, 2023	Net Change	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
\$ 268,648	\$ 18,336	\$ 286,984	\$ 100,445	\$ 186,539

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 7 – COMPENSATED ABSENCES (continued)

As of June 30, 2025, the total liability for compensated absences was \$247,216, of which \$133,118 is expected to be paid within one year and is reported as a current liability. The beginning balance of compensated absences as of July 1, 2024, reflected an immaterial difference upon implementation of GASB Statement No. 101; therefore, no restatement was required.

NOTE 8 – LOANS PAYABLE

Changes in loans payable amounts for the year ended June 30, 2025, were as follows:

Loans Payable	Balance			Balance June 30, 2025	Current Portion	Long-term Portion
	July 1, 2024	Additions	Deductions			
SRF Loan Payable	\$ 1,579,738	\$ -	\$ (97,153)	\$ 1,482,585	\$ 197,647	\$ 1,284,938
2024 Project Loan Payable	20,508,000	-	-	20,508,000	639,000	19,869,000
Total loans payable	<u>\$ 22,087,738</u>	<u>\$ -</u>	<u>\$ (97,153)</u>	<u>\$ 21,990,585</u>	<u>\$ 836,647</u>	<u>\$ 21,153,938</u>

Changes in loans payable amounts for the year ended June 30, 2024, were as follows:

Loans Payable	Balance			Balance June 30, 2024	Current Portion	Long-term Portion
	July 1, 2023	Additions	Deductions			
SRF Loan Payable	\$ 1,770,766	\$ -	\$ (191,028)	\$ 1,579,738	\$ 94,972	\$ 1,675,794
Bank of the West Loan Payable	10,000,000	-	(10,000,000)	-	-	-
2024 Project Loan Payable	-	20,508,000	-	20,508,000	-	10,000,000
Total loans payable	<u>\$ 11,770,766</u>	<u>\$ 20,508,000</u>	<u>\$(10,191,028)</u>	<u>\$ 22,087,738</u>	<u>\$ 94,972</u>	<u>\$ 11,675,794</u>

2011 State Revolving Fund Loan

In fiscal year 2011, the District and the State of California, Department of Public Health, entered into a contract for a construction loan in the amount of \$3,694,264 under the Safe Drinking Water State Revolving Fund Law of 1977. The purpose of the loan was to assist the District in financing construction of the Trabuco Creek Wells Facility, which will enable the District to meet the State of California's safe drinking water standards. The loan proceeds were disbursed to the District based upon project expenditures submitted. The final construction costs totaled and submitted were \$3,682,316, which was \$11,948 less than the original contracted amount. The loan is scheduled to mature in fiscal year 2032. Principal and interest installments are payable each fiscal year at a rate of 2.2836% on July 1st and January 1st. Annual debt service requirements on the loan are as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 197,647	\$ 32,734	\$ 230,381
2027	202,186	28,195	230,381
2028	206,829	23,552	230,381
2029	211,580	18,802	230,382
3030	216,439	13,942	230,381
2031-2032	447,904	12,858	460,762
Total	1,482,585	\$ 130,083	\$ 1,612,668
Current	(197,647)		
Long-term	<u>\$ 1,284,938</u>		

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 8 – LOANS PAYABLE (continued)

2022 – Loan Payable

On February 15, 2022, the District entered into an agreement of \$10,000,000 with Bank of the West to provide funds for various capital improvement projects. The terms of the agreement provide for interest payable semi-annually on January 1st and July 1st at a rate of 1.45% per annum. The principle of the note is payable on the maturity date of July 1, 2025, or on any date prior. This loan is considered a short-term loan agreement until other financing is secured by the District. No loan amortization schedule is available. The loan was paid in full during fiscal year 2024.

2024 – Loan Payable

On April 1, 2024, the District entered into an installment purchase agreement with the Trabuco Canyon Public Finance Authority (Authority) to provide funds for various capital improvement projects as well as to refinance the \$10,000,000 2022 project loan payable. Through an assignment agreement also dated April 1st, 2024, the Authority agrees to sell, assign and transfer to Capital One Public Funding, LLC (Lender), the right to receive all installment payments from the District. The terms of the agreement provide for interest payable semi-annually on January 1st and July 1st at a rate of 4.61% per annum, with principal payments due annually on July 1st. The loan is set to mature on July 1st, 2044. Annual debt service requirements on the loan are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 639,000	\$ 930,690	\$ 1,569,690
2027	669,000	900,540	1,569,540
2028	701,000	868,962	1,569,962
2029	734,000	835,885	1,569,885
2030	768,000	801,264	1,569,264
2031-2035	4,421,000	3,426,959	7,847,959
2036-2040	6,842,000	2,574,639	9,416,639
2041-2045	5,734,000	1,153,514	6,887,514
Total	20,508,000	<u>\$ 11,492,453</u>	<u>\$ 32,000,453</u>
Current	<u>(639,000)</u>		
Long-term	<u>\$ 19,869,000</u>		

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2025	2024
OPEB related deferred outflows	\$ 1,619,910	\$ 966,636
Net other post-employment benefits liability(asset)	2,002,185	948,175
OPEB related deferred inflows	216,450	265,351

A. General Information about the OPEB Plan

Plan Description

The District through a single-employer defined benefit plan, offers post-retirement health benefits to eligible employees at retirement as a continuation of the available active medical coverage. An employee is eligible for continuation of medical coverage at retirement provided they are vested in their CalPERS pension benefit and commence payment of their pension benefit upon retirement with the District. Vesting requires at least 5 years of CalPERS eligible service. All employee with at least 5 years of CalPERS service will be eligible to continue coverage if retiring from the District and CalPERS and receive the CalPERS minimum required contribution. Vesting is based on years-of-service increasing 5% per year from 10-years (50%) to 20+years (100%).

Employees Hired Prior to April 1, 2014

The District's financial obligation is to pay for the retiree and eligible dependent coverage up to a monthly maximum which is targeted at the PERS Choice Plan at the family coverage level (currently \$1,914.33). The District's contribution will continue for the lifetime of the retiree and any surviving eligible spouse.

Employees Hired on or After April 1, 2014

The District's contribution is 100% of the coverage level elected by the retiree up to the 100/90 State Annuitant rates multiplied by a vesting schedule (below). 100/90 amount is 100% of the weighted average of single coverage and 90% of the weighted average of the additional premium for two party and family coverage for the 4 PEMHCA plans with the highest State enrollment in the prior year. The 100/90 State Annuitant rates are published each year. The 2024 monthly rates are \$767 single, \$1,461 two-party and \$1,868 family and the 2025 monthly rates are \$985 single, \$1,970 two-party and \$2,561 family.

Employees Covered

As of the June 30, 2024 measurement date, the following current and former employees were covered by the benefit terms under the Plan:

	2024	2023
Inactive plan members or beneficiaries currently receiving benefit payments	11	11
Inactive plan members entitled to but not yet receiving benefit payments	-	-
Active plan members	22	22
Total	33	33

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

A. General Information about the OPEB Plan (continued)

Funding Policy

The contribution requirements of plan members and the District are established and may be amended by the District and/or the District's Board of Directors. Currently, contributions are not required from plan members. The District has been typically funding this OPEB plan on a pay-as-you-go basis; however, the District has pre-funded contributions to the CERBT OPEB Trust and the District has been requesting reimbursement from the accumulating assets in the OPEB Trust on an annual basis.

Contributions

Benefit provisions and contribution requirements are established and may be amended through agreements and memorandums of understanding between the District and its employees. The plan does not require employee contributions. Administrative costs of this plan are financed by the District. For fiscal year ended June 30, 2024, the measurement period, the District's contributions totaling \$259,177 included \$188,637 in current year premium payments reimbursed by the CERBT OPEB Trust and an implied subsidy of \$70,540.

Accounting for the Plan

The other post-employment benefit trust is prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide contributions. Benefits are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments

Investments are reported in the accompanying financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measure date. Securities for which market quotations are not readily available are valued at their fair value as determined by the custodian with the assistance of a valuation service.

B. Net OPEB Liability

The District's total OPEB liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of June 30, 2024. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Assumptions

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

	June 30, 2023	June 30, 2023
Valuation Date	June 30, 2024	June 30, 2023
Measurement Date	Entry age normal, level percentage of payroll	Entry age normal, level percentage of payroll
Actuarial Cost Method	Fair value of assets as of the measurement date	Fair value of assets as of the measurement date
Asset Valuation Method		
Actuarial Assumptions:		
Discount Rate	4.75%	6.75%
Long-Term Expected Rate of Return on Investments	6.75%	6.75%
Inflation	2.50%	2.50%
Payroll increases	2.75%	2.75%
Healthcare Trend Rates	6.50% trending down 0.25% annually to 4.50% in 2029+	6.50% trending down 0.25% annually to 4.50% in 2029+
Morbidity	CalPERS 2021 Study	CalPERS 2021 Study
Mortality	CalPERS 2021 Study	CalPERS 2021 Study
Disability	Not Valued	Not Valued
Retirement	CalPERS Public Agency Miscellaneous 2.5% @55 and 2% @62	CalPERS Public Agency Miscellaneous 2.5% @55 and 2% @62
Percent Married	80% of future retirees would enroll a spouse	80% of future retirees would enroll a spouse

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

B. Net OPEB Liability (continued)

Actuarial Assumptions (continued)

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
CERBT:		
Global Equities	49.00%	7.25%
Global Debt Securities	23.00%	4.25%
Inflation Assets	5.00%	3.00%
REITs	20.00%	7.25%
Commodities	3.00%	7.25%
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability was 4.75%. The projection of cash flows used to determine the discount rate assumed that the City’s contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in the Net OPEB Liability/(Asset)

The changes in the total OPEB liability for June 30, 2025, were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2024 (Measurement date June 30, 2023)	\$ 4,099,168	\$ 3,150,993	\$ 948,175
Changes for the year:			
Service cost	124,234	-	124,234
Interest	273,076	-	273,076
Differences in experience	27,737	-	27,737
Changes in assumption	1,045,952	-	1,045,952
Employer contributions	-	70,540	(70,540)
Net investment income	-	206,291	(206,291)
Investment gains and losses	-	141,190	(141,190)
Benefit payments	(259,177)	(259,177)	-
Administrative expenses	-	(1,032)	1,032
Net changes	1,211,822	157,812	1,054,010
Balance at June 30, 2025 (Measurement date June 30, 2024)	\$ 5,310,990	\$ 3,308,805	\$ 2,002,185

TRABUCO CANYON WATER DISTRICT
Notes to Financial Statements
June 30, 2025 and 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

C. Changes in the Net OPEB Liability/(Asset) (continued)

The changes in the total OPEB liability for June 30, 2024, were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2023 (Measurement date June 30, 2022)	\$ 3,549,353	\$ 3,106,226	\$ 443,127
Changes for the year:			
Service cost	99,904	-	99,904
Interest	236,841	-	236,841
Differences in experience	146,127	-	146,127
Changes in assumption	273,764	-	273,764
Employer contributions	-	52,863	(52,863)
Net investment income	-	199,504	(199,504)
Benefit payments	(206,821)	(206,821)	-
Administrative expenses	-	(779)	779
Net changes	549,815	44,767	505,048
Balance at June 30, 2024 (Measurement date June 30, 2023)	\$ 4,099,168	\$ 3,150,993	\$ 948,175

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability/(asset) of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1 percentage point higher than the current discount rate:

Sensitivity of the Net OPEB liability(asset) to changes in the discount rate for the fiscal year ended June 30, 2025:

1% Decrease 3.75%	Discount Rate 4.75%	1% Increase 5.75%
\$ 2,635,185	\$ 2,002,185	\$ 1,417,803

Sensitivity of the Net OPEB liability(asset) to changes in the discount rate for the fiscal year ended June 30, 2024:

1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
\$ 1,394,204	\$ 948,175	\$ 570,972

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

C. Changes in the Net OPEB Liability (continued)

Sensitivity of the Total OPEB Liability to Changes in Medical Trend Rates

The following presents the total OPEB liability/(asset) of the District, as well as what the District’s total OPEB liability would be if it were calculated using medical trend rates that are 1-percentage point lower:

Sensitivity of the Net OPEB liability(asset) to changes in the healthcare trend rate for June 30, 2025:

Healthcare Cost		
5.5% Decreasing to 3.5%	6.5% Decreasing to 4.5%	7.5% Decreasing to 5.5%
\$ 1,356,135	\$ 2,002,185	\$ 2,964,972

Sensitivity of the Net OPEB liability(asset) to changes in the healthcare trend rate for June 30, 2024:

Healthcare Cost		
5.5% Decreasing to 3.5%	6.5% Decreasing to 4.5%	7.5% Decreasing to 5.5%
\$ 504,028	\$ 948,175	\$ 1,487,498

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2025, and 2024, the District recognized OPEB expense of \$381,811 and \$238,605, respectively.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions made after the measurement date	\$ 29,976	\$ -
Changes in assumptions	1,146,511	(161,476)
Differences between expected and actual experience	375,490	(54,974)
Differences between projected and actual earnings on OPEB plan investments	67,933	-
Total Deferred Outflows/(Inflows) of Resources	<u>\$ 1,619,910</u>	<u>\$ (216,450)</u>

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions made after the measurement date	\$ 70,540	\$ -
Changes in assumptions	244,007	(196,634)
Differences between expected and actual experience	418,938	(68,717)
Differences between projected and actual earnings on OPEB plan investments	233,151	-
Total Deferred Outflows/(Inflows) of Resources	\$ 966,636	\$ (265,351)

The differences between projected and actual earnings on plan investments is amortized over five years. The District reported \$29,976 and \$70,540 in 2025 and 2024, respectively, as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2026, and 2025, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense in fiscal year 2025 as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2026	\$ 171,878
2027	283,007
2028	138,484
2029	130,608
3030	172,585
Thereafter	476,922
Total	\$ 1,373,484

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense in fiscal year 2025 as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2025	\$ 101,292
2026	83,410
2027	194,539
2028	50,016
2029	42,140
Thereafter	159,348
Total	\$ 630,745

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN

Summary

The following balances on the balance sheet will be addressed in this footnote as follows:

Description	2025	2024
Pension related deferred outflows	\$ 1,477,495	\$ 1,855,980
Net pension liability	4,159,355	4,202,950
Pension related deferred inflows	57,552	151,732

Qualified employees are covered under a multiple-employer defined benefit pension plan maintained by agencies of the State of California known as the California Public Employees’ Retirement System (CalPERS), or "The Plan".

A. General Information about the Pension Plan

The Plan

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
Hire date	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5-years of service	5-years of service
Benefits payments	monthly for life	monthly for life
Retirement age	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.0%
Required member contribution rates	8.000%	6.750%
Required employer contribution rates – FY 2024	15.210%	8.320%
Required employer contribution rates – FY 2025	15.270%	8.500%

Plan Description

The District contributes to the California Public Employees’ Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2024 Annual Actuarial Valuation Reports. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website www.calpers.ca.gov under Forms and Publications

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

At June 30, 2024 measurement date, the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	9	13	22
Transferred and terminated members	23	8	31
Retired members and beneficiaries	18	-	18
Total plan members	50	21	71

At June 30, 2022 measurement date, the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	10	11	21
Transferred and terminated members	24	8	32
Retired members and beneficiaries	15	-	15
Total plan members	49	19	68

All qualified permanent and probationary employees are eligible to participate in the District’s cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by state statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to Plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonindustrial disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each Plan are applied as specified by the Public Employees’ Retirement Law.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN (continued)

A. General Information about the Pension Plan (continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are 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 CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Contributions for the year ended June 30, 2025, were as follows:

Contribution Type	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Contributions – employer	\$ 576,771	\$ 109,888	\$ 686,659

Contributions for the year ended June 30, 2024, were as follows:

Contribution Type	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Contributions – employer	\$ 491,291	\$ 80,257	\$ 571,548

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

Proportionate Share of Net Pension Liability and Pension Expense

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2024, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using standard update procedures. The District's proportionate share of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

TRABUCO CANYON WATER DISTRICT
Notes to Financial Statements
June 30, 2025 and 2024

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)

The following table shows the District’s proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2025:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2025	Fiscal Year Ending June 30, 2024	
Measurement Date	June 30, 2024	June 30, 2023	
Percentage of Risk Pool Net Pension Liability	0.085997%	0.084052%	0.001945%
Percentage of Plan Net Pension Liability	0.085997%	0.033690%	0.052307%

The following table shows the District’s proportionate share of the risk pool collective net pension liability over the measurement period for the Miscellaneous Plan for the fiscal year ended June 30, 2024:

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2024	Fiscal Year Ending June 30, 2023	
Measurement Date	June 30, 2023	June 30, 2022	
Percentage of Risk Pool Net Pension Liability	0.084052%	0.081302%	0.002750%
Percentage of Plan Net Pension Liability	0.033690%	0.032935%	0.000755%

The District’s proportionate share percentage of the net pension liability for the June 30, 2024, measurement date was as follows:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2023 (Measurement Date)	\$ 17,669,012	\$ 13,466,062	\$ 4,202,950
Balance as of June 30, 2024 (Measurement Date)	\$ 19,269,531	\$ 15,110,175	\$ 4,159,356
Change in Plan Net Pension Liability	\$ 1,600,519	\$ 1,644,113	\$ (43,594)

The District’s proportionate share percentage of the net pension liability for the June 30, 2023, measurement date was as follows:

Plan Type and Balance Descriptions	Plan Total Pension Liability	Plan Fiduciary Net Position	Change in Plan Net Pension Liability
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2022 (Measurement Date)	\$ 16,370,562	\$ 12,566,264	\$ 3,804,298
Balance as of June 30, 2023 (Measurement Date)	\$ 17,669,012	\$ 13,466,062	\$ 4,202,950
Change in Plan Net Pension Liability	\$ 1,298,450	\$ 899,798	\$ 398,652

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)

For the fiscal year ended June 30, 2025, the District recognized pension expense of \$972,367. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made after the measurement date	\$ 686,659	\$ -
Difference between actual and proportionate share of employer contributions	-	(43,518)
Adjustment due to differences in proportions	84,869	-
Differences between expected and actual experience	359,614	(14,032)
Differences between projected and actual earnings on pension plan investments	239,449	-
Changes in assumptions	106,904	-
Total Deferred Outflows/(Inflows) of Resources	\$ 1,477,495	\$ (57,550)

For the fiscal year ended June 30, 2024, the District recognized pension expense of \$869,386. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made after the measurement date	\$ 571,548	\$ -
Difference between actual and proportionate share of employer contributions	37,393	(88,814)
Adjustment due to differences in proportions	98,084	(29,611)
Differences between expected and actual experience	214,709	(33,307)
Differences between projected and actual earnings on pension plan investments	680,495	-
Changes in assumptions	253,751	-
Total Deferred Outflows/(Inflows) of Resources	\$ 1,855,980	\$ (151,732)

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Proportionate Share of Net Pension Liability and Pension Expense (continued)

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The deferred outflows/(inflows) of resources related to the difference between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The deferred outflows/(inflows) of resources related to the net change in proportionate share of net pension liability, changes of assumptions, and differences between expected and actual experience in the measurement of the total pension liability will be amortized over the Expected Average Remaining Service Life (EARSL) of all members that are provided benefits (active, inactive, and retirees) as of the beginning of the measurement period. The EARSL for the measurement period is 3.8 years.

An amount of \$686,659 and \$571,548 for 2025, and 2024, respectively, were reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the years ending June 30, 2026 and 2025, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2025 will be recognized as a reduction to pension expense as follows:

<u>Amortization Period</u> <u>Fiscal Year Ended June 30</u>	<u>Deferred</u> <u>Outflows/(Inflows)</u> <u>of Resources</u>
2026	\$ 250,133
2027	552,839
2028	12,371
2029	<u>(82,057)</u>
Total	<u>\$ 733,286</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2024 will be recognized as a reduction to pension expense as follows:

<u>Amortization Period</u> <u>Fiscal Year Ended June 30</u>	<u>Deferred</u> <u>Outflows/(Inflows)</u> <u>of Resources</u>
2025	\$ 349,498
2026	233,735
2027	529,942
2028	<u>19,525</u>
Total	<u>\$ 1,132,700</u>

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ending June 30, 2024 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2023, total pension liability. The June 30, 2024, total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	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, 2.30% thereafter

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The table below reflects long-term expected real rate of return by asset class.

Investment Type	Assumed asset allocation	Real Return ^{1,2}
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity - Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.05%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Estate	15.0%	3.21%
Leverage	-5.0%	-0.59%
	100.0%	

¹ An expected inflation of 2.3% is used for this period.

² Figures are based on the 2022 Asset Liability Management study.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 10 – PENSION PLAN (continued)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

Changes in the discount rate for the year ended June 30, 2025, was as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate -	Current Discount	Discount Rate +
	1% 5.90%	Rate 6.90%	1% 7.90%
CalPERS – Miscellaneous Plan	\$ 6,759,593	\$ 4,159,355	\$ 2,018,977

Changes in the discount rate for the year ended June 30, 2024, was as follows:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate -	Current Discount	Discount Rate +
	1% 5.90%	Rate 6.90%	1% 7.90%
CalPERS – Miscellaneous Plan	\$ 6,592,609	\$ 4,202,950	\$ 2,236,056

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

TRABUCO CANYON WATER DISTRICT
Notes to Financial Statements
June 30, 2025 and 2024

NOTE 11 – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets consisted of the following as of June 30:

<u>Description</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Net investment in capital assets:		
Capital assets – not being depreciated	\$ 3,715,632	\$ 6,131,719
Capital assets, net – being depreciated	43,750,888	41,986,078
Loans payable – current portion	(836,647)	(97,153)
Loans payable – non-current portion	(21,153,938)	(21,990,585)
Unspent proceeds from loan issuance (Note 3)	7,435,486	11,260,767
Total net investment in capital assets	<u>\$ 32,911,421</u>	<u>\$ 37,290,826</u>

NOTE 12 – NET POSITION – UNRESTRICTED (DEFICIT)

As of June 30, 2024, the District had an unrestricted net position deficit of (\$29,676). Due to the nature of the deficit from the implementation of GASB Statements No. 68 (net pension liability) and No. 75 (net OPEB liability) in the prior fiscal years, the District will continue to make its actuarial determined contributions to CalPERS and annually review its outstanding net pension and net OPEB liability funding requirements for future periods to reduce its deficit position.

NOTE 13 – DEFERRED COMPENSATION SAVINGS PLAN

For the benefit of its employees, the District participates in two 457 Deferred Compensation Programs (Programs). The purpose of these Programs is to provide deferred compensation for public employees that elect to participate in the Programs. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District’s general creditors.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the accompanying financial statements.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 14 – RISK MANAGEMENT POOL

The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Insurance Authority). The Insurance Authority is a risk-pooling and self-insurance authority, created under provisions of California Government Code Sections 6500 et seq. The purpose of the Insurance Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. Further information about the Insurance Authority is as follows:

A. Entity	ACWA-JPIA
B. Purpose	To pool member contributions and realize the advantages of self-insurance
C. Participants	As of September 30, 2024 – 401 member districts
D. Governing board	Nine representatives employed by members
E. Condensed financial information	September 30, 2024
Audit signed	March 27, 2025

Statement of financial position:	Sept 30, 2024
Total assets	<u>\$ 308,144,466</u>
Deferred outflows	<u>3,099,110</u>
Total liabilities	<u>177,706,110</u>
Deferred inflows	<u>4,357,741</u>
Net position	<u><u>\$ 129,179,725</u></u>
Statement of revenues, expenses and changes in net position:	
Total revenues	\$ 261,895,930
Total expenses	<u>(253,429,117)</u>
Change in net position	8,466,813
Beginning - net position	<u>120,712,912</u>
Ending - net position	<u><u>\$ 129,179,725</u></u>
F. Member agencies share of year-end financial position	Not Calculated

The District participated in the self-insurance programs of the Insurance Authority as follows:

Property Loss - The Insurance Authority has pooled self-insurance up to \$100,000 per occurrence and has purchased excess insurance coverage up to \$500,000,000 (total insurable value of \$48,405,017). The District has a \$2,500 deductible for buildings, personal property and fixed equipment, a \$25,000/\$50,000 deductible for accidental mechanical breakdown, a \$1,000 deductible for mobile equipment, and a \$500 deductible for licensed vehicles.

General Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to of \$60,000,000. This program does not have a deductible.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 14 – RISK MANAGEMENT POOL (continued)

Auto Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to \$60,000,000. This program does not have a deductible. Public Officials' Liability - The Insurance Authority has pooled self-insurance up to \$5,000,000 per occurrence and has purchased excess insurance coverage in layers up to \$60,000,000.

Cyber Liability - The Insurance Authority has purchased insurance coverage of \$3,000,000 per occurrence/\$5,000,000 aggregate. This program does not have a deductible.

Crime - The Insurance Authority has pooled self-insurance up to \$100,000 per occurrence. The District has a \$1,000 deductible.

Public Official Bond - The District has purchased a \$200,000 bond to cover the general manager's faithful performance of duty.

Workers' Compensation - The Insurance Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased up to the statutory limit for workers' compensation coverage. The Insurance Authority is self-insurance up to \$2,000,000 and has purchased excess insurance coverage of \$2,000,000 for employer's liability coverage.

Underground Storage Tank Pollution Liability - The Insurance Authority is self-insured up to \$500,000 per occurrence and has purchased excess coverage of \$3,000,000. The District has a \$10,000 deductible.

The District pays annual premiums for these coverages. They are subject to retrospective adjustments based on claims expended. The nature and amount of these adjustments cannot be estimated and are charged to expenses as invoiced. There were no instances in the past three years where a settlement exceeded the District's coverage.

Settled claims have not exceeded any of the coverage amounts in any of the last three fiscal years and there were no reductions in the District's insurance coverage during the years ending June 30, 2025, 2024, and 2022. Liabilities are recorded when it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR). There were no IBNR claims payable as of June 30, 2025, 2024, and 2022.

NOTE 15 – RISK DISCLOSURE: CONCENTRATION OF REVENUE SOURCE (GASB STATEMENT NO. 102)

The District is subject to systematic risk due to receiving over 27% of its revenues from water sales. This dependence exposes the District to potential service interruptions or financial impacts in the event of drought conditions, regulatory restrictions, or contamination of the water source. Although the District has contingency plans and infrastructure in place to supplement supply in emergencies, such alternatives may not fully meet demand or could result in significant additional costs.

The District continues to evaluate and implement diversification strategies, including the development of groundwater recharge projects, recycled water programs, and rate structure adjustments to mitigate these concentration risks.

TRABUCO CANYON WATER DISTRICT

Notes to Financial Statements

June 30, 2025 and 2024

NOTE 15 – RISK DISCLOSURE: CONCENTRATION OF REVENUE SOURCE (GASB STATEMENT NO. 102) (continued)

In accordance with GASB Statement No. 102, Risk Disclosures, this note serves to disclose the concentration of revenue and associated risks that could significantly impact the District's financial position and results of operations.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Economic Dependency

The District purchases a majority of its source of supply from the Santiago Aqueduct Commission. Interruption of this source would impact the District negatively.

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Excluded Leases – Short-Term Leases and De Minimis Leases

The District does not recognize a lease receivable and a deferred inflow of resources for short-term leases. Short-term leases are certain leases that have a maximum possible term under the lease contract of 12-months (or less), including any options to extend, regardless of their probability of being exercised.

Also, *de minimis* lessor or lessee leases are certain leases (i.e., room rental, copiers, printers, postage machines) that regardless of their lease contract period are *de minimis* with regards to their aggregate total dollar amount to the financial statements as a whole.

Construction Contracts

The District has a variety of agreements with private parties relating to the installation, improvement or modification of water and wastewater facilities and distribution systems within its service area. The financing of such construction contracts is being provided primarily from a combination of debt, the District's replacement reserves and capital contributions. As of June 30, 2025, the District has committed approximately \$981,766 to complete projects currently in construction-in-progress.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

NOTE 17 – SUBSEQUENT EVENTS

The District has evaluated subsequent events through December 17, 2025, the on date which the financial statements were available to be issued.

Required Supplementary Information

TRABUCO CANYON WATER DISTRICT

*Schedule of the District's Proportionate Share of the Net Pension Liability
For the Years Ended June 30, 2025 and 2024*

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Measurement Date	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability
June 30, 2015	0.029498%	2,024,702	1,659,539	122.00%	76.75%
June 30, 2016	0.028990%	2,508,531	1,602,525	156.54%	72.83%
June 30, 2017	0.295680%	2,932,288	1,688,233	173.69%	72.81%
June 30, 2018	0.030022%	2,892,988	1,537,659	188.14%	73.98%
June 30, 2019	0.030748%	3,150,747	1,695,414	185.84%	73.12%
June 30, 2020	0.031247%	3,399,815	2,011,870	168.99%	75.18%
June 30, 2021	0.029543%	1,597,778	2,133,046	74.91%	89.05%
June 30, 2022	0.032935%	3,804,298	2,185,024	174.11%	76.76%
June 30, 2023	0.033690%	4,202,950	2,383,857	176.31%	76.21%
June 30, 2024	0.000860%	4,159,355	2,493,136	166.83%	78.41%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 and June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014, measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015, measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2022:

There were no significant changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate was reduced to 6.90% and inflation rate to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no significant changes in assumptions.

From fiscal year June 30, 2024 to June 30, 2025:

There were no significant changes in assumptions.

TRABUCO CANYON WATER DISTRICT

*Schedule of the District's Contributions to the Defined Benefit Pension Plan
For the Years Ended June 30, 2025 and 2024*

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS) Miscellaneous Plan

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the		Covered Payroll	Contributions as a Percentage of Covered Payroll
		Actuarially Determined Contribution	Contribution Deficiency (Excess)		
June 30, 2016	264,450	(264,450)	-	1,602,525	16.50%
June 30, 2017	278,521	(278,521)	-	1,688,233	16.50%
June 30, 2018	301,990	(301,990)	-	1,537,659	19.64%
June 30, 2019	347,954	(347,954)	-	1,695,414	20.52%
June 30, 2020	417,043	(417,043)	-	2,011,870	20.73%
June 30, 2021	469,516	(708,896)	(239,380)	2,133,046	22.01%
June 30, 2022	487,803	(487,803)	-	2,185,024	22.32%
June 30, 2023	541,548	(541,548)	-	2,383,857	22.72%
June 30, 2024	571,548	(571,548)	-	2,493,136	22.92%
June 30, 2025	686,659	(686,659)	-	2,957,281	23.22%

Notes to Schedule:

Fiscal Year	Valuation Date	Actuarial Cost Method	Asset Valuation Method	Inflation	Investment Rate of Return
June 30, 2016	June 30, 2014	Entry Age	Fair Value	2.75%	7.65%
June 30, 2017	June 30, 2015	Entry Age	Fair Value	2.75%	7.65%
June 30, 2018	June 30, 2016	Entry Age	Fair Value	2.75%	7.15%
June 30, 2019	June 30, 2017	Entry Age	Fair Value	2.50%	7.15%
June 30, 2020	June 30, 2018	Entry Age	Fair Value	2.50%	7.15%
June 30, 2021	June 30, 2019	Entry Age	Fair Value	2.50%	7.15%
June 30, 2022	June 30, 2020	Entry Age	Fair Value	2.50%	7.15%
June 30, 2023	June 30, 2021	Entry Age	Fair Value	2.30%	6.90%
June 30, 2024	June 30, 2022	Entry Age	Fair Value	2.30%	6.90%
June 30, 2025	June 30, 2023	Entry Age	Fair Value	2.30%	6.90%

Amortization Method	Level percentage of payroll, closed
Salary Increases	Depending on age, service, and type of employment
Investment Rate of Return	Net of pension plan investment expense, including inflation
Retirement Age	50 years (2.5%@55), 52 years (2.0%@62)
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

Certain amounts have been updated per the 2020 CalPERS Actuarial Valuations

TRABUCO CANYON WATER DISTRICT

Schedule of Changes in the District's Net OPEB Liability and Related Ratios For the Years Ended June 30, 2025 and 2024

Fiscal Year Ended	Last Ten Fiscal Years*				
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Measurement Date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total OPEB liability:					
Service cost	\$ 124,234	\$ 99,904	\$ 97,230	\$ 105,855	\$ 103,022
Interest	273,076	236,841	226,428	216,193	213,932
Changes of assumptions	1,045,952	273,764	-	(226,454)	-
Differences between expected and actual experience	27,737	146,127	-	305,472	(123,689)
Changes of benefit terms	-	-	-	-	-
Benefit payments	(259,177)	(206,821)	(160,346)	(117,348)	(118,587)
Administrative expense	-	-	-	16,207	-
Net change in total OPEB liability	1,211,822	549,815	163,312	299,925	74,678
Total OPEB liability - beginning	4,099,168	3,549,353	3,386,041	3,086,116	3,011,438
Total OPEB liability - ending	5,310,990	4,099,168	3,549,353	3,386,041	3,086,116
Plan fiduciary net position:					
Contributions - employer	70,540	52,863	-	108,754	281,864
Net investment income	141,190	204,452	242,141	194,837	89,611
Investment gains and losses	206,291	(4,948)	(722,615)	555,649	-
Employer contributions as benefit payments	-	-	160,346	117,348	-
Administrative expense	(1,032)	(779)	(1,033)	(1,033)	(1,213)
Other expense	-	-	-	-	-
Benefit payments	(259,177)	(206,821)	(160,346)	(117,348)	(118,587)
Net change in plan fiduciary net position	157,812	44,767	(481,507)	858,207	251,676
Plan fiduciary net position - beginning	3,150,993	3,106,226	3,587,733	2,729,526	2,477,850
Plan fiduciary net position - ending	3,308,805	3,150,993	3,106,226	3,587,733	2,729,526
District's net OPEB liability	\$ 2,002,185	\$ 948,175	\$ 443,127	\$ (201,692)	\$ 356,590
Plan fiduciary net position as a percentage of the total OPEB liability	62.30%	76.87%	87.52%	105.96%	88.45%
Covered payroll	2,957,281	2,546,507	2,383,857	2,133,046	1,753,930
District's net OPEB liability as a percentage of covered payroll	67.70%	37.23%	18.59%	-9.46%	20.33%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2020 – There were no changes in benefits
 Measurement Date June 30, 2021 – There were no changes in benefits
 Measurement Date June 30, 2022 – There were no changes in benefits
 Measurement Date June 30, 2023 – There were no changes in benefits
 Measurement Date June 30, 2024 – There were no changes in benefits

Changes in Assumptions:

Measurement Date June 30, 2020 – Inflation increased to 2.75%
 Measurement Date June 30, 2021 – Discount rate decreased to 6.75% and inflation decreased to 2.50%
 Measurement Date June 30, 2022 – There were no changes in assumptions
 Measurement Date June 30, 2023 – Mortality and retirement rates were updated to the CalPERS 2021 study from the CalPERS 2017 study.
 Measurement Date June 30, 2024 – Discount rate decreased from 6.75% to 4.75%.

TRABUCO CANYON WATER DISTRICT

Schedule of Changes in the District's Net OPEB Liability and Related Ratios (continued) For the Years Ended June 30, 2025 and 2024

Fiscal Year Ended Measurement Date	Last Ten Fiscal Years*		
	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB liability:			
Service cost	\$ 101,477	\$ 98,521	\$ 92,077
Interest	195,787	181,652	167,849
Changes of assumptions	(97,270)	-	-
Differences between expected and actual experience	159,266	-	-
Changes of benefit terms	-	-	-
Benefit payments	(86,591)	(75,817)	(62,564)
Administrative expense	-	-	-
Net change in total OPEB liability	272,669	204,356	197,362
Total OPEB liability - beginning	2,738,769	2,534,413	2,337,051
Total OPEB liability - ending	3,011,438	2,738,769	2,534,413
Plan fiduciary net position:			
Contributions - employer	259,180	245,243	175,489
Net investment income	137,226	146,228	168,197
Investment gains and losses	-	-	-
Employer contributions as benefit payments	-	-	-
Administrative expense	(467)	(993)	(852)
Other expense	-	(2,457)	-
Benefit payments	(86,591)	(75,817)	(62,564)
Net change in plan fiduciary net position	309,348	312,204	280,270
Plan fiduciary net position - beginning	2,168,502	1,856,298	1,576,028
Plan fiduciary net position - ending	2,477,850	2,168,502	1,856,298
District's net OPEB liability	\$ 533,588	\$ 570,267	\$ 678,115
Plan fiduciary net position as a percentage of the total OPEB liability	82.28%	79.18%	73.24%
Covered payroll	1,706,988	1,668,352	1,668,352
District's net OPEB liability as a percentage of covered payroll	31.26%	34.18%	40.65%

Notes to Schedule:

Benefit Changes:

Measurement Date June 30, 2017 – There were no changes in benefits

Measurement Date June 30, 2018 – There were no changes in benefits

Measurement Date June 30, 2019 – There were no changes in benefits

Changes in Assumptions:

Measurement Date June 30, 2017 – There were no changes in assumptions

Measurement Date June 30, 2018 – There were no changes in assumptions

Measurement Date June 30, 2019 – Inflation decreased to 2.50% and payroll increases include merit increases

* Fiscal year 2018 was the first year of implementation; therefore, only eight years are shown.

TRABUCO CANYON WATER DISTRICT

Schedule of the District Contributions to the Other Post-Employment Benefits Plan For the Years Ended June 30, 2025 and 2024

Fiscal Year Ended	Last Ten Fiscal Years*				
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Actuarially determined contribution	\$ 259,177	\$ 206,821	\$ 108,754	\$ 108,754	\$ 166,309
Contributions in relation to the actuarially determined contributions	<u>(259,177)</u>	<u>(206,821)</u>	<u>(108,754)</u>	<u>(108,754)</u>	<u>(281,864)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (115,555)
Covered payroll	\$ 2,546,507	\$ 2,383,857	\$ 2,133,046	\$ 2,133,046	\$ 1,753,930
Contributions as a percentage of covered payroll	10.18%	8.68%	5.10%	5.10%	16.07%

Notes to Schedule:

Valuation Date	June 30, 2023	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019
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Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial cost method	Entry age normal	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Closed period, level percent of pay	(1)	(1)	(1)	(1)	(1)
Amortization period		20-years	20-years	20-years	20-years	20-years
Asset valuation method		Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Discount rate		4.75%	6.75%	6.75%	6.75%	7.00%
Inflation		2.75%	2.75%	2.75%	2.75%	2.75%
Payroll increases		2.75%+Merit	2.75%+Merit	2.75%+Merit	2.75%+Merit	2.75%+Merit
Mortality		(2)	(2)	(2)	(2)	(2)
Morbidity		(3)	(3)	(3)	(3)	(3)
Disability		Not Valued	Not Valued	Not Valued	Not Valued	Not Valued
Retirement		(4)	(4)	(4)	(4)	(4)
Percent Married		80%	80%	85%	85%	85%
Healthcare trend rates		(5)	(5)	(5)	(5)	(5)

(1) Closed period, level percent of pay

(2) FY 2023 and earlier. Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019. For FY 2024 and later. CalPERS 2021 study.

(3) FY 2023 and earlier. Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019. For FY 2024 and later. CalPERS 2021 study.

(4) CalPERS Public Agency Miscellaneous 2.5% @55 and 2% @62

(5) 6.50% trending down 0.25% annually to 4.50% in 2029+

* Fiscal year 2018 was the first year of implementation; therefore, only eight years are shown.

TRABUCO CANYON WATER DISTRICT

*Schedule of the District Contributions to the Other Post-Employment Benefits Plan(continued)
For the Years Ended June 30, 2025 and 2024*

Last Ten Fiscal Years*

Fiscal Year Ended	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution	\$ 172,589	\$ 169,426	\$ 175,489
Contributions in relation to the actuarially determined contributions	<u>(259,180)</u>	<u>(245,243)</u>	<u>(175,489)</u>
Contribution deficiency (excess)	<u>\$ (86,591)</u>	<u>\$ (75,817)</u>	<u>\$ -</u>
Covered payroll	\$ 1,706,930	\$ 1,668,352	\$ 1,668,352
Contributions as a percentage of covered payroll	15.18%	14.70%	10.52%

Notes to Schedule:

Valuation Date	June 30, 2019	June 30, 2017	June 30, 2017
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Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial cost method	Entry Age	Entry Age	Entry Age
Amortization method	(1)	(1)	(1)
Amortization period	20-years	20-years	20-years
Asset valuation method	Fair Value	Fair Value	Fair Value
Discount rate	7.00%	7.00%	7.00%
Inflation	2.50%	2.75%	2.75%
Payroll increases	2.75%+Merit	3.00%	3.00%
Mortality	(2)	(2)	(2)
Morbidity	(3)	(3)	(3)
Disability	Not Valued	Not Valued	Not Valued
Retirement	(4)	(4)	(4)
Percent Married	85%	85%	85%
Healthcare trend rates	(5)	(5)	(5)

(1) Closed period, level percent of pay

(2) FY 2023 and earlier. Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019. For FY 2024 and later. CalPERS 2021 study.

(3) FY 2023 and earlier. Healthy Actives and Retirees: SOA Pub-2010 Scale MP-2019. For FY 2024 and later. CalPERS 2021 study.

(4) CalPERS Public Agency Miscellaneous 2.5% @55 and 2% @62

(5) 6.50% trending down 0.25% annually to 4.50% in 2029+

* Fiscal year 2018 was the first year of implementation; therefore, only eight years are shown.

Supplementary Information

TRABUCO CANYON WATER DISTRICT
Balance Sheets – Combined – Internal Funds
June 30, 2025 (With Comparative Amounts as of June 30, 2024)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Water	Sewer	Recycled Water	Reclaimed Water	2025	2024
Current assets:						
Cash and cash equivalents	\$ 2,036,462	\$ 2,821,826	\$ (215,724)	\$ -	\$ 4,642,564	\$ 3,322,824
Accrued interest receivable	-	4,200	2,569	-	6,769	2,506
Accounts receivable, net	1,767,399	471,376	289,080	-	2,527,855	2,098,459
Lease receivable	31,672	-	-	-	31,672	30,122
Other receivables	388,660	520,646	86,258	-	995,564	565,223
Prepaid expenses	56,086	42,735	32,554	-	131,375	78,336
Total current assets	4,280,279	3,860,783	194,737	-	8,335,799	6,097,470
Non-current assets:						
Restricted – cash and cash equivalents	6,633,283	2,335,786	490,203	-	9,459,272	15,106,824
Restricted - accrued interest receivable	12,865	1,358	-	-	14,223	18,150
Lease receivable	-	-	-	-	-	31,672
Capital assets – not being depreciated	1,992,002	1,481,373	242,257	-	3,715,632	6,131,719
Capital assets – being depreciated, net	23,513,391	16,459,565	3,777,932	-	43,750,888	41,986,078
Total non-current assets	32,151,541	20,278,082	4,510,392	-	56,940,015	63,274,443
Total assets	36,431,820	24,138,865	4,705,129	-	65,275,814	69,371,913
Deferred outflows of resources:						
Deferred amounts related to net OPEB liability	1,133,936	404,979	80,995	-	1,619,910	966,636
Deferred amounts related to net pension liability	1,034,248	369,373	73,874	-	1,477,495	1,855,980
Total deferred outflows of resources	2,168,184	774,352	154,869	-	3,097,405	2,822,616
Total assets and deferred outflows of resources	\$ 38,600,004	\$ 24,913,217	\$ 4,859,998	\$ -	\$ 68,373,219	\$ 72,194,529
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
Current liabilities:						
Accounts payable and accrued expenses	\$ 1,695,680	\$ 661,773	\$ 197,192	\$ -	\$ 2,554,645	\$ 2,889,396
Deposits and unearned revenues	71,795	137,191	2,652	-	211,638	182,718
Long-term liabilities – due within one year:						
Compensated absences	86,964	37,702	8,452	-	133,118	100,445
Loans payable	514,732	285,928	35,987	-	836,647	97,153
Total current liabilities	2,369,171	1,122,594	244,283	-	3,736,048	3,269,712
Non-current liabilities:						
Long-term liabilities – due in more than one year:						
Compensated absences	161,503	70,017	15,696	-	247,216	186,539
Loans payable	11,144,337	8,890,623	1,118,978	-	21,153,938	21,990,585
Net OPEB liability	1,401,530	500,546	100,109	-	2,002,185	948,175
Net pension liability	2,911,548	1,039,839	207,968	-	4,159,355	4,202,950
Total non-current liabilities	15,618,918	10,501,025	1,442,751	-	27,562,694	27,328,249
Total liabilities	17,988,089	11,623,619	1,687,034	-	31,298,742	30,597,961
Deferred inflows of resources:						
Deferred amounts related to leases	27,064	-	-	-	27,064	54,128
Deferred amounts related to net OPEB liability	151,514	54,113	10,823	-	216,450	265,351
Deferred amounts related to net pension liability	40,286	14,388	2,878	-	57,552	151,732
Total deferred inflows of resources	218,864	68,501	13,701	-	301,066	471,211
Net position:						
Net investment in capital assets	18,898,507	10,693,474	3,319,440	-	32,911,421	37,290,826
Restricted for capital improvements	1,178,618	122,129	-	-	1,300,747	3,864,207
Unrestricted	315,926	2,405,494	(160,177)	-	2,561,243	(29,676)
Total net position	20,393,051	13,221,097	3,159,263	-	36,773,411	41,125,357
Total liabilities, deferred inflows of resources and net position	\$ 38,600,004	\$ 24,913,217	\$ 4,859,998	\$ -	\$ 68,373,219	\$ 72,194,529

TRABUCO CANYON WATER DISTRICT

Schedule of Revenues, Expenses and Changes in Net Position – Combined – Internal Funds For the Year Ended June 30, 2025 (With Comparative Amounts as of June 30, 2024)

	Water	Sewer	Recycled Water	Reclaimed Water	2025	2024
Operating revenues:						
Water consumption sales	\$ 4,944,513	\$ -	\$ -	\$ -	\$ 4,944,513	\$ 3,642,268
Water service charges	3,725,327	-	-	-	3,725,327	3,256,048
Sewer service charges	-	2,847,510	-	-	2,847,510	2,480,724
Recycled water sales	-	-	1,536,695	-	1,536,695	1,101,951
Wholesale water sales –BTP	1,536,256	-	-	-	1,536,256	1,831,802
Other operating revenues	131,758	98,523	17,933	-	248,214	216,807
Total operating revenues	10,337,854	2,946,033	1,554,628	-	14,838,515	12,529,600
Operating expenses:						
Source of supply	5,334,510	-	-	-	5,334,510	3,862,414
Pumping and power	400,961	-	-	-	400,961	339,222
Water treatment	104,637	-	-	-	104,637	167,006
Transmission and distribution	452,237	-	-	-	452,237	184,811
Sewer operations	-	636,746	-	-	636,746	643,577
Recycled operations	-	-	537,373	-	537,373	606,960
General and administrative	6,009,114	2,626,104	588,298	-	9,223,516	7,596,434
Total operating expenses	12,301,459	3,262,850	1,125,671	-	16,689,980	13,400,424
Operating income(loss) before depreciation	(1,963,605)	(316,817)	428,957	-	(1,851,465)	(870,824)
Depreciation expense	(2,336,821)	(2,145,860)	(314,511)	-	(4,797,192)	(4,347,932)
Operating income(loss)	(4,300,426)	(2,462,677)	114,446	-	(6,648,657)	(5,218,756)
Non-operating revenues(expenses):						
Property taxes	1,176,422	1,176,422	-	-	2,352,844	2,312,186
Investment earnings	177,614	442,959	66,856	-	687,429	357,229
Rental revenue	27,065	-	-	-	27,065	27,065
Interest expense	(521,042)	(438,316)	(55,167)	-	(1,014,525)	(178,714)
Cost of debt issuance	-	-	-	-	-	(65,000)
Property tax administration charge	(8,724)	(6,052)	-	-	(14,776)	(10,189)
Transfers In/(Out)	-	-	1,984,476	(1,984,476)	-	-
Other non-operating revenues	5,211	3,092	371	-	8,674	267,005
Total non-operating revenues(expenses), net	856,546	1,178,105	1,996,536	(1,984,476)	2,046,711	2,709,582
Change in net position before capital contribs.	(3,443,880)	(1,284,572)	2,110,982	(1,984,476)	(4,601,946)	(2,509,174)
Capital contributions:						
Water reliability and emergency storage fees	-	-	-	-	-	-
Capital grants	175,000	62,500	12,500	-	250,000	-
Contributed capital – other	-	-	-	-	-	-
Total capital contributions	175,000	62,500	12,500	-	250,000	-
Change in net position	(3,268,880)	(1,222,072)	2,123,482	(1,984,476)	(4,351,946)	(2,509,174)
Net position:						
Beginning of year	23,661,931	14,443,169	1,035,781	1,984,476	41,125,357	43,634,531
End of year	<u>\$ 20,393,051</u>	<u>\$ 13,221,097</u>	<u>\$ 3,159,263</u>	<u>\$ -</u>	<u>\$ 36,773,411</u>	<u>\$ 41,125,357</u>

Statistical Section

TRABUCO CANYON WATER DISTRICT

*Schedule of the District's Contributions to the Defined Benefit Pension Plan
For the Year Ended June 30, 2025*

The following statistical section of the District's annual comprehensive financial report presents detailed and historical information as a reference for understanding the information included in the basic financial statements, notes to financial statements, and required supplementary information.

Financial Trends Schedules **Pages 55-58**

Presents information to assist the reader in understanding how the District's financial position has performed over time.

Revenue Capacity Schedules **Pages 59-64**

Presents information to assist the reader in understanding the District's major revenue sources.

Debt Capacity Schedule **Pages 65-66**

Presents information to assist the reader in understanding the District's current levels of outstanding debt and the ability to issue additional debt in the future.

Demographic and Economic Information **Page 67**

Presents demographic and economic information to assist the reader in understanding the environment in which the District operates.

Operating Information **Pages 68-69**

Presents data related to District infrastructure and services to assist the reader in understanding how District's financial information relates to services provided by the District.

Trabuco Canyon Water District
Changes in Net Position and Net Position by Component
For the Past Ten Fiscal Years

	Fiscal Year				
	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
Changes in Net Position					
Operating Revenues (see Schedule 2)	14,838,515	12,529,599	9,813,737	9,018,591	8,929,018
Operating Expenses (see Schedule 3)	<u>(21,487,172)</u>	<u>(17,748,356)</u>	<u>(16,683,346)</u>	<u>(15,321,337)</u>	<u>(15,399,978)</u>
Operating Income (Loss)	(6,648,657)	(5,218,757)	(6,869,609)	(6,302,746)	(6,470,959)
Nonoperating Revenues (Expenses)					
Property Taxes	2,352,844	2,314,232	2,203,522	2,077,577	2,048,226
Investment Earnings	687,429	355,184	325,827	(109,229)	26,761
Rental Revenue	27,065	28,164	27,064	27,063	24,836
Interest Expense	(1,014,525)	(178,714)	(189,447)	(102,612)	(51,932)
Cost of Debt Issuance	-	(65,000)	-	(84,500)	-
Property Tax Administration Charge	(14,776)	(10,189)	(10,130)	(11,508)	(12,429)
Other Non-Operating Revenue	8,674	265,906	34,966	205,536	106,336
Other Non-Operating Expense	-	-	-	(140,598) ⁽²⁾	-
Total Non-Operating, Net	<u>2,046,711</u>	<u>2,709,582</u>	<u>2,391,802</u>	<u>1,861,730</u>	<u>2,141,798</u>
Net Income (Loss) before Capital Contributions	(4,601,946)	(2,509,175)	(4,477,807)	(4,441,017)	(4,329,161)
Capital Contributions					
Water Reliability and Emergency Storage Fees	-	-	865,302	823,102	822,779
Capital Grants	250,000	-	506,804	-	99,750
Capital Contributions - Other	-	-	40,795	-	1,077,826
Total Capital Contributions	<u>250,000</u>	<u>-</u>	<u>1,412,901</u>	<u>823,102</u>	<u>2,000,355</u>
Increase (Decrease) in Net Position	(4,351,946)	(2,509,175)	(3,064,906)	(3,617,915)	(2,328,807)
Net Position at Beginning of Year	41,125,357	43,634,474	46,699,380	50,312,017	52,640,824
Restatement	-	-	-	5,278	-
Net Position at End of Year	<u>36,773,411</u>	<u>41,125,299</u>	<u>43,634,474</u>	<u>46,699,380</u>	<u>50,312,017</u>
Net Position, Restated by Component					
Net Investment in Capital Assets	32,911,421	37,290,826	40,918,075	44,617,301	47,913,266
Restricted	1,300,747	3,864,207	3,885,460	5,292,370	5,104,320
Unrestricted	<u>2,561,243</u>	<u>(29,676)</u>	<u>(1,169,004)</u>	<u>(3,210,234)</u>	<u>(2,705,511)</u>
Total Net Position	<u>36,773,411</u>	<u>41,125,357</u>	<u>43,634,531</u>	<u>46,699,437</u>	<u>50,312,075</u>

Source: TCWD Accounting Department

Notes.

(1) FY 20 Capacity assignment revenue from another agency's forfeiture in shared plant asset with TCWD.

(2) Grant receivable realized as uncollectable during FY 22 for \$ 140K.

(3) Reimbursement of \$ 50K to developer per contractual obligations.

(4) Restatement related to implementation of GASB 87.

(5) Restatement related to implementation of GASB 75.

(6) Restatement related to implementation of GASB 68 and 71.

Trabuco Canyon Water District
Changes in Net Position and Net Position by Component
For the Past Ten Fiscal Years

	Fiscal Year				
	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Changes in Net Position					
Operating Revenues (see Schedule 2)	8,201,075	7,449,430	8,576,909	6,778,177	5,193,572
Operating Expenses (see Schedule 3)	(14,200,695)	(12,936,934)	(13,182,336)	(10,763,964)	(9,832,915)
Operating Income (Loss)	(5,999,620)	(5,487,505)	(4,605,428)	(3,985,787)	(4,639,343)
Nonoperating Revenues (Expenses)					
Property Taxes	1,936,412	1,768,141	1,629,213	1,519,447	1,482,960
Investment Earnings	119,066	228,244	149,070	59,342	41,324
Rental Revenue	24,112	23,410	22,728	23,116	21,423
Interest Expense	(60,635)	(121,869)	(176,022)	(227,673)	(277,950)
Cost of Debt Issuance	(850)	(7,213)	(6,467)	(4,714)	(38,202)
Property Tax Administration Charge	(11,846)	(11,467)	(12,141)	(8,346)	(12,330)
Capacity Assignment Revenue	4,526,000 ⁽¹⁾	-	-	-	-
Other Non-Operating Revenue	48,065	94,192	103,154	42,169	19,900
Other Non-Operating Expense	-	-	(50,000) ⁽³⁾	-	-
Total Non-Operating, Net	6,580,325	1,973,438	1,659,534	1,403,341	1,237,126
Net Income (Loss) before Capital Contributions	580,705	(3,514,066)	(2,945,894)	(2,582,447)	(3,402,216)
Capital Contributions					
Water Reliability and Emergency Storage Fees	833,511	854,770	962,266	930,279	905,773
Capital Grants	1,400,052	48,109	1,695,352	103,667	23,804
Developer Impact Fees	-	-	-	1,822,446	782,108
Total Capital Contributions	2,233,563	902,879	2,657,618	2,856,393	1,711,685
Increase (Decrease) in Net Position	2,814,268	(2,611,187)	(288,276)	273,946	(1,690,532)
Net Position at Beginning of Year	49,826,556	52,437,744	53,097,066	52,823,120	54,513,652
Restatement	-	-	(371,046) ⁽⁵⁾	-	-
Net Position at End of Year	52,640,824	49,826,556	52,437,744	53,097,066	52,823,120
Net Position, Restated by Component					
Net Investment in Capital Assets	44,976,850	43,977,274	44,564,894	41,957,303	42,059,413
Restricted	3,254,760	6,426,257	7,312,853	7,364,937	5,401,951
Unrestricted	4,409,211	(576,976)	560,000	3,774,827	5,361,757
Total Net Position	52,640,821	49,826,555	52,437,747	53,097,067	52,823,121

Source: TCWD Accounting Department

Notes

(1) FY 20 Capacity assignment revenue from another agency's forfeiture in shared plant asset with TCWD.

(2) Grant receivable realized as uncollectable during FY 22 for \$ 40K.

(3) Reimbursement of \$ 50K to developer per contractual obligations.

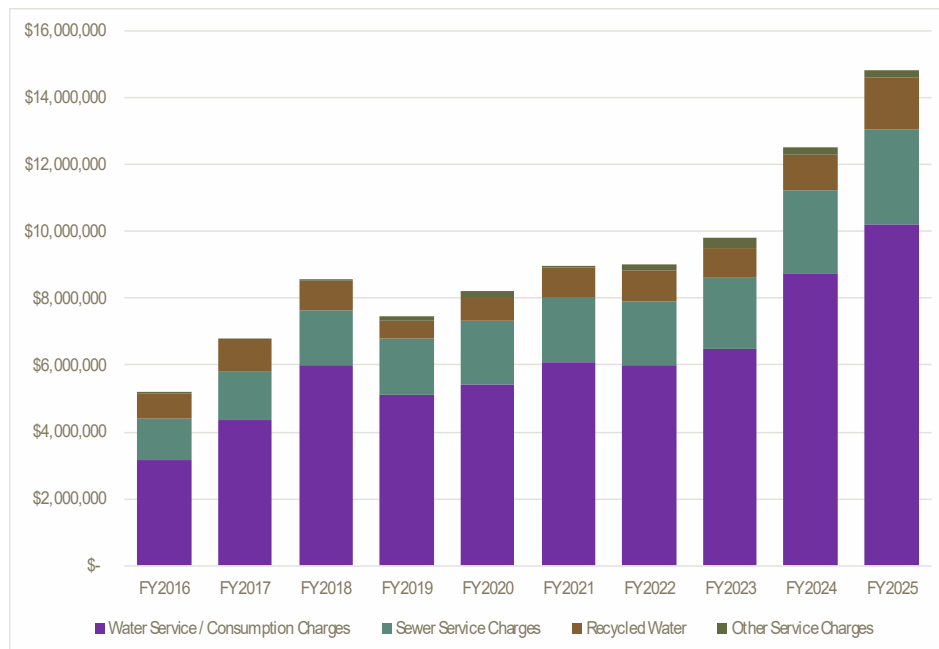
(4) Restatement related to implementation of GASB 87.

(5) Restatement related to implementation of GASB 75.

(6) Restatement related to implementation of GASB 68 and 71.

Trabuco Canyon Water District Operating Revenues by Source For the Past Ten Fiscal Years

Fiscal Year	Water Service / Consumption Charges	Sewer Service Charges	Recycled Water	Other Service Charges	Total Operating Revenue
FY 2016	\$ 3,166,148	\$ 1,249,959	\$ 751,903	\$ 25,562	\$ 5,193,572
FY 2017	4,349,376	1,490,075	912,854	25,872	6,778,177
FY 2018	5,983,944	1,670,020	886,517	36,428	8,576,909
FY 2019	5,104,538	1,680,060	550,646	114,185 ⁽²⁾	7,449,430
FY 2020	5,408,715	1,918,114	723,088	151,158	8,201,075
FY 2021	6,096,488	1,955,994	859,761	16,775 ⁽³⁾	8,929,018
FY 2022	6,011,015	1,881,562	939,440	186,574 ⁽⁴⁾	9,018,591
FY 2023	6,506,887	2,098,956	907,833	300,060	9,813,737
FY 2024	8,730,117	2,480,724	1,101,951	216,807	12,529,599
FY 2025	10,206,096	2,847,510	1,536,695	248,214	14,838,515



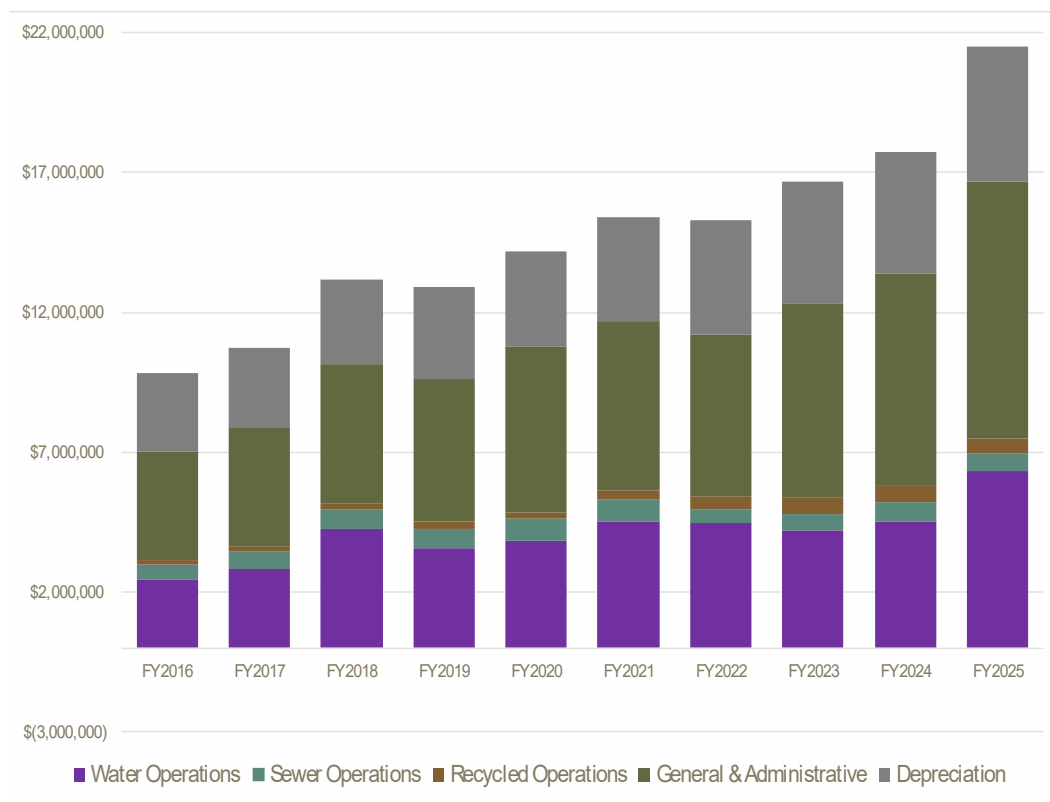
Source: TCWD Accounting Department

Notes

- (1) Watersales varies depending upon a variety of external factors beyond TCWD's control such as rainfall, population growth and supply fluctuations.
- (2) Increased due to \$ 108K in unusual customer late charges.
- (3) Others service charges decreased due to the suspension of customer late charges during the COVID-19 pandemic.
- (4) Others service charges increased due to customer late charges of \$ 179K, which resumed during the fiscal year.
- (5) Prior year revenues may be reclassified to conform to current year presentation.

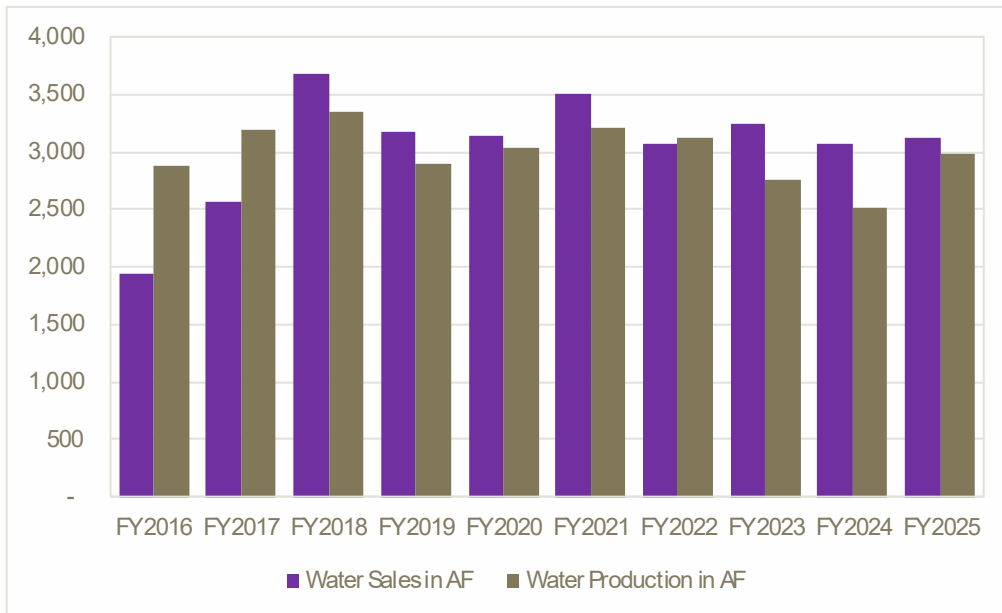
Trabuco Canyon Water District Operating Expenses by Activity For the Past Ten Fiscal Years

Fiscal Year	Water Operations	Sewer Operations	Recycled Operations	General & Administrative	Depreciation	Total Operating Expenses
FY 2016	\$ 2,456,988	\$ 521,905	\$ 162,804	\$ 3,894,940	\$ 2,796,279	\$ 9,832,915
FY 2017	2,853,732	618,484	151,604	4,261,266	2,878,879	10,763,964
FY 2018	4,275,792	698,653	170,398	4,986,713	3,050,781	13,182,336
FY 2019	3,585,547	705,447	251,063	5,090,651	3,304,226	12,936,934
FY 2020	3,855,349	770,328	239,354	5,907,002	3,428,662	14,200,695
FY 2021	4,551,853	760,443	326,133	6,071,979	3,689,570	15,399,978
FY 2022	4,497,922	443,416	501,353	5,749,217	4,129,429	15,321,337
FY 2023	4,235,301	566,643	555,663	6,967,777	4,357,962	16,683,346
FY 2024	4,553,453	643,577	606,960	7,596,434	4,347,932	17,748,356
FY 2025	6,313,919	636,746	537,373	9,201,942	4,797,192	21,487,172



Trabuco Canyon Water District
Revenue Base
For the Past Ten Fiscal Years

Fiscal Year	Water Sales in AF	Water Production in AF
FY 2016	1,933	2,885
FY 2017	2,567	3,200
FY 2018	3,674	3,351
FY 2019	3,182	2,896
FY 2020	3,134	3,039
FY 2021	3,512	3,207
FY 2022	3,073	3,128
FY 2023	3,238	2,762
FY 2024	3,077	2,520
FY 2025	3,114	2,991



Source: TCWD Accounting Department

Notes

(1) Water sold will vary depending upon a variety of external factors beyond TCWD's control such as rainfall, population growth and supply fluctuations. Excludes Baker Treatment Plant wholesale water pass-through sales.

(2) Production includes both potable and non-potable water.

Trabuco Canyon Water District Water Rates For the Past Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Potable Water Consumption per Hundred Cubic Feet (HCF)										
SF Residential - Tier 1	2.19	2.30	2.42	2.55	2.68	2.50	2.70	2.92	4.40	5.06
SF Residential - Tier 2	2.43	2.56	2.69	2.83	2.98	3.18	3.44	3.72	5.12	5.90
SF Residential - Tier 3	4.84	5.09	5.35	5.62	5.91	6.04	6.53	7.06	5.64	6.50
SF Residential - Tier 4	5.99	6.29	6.61	6.95	7.30	7.85	8.48	9.16	<i>3 tier structure</i>	
Multi-Family Tier 1	2.52	2.65	2.79	2.93	3.08	2.93	3.17	4.86	4.62	5.34
Multi-Family Tier 2	<i>*2 tier structure beginning FY 2024</i>								5.64	6.50
Irrigation - HOAs	2.99	3.14	3.30	3.47	3.65	4.16	4.50	4.86	4.73	5.47
Irrigation - Commercial	2.99	3.14	3.30	3.47	3.65	4.16	4.50	4.86	4.73	5.47
Commercial	2.64	2.78	2.92	3.07	3.23	3.22	3.48	3.76	4.73	5.47
Agriculture	3.05	3.21	3.38	3.55	3.73	5.28	5.71	6.17	4.73	5.47
Construction	3.84	4.04	4.25	4.47	4.70	3.72	4.02	4.35	4.77	5.47
Recycled Water Consumption per Hundred Cubic Feet (HCF)										
Non-Domestic - Dove	2.37	2.37	2.37	2.37	2.40	2.71	2.99	3.47	4.08	4.90
Non-Domestic - Golf Course	2.41	2.41	2.41	2.41	2.50	2.71	2.99	3.47	4.08	4.90
Non-Domestic - Other	2.41	2.41	2.41	2.41	2.41	2.71	2.99	3.47	4.08	4.90
Monthly Fixed Service Charge by Meter - Potable Water										
5/8 inch	13.70	14.39	15.11	15.87	16.67	18.03	19.48	21.04	46.84	53.25
3/4 inch	13.70	14.39	15.11	15.87	16.67	18.03	19.48	21.04	46.84	53.25
1 inch	19.73	20.72	21.76	22.85	24.00	26.31	28.42	30.70	94.93	108.25
1 1/2 inch	36.06	37.87	39.77	41.76	43.85	47.01	50.78	54.85	175.08	199.92
2 inch	53.50	56.18	58.99	61.94	65.04	71.85	77.60	83.81	271.26	309.93
3 inch	110.25	115.77	121.56	127.64	134.03	150.51	162.56	175.57	575.83	658.29
4 inch	191.82	201.42	211.50	222.08	233.19	266.43	287.75	310.77	1,024.67	1,171.67
6 inch	476.92	500.77	525.81	552.11	579.72	668.01	721.46	779.18	2,098.68	2,400.08
Hydrant Meter	111.05	116.61	122.45	128.58	135.01	150.51	162.56	175.57	575.83	658.29
Monthly Fixed Service Charge by Meter - Recycled Water										
5/8 inch	13.70	14.39	15.11	15.87	16.67	18.03	19.48	21.04	25.76	30.40
3/4 inch	13.70	14.39	15.11	15.87	16.67	18.03	19.48	21.04	25.76	30.40
1 inch	19.73	20.72	21.76	22.85	24.00	26.31	28.42	30.70	52.21	61.61
1 1/2 inch	36.06	37.87	39.77	41.76	43.85	47.01	50.78	54.85	96.29	113.63
2 inch	53.50	56.18	58.99	61.94	65.04	71.85	77.60	83.81	149.19	176.05
3 inch	110.25	115.77	121.56	127.64	134.03	150.51	162.56	175.57	316.71	373.71
4 inch	191.82	201.42	211.50	222.08	233.19	266.43	287.75	310.77	563.57	665.02
6 inch	476.92	500.77	525.81	552.11	579.72	668.01	721.46	779.18	1,154.27	1,362.05
10 inch	1,245.08	1,307.34	1,372.71	1,441.35	1,513.42	1,744.41	1,883.97	2,034.69	3,711.06	4,379.05
Monthly Water Reliability and Emergency Storage (WRES) Charge										
5/8 inch	16.50	16.50	16.50	16.50	16.04	16.04	16.04	16.04	<i>*WRES fee removed from rate structure</i>	
3/4 inch	16.50	16.50	16.50	16.50	16.04	16.04	16.04	16.04		
1 inch	26.39	26.39	26.39	26.39	25.25	25.25	25.25	25.25		
1 1/2 inch	39.59	39.59	39.59	39.59	38.48	38.48	38.48	38.48		
2 inch	52.78	52.78	52.78	52.78	51.30	51.30	51.30	51.30		
3 inch	79.17	79.17	79.17	79.17	76.95	76.95	76.95	76.95		
4 inch	105.56	105.56	105.56	105.56	102.60	102.60	102.60	102.60		
6 inch	158.34	158.34	158.34	158.34	153.90	153.90	153.90	153.90		
1 1/2 inch Non-Domestic	33.64	33.64	33.64	33.64	32.70	32.70	32.70	32.70		
2 inch Non-Domestic	44.86	44.86	44.86	44.86	43.60	43.60	43.60	43.60		
3 inch Non-Domestic	67.30	67.30	67.30	67.30	65.42	65.42	65.42	65.42		
4 inch Non-Domestic	89.73	89.73	89.73	89.73	87.21	87.21	87.21	87.21		
10 inch Non-Domestic	224.32	224.32	224.32	224.32	218.03	218.03	218.03	218.03		

Source: TCWD Accounting Department

Notes

- (1) The District is required to follow Proposition 28 procedures when raising or adjusting rates.
- (2) For more information on the District's rate structure, visit <https://www.tcwd.ca.gov/your-water/district-rates-fees-charges>

**Trabuco Canyon Water District
Wastewater Rates
For the Past Ten Fiscal Years**

Fiscal Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Monthly Wastewater Service Charge										
Single Family Residential	24.47	28.15	29.57	31.06	32.62	35.20	37.32	39.56	45.92	53.27
Multi-Family Residential (per DU)	24.47	28.15	29.57	31.06	32.62	26.99	28.61	35.47	45.92	53.27
Billing & Customer Service Charge										
5/8 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
3/4 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
1 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
1 1/2 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
2 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
3 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
4 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
6 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
8 inch	4.64	5.34	5.61	5.90	6.20	4.58	4.85	5.14	12.58	14.60
Volumetric Rate per Hundred Cubic Feet (HCF)										
Commercial - Low	3.28	3.78	3.97	4.17	4.38	5.05	5.36	5.69	4.78	5.55
Commercial - Medium	5.28	6.08	6.39	6.71	7.05	6.41	6.80	7.21	8.00	9.28
Commercial - High	8.00	9.20	9.66	10.15	10.66	8.39	8.90	9.44	12.36	14.34

Source: TCWD Accounting Department

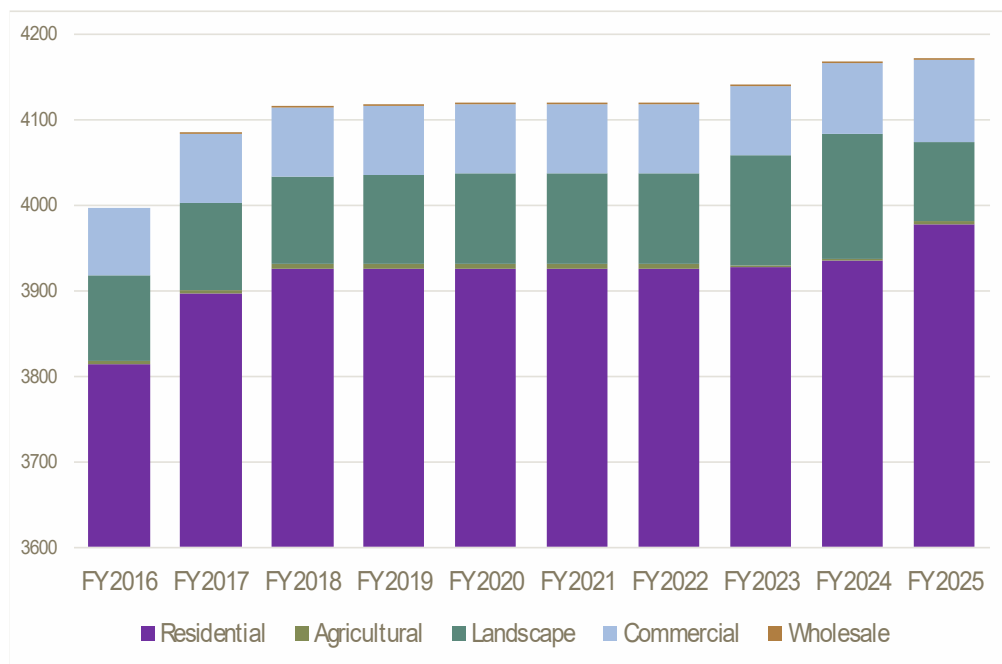
Notes

(1) The District is required to follow Proposition 218 procedures when raising or adjusting rates.

(2) For more information on the District's rate structure, visit <https://www.tcwd.ca.gov/your-water/district-rates-fees-charges>

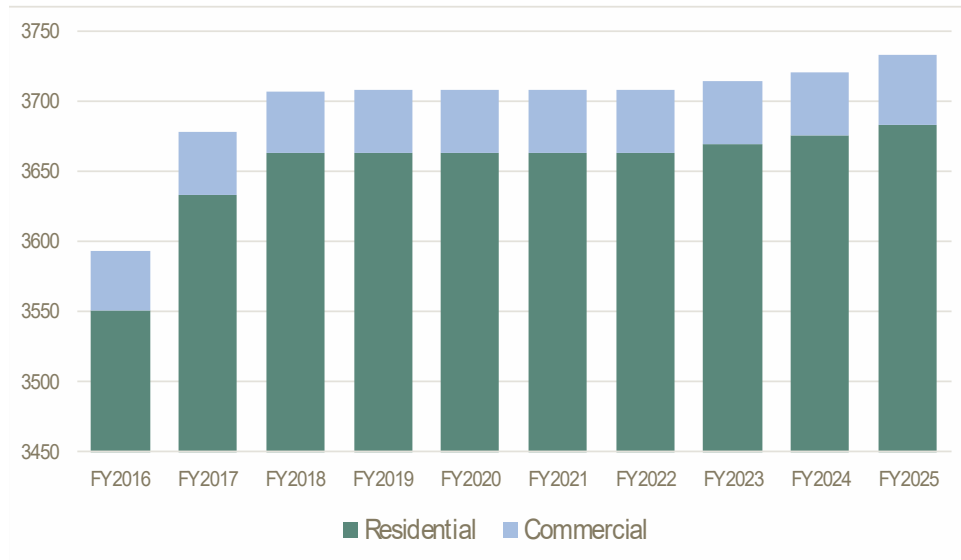
Trabuco Canyon Water District
Water Customers by Type
For the Past Ten Fiscal Years

Fiscal Year	Residential	Agricultural	Landscape	Commercial	Wholesale	Total Customers
FY 2016	3814	5	100	79	-	3998
FY 2017	3897	5	101	80	1	4084
FY 2018	3927	5	101	81	1	4115
FY 2019	3927	5	104	81	1	4118
FY 2020	3927	5	106	81	1	4120
FY 2021	3927	5	106	81	1	4120
FY 2022	3927	5	106	81	1	4120
FY 2023	3928	2	128	81	1	4140
FY 2024	3936	2	145	83	1	4167
FY 2025	3979	2	93	96	1	4171



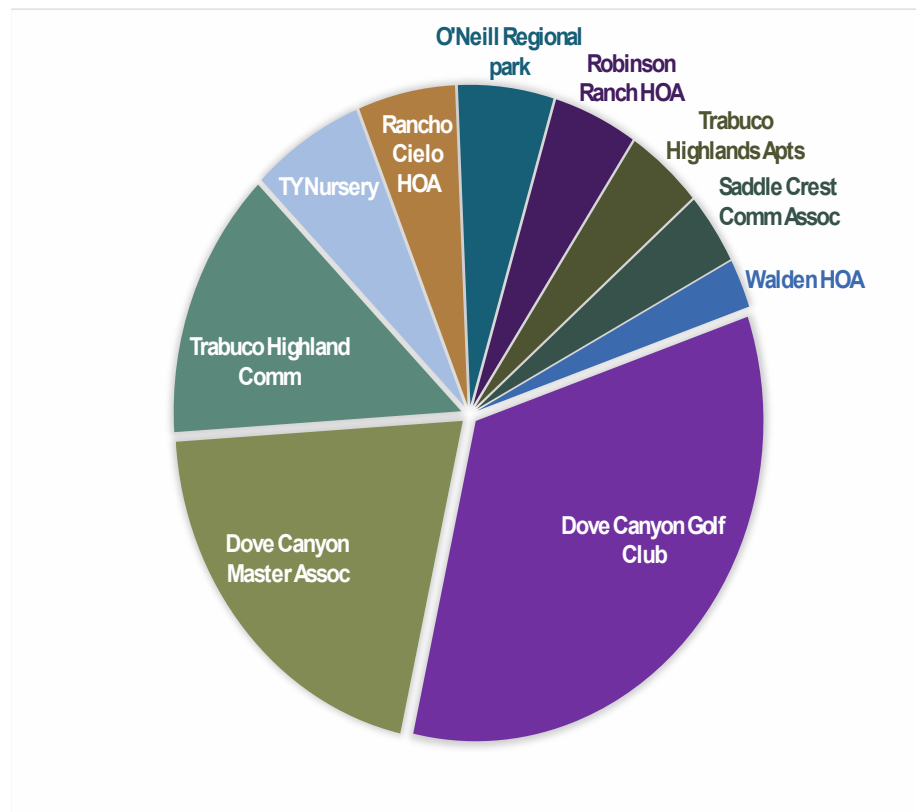
Trabuco Canyon Water District
Wastewater Customers by Type
For the Past Ten Fiscal Years

Fiscal Year	Residential	Commercial	Total Customers
FY 2016	3551	42	3593
FY 2017	3634	44	3678
FY 2018	3664	43	3707
FY 2019	3664	44	3708
FY 2020	3664	44	3708
FY 2021	3664	44	3708
FY 2022	3664	44	3708
FY 2023	3670	45	3715
FY 2024	3676	45	3721
FY 2025	3683	50	3733



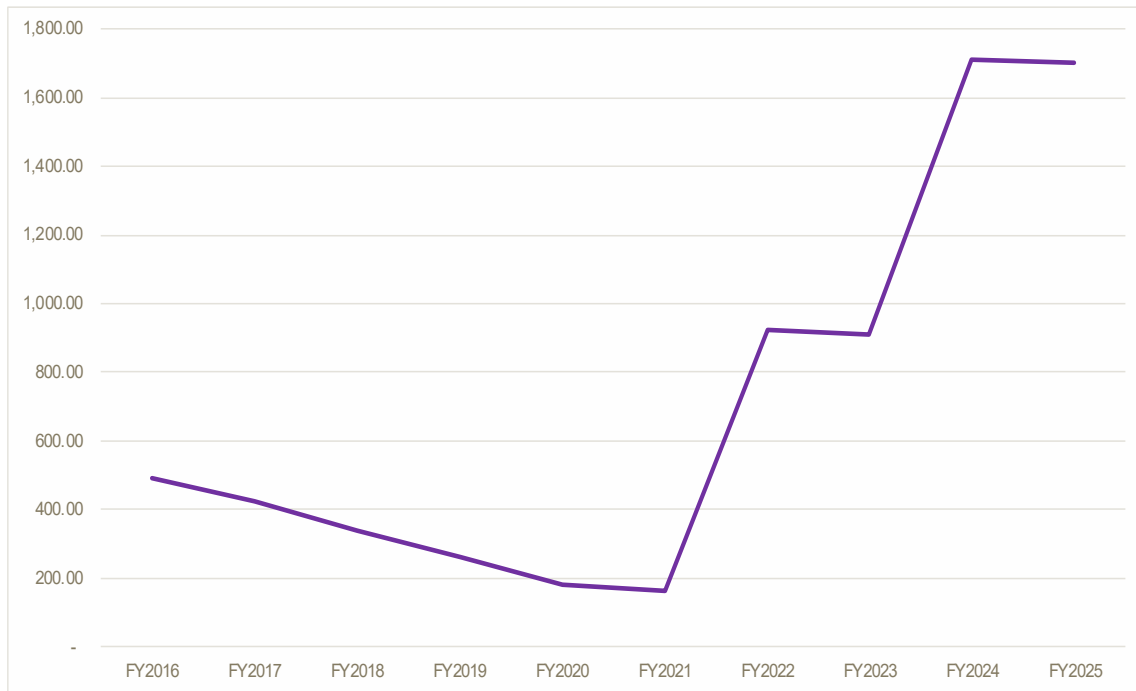
Trabuco Canyon Water District
Principal Water Customers
Current Fiscal Year and Ten Years Ago

Rank	Customer	FY 2016		FY 2025	
		Water Sold (AF) ⁽²⁾	% of Total Water Sold	Water Sold (AF) ⁽²⁾	% of Total Water Sold
1	Dove Canyon Golf Club	382.78	14.70%	317.25	12.03%
2	Dove Canyon Master Assoc	204.54	7.85%	192.32	7.29%
3	Trabuco Highland Comm	106.83	4.10%	127.34	4.83%
4	TY Nursery	204.77	7.86%	59.55	2.26%
5	Rancho Cielo HOA	38.05	1.46%	51.26	1.94%
6	O'Neill Regional park	49.90	1.92%	50.38	1.91%
7	Robinson Ranch HOA	44.42	1.71%	44.16	1.67%
8	Trabuco Highlands Apts	40.17	1.54%	40.20	1.52%
9	Saddle Crest Comm Assoc	0.00	0.00%	33.82	1.28%
10	Walden HOA	21.87	0.84%	23.26	0.88%
		1093.33	41.98%	939.54	35.63%



Trabuco Canyon Water District
Ratio of Outstanding Debt
For the Past Ten Fiscal Years

Fiscal Year	Refunding Revenue Bonds	2011 State Revolving Fund Loan	Bank of The West Loan Payable	2024 Debt Issuance	Total Debt Outstanding	Per Capita ⁽¹⁾	As a Share of Personal Income ⁽²⁾
FY 2016	\$ 3,235,693	\$ 2,993,121	\$ -	\$ -	\$ 6,228,814	489.99	0.82%
FY 2017	2,493,795	2,912,107	-	-	5,405,902	425.26	0.68%
FY 2018	1,711,898	2,663,469	-	-	4,375,367	338.62	0.51%
FY 2019	890,000	2,492,943	-	-	3,382,943	261.82	0.37%
FY 2020	-	2,318,501	-	-	2,318,501	179.44	0.25%
FY 2021	-	2,140,052	-	-	2,140,052	165.63	0.20%
FY 2022	-	1,957,505	10,000,000	-	11,957,505	925.43	1.10%
FY 2023	-	1,770,766	10,000,000 ⁽³⁾	-	11,770,766	910.98	1.07%
FY 2024	-	1,579,738	-	20,508,000 ⁽⁴⁾	22,087,738	1,709.44	1.88%
FY 2025	-	1,482,585	-	20,508,000	21,990,585	1,701.93	1.87%



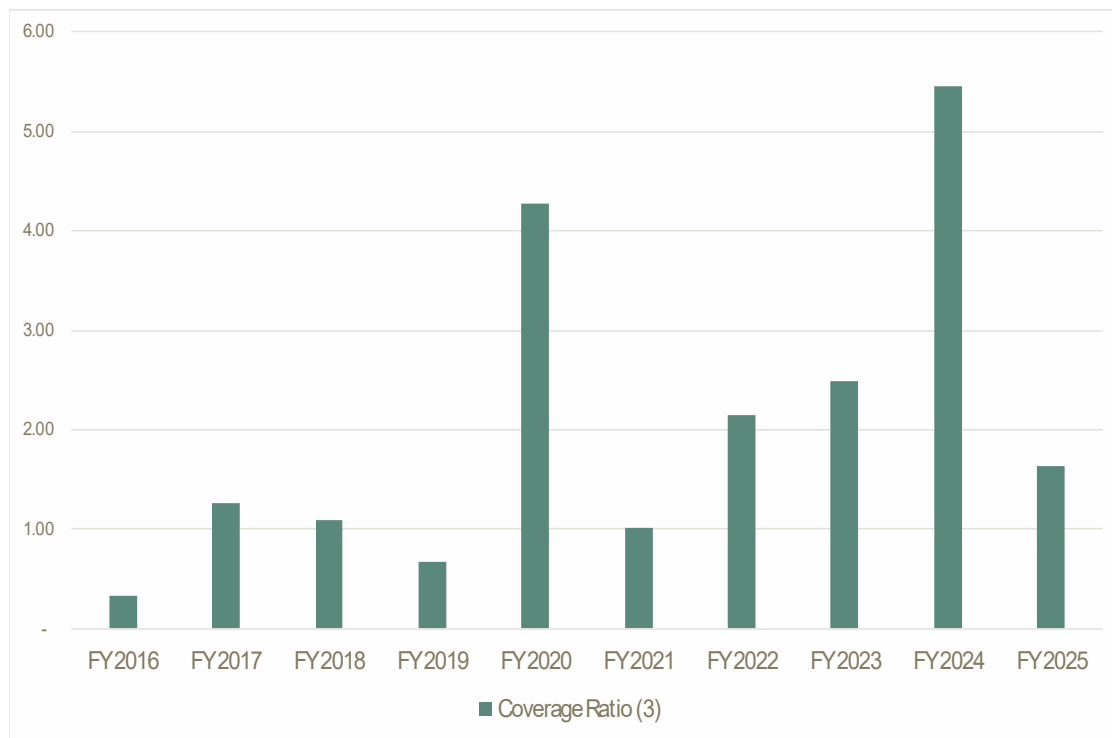
Source: TCWD Accounting Department

Notes

- (1) Population estimate for per capita figures is based on TCWD's Urban Water Management Plan which is updated every five years.
- (2) Personal income information is based on County of Orange data, which is representative of the conditions and experiences of TCWD.
- (3) The District received \$10M in loan proceeds from Bank of The West for use on capital projects during FY 2022 and FY 2023.
- (4) The District issued new debt in FY 2024 to pay off the Bank of the West \$10M loan proceeds as well as fund new capital improvement projects over the next three fiscal years.

Trabuco Canyon Water District Debt Service Coverage For the Past Ten Fiscal Years

Fiscal Year	Revenues ⁽¹⁾	Expenses ⁽²⁾	Net Available Revenue	Debt Service		Annual Total	Coverage Ratio ⁽³⁾
				Principal	Interest		
FY 2016	7,664,952	7,087,167	577,784	1,437,498	309,268	1,746,766	0.33
FY 2017	9,352,530	7,898,146	1,454,384	906,116	244,487	1,150,603	1.26
FY 2018	11,443,339	10,200,164	1,243,176	949,816	194,123	1,143,939	1.09
FY 2019	10,418,187	9,651,388	766,799	993,601	141,233	1,134,834	0.68
FY 2020	15,688,241	10,784,729	4,903,512	1,062,473	85,053	1,147,526	4.27
FY 2021	11,957,956	11,722,836	235,120	178,449	51,932	230,381	1.02
FY 2022	12,042,640	11,428,515	614,125	182,547	102,612	285,159	2.15
FY 2023	13,270,418	12,335,514	934,904	186,739	189,448	376,187	2.49
FY 2024	15,493,085	13,475,613	2,017,471	191,028	178,714	369,742	5.46
FY 2025	17,914,527	16,704,755	1,209,772	195,415	541,815	737,231	1.64



Source: TCWD Accounting Department

Notes

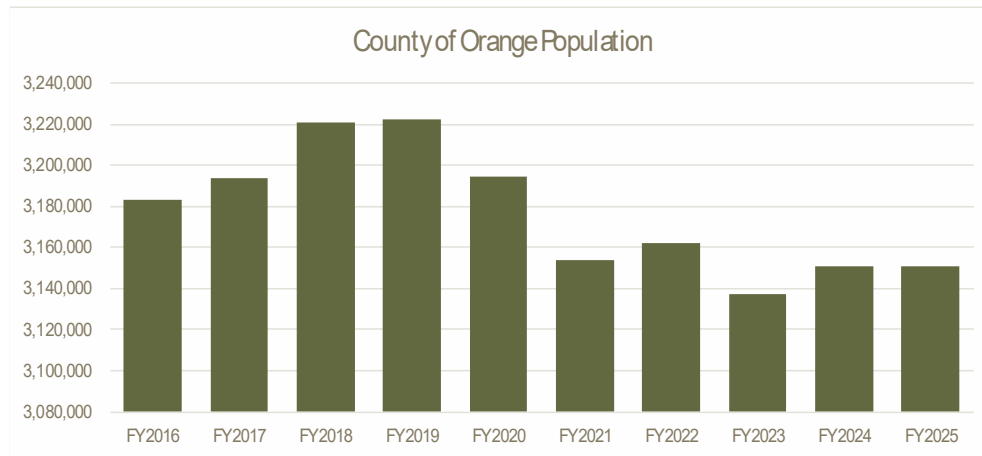
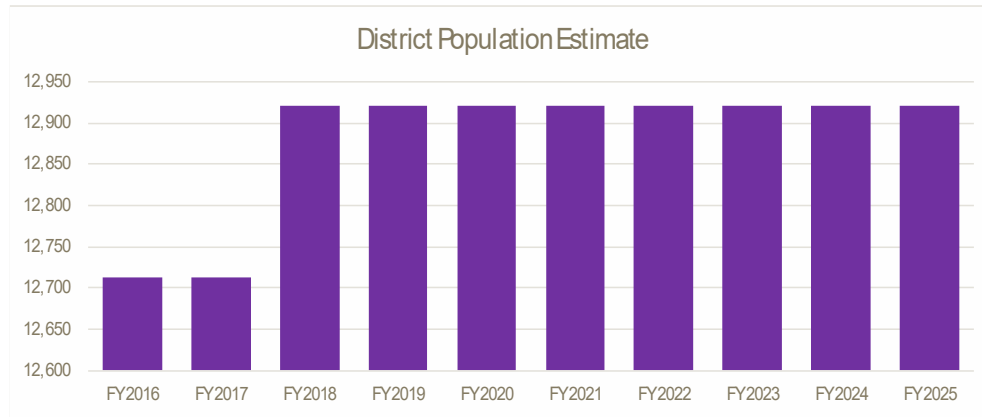
(1) Revenues include operating, non-operating revenues and Water Reliability and Emergency Services revenue.

(2) Expenses include operating and non-operating expenses less depreciation, amortization and interest expense.

(3) Coverage calculations are based on net available revenue from the annual comprehensive financial report and debt service payments due within each fiscal year.

Trabuco Canyon Water District Demographic and Economic Statistics For the Past Ten Fiscal Years

Fiscal Year	District	County of Orange Data ⁽²⁾			
	Population Estimate ⁽¹⁾	Unemployment Rate	Population	Personal Income	Per Capita Personal Income
FY 2016	12,712	4.4%	3,183,011	190,978,000	59,999
FY 2017	12,712	4.2%	3,194,024	199,492,000	62,458
FY 2018	12,921	3.1%	3,221,103	215,479,000	66,896
FY 2019	12,921	3.0%	3,222,498	230,180,000	71,429
FY 2020	12,921	12.3%	3,194,332	226,531,000	70,917
FY 2021	12,921	6.3%	3,153,764	258,933,000	82,103
FY 2022	12,921	2.8%	3,162,245	267,143,000	84,479
FY 2023	12,921	3.6%	3,137,164	266,043,000	84,804
FY 2024	12,921	4.4%	3,150,835	286,490,000	90,925
FY 2025	⁽⁴⁾ 12,921	4.5%	3,150,835	286,490,000	90,925



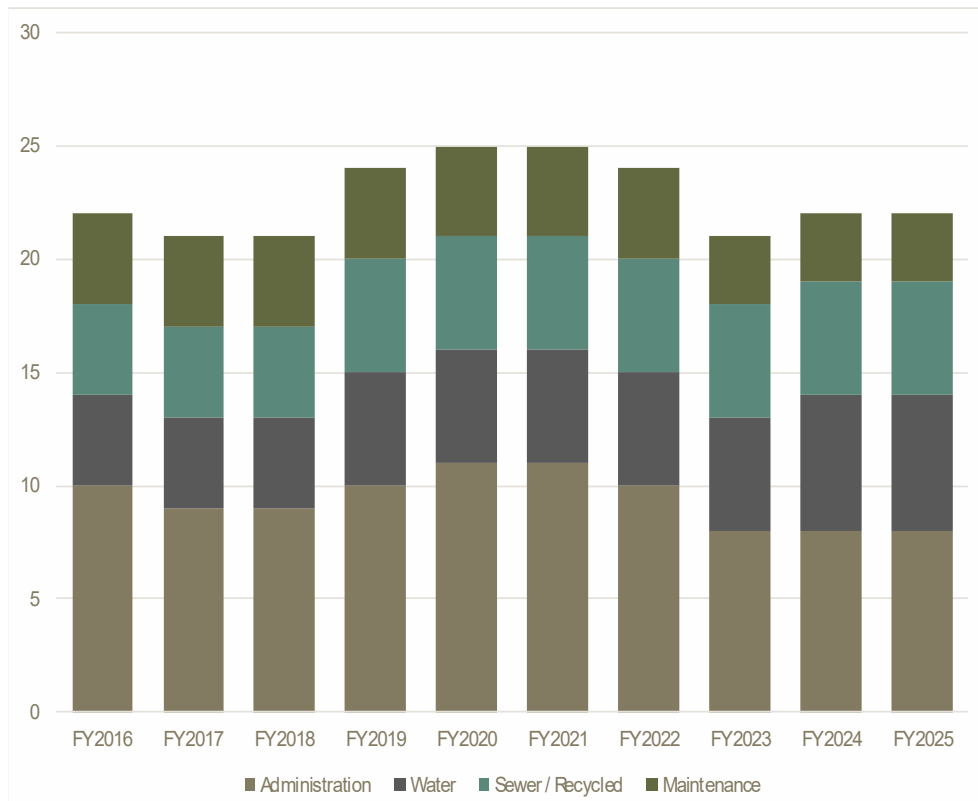
Source: California Department of Finance and California Labor Market Info.

Notes

- (1) Population estimate is based on TCWD's Urban Water Management Plan which is updated every five years
- (2) Certain economic indicators such as unemployment rate and personal income are not calculated separately for TCWD. Therefore, TCWD has chosen to use the County of Orange data, which is representative of the conditions and experiences of TCWD.
- (3) Certain economic indicators such as unemployment rate and personal income are not calculated separately for TCWD. Therefore, TCWD has chosen to use the County of Orange data, which is representative of the conditions and experiences of TCWD.
- (4) The County of Orange data for FY 2025 was not available at time of publication so estimates were used.

Trabuco Canyon Water District
Personnel Trends
For the Past Ten Fiscal Years

Fiscal Year	Administration	Water	Sewer / Recycled	Maintenance	Total Employees
FY 2016	10	4	4	4	22
FY 2017	9	4	4	4	21
FY 2018	9	4	4	4	21
FY 2019	10	5	5	4	24
FY 2020	11	5	5	4	25
FY 2021	11	5	5	4	25
FY 2022	10	5	5	4	24
FY 2023	8	5	5	3	21
FY 2024	8	6	5	3	22
FY 2025	8	6	5	3	22



Trabuco Canyon Water District
Miscellaneous Operating Statistics
For the Past Ten Fiscal Years

TCWD SERVICE AREA	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
# Water Connections	3,998	4,084	4,115	4,118	4,120	4,120	4,120	4,140	4,167	4,171
# Recycled Water Connections	28	28	28	28	28	28	28	27	28	28
# Water & Recycled Water Connections	4,026	4,112	4,143	4,146	4,148	4,148	4,148	4,167	4,195	4,199
Number of Sewer Connections	0	0	0	0	0	0	0	0	0	0
Approximate Area (Square Miles)	8200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200	8,200
Number of Pump Stations	9	9	9	9	9	9	9	9	9	9
Number of Reservoirs	8	8	8	8	8	8	8	8	8	8
Number of Wells	2	2	2	2	2	2	2	2	2	2
Number of Water Treatment Plants	1	1	1	1	1	1	1	1	1	1
Number of Sewage Treatment Plants	1	1	1	1	1	1	1	1	1	1
Miles of Pipeline	66	66	66	66	66	66	66	66	66	66
System Capacity										
Imported (Acre-Feet)	4,343	4,343	4,343	4,343	4,343	4,343	4,343	4,343	4,343	4,343
Imported (Billion Gallons)	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42
Water Demand (1)										
Imported (Acre-Feet)	1,933	2,567	3,674	3,182	3,134	3,512	3,073	3,238	3,077	3,114
Imported (Billion Gallons)	0.63	0.84	1.20	1.04	1.02	1.14	1.00	1.06	1.00	1.01

Source: Trabuco Canyon Water District
Accounting Department and Operations
Department

Notes

(1) Water demand on this schedule includes Baker Treatment
Plant pass-through wholesale water.

Other Independent Auditors' Reports



INDEPENDENT AUDITORS' 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

Board of Directors
Trabuco Canyon Water District
Trabuco Canyon, California

We have audited, in accordance with the 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, the financial statements of the Trabuco Canyon Water District (District), which comprise the balance sheet as of June 30, 2025, and the related statement of revenues, expenses and changes in net position and cash flows for the fiscal year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 17, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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 control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California
December 17, 2025

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

**ACTION CALENDAR
ENGINEERING MATTERS**

ITEM 13: SADDLE CREST RESERVOIR OUTLET IMPROVEMENTS CONSTRUCTION CONTRACT AWARD

Saddle Crest Reservoir (1.5 MG) and Pump Station were constructed as part of the Saddle Crest Development by Rutter Development. The District opted to increase the reservoir volume to meet a portion of the additional emergency storage needs.

In the current design, there is one inlet/outlet pipe serving the tank from the lower zone, which is fed from the Ridgeline Booster Pump Station (RBPS). Since RBPS operates 24/7, and with the common inlet/outlet pipeline with a check valve on the outlet wye, the water is short circulating directly to the pump station. The reason for this is because the downstream pressure is greater (15-18 psi) than the upstream pressure/tank head pressure (12 psi), and the check valve remains closed, not allowing water to leave the tank. To mitigate this situation, Staff prepared bid documents to install a separate inlet and outlet pipeline with the goal of the piping modification to promote flow out of the Saddle Crest Tank, allowing the tank level to fluctuate and trend with the level in the Harris Grade tanks during all supply and demand conditions.

On November 25, 2025, Staff received the following bids for the Project:

Saddle Crest Inlet/Outlet Improvements	
Contractor	Total
JA Salazar	\$172,720
Ferreira Construction	\$181,000
T.E. Roberts	\$211,342.20

Staff have reviewed the bids and checked the references and are recommending awarding the project to JA Salazar.

FUNDING SOURCE:

Capital Improvement Program

FISCAL IMPACT (PROJECT BUDGET):

\$275,000

COMMITTEE STATUS:

This matter was reviewed with the Engineering/Operational Committee.

Recommended Action:

Authorize the Interim General Manager to award a Construction contract for the Saddle Crest Reservoir Outlet Improvement Project to JA Salazar Construction & Supply Corp. in the amount of \$172,720 plus a 10% contingency of \$17,272, for a not-to-exceed amount of \$189,992.

EXHIBIT(S):

1. Bid Comparison
2. Plans

CONTACTS (staff responsible): PEREA/LAUSTEN

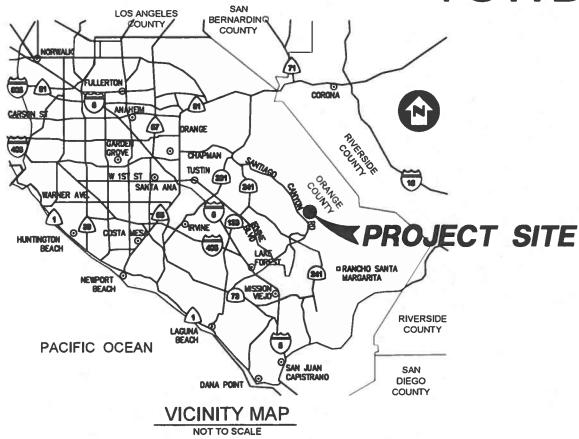
BID COMPARISON: SADDLECREST RESERVOIR INLET PIPELINE IMPROVEMENTS PROJECT

PW-38-FY25

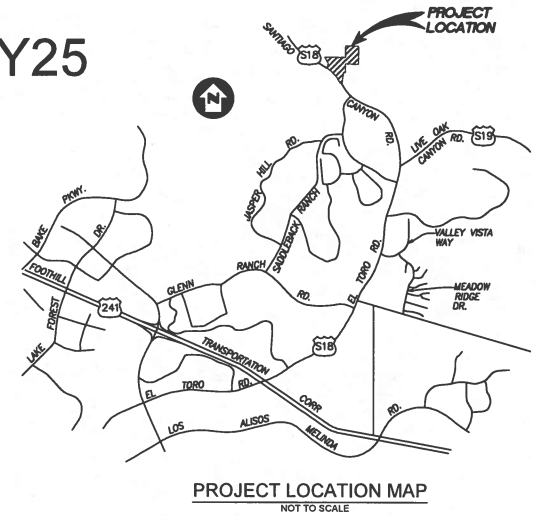
Bid Opening Date: 11/25/2025

						#1		#2		#3	
						J. A. Salazar Construction		Ferreira Construction Company		T.E. Roberts, Inc	
						Jose Salazar		Pedro Lopez		Adryan Gutierrez	
						613 N. Harbor Blvd.		10370 Commerce Center Drive, Suite B-200		17771 Mitchell North	
						La Habra, California 90631		Rancho Cucamonga, California 91730		Irvine, California 92614	
						562-691-3647		909-943-9341		714-669-0072	
						License #	743587	License #	985180	License #	603008
Item	Description	Quantity	Unit	Engineer's Unit Price	Engineer's Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	MOBILIZATION/DEMobilIZATION (5% OF TOTAL COST)	1	LS	\$6,800.00	\$6,800.00	\$11,000.00	\$11,000.00	\$10,800.00	\$10,800.00	\$7,709.00	\$7,709.00
2	TEMPORARY FACILITIES AND CONTROLS	1	LS	\$5,000.00	\$5,000.00	\$5,500.00	\$5,500.00	\$1,234.00	\$1,234.00	\$1,844.00	\$1,844.00
3	PRESSURE TESTING AND DISINFECTION	1	LS	\$2,000.00	\$2,000.00	\$5,500.00	\$5,500.00	\$10,300.00	\$10,300.00	\$7,709.00	\$7,709.00
4	SHEETING, SHORING, AND BRACING	1	LS	\$3,000.00	\$3,000.00	\$3,500.00	\$3,500.00	\$2,378.00	\$2,378.00	\$1,230.00	\$1,230.00
5	DEMO EXISTING STEEL SPOOL AND CHECK VALVE	1	LS	\$7,000.00	\$7,000.00	\$12,000.00	\$12,000.00	\$2,924.00	\$2,924.00	\$3,854.00	\$3,854.00
6	12" PVC C900 DR 14 WITH DI BENDS AND RESTRAINED JOINTS	86.00	LF	\$540.00	\$46,440.00	\$500.00	\$43,000.00	\$400.00	\$34,400.00	\$269.00	\$23,134.00
7	12" STEEL PIPE	5	LF	\$650.00	\$3,250.00	\$2,500.00	\$12,500.00	\$660.00	\$3,300.00	\$6,924.00	\$34,620.00
8	8" STEEL PIPE	2	LF	\$550.00	\$1,100.00	\$9,800.00	\$19,600.00	\$1,650.00	\$3,300.00	\$9,500.00	\$19,000.00
9	CONNECTION TO EXISTING WATERLINE	1	EA	\$10,000.00	\$10,000.00	\$11,500.00	\$11,500.00	\$17,547.00	\$17,547.00	\$16,999.00	\$16,999.00
10	12" EBAA IRON MEGALUG SERIES 2012PEC	6	EA	\$500.00	\$3,000.00	\$350.00	\$2,100.00	\$1,737.00	\$10,422.00	\$934.00	\$5,604.00
11	12" EBAA IRON MEGALUG SERIES 2012PEC	1	EA	\$1,200.00	\$1,200.00	\$1,000.00	\$1,000.00	\$3,666.00	\$3,666.00	\$2,735.00	\$2,735.00
12	12" MJ x FLG ADAPTER	3	EA	\$1,200.00	\$3,600.00	\$1,500.00	\$4,500.00	\$1,150.00	\$3,450.00	\$2,662.00	\$7,986.00
13	12" BUTTERFLY VALVE, FE x FE, W/ VALVE STEM AND BOX ASSEMBLY	1	EA	\$8,000.00	\$8,000.00	\$4,500.00	\$4,500.00	\$4,140.00	\$4,140.00	\$11,428.00	\$11,428.00
14	8" SWING CHECK VALVE LEVER AND WEIGHT TYPE	1	EA	\$14,000.00	\$14,000.00	\$5,500.00	\$5,500.00	\$14,398.00	\$14,398.00	\$8,255.00	\$8,255.00
15	ADJUSTABLE PIPE SUPPORT	1	EA	\$800.00	\$800.00	\$800.00	\$800.00	\$1,287.00	\$1,287.00	\$4,124.00	\$4,124.00
16	INSULATING FLANGE KIT	1	EA	\$1,500.00	\$1,500.00	\$600.00	\$600.00	\$2,795.00	\$2,795.00	\$3,678.00	\$3,678.00
17	ASPHALT REPLACEMENT	4.20	TONS	\$400.00	\$1,680.00	\$600.00	\$2,520.00	\$2,226.19	\$9,350.00	\$2,456.00	\$10,315.20
18	CONCRETE PAD REPLACEMENT IN-KIND	35.00	CY	\$780.00	\$27,300.00	\$200.00	\$7,000.00	\$305.00	\$10,675.00	\$295.00	\$10,325.00
19	ALLOWANCE: REMOVE AND REPLACE VALVE, PIPE, AND APPURTENANCE	1	LS	\$4,500.00	\$4,500.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$1,230.00	\$1,230.00
20	CLEAN-UP AND RESTORATION	1	LS	\$4,000.00	\$4,000.00	\$5,000.00	\$5,000.00	\$14,486.00	\$14,486.00	\$16,091.00	\$16,091.00
21	RECORD DOCUMENTS	1	LS	\$1,200.00	\$1,200.00	\$1,500.00	\$1,500.00	\$1,000.00	\$1,000.00	\$1,844.00	\$1,844.00
22	POLLUTION CONTROL	1	LS	\$1,600.00	\$1,600.00	\$1,500.00	\$1,500.00	\$7,048.00	\$7,048.00	\$4,528.00	\$4,528.00
23	ALLOWANCE FOR FIELD CHANGE ORDERS	1	LS	\$6,500.00	\$6,500.00	\$7,100.00	\$7,100.00	\$7,100.00	\$7,100.00	\$7,100.00	\$7,100.00
TOTAL (1 THROUGH 17) :					\$145,670.00		\$172,720.00		\$181,000.00		\$211,342.20

SADDLECREST RESERVOIR INLET PIPELINE IMPROVEMENT PLANS FOR TRACT 17388 TCWD PROJECT NO. PW-38-FY25



JULY 2025



SHEET INDEX	
SHEET	DESCRIPTION
SHEET 1	T-1 TITLE SHEET / VICINITY MAP / LOCATION MAP / LIST OF DRAWINGS
SHEET 2	G-1 GENERAL NOTES / ABBREVIATIONS
SHEET 3	C-4 APPURTENANCES LAYOUT
SHEET 4	M-1 INLET & OUTLET PIPING PLAN AND SECTIONS
SHEET 5	M-2 OUTLET PIPING PLAN SECTION & DETAILS



PREPARED BY:
MKN & ASSOCIATES



PROJECT MANAGER:

Kathleen Hong
KATHLEEN HONG P.E.
(EXPIRES: 09/30/2026)

7/22/2025

R.O.E. 90366 DATE

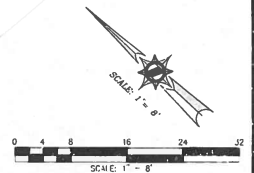
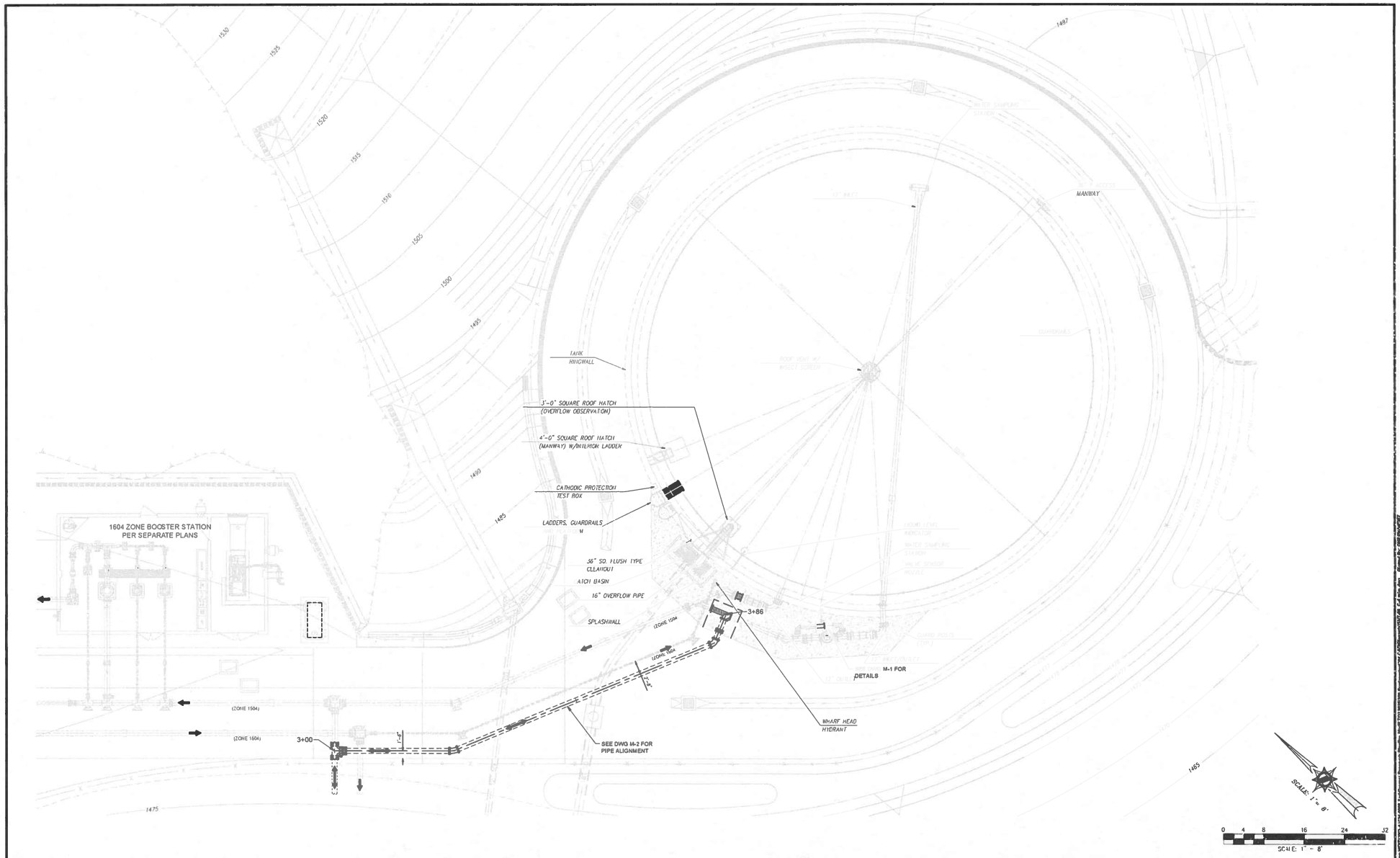
APPROVED:
TRABUCO CANYON WATER DISTRICT

Lorraine S. Lausten 7/28/25

LORRAINE S. LAUSTEN R.C.E. 67027 DATE

ENGINEER

NO.	DATE	REVISIONS	APPROVED



NO.	DATE	REVISIONS	APPROVED

DESIGN KL	DISTRICT ENGINEER	DATE 7/28/25
DRAWN OH	LORENE S. LAUSTEN RCE 67027	
CHECKED KS	KATYLEEN LORADOR RCE 90355	ENGINEER 7/23/2025



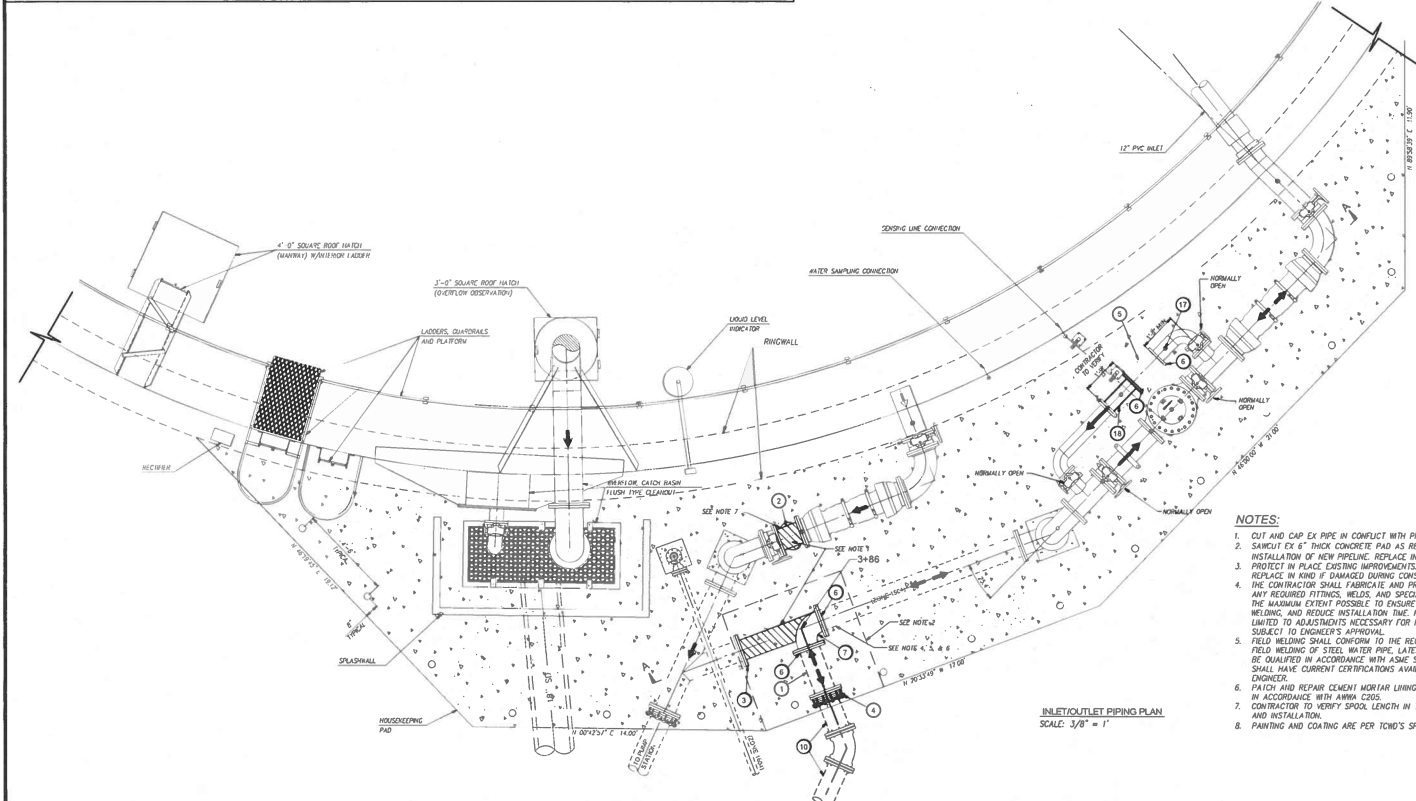
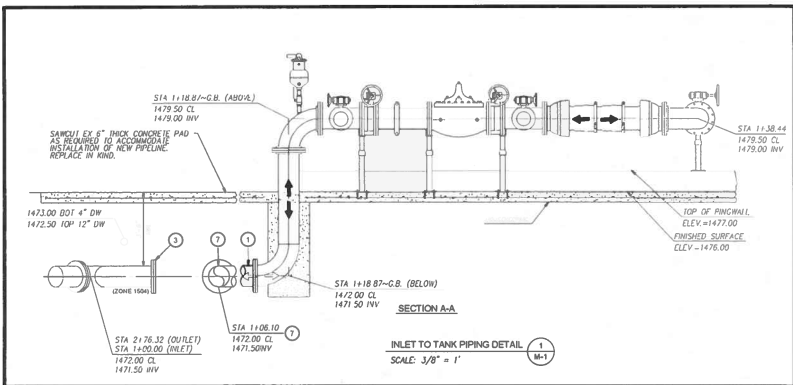
**SADDELCREST RESERVOIR INLET
PIPELINE IMPROVEMENT PLANS
FOR TRACT 17388
TCWD PROJECT NO. PW-38-FY25**

CIVIL ENGINEERING FIRM

16319 BAKE PARKWAY
IRVINE, CA 92618
(949) 637-3999

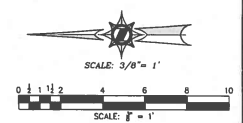
APPURTENANCES LAYOUT

SHEET No. **3**
OF 5 SHEETS
DRAWING No. **C-1**




- CONSTRUCTION NOTES:**
- 1 12" ELAC. STEEL SPOOL, PE x FE, TRENCH & BEDDING PER TCWD STD. DWG. W-11
 - 2 REPLACE EXISTING CHECK VALVE WITH 12" ELAC. STEEL SPOOL, PE x FE
 - 3 12" ELAC. STEEL BLIND FLANGE
 - 4 12" RESTRAINED FLANGE ADAPTER, CB&A IRON SERIES 2112, OR EQUAL
 - 5 8" SWING CHECK VALVE LEVER AND WEIGHT TYPE, DEZURIK APOD CUS-5000 OR EQUAL
 - 6 8" WELD ON STEEL CLASS D FLANGE
 - 7 12" ELAC. STEEL 90° BEND, PE x FE
 - 8 12" PVC C900, OR 14, WITH RESTRAINED JOINTS, TRENCH & BEDDING PER TCWD STD. DWG. W-10
 - 9 INSTALL ADJUSTABLE PIPE SUPPORT PER TCWD STD. DWG. W-10
 - 10 8" ELAC. STEEL SPOOL, PE x FE

- NOTES:**
1. CUT AND CAP EX. PIPE IN CONFLICT WITH PROPOSED IMPROVEMENT.
 2. SAWCUT EX 6" THICK CONCRETE PAD AS REQUIRED TO ACCOMMODATE INSTALLATION OF NEW PIPELINE. REPLACE IN KIND (AREA = 36 S.F. ±).
 3. PROTECT IN PLACE EXISTING IMPROVEMENTS, UNLESS SHOWN OTHERWISE. REPLACE IN KIND IF DAMAGED DURING CONSTRUCTION.
 4. THE CONTRACTOR SHALL FABRICATE AND PREPARE PIPE SEGMENTS, INCLUDING ANY REQUIRED FITTINGS, WELDS, AND SPECIAL ASSEMBLIES, IN THE SHOP TO THE MAXIMUM EXTENT POSSIBLE TO ENSURE QUALITY CONTROL. MINIMIZE FIELD WELDING, AND REDUCE INSTALLATION TIME. FIELD FABRICATION SHALL BE LIMITED TO ADJUSTMENTS NECESSARY FOR FINAL FIT-UP AND CONNECTION, SUBJECT TO ENGINEER'S APPROVAL.
 5. FIELD WELDING SHALL CONFORM TO THE REQUIREMENTS OF AWWA C200 - FIELD WELDING OF STEEL WATER PIPE, LATEST EDITION. ALL WELDERS SHALL BE QUALIFIED IN ACCORDANCE WITH ASME SECTION IX OR AWS D11, AND SHALL HAVE CURRENT CERTIFICATIONS AVAILABLE FOR REVIEW BY THE ENGINEER.
 6. PATCH AND REPAIR CEMENT MORTAR LINING AND COATING OF EXISTING PIPE IN ACCORDANCE WITH AWWA C200.
 7. CONTRACTOR TO VERIFY SPOOL LENGTH IN THE FIELD PRIOR TO FABRICATION AND INSTALLATION.
 8. PAINTING AND COATING ARE PER TCWD'S SPECIFICATION SECTION 09300



NO.	DATE	REVISIONS	APPROVED	DESIGN



 LORRAINE S. LAUSTEN RCE #7027 DISTRICT ENGINEER DATE 7/28/25

 KATHLEEN WARRADOR RCE 90355 ENGINEER 7/23/2025



SADDELCREST RESERVOIR INLET PIPELINE IMPROVEMENT PLANS
 FOR TRACT 17388
 TCWD PROJECT NO. PW-38-FY25

CIVIL ENGINEERING FIRM

 18310 BAKE PARKWAY
 IRVINE, CA 92618 (949) 637-8889

INLET & OUTLET PIPING PLAN AND SECTIONS
 SHEET NO. 4
 OF 5 SHEETS
 DRAWING NO. M-1

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

**ACTION CALENDAR
ENGINEERING MATTERS**

ITEM 14: ROBINSON RANCH WASTEWATER TREATMENT PLANT BLOWER ROOM MOTOR CONTROL CENTER (MCC) IMPROVEMENTS – PHASE 1 & PHASE 2 EMERGENCY WORK

The District’s Robinson Ranch Wastewater Treatment Plant (RRWWTP) operates a blower-aeration system consisting of four (4) blower-motor configurations. These four (4) blowers will be replaced with four (4) new Lone Star, state-of-the-art blowers under the Blowers Station Relocation Project. The existing four (4) blowers are powered by a 1988 MCC Panels which has reached it end of service life and after 37 years is currently being replaced under the MCC-Replacement at the RRWWTP Project.

It was discovered through field investigations by both O&M staff and engineering consultants that the existing electrical feeders, wiring, and two main large electrical pull boxes which feed into the existing MCC Panels, both located inside of the Blower Building are in extremely poor condition and are unsafe and pose electrical hazards to both staff and the operation of the wastewater treatment plant. The replacement of existing electrical feeders and wiring which feeds into the two main large electrical pull boxes located adjacent to the Blower Building at the RRWWTP are all part of a current larger electrical project, which entails the replacement of the 1988 MCC Panels which provides electrical power and controls to several critical process plant equipment.

The recommendation is to separate this critical electrical work which entails replacing the existing feeders, wiring, the two large pull boxes, and upsizing one electrical breaker, all these items were part of the current MCC Panel Replacement Project. This also includes the installation of five new NEMA-rated enclosures. The separate electrical work will now be performed under an emergency electrical project. As the current MCC Panel Replacement Project is completing its design and starting the procurement process for new MCC Panels, due to tariffs and the current state of business affairs, the procurement of new MCC Panels could take up to one year from design to fabrication to onsite delivery.

To support this emergency electrical work, the staff recommends contracting with Hydrotech Electric who have been intimately involved in the field investigation which assisted the O&M staff in uncovering these existing electrical hazards and have firsthand field knowledge of these current electrical issues through pass project’s which have as-built many of these existing electrical panels and systems for the District.

Staff is working with the District’s treasurer on revising the CIP Budget, which includes a contingency that will cover the Final phase of the MCC Improvements. The revised budget will be brought to the board during the mid-year review in January 2026. The following are the Project Components and associate costs:

	ROBINSON RANCH WASTEWATER TREATMENT PLANT BLOWER ROOM & MCC IMPROVEMENTS-PHASE 1 & PHASE 2 EMERGENCY WORK	COSTS
1	New Blowers Equipment Station and Blowers Relocation Project	\$919,022.00
2	Blowers/Motors (2) and VFD’s (2) – By TCWD	\$209,050.00
3	Blowers/Motor (2) and Spare Blower (1) – By TCWD	\$177,635.00
4	Design/ESDC	\$205,000.00
5	Survey, Topo, Utility Location	\$ 48,000.00
6	Construction Management - Blowers	\$118,310.00
7	MCC Electrical Work-Phase 1	\$179,993.56
8	MCC Electrical Work-Phase 2	\$183,000.00
9	MCC Construction & CM	TBD
	Total Cost	\$2,040,010.56

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

FUNDING SOURCE:

Capital Improvement Program

FISCAL IMPACT (PROJECT BUDGET):

\$1,995,000 for the WWTP Blower Modification Rehabilitation (FY26 and FY27) which includes the Blower Modification award and the future MCC Replacement.

ENVIRONMENTAL COMPLIANCE:

Notice of Exemption was filed on July 21, 2025

COMMITTEE STATUS:

This matter was reviewed with the Engineering/Operational Committee.

Recommended Action:

Authorize the Interim General Manager to award a construction contract for the WWTP Blower Room MCC Improvements to Hydrotech Electric in the amount of \$362,993.56 plus a 10% contingency of \$36,299.00, for a not-to-exceed amount of \$399,292.56.

EXHIBIT(S):

1. Equipment Layout and Photos
2. Hydrotech Electric Quote

CONTACTS (staff responsible): LAUSTEN/ULLOA/RODRIGUEZ

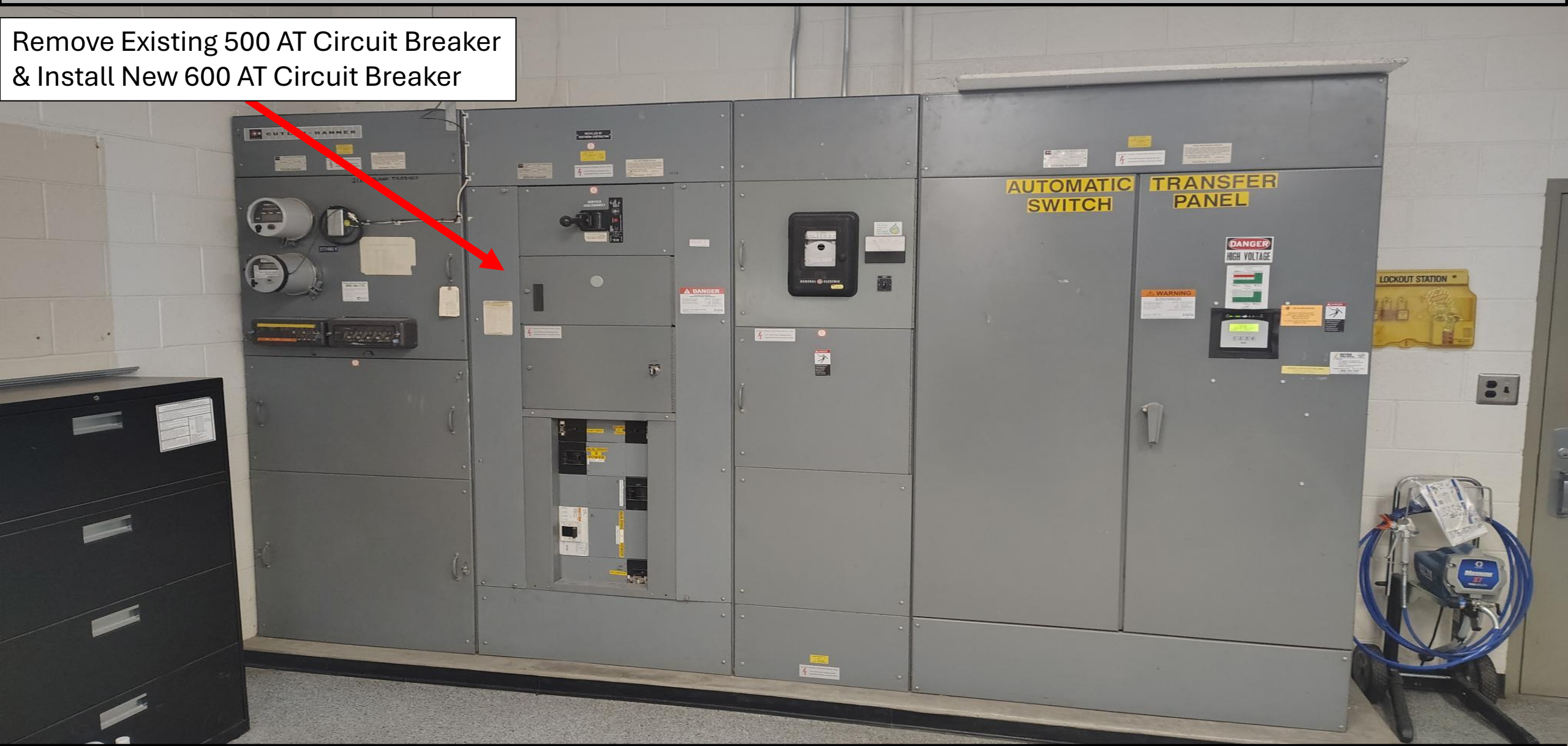
ROBINSON RANCH WASTEWATER TREATMENT PLANT BLOWER ROOM MOTOR CONTROL CENTER (MCC) IMPROVMENTS-PHASE 1 & PHASE 2 EMERGENCY WORK

Trabuco Canyon Water District
December 10, 2025 - Engineering and Operations Committee Board Meeting

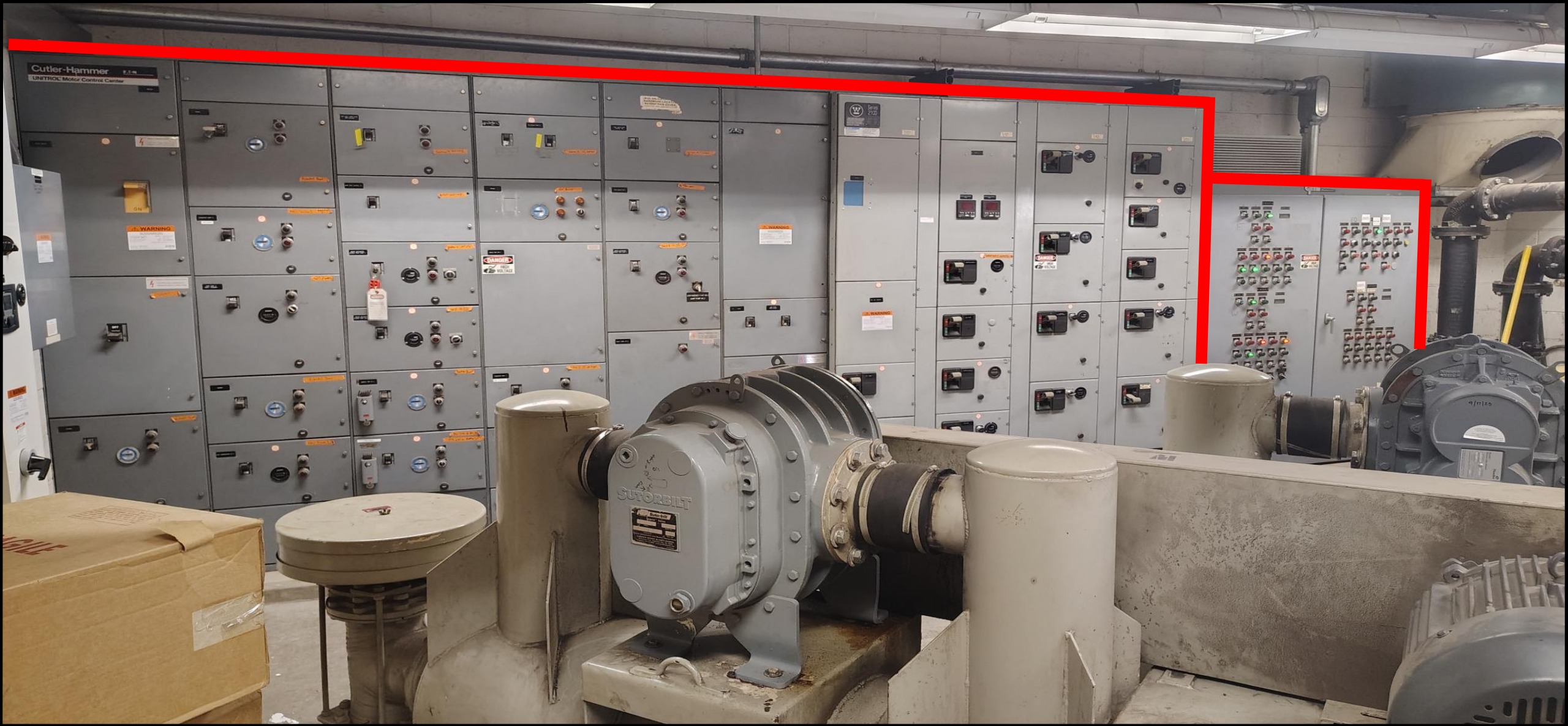


Existing Main Switch Board (MSB) Electrical Equipment at the WWTP's Main Office

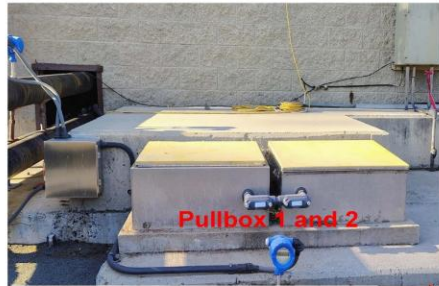
Remove Existing 500 AT Circuit Breaker
& Install New 600 AT Circuit Breaker



Existing MCC & Control Panels Line Up Blower Building



New Electrical Cable Feeders Run

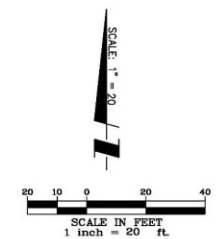
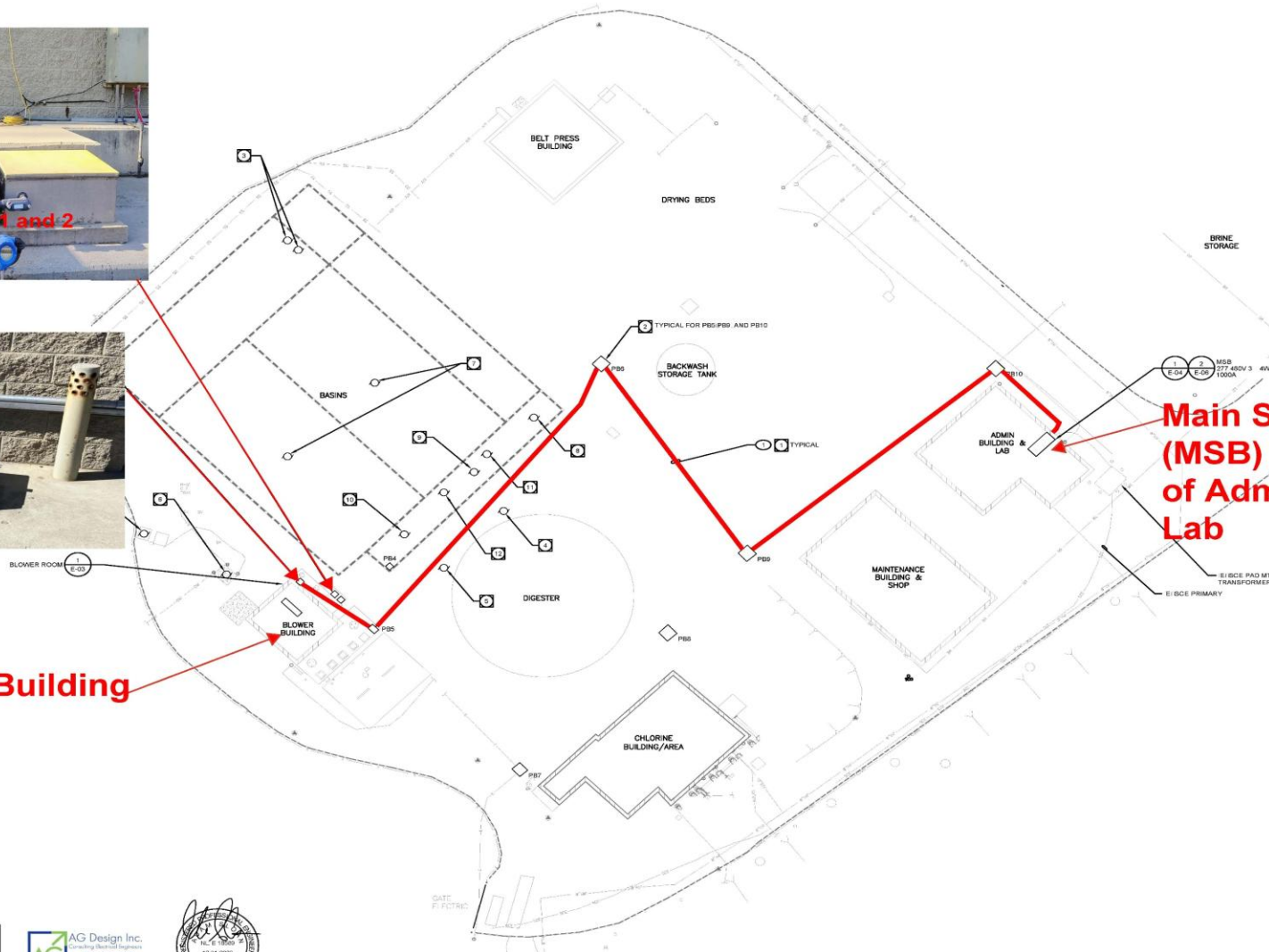


Blower Building

Main Switch Board (MSB) Located Inside of Admin. Building & Lab

SHEET NOTES

- 1 PULL OUT EXCONDUCTORS 3/4" MIN. EXCONDUCTORS: PULL IN NEW CONDUCTORS PER CONDUIT SCHEDULE
- 2 PULL BOX - PROVIDE SERVICE LOOP FOR IN CONDUCTORS WITH STAINLESS STEEL IDENTIFICATION TAGS. CLEAN PULLBOX INTERIOR AND RE-ARRANGE EXCONDUCTORS CABLES AS NECESSARY.
- 3 EVALUATION: BASIN PUMP #1 AND PUMP #2
- 4 BELT PRESS DIGESTER PUMP #1
- 5 DECANT DIGESTER PUMP #2
- 6 FRESH WATER PUMP #3W-1
- 7 EAST AND WEST MIXER PUMPS
- 8 NE: PUMP
- 9 EAST REACTOR JET PUMP
- 10 WEST REACTOR JET PUMP
- 11 SBR DRYPT AIR COMPRESSOR
- 12 SBR DRYPT SUMP PUMP
- 13 P1 SUMP PUMP



CONTRACTOR SHALL NOTIFY UNDERGROUND SERVICE ALERT A MINIMUM OF 48 HOURS PRIOR TO BEGINNING ANY CONSTRUCTION WORK. SEE GENERAL NOTES FOR FURTHER INFORMATION.



NO.	DATE	REVISIONS

DESIGN: CC
 DRAWN: MS
 CHECKED: AS



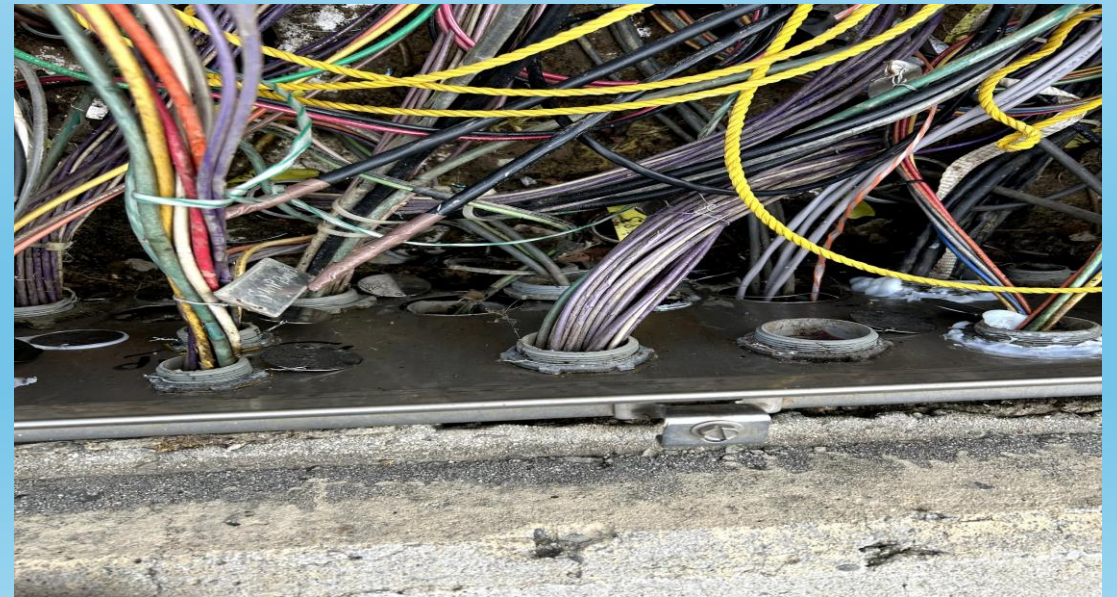
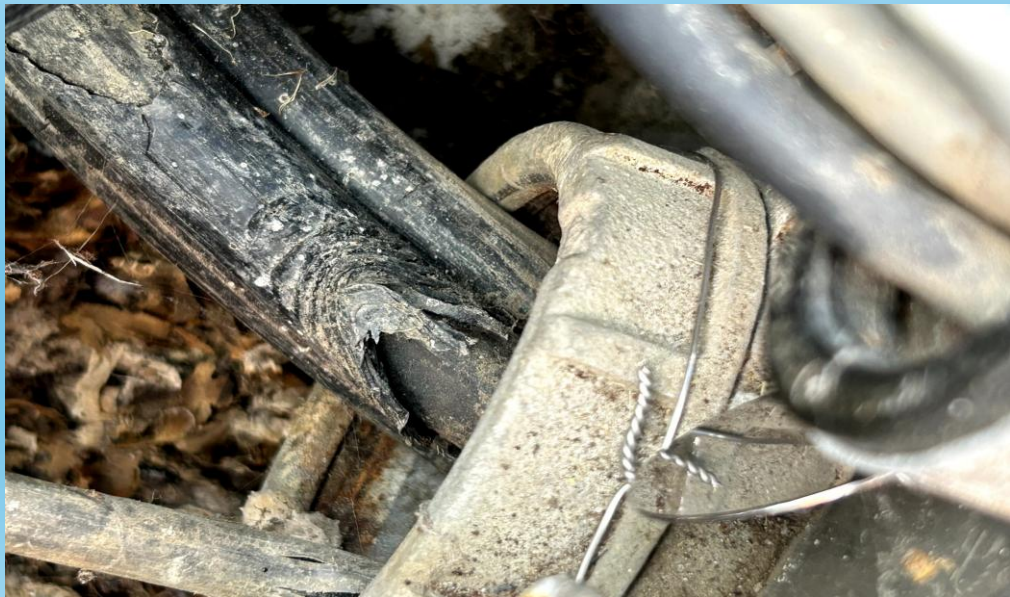
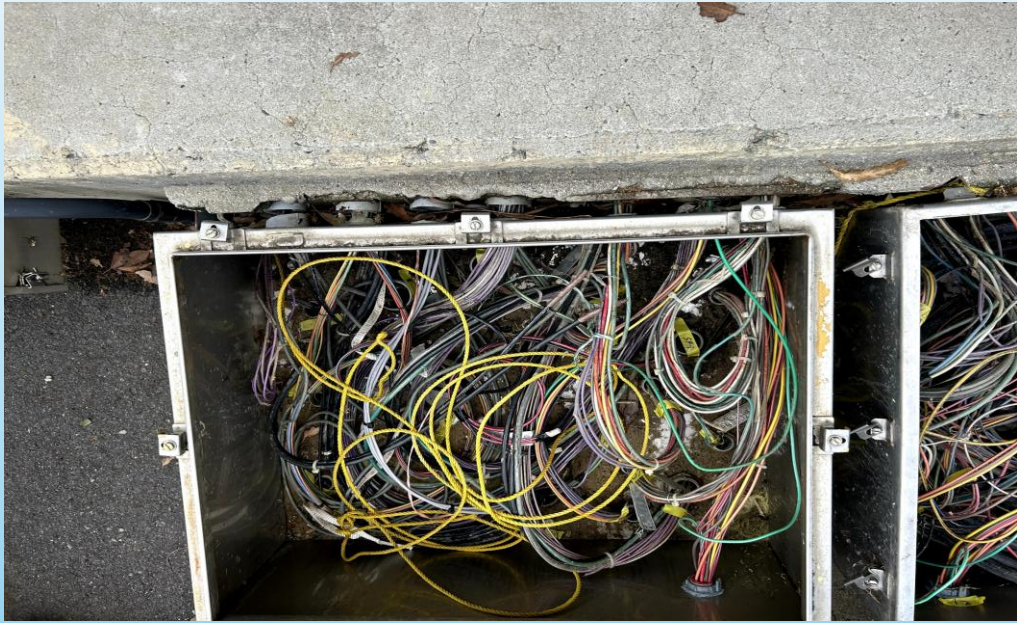
DATE: 12.31.2026
 DISTRICT ENGINEER: CORRAINE S. LAUSTEN, RCE 07027
 ENGINEER: JOSEPH L. GUTHERIEZ, RCE 35604

TRABUCO CANYON WATER DISTRICT
 MCC-A REPLACEMENT AT THE
 ROBINSON RANCH WASTEWATER TREATMENT PLANT
 PROJECT NO. 2023-105

ELECTRICAL SITE PLAN

E-02
 SHEET
 4
 OF
 8

Existing Main Electrical Pullboxes Wiring



Questions?





PROPOSAL
TCWD
MCC-A REPLACEMENT AT THE
ROBINSON RANCH WASTEWATER TREATMENT PLANT
PHASE 1

Addendum: None Noted

DIR REG # 1000001266

12-2-25

Pg 1 of 2

Specifications: 010100, 010400, 024113, 260510, 260519, 260533, 260800.

Proposal to furnish and install the following per plans and specs:

1. Coordination with TCWD to accommodate operations as required.
2. 1- 600A Eaton LD3600 Circuit installed in existing Main Service Panel MSB. (To be installed after hours).
3. 1- Set up and connect to 500KW Temporary Power Generator for MCC-A operation during feeder replacement.
4. Removal of three sets of 250KMIL+ 1- 2/0 THHN feeders from MSB to MCC-A.
5. Clean and Mandrel existing 3-3" U.G. conduits to be re-used for new MCC-A feeders.
6. Cut 3- 3" conduit stubs in MSB to achieve proper clearance for new MCC-A feeders.
7. Install temporary conduits (3-3") from existing pull box #5 to pull box #3 to accommodate phase 2 work.
8. Install 3 sets of 3-400KMIL + 1-3/0 XHHW feeders from MSB to MCC-A.
9. Perform N.E.T.A. Electrical Insulation Resistance testing on new feeders.
10. Disconnection of Temporary power generator.
11. Terminate new feeders at MSB and MCC-A and test for proper rotation & voltage.
12. Deliver removed cabling to TCWD for salvage.
13. Bonding fees included.



PROPOSAL
TCWD
MCC-A REPLACEMENT AT THE
ROBINSON RANCH WASTEWATER TREATMENT PLANT
PHASE 1

Pg 2 of 2

Excluded from Scope:

1. Any Instrumentation devices, Control Panels or Electrical panels not listed in the above scope of work.
2. Building or usage permits.
3. This work requires after hours and Saturday scheduling. (6- 10 Hour Shifts during the temporary power phase).
4. *This proposal does not include the Generator Rental Package and Fueling service.*

Total Bid Price.....\$167,900.00

Alternate Proposal Item:

Furnish 500KW Generator with fueling services for cost + 10%.

Price valid for 30 Days

**If you have any questions or comments please call me,
Sincerely,
Ken Cloud.**

**37707 Green Knolls Road
Winchester Ca. 92596
909 948-1908**

**DIR# 1000001266
CLSB #977838
WBE Certified**

Ken Cloud 909 270-0430

Hydrotech Electric
37707 Green Knolls Road
Winchester, California 92596

Attn: Ken Cloud
Tel: (909) 948-1908
Email: ken@hydrotechelectric.com

Aggreko Rep: Casey McDonald
Tel: (337) 339-4671
Email: casey.mcdonald@aggreko.com

Dear Ken Cloud,

Thank you for your interest in services provided by Aggreko, LLC. I am pleased to submit the following proposal, which confirms our pricing and support services. Aggreko, LLC is responsive around the clock to ensure your complete satisfaction.

Overview of Services:

Generator: Aggreko to provide Hydrotech Electric with a 500-kW generator set to 480-volt 3 phase. The generator is based off of triple shift usage. Single shift usage allows for up to 8 hours per day, 40 per week and 160 per month. Double shifts allows for up to 16 hours/day, 80 hours/week, 320 hours/month and is 1.5 times the single shift rate(s). Triple shift allows for unlimited operation and is 2 times the single shift rate(s).

Redundancy is highly recommended for critical applications. The Quote is valid for 14 days. After the valid date, pricing is subject to change. Cancellation fees may apply.

An Aggreko technician is highly recommended for commissioning of Aggreko equipment to attain optimal efficiency. All final terminations and grounding are the responsibility of Aggreko customers and/or their end user.

**Sizing is based off of customer power load specifics submitted/requested, Aggreko is not liable for any issues incurred due to sizing.*

***All charges incurred due to swap out/low loading of the unit(s) are to be charged to the customer.*

****All Labor Estimation in this quote provided is subject to change +/- based on circumstances within the project.*

- 5% Environmental Fee = Included
- Equipment packages are based off of a first come, first serve basis and is contingent upon equipment availability at the time of order. Aggreko will not reserve equipment without a PO or Signed proposal.
- Equipment offloading responsibility lies with the customer/end user unless otherwise requested/confirmed.
- A Preventative Maintenance Service Charge will apply for each hour the equipment runs; this Service By Operating Hour (SBOH) is shown under Variable Charges.
- All quotes are subject to availability at the time of order. Any stated freight cost in this Estimate or Quote is based upon expected fleet disposition for the time frame stated by the customer and considered to be a Variable Charge. Final fleet location may affect availability and/or final freight cost. Final freight cost is determined at the time the order is placed, and equipment is secured to the order. If equipment package(s) must be positioned from another location, additional freight cost may be incurred.
- The order is considered "on rent" from the time any equipment leaves an Aggreko facility until the time all equipment is returned.
- Taxes are not included in any Aggreko Estimate or Quote and will not be available until the Invoicing period.

Aggreko offers/provides a turnkey diesel fuel management service – we manage the logistics for fuel so you can focus on critical operations. Weekly rates for the Fuel Management Plan include an appropriate margin and are based upon a weekly spot price. Fuel rates are invoiced against this Proposal and may be adjusted during the rental based on the fluctuations in market pricing. The Fuel Management Plan rate is inclusive of all fees for fuel related labor and materials, Aggreko Remote Monitoring (ARM) for the fuel tank, delivery, and pump out service. Please let your Sales Rep know if you would prefer Aggreko to refuel your rental equipment.

Aggreko Remote Monitoring:

Equipment features our Aggreko Remote Monitoring (ARM) technology and will be monitored 24/7 by a team of qualified technicians in our Remote Operations Center (ROC). Equipment performance, fuel levels, and system alerts will be proactively watched, diagnosed, and resolved to ensure maximum up time. Notifications to customers will be issued via email, mobile app, and Aggreko's online portal.

TO PLACE AN ORDER:

Complete, sign, and return the following proposal acceptance page.

Projects needed within 24 Hours of Quote Approval will incur a \$1250 After-Hours/Equipment Preparation Fee

TO TERMINATE RENTAL:

Call 800-Aggreko (800-244-7356). Aggreko requires a minimum of 24-hour notice for arranging the decommissioning and return freight.

The rental period begins when the equipment leaves Aggreko's service center and ends upon its' return.

Solution Highlights

Logistics

Transportation to/from Site Responsibilities

Hydrotech Electric is responsible for payment of Transportation to/from Site Responsibilities

Aggreko is responsible for execution of Transportation to/from Site Responsibilities

Equipment Connections and Integrations

Electrical

Hydrotech Electric is responsible for Electrical Responsibilities from the end of Aggreko equipment/cables to end user equipment.
Aggreko is responsible for Electrical Responsibilities of Aggreko equipment/cables setup + startup.

Grounding

Hydrotech Electric is responsible for Grounding Responsibilities
Terminations to Customer Equipment
Hydrotech Electric is responsible for Terminations to Customer Equipment Responsibilities
Equipment Maintenance
Aggreko is responsible for Equipment Maintenance Responsibilities per SBOH/Preventative Maintenance

Labor

Site Access Training/Badging/Safety
Hydrotech Electric is responsible for Site Access Training/Badging/Safety Responsibilities
Commissioning/Decommissioning
Hydrotech Electric is responsible for Decommissioning Responsibilities
Aggreko is responsible for Commissioning Responsibilities
Install/Start-up Completion Date & Time
Estimated as 12/15/25 at time of quoting
Operations/Watchkeeping
Hydrotech Electric is responsible for Operations/Watchkeeping Responsibilities
Technician Travel to/from Site
Hydrotech Electric is responsible for payment of Technician Travel to/from Site Responsibilities
Aggreko is responsible for execution/scheduling of Technician Travel to/from Site Responsibilities
Training Client on Operations Procedures
Aggreko is responsible for Training Client on Operations Procedures Responsibilities of Aggreko equipment

Fuel

Fuel (diesel, DEF, natural gas, propane)
Aggreko is responsible for Fuel Responsibilities (diesel)

Site Facilities

Site Specific Requirements
Hydrotech Electric is responsible for Site Specific Requirement Responsibilities
Regulatory (Permits/Licenses)
Hydrotech Electric is responsible for Regulatory Responsibilities (Permits/Licenses)

Other

Containment Berm Support
Hydrotech Electric is responsible for Containment Berm Support Responsibilities, if needed

Sincerely,
Casey McDonald

Expected Rental Start: 15 Dec 2025
 Expected Rental End: 19 Dec 2025

Rental Duration: 5 Days
 Minimum Rental: 3 Days

Recurring Charges: Rates Reflect Quantities

Qty	Description	Weekly Rate
1	500kW Aggreko Diesel Generator Package: Triple Shift Factor with 100 ft. Cables Set + Trailer + 1200-gallon External Fuel Tank + Aggreko Remote Monitoring + 5% Environmental Fee (Included) *500KW Needed to account for VFD Harmonics	
	TOTAL	8,651.81

For additional information on how to reconcile your invoice with your proposal, refer to the Invoice Reconciliation section.

One Time Charges:

Qty	Description	Price (Each)	Total Price
1	Labor - Setup and Startup (1 Aggreko Tech of up to 8 hrs. Lump Sum/One Time)	1,248.00	1,248.00
1	Freight - Roundtrip (Lump Sum/One Time) Aggreko L.A. to Site with Return to Aggreko L.A.	2,193.75	2,193.75
	TOTAL		3,441.75

Variable Charges:

Description	Charge Method	Charge
Preventative Maintenance – Service by Operating Hour - 500kW Unit - 500 kW	Per Hour	5.21
Freight - Delivery (Cost Plus %/Per Transaction)	Per Transaction	35%
Fuel - Fuel Management (Subject to Weekly Market Value/Per Gallon)	Per Gallon	6.49
Fuel - Fuel Unreturned (Subject to Weekly Fixed Rate/Per Gallon at Time of Return)	Per Gallon	7.46
Diesel Exhaust Fluid (DEF) - Service (Cost Plus %/Per Transaction)	Per Transaction	35%
Labor - Service (Fixed Rate/Per Hour)	Per Hour	Straight Time Rate : 156.00 Over Time Rate : 234.00 Double Time Rate : 312.00
Labor - Per Diem (Fixed Rate/Per Day)	Per Day	85.00
Labor - Travel (Fixed Rate/Per Mile)	Per Mile	2.39
Labor - After Hours - Call Out Fee (Fixed Rate/Per Transaction)	Per Transaction	1,250.00

EXPIRATION All proposals are valid for 14 days and contingent on availability. Acceptance must be provided to Aggreko prior to the end of the valid period or the proposal will expire. If the customer elects to accept the proposal after the expiration date or to postpone the on-hire date more than 14 days, this proposal will be subject to revision at Aggreko's discretion.

CURRENCY All prices included in this document are reflected in U.S. Dollar

INVOICE RECONCILIATION Following the Minimum Rental term, the invoice calculation will be based on the details outlined in this section.

INVOICE RECONCILIATION If actual Rental Duration differs from quoted Rental Duration, refer to the following for invoice calculation:

- Day 1 - 2 - The daily rate applies and is 1/3 of the weekly rate.
- Day 3 - 7 - The weekly rate applies.
- Day 8 - 20 - The daily rate applies and is 1/7 of the weekly rate.
- Day 21 - 28 - The monthly rate applies and is 3 times the weekly rate.
- After Day 28, the daily rate applies and is 1/28 of monthly rate.

INVOICE RECONCILIATION Labor - Per Hour

- Straight Time applies during normal business hours from 8 AM - 5 PM, Monday – Friday
- Over Time (1.5x) applies outside of normal business hours, before from 8 AM or after 5 PM, Monday – Friday
- Double Time applies on Weekends and Holidays

SERVICE BY OPERATING HOUR (SBOH)/SERVICE BY OPERATING DAY (SBOD) Preventative maintenance will be charged through Service by Operating Hour. In addition to the rental rates which will be charged per the above Recurring Charges section, customer shall be responsible for a separate preventative maintenance service charge for each hour the equipment runs, at the rate listed in the Variable Charges section below. Service by Operating Hour charges includes labor hours, mileage, and Service Materials (Oil, Filters, etc.). Customer will be charged the Service by Operating Day rate where Equipment Maintenance and Service is billed on a day rate basis; the Service by Operating Day rate is equal to 24 times the applicable Service by Operating Hour rate.

OUTSIDE OF NORMAL BUSINESS HOURS FEE To cover the additional cost of labor and third party expenses incurred for equipment preparation and mobilization, an Outside of Normal Business Hours Fee applies to orders executed outside of normal business hours (Monday – Friday 8am – 5pm). If ordered and subsequently canceled, the fee will be charged in addition to any other cancellation charges.

COLD WEATHER PROVISION (Low Temperatures between 40°F and -40°F)

- The Customer must ensure that any fuel provided is temperature-appropriate by using anti-gel fuel additives and/or #1 Diesel fuel. The Customer must also supply appropriate power to energize cold weather accessories such as electric block heaters, trickle chargers, heat tracers, and battery heaters. If the Customer cannot provide power for winterization components, Aggreko can provide the power source for an additional fee. The Customer may also need to remove snow to ensure equipment and accessory operation, maintenance, and repair.
- Any cold weather issues that require Aggreko Service Technicians to make repairs will be billed at standard labor rates outlined in the proposal. Aggreko also offers Fuel Management services for Customers who want to limit their fuel-related responsibilities. Please contact an Aggreko sales person, Aggreko's Fuel Center 24/7 at 1-877-212-1735 or for non-emergency service email at FuelManagement@aggreko.com for more information.
- DEF will begin to form ice crystals at 23°F (-5°C) and completely freeze at temperatures between 17°F to 14°F (-8°C to -10°C). Care must be taken to ensure that any heating system and associated pipework are used in conjunction with OEM recommendations. The use of metal fittings is discouraged as they can become blocked with ice and difficult to overcome at low temperatures. Appropriate defrosting measures must be considered if metal quick connects are used.
- When using DEF heated lines, appropriate thermal management must be considered when applying a non-OEM system. The location of the project or operation of equipment may dictate that heated DEF is not required, but always consult Aggreko Engineering for support and advice. Virtual Pipeline equipment, manifolds, piping, and regulators should be heat traced and insulated while eliminating any water content from the gas supply.

ELECTRICAL CONNECTIONS AND SYNCHRONIZATION: Aggreko's personnel do not make final Terminations at the connection point for customers. The customer is responsible for de-energizing and locking out / tagging the system before connecting equipment.

ENVIRONMENTAL FEE An environmental fee of 5% will be charged against the total rental equipment amount. Note that if the equipment subject to the fee is also subject to shift rates, the amount of the fee will vary in proportion to the applicable shift rate. The fee is NOT a tax or governmental charge. It is used to help offset expenses incurred operating in an environmentally sound manner. To learn more about the fee, please see the terms and conditions referenced herein or Aggreko's Statement on Environmental Fees, which is available at <https://www.aggreko.com/en-us/terms-of-business>.

EQUIPMENT GROUNDING In all cases where the customer is responsible for connecting the equipment, all electrical power producing and/or power consuming machines must be properly grounded in accordance with National Electrical Code and local code requirements prior to start up, and it shall be the responsibility of customer to verify compliance. In cases where Aggreko is responsible for grounding and there is no customer grounding grid made available, customer is responsible for properly marking the location of underground utilities and other hazards at the location where grounding rods are to be installed prior to installation. Customer acknowledges Aggreko is not familiar with any proposed facility grounding location(s), the accuracy of relevant markings or existing subsurface hazards. As such, Aggreko does not assume any liability for incorrect or ineffective grounding and customer expressly releases and shall indemnify Aggreko from any liability related thereto, regardless of the party that performs this service.

EQUIPMENT ACCESS, MAINTENANCE AND SERVICE

- Aggreko shall have the right at any time and from time to time to enter the premises occupied by the equipment, be given free access thereto and afforded necessary facilities for the purpose of inspection, servicing, replacement and removal.
- It is the customer's responsibility to maintain and service equipment during the rental term, although, equipment servicing can be performed by Aggreko at an additional charge.
- If the customer elects to have Aggreko service the equipment, we will perform routine service of the equipment at the labor rates stated in this proposal (or in the MSA in existence between the parties, if applicable). Please be aware that, unless otherwise coordinated in advance to be performed after hours, the equipment will need to be shut down during normal working hours for servicing. Equipment redundancy may be available for an additional fee if uninterrupted service is required.
- If the customer is qualified to service the equipment and elects to do so, proof of timely service must be provided to Aggreko upon request.
- Regardless of whether the routine service of the equipment is performed by Aggreko or the customer, Aggreko will notify the customer in advance when the service interval will be required. Failure to conduct or permit timely service may entail liability for associated diagnostic and repair costs and Aggreko disclaims any liability for any damages or injuries to any parties resulting from any such failure or delays.
- Daily inspections of the equipment are the responsibility of the customer. These checks should also be carried out prior to starting the equipment.
- The customer is also responsible for providing fuel, coolants, lubricants, and other supplies necessary to operate the equipment.

AGGREKO TIER 4 GENERATORS Aggreko Tier 4 generators require a minimum constant load equal or greater than 30% of the nominal capacity of the equipment delivered. Light loads are monitored by the onboard ECM and will lead to a forced shutdown.

- In the case that the customer is unable to guarantee this minimum constant load during the period of operation of the equipment, Aggreko may not be able to accept the corresponding order. If, after delivery of the equipment(s), there is any damage resulting from this lack of load, the customer will be responsible for the entire repair.

- Tier 4 emissions criteria require most engine manufacturers to add Selective Catalytic Reducer (SCR) to the onboard aftertreatment system. This adds complexity to the operation of the engine within those predetermined parameters. To ensure emission compliance, the SCR requires a constant supply of Diesel Exhaust Fluid that adds operational activity to maintain this supply.

REQUIRED LOAD Customer is responsible for maintaining minimum loads on generator(s). Low ambient temperature and low sustained load conditions may damage and/or compromise the performance of the generator, resulting in disruption of operations for which Aggreko will not be responsible. If available load does not meet minimum sustained load requirements, then additional equipment may be required at an additional charge.

Generator Size	Minimum Sustained Average Load
25 kW	10 kW
40 kW	16 kW
60 kW	22 kW
100 kW	35 kW
200 kW	64 kW
275 kW	89 kW
430 kW	117 kW
570 kW	151 kW
600 kW	180 kW
1200 kW	378 kW (189 kW per engine)

EQUIPMENT MAINTENANCE AND SERVICE All of Aggreko's diesel generators must be serviced every 600 hours.

FILTERS Filters may be required for service and/or maintenance during the duration of the rental as per Aggreko service interval guidelines. Aggreko approved supplies must be used.

FREIGHT Charges to deliver and pick up equipment to your site will apply if arranged by Aggreko. Additional freight charges will apply if prepositioning of equipment is required or for standby time when Delivery/Pickup is delayed by customer.

FUEL MANAGEMENT The Fuel Management Plan provides a turnkey fuel management solution where Aggreko arranges for the supply of diesel fuel at an all-inclusive fuel delivered rate (adjusted based on market pricing) and monitors fuel consumption using predictive analytics subject to the following terms:

- Participation requires the rental of an Aggreko external fuel tank greater than 800 gallons, Aggreko's Remote Monitoring (ARM), and cellular connectivity where the equipment is located.
- Unless otherwise specified, internal fuel and DEF tanks will be delivered 90% full and all external diesel fuel tanks will be delivered with a minimum of 200 gallons where allowed.
- Customer may request external tanks to arrive on-site full. For this, Aggreko will charge the Customer for all fuel delivered and invoice charges on the first invoice.
- DEF is not included in the Fuel Management Plan. If DEF is required, all costs will be charged at the cost plus % listed in the variable charges (or the default cost plus 35%). If equipment is returned with internal fuel tank or DEF levels less than delivered, Aggreko will charge Customers for any missing diesel gallons and DEF.
- Customers will not be charged for unreturned diesel fuel in external diesel fuel tanks below 200 gallons in the Fuel Management Plan if (1) End of Hire (EOH) dates have been followed and (2) Aggreko has managed fuel deliveries under the Fuel Management Plan for the entire rental.
- Propane, CNG, or LNG gas can be managed under this plan, but it does not include freight or equipment-related charges unless specifically outlined in the variable charges section.
- Customer is responsible for communicating any changes that may impact the Fuel Management Plan to Aggreko's Fuel Center, including changes that may change fuel volume needs more than 30% or EOH dates. Fuel Center is available 24/7 at 1-877-212-1735 or can be contacted for non-emergency service at <mailto:FuelManagement@aggreko.com>.
- In the event Aggreko's emergency response protocol is activated, Aggreko cannot guarantee its ability to deliver fuel. During the pendency of the protocol, all Fuel Management obligations shall be suspended and Customer shall be switched to the Fuel Service plan. Please contact Aggreko Fuel Center for additional details.
- Additional charges, conditions, and exclusions apply. More information about the Fuel Management Plan, including applicable terms and conditions, is available in the Fuel Management Services overview, accessible at <https://www.aggreko.com/en-us/terms-of-business>.

FUEL SERVICE The Fuel Service Plan provides fuel, gas, propane, and DEF services on a routine, Customer-directed, or as-needed basis where Customer is responsible for selecting the fuel type and all costs associated with fuel and DEF products. This includes fees for Emergency Drop, Rejecting Delivery or Cancellation, Dry Run, Delivery, Wait Time or Demurrage, Pump Out or Fuel Supporting Equipment (tanks, manifolds, vaporizers, etc.). The listed Fuel Service markup % in the variable charges will apply unless otherwise specified.

- Unless otherwise specified, internal fuel and DEF tanks will be delivered 90% full and all external diesel fuel tanks will be delivered with a minimum of 200 gallons where allowed. Customer may request external tanks to arrive onsite full. In this case, Aggreko will charge the Customer for all fuel delivered and invoice charges on the first invoice. If equipment is returned to the service center with less fuel or DEF than delivered, Aggreko will charge Customers for the missing diesel and DEF gallons at the rate set forth in the variable charges section above, or at Aggreko's default cost plus 35% if not specified. Customers with negotiated MSA fuel rates will be charged for Unreturned Fuel and DEF at the applicable MSA fuel/DEF rate. No credit will be given for excess fuel or DEF in equipment returned. No credit will be given for off hire delays due to fuel pump out if fuel pump out is required prior to transporting back to an Aggreko service center.
- Propane, CNG, or LNG gas can be managed under this plan, but it does not include freight or equipment-related charges unless specifically outlined in the variable charges section.
- Additional charges, conditions, and exclusions apply. More information about the Fuel Services Plan, including applicable terms and conditions, is available in the Fuel Services overview, accessible at <https://www.aggreko.com/en-us/terms-of-business>.

FUEL AND FLUIDS If customer has elected to manage its own fuel, DEF, and gas needs customer acknowledges it is required to meet the applicable standards and specifications for each as follows:

- Diesel engines operate on #2 diesel fuel, which meets Aggreko's Diesel Fuel Specifications found at <https://www.aggreko.com/en-us/terms-of-business>.
- Tier 4 Final diesel engines, by federal law, require the use of Diesel Exhaust Fluid (DEF), which meets DEF ISO 22241-3 standards. It is the Customer's responsibility to maintain DEF levels and operate the equipment above the manufacturer's minimum load specifications.
- Customer is responsible for all service or repair charges, damages to the equipment, and rental charges during any shutdown period due to (1) failure to maintain adequate fuel and DEF levels, (2) operating the equipment outside of the manufacturer's load specifications, and (3) all damages associated with poor quality/unsuitable fuel and DEF.
- Unless otherwise specified, internal fuel and DEF tanks will be delivered 90% full and all external diesel fuel tanks will be delivered with a minimum of 200 gallons where allowed. If equipment is returned with less fuel or DEF than it had at the time of delivery ("Unreturned Fuel or DEF"), the Customer will be charged at the rate set forth in the variable charges section above, or at Aggreko's default cost plus 35% if not specified. Customers with negotiated MSA fuel rates will be charged for Unreturned Fuel and Unreturned DEF at the applicable MSA fuel/DEF rate. No credit will be given for excess fuel or DEF in equipment returned. No credit will be given for off hire delays due to fuel pump out if fuel pump out is required prior to transporting back to an Aggreko service center. If the Customer decides at a later date to have Aggreko supply fuel, that will be subject to Aggreko's agreement and alternative terms on Fuel, which will be provided at that time.

GAS SUPPLY It is the Customer's responsibility to ensure that the liquid and solids separation, filtration, treatment, pressure regulation, and piping of the fuel gas meet Aggreko's requirements found in the Fuel Specifications at <https://www.aggreko.com/en-us/terms-of-business>. The Customer expressly acknowledges that gas-fired equipment will be impacted by gas quality, ambient temperatures, and altitude. Aggreko is not responsible for any limitations on equipment producing capacity or performance caused by poor gas quality, pressure, water content, or other factors outside of Aggreko's control. For any jobs involving the use of liquid propane, the Customer shall provide the liquid propane tank and connections, unless otherwise specified herein.

LABOR Customer induced service calls, drive time to and from sites and any chargeable labor will be charged at quoted rates. If an overnight stay is required, lodging and per diem expense will be charged.

IMPORTANT CUSTOMER INFORMATION This proprietary document has been created for Hydrotech Electric, Ken Cloud, it is therefore acknowledged and agreed to honor our proprietary right to the contents of this proposal and therefore not share the ideas or concepts within.

INVOICE INTERVAL All monthly pricing based on a 28 Days billing cycle.

PAYMENT TERMS Payments shall be made N30 from date of invoice. Aggreko reserves the right to change payment terms based on changes in financial condition or Customer's non-compliance with the stated net payment terms during the rental.

REMOTE MONITORING This service is provided on designated equipment models. If applicable, Aggreko personnel will remotely monitor warning and emergency alarms to minimize downtime, increase reliability and proactively troubleshoot issues in a timely and cost-effective manner. Corrective action may include the dispatch of service personnel and/or technical phone support directly to onsite customer contacts. Response time varies by geography. The service and associated rates are based on the availability of suitable, reliable and continuous mobile network coverage at the jobsite. If suitable cellular connectivity is unavailable, other technology may be available at a rate to be agreed upon in writing by the parties. With our Remote Monitoring comes access to our Aggreko mobile App - Aggreko Connect, which is available to download from the Appstore or Google Play. Log in details will be provided by Aggreko upon request. Customer acknowledges that all use of the App is subject to Aggreko's App use terms and conditions which are provided with the App. Within the App are different levels of access:

- Aggreko Connect Bronze is our default access which allows you access to view order details and invoices.
- Aggreko Connect Silver will allow you to access asset parameters and receive push notifications from Aggreko within the App. Aggreko Connect Silver is billed PER DAY PER UNIT regardless of Invoice Reconciliation.
- Aggreko Connect Gold will grant you additional access to Reporting on the Asset(s) you rented with us within the App. Gold access can only be granted on top of Silver. Aggreko Connect Gold is billed PER DAY PER AGREEMENT regardless of Invoice Reconciliation.

TERMS, CONDITIONS AND CUSTOMER RESPONSIBILITIES

Customer assumes all responsibility and liability for:

- Obtaining any relevant operating permits and shall be liable for any and all penalties, delays and damages caused by its failure to timely obtain all such permits, including reimbursement to Aggreko for any fines paid on Customer's behalf and regardless of the party to which the citation is issued.
- State and local taxes. TAX is NOT included in the price on any Aggreko proposal. Any applicable taxes will be included on the invoice to customer unless customer provides a valid tax exemption certificate that applies to the particular rental for the applicable period.
- Any and all required union labor.
- Required lifting unloading, loading, and positioning of the equipment (including providing suitable cranes and/or other lifting and handling equipment as applicable).
- Proper placement on a flat level surface that is capable of withstanding the weight-bearing loads of the equipment, any fuel spills, associated clean-up costs and fines resulting from improper placement, as well as any modifications or damage to foundations, landscaping and structures, permanent or temporary, resulting from the installation, use or decommissioning of Aggreko's assets, including any restoration and any resulting injuries.
- Pre-Delivery Cancellation Fees: If Customer cancels this rental after Aggreko and/or its freight supplier have commenced mobilization but before delivery of the equipment, Customer shall be responsible for paying Aggreko the freight charge incurred, a reasonable labor charge at the applicable standard, overtime or holiday rate, and, if after regular business hours, an Emergency Opening Fee.
- Full replacement insurance on equipment (Certificate must be provided prior to delivery).
- All services provided by Aggreko are subject to "Aggreko North America Rental Agreement Terms & Conditions". This document is provided online at: <https://www.aggreko.com/en-us/terms-of-business> and is incorporated herein by reference. Alternatively, a copy will be provided upon request. Customer shall accept these Terms by (i) signing the proposal, (ii) sending an email communication to Aggreko indicating acceptance of the Proposal, (iii) submission of a PO number, or (iv) Customer's acceptance of the Equipment. No alternative terms and conditions will be accepted unless expressly agreed to by the parties in writing.

TO PLACE AN ORDER

1. Provide Aggreko with written notice of acceptance of the Proposal by signing the Acceptance Page or by email.
2. Submit a Purchase Order or PO number to Aggreko, but only if needed for billing and for the purpose of payment.
3. If tax exempt, please provide a copy of your tax exemption document. Once received, it will remain valid for the lesser of four years from the signature date or the expiration date included on the certificate. You will be charged applicable tax if the certificate is not received prior to order acceptance.
4. Provide a valid certificate of insurance, which can be obtained from your insurance provider.

TO TERMINATE RENTAL

1. Call 800-Aggreko (800-244-7356). Aggreko requires a minimum of a 24-hour notice for arranging the decommissioning and return freight. Off hire notifications received after 5pm will be acknowledged the following day.
 2. Provide the Rental Agreement Number, a Purchase Order Number, or the Equipment Unit Number. Additionally please provide items to be collected, job location, pickup date/time, site contact person name/phone number, and decommission requirements (including technician, de-fuelling, crane/forklift, and confirmation of freight carrier arrival time for return delivery).
 3. You will receive a confirmation email within 24hrs to acknowledge your request. If you do not receive this confirmation, please contact your Aggreko Representative. A rental will not be deemed terminated without proof of termination, as set forth above.
- Where freight is arranged by Aggreko, and unless designated otherwise, the end of hire date will be the later of either: i) the date the equipment is made available for pickup, or ii) the calendar day following receipt of the off-rent notification. Provided, however, for all rentals in which customer is responsible for arranging freight, the rental shall not terminate until the equipment is return to the designated Aggreko Service Center.



Proposal Acceptance Ken Cloud at Hydrotech Electric

Please complete and return this page to your Aggreko Rep or
E-mail: Orders@aggreko.com or Fax: 1-800-853-6066

Once written acceptance is received, we will process your order. Please submit a Purchase Order or PO number as well if needed for billing and payment purposes.

Proposal #: P-625841-1

PLACE ORDER

Please complete the information below, which will assist Aggreko in establishing the correct customer entity, confirming tax exempt status and facilitating the invoicing process. This order is subject to credit approval by Aggreko. Aggreko reserves the right to require advance payment for rental commencement and payment in advance for subsequent billing cycles based on assessment of or changes in customer credit risk and compliance with net payment terms.

Purchase Order #: _____ Name on Credit Card: _____
Purchase Order Value: _____ Credit Card Holder Phone # _____
O Purchase Order is NOT required for payment. Credit Card Holder E-mail: _____

Customer is deemed to have authorized, in advance, payment in full of all amounts as they become due and payable hereunder by charge to the above referenced credit card upon the issuance of a written invoice (without the need for additional signature or written authorization) as Customer's primary and preferred method of payment; provided, however, if Customer issues payment by check in lieu of payment by credit card for any particular invoice referenced on the check, then credit card charges shall be reversed after any such check has cleared. Customer acknowledges that since this proposal may not reflect the actual cost of services to be determined after the commencement of the work. (i.e., freight, fuel, labor, additional rental term, etc.) any amount so stated shall not be deemed a restriction on Aggreko's right to charge Customer's credit card for continued obligations identified in this Proposal, which subsequent charges are expressly authorized herein.

BILLING INFORMATION

Billing Legal Entity: _____ Receive invoices via email: O Yes O No
Billing Address: _____ A/P E-mail: _____
A/P Contact Name: _____
A/P Contact Phone #: _____
Tax Exempt: O Yes O No If claiming tax exemption for this order, a valid Sales Tax Exemption Certificate must be provided.

SITE INFORMATION

Site Address: _____ Site Contact Name: _____
Site Contact Phone #: _____
Site Contact E-mail: _____
Aggreko Technician Required? O Yes O No Onsite Fueling: O Aggreko to Fuel O Customer to Fuel

TRANSPORT INFORMATION

Delivery Method: O Aggreko Delivery Fixed Delivery Time: _____
O Customer Pick-Up Preferred Delivery Window: _____
Delivery Date: ____/____/____ O 08:00 - 12:00
O 12:00 - 16:00
O Out of hours (Please specify above)

By signing below, I confirm that I am authorized to enter into this agreement on behalf of Lessee, this rental shall be subject to the existing MSA between the parties, if applicable, and if there is no current MSA, then to Aggreko's Rental Agreement Terms and Conditions available at https://www.aggreko.com/en-us/terms-of-business, to which I acknowledge I have access shall apply and are incorporated herein by reference.

Signature _____
Name _____

Date _____

The Aggreko logo is displayed in white text on a blue background. To the right of the logo is a close-up photograph of several black cables with orange and yellow markings plugged into a blue piece of industrial equipment. A red indicator light is visible above a circular 'ARM' logo on the equipment's surface.

aggreko



Aggreko Remote Monitoring

We've got you covered – anytime, anywhere

For those responsible for keeping power, cooling, heating and compressed air up and running — no matter what — having an expert set of eyes on critical systems is essential. Aggreko Remote Monitoring (ARM) services help customers' operations teams, delivering essential information and expert support to keep facilities, plants and events running smoothly.

Our technology monitors our equipment performance and alerts a technician when issues might arise.

For managers, this means access to run status, load, fuel levels, and more anytime — and equipment reliability.

For field operations with dozens of pieces of equipment in remote areas, it means knowing the exact location of the unit needing maintenance, with expert technicians providing instructions and on-site support. Or, knowing exactly when to call for a fuel truck, optimizing fuel delivery scheduling and costs.

KEY BENEFITS

- Maximize uptime
- Get proactive monitoring to minimize risk and resolve issues before incidents occur
- Obtain immediate response and technician assistance
- Increase asset productivity
- Improve operational efficiency
- Around the clock global reach and support

The experts behind the technology

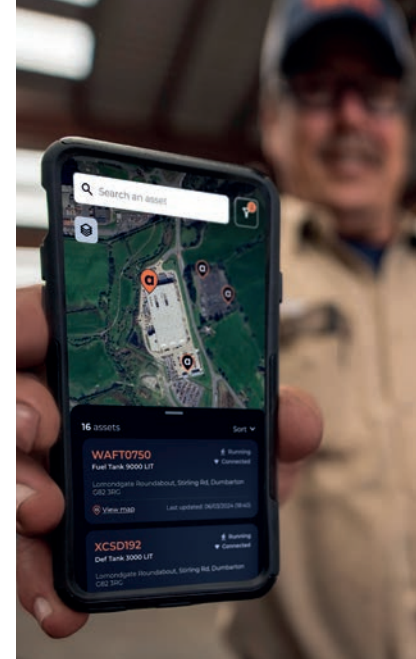
Setting our technology above other remote monitoring software is a team of engineers and field-experienced technicians in our Remote Operations Center (ROC) that can see every aspect of the equipment performance around the clock. The ROC team has all the information they need to see a problem, troubleshoot using computerized diagnostics, plan a solution, and immediately take action by:

- Deploying technicians and resources to solve the problem
- Calling customers directly to provide the instructions for a minor fix or adjustment on-site

Achieve ultimate reliability

- 1. Equipment monitoring:** Our team receives equipment notifications.
- 2. Remote diagnostics:** Alarms enable our Service Engineer to identify potential or actual issues.
- 3. Personal attention:** A team member initiates the right response plan for the identified issue.
- 4. Issue resolution:** We remotely fix the problem with the site when possible or dispatch a qualified technician with a thorough understanding of the issue.

Our proactive monitoring helps to minimize risks and resolve issues before they occur. And with our online portal or mobile app, monitoring your equipment is now easier than ever.

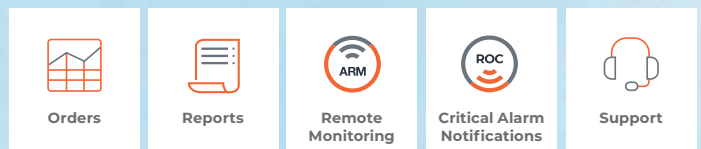
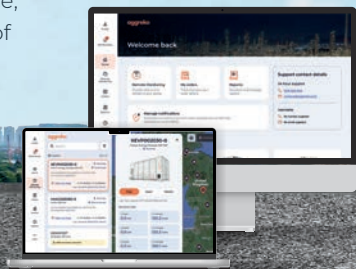


Aggreko Connect

What if you had greater control of your energy?

With the Aggreko Connect web portal and mobile app, you can **manage your account, monitor your equipment performance, including emissions and operational efficiency, receive actionable insights and get support**, all at your fingertips!

Aggreko Connect delivers enhanced operational reliability, information transparency and customer support in a single place, putting you in control of your energy solutions.



Access your enhanced Aggreko experience
Download the Aggreko Connect app now!*

*The same credentials you currently use for the Aggreko Connect web portal will grant you access to the app. If you have any issues, please contact your sales representative.

GET IT ON Google Play

Download on the App Store

With you every step of the way

Avoid preventable failures: Early detection and prevention of potential issues means avoiding equipment problems before they disrupt operations.

Maximize uptime: Maximizing efficiency on the job, ARM allows work to continue — eliminating potential lost revenues and man-hours due to equipment failure or unplanned maintenance.

Accelerate troubleshooting: Remote monitoring software at the ROC identifies potential problems, allowing our team to quickly troubleshoot and resolve issues.

Right-size equipment: ARM data helps us to determine the best equipment for each job, so we can assure customers have the right equipment on site.



PROPOSAL
TCWD
MCC-A REPLACEMENT AT THE
ROBINSON RANCH WASTEWATER TREATMENT PLANT
PHASE 2

Addendum: None Noted

DIR REG # 100001266

12-3-25

Pg 1 of 2

Specifications: 010100, 010400, 024113, 260510, 260519, 260533, 260800.

Proposal to furnish and install the following per plans and specs:

1. Coordination with TCWD to accommodate operations as required.
2. Development of Equipment Shut Down and Transfer Phasing & Sequencing Schedule with TCWD operations.
3. Installation of temporary conduit, boxes, and wiring to all controls and power circuitry from MCC-A to field instrumentation and equipment as required to accommodate replacement of existing pull boxes #1 and #2. This includes signals from PLC. *This also includes re-routing of Fiber Optic Cables for Plant SCADA.*
4. Disconnection, transfer, and reconnection of power & controls to equipment powered from MCC-A as required per the Equipment Shut Down and Transfer Phasing & Sequencing Schedule to accommodate replacement of pull boxes #1 and #2. This includes signals from PLC.
5. 1- NEMA 4X Stainless Steel 72 x 72 x 24" Termination Cabinet to replace PB-1 & 2 including:
 - A. 2- 72 x 36 Back Panel.
 - B. 2- 72 x 24 Vertical Barrier (480V/120V/ 4-20MA).
 - C. 2- 72 x 36 Locking Doors.
 - D. 5- 100A 3- P Power Distribution Block.
 - E. 6- 60A 3- P Power Distribution Block.
 - F. 300- 20A 1P Din Rail Mounted Terminal Blocks.
 - G. 1- CU Ground Buss Bar.
6. Removal of existing pull boxes #1 & #2.
7. Extension of concrete housekeeping pad to accommodate new Terminal Cabinet. (Exterior).
8. 2- NEMA 4X Stainless Steel 24x24x12 Enclosure. (Exterior).
9. 2- NEMA 3 30 x 30 x12 Enclosure. (Interior).
10. Hole Cores through Blower Building wall as required for new conduit installation.
11. PVC Coated Conduits per conduit schedule and as required from new 72 x 72 x 24 Terminal Enclosure to Interior Enclosures for temporary and permanent wiring from field instrumentation and equipment to MCC-A.

37707 Green Knolls Road
Winchester Ca. 92596
909 948-1908

DIR# 100001266
CLSB #977838
WBE Certified

Ken Cloud 909 270-0430



PROPOSAL
TCWD
MCC-A REPLACEMENT AT THE
ROBINSON RANCH WASTEWATER TREATMENT PLANT
PHASE 2

PG 2 OF 2

12. Second disconnection, transfer, and reconnection of power & controls to equipment powered from MCC-A as required per the Equipment Shut Down and Transfer Phasing & Sequencing Schedule after the installation of the 72 x 72 x 24 Terminal Enclosure, 36 x 30 x 12 enclosures, 30 x 30 x 12 interior enclosures, and conduits as required. This includes signals from PLC. *This also includes second re-routing of Fiber Optic Cables for Plant SCADA.*
13. Re-Labeling of all power, control, and signal wiring per TCWD standards.
14. Development of Input/Output Signal Checklist for functionality testing.
15. *Complete Functionality Testing of all re-routed MCC-A associated equipment.*
16. Bonding fees included

Excluded from Scope:

1. Any Instrumentation devices, Control Panels or Electrical panels not listed in the above scope of work.
2. Building permits.
3. Fiber Optic Terminations and OTDR Testing. (If required).

Total Bid Price.....\$183,000.00

Price valid for 30 Days

**If you have any questions or comments please call me,
Sincerely,
Ken Cloud.**

**37707 Green Knolls Road
Winchester Ca. 92596
909 948-1908**

**DIR# 100001266
CLSB #977838
WBE Certified**

Ken Cloud 909 270-0430

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

ENGINEERING MATTERS

**ITEM 15: DIMENSION WATER TREATMENT PLANT TRANSMISSION MAIN PIPELINE REHABILITATION PROJECT
UPDATE**

Trabuco Canyon Water District (TCWD or District) awarded two construction contracts in June 2025 for the first phase of the Dimension Water Treatment Plant (DWTP) transmission main rehabilitation project. In conjunction with structural work on Filter No. 4 within DWTP (completed October 9, 2025), the project will restore operations for the District's most reliable and cost-effective drinking water supply source.

Attached is the November monthly construction report from Butier (Exhibit 1). Construction for phase 1A has been completed. Phase 1B continued in the month of November with approximately 1,000 LF of Pipe Bursting activities, along with videoing upstream sections, pit excavations and connections. The contractor is currently installing 1,000 LF per week of 16" PVC Pipe via the pipe bursting method. The open cut pipe installation and connection will be constructed after the pipe bursting is completed.

FUNDING SOURCE:

Capital Improvement Program

FISCAL IMPACT (FY25/26):

\$7,000,000

COMMITTEE STATUS:

This matter was reviewed with the Engineering/Operational Committee.

RECOMMENDED ACTION(S):

Receive information at the time of the meeting. No action required at this time.

EXHIBITS:

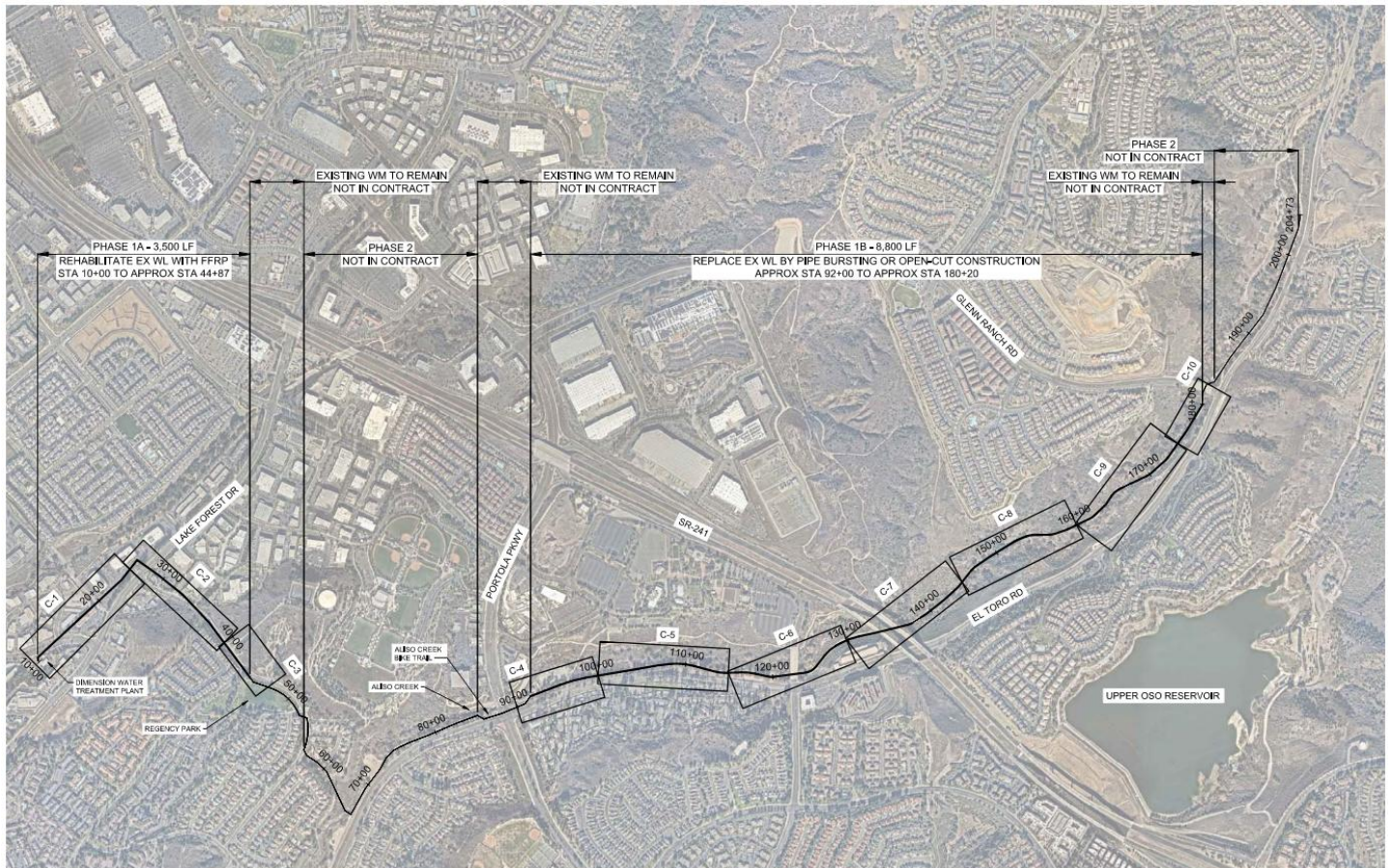
1. DWTP Pipeline Monthly Construction Report

CONTACTS (staff responsible): PEREA/LAUSTEN



Phase 1A/1B - DWTP Transmission Main Rehabilitation and Replacement Project

Construction Report November 2025



I. GENERAL PROJECT INFORMATION

Contractor

TE Roberts, Inc.

Contract Time

Original Calendar Days:	153 Days
Notice to Proceed:	June 23, 2025
Material Delivery:	August 5, 2025
Original Contract Completion Date:	Jan 5, 2026
Revised Contract Completion Date:	Mar 13, 2026

Contract Price

Phase 1A Original Contract Amount:	\$1,793,012.00
Phase 1B Original Contract Amount:	\$3,721,445.00
Total Original Contract Amount:	\$5,514,457.00
Approved Change Order [Unexecuted]: Close Out #1 [Phase 1A]	-\$31,748.95
Approved Change Order [Unexecuted]: Creek Crossing #1 [Phase 1B]	\$186,500.00
Approved Change Order [Unexecuted]: Creek Crossing #2 [Phase 1B]	\$186,500.00
Credit Contract Line Item 09 [Unexecuted] [Phase 1B]	-\$126,200.00
Total Change Order Amount:	\$215,051.05
Revised Contract Amount [Phase 1A and Phase 1B]:	\$5,729,508.05

II. CONSTRUCTION MANAGER SUMMARY

This report provides a summary of activities for the month of November 2025 for the DWTP Phase 1A/1B Transmission Main Rehabilitation and Replacement Project.

TE Roberts constructed approximately 2000 linear feet of pipe during the month of November 2025. Construction activities for Phase 1B transitioned from initial pit excavation and staging into full production pipe-bursting operations, expanded potholing and camera investigations, and continued fusion of the Fusible C900 pipeline. Work progressed across multiple station points simultaneously, with TE Roberts and subcontractor Morrow Trenchless coordinating closely to manage pit preparation, equipment setup, pipe fusion, and installation under varied field conditions.

Early in the month, crews focused on establishing the first set of Phase 1B pulling pits at STA 92+00, STA 97+50, STA 102+50, STA 107+49, and STA 112+45. This included removal of existing CMLC pipe, installation of shoring boxes, mud removal after heavy rains, placement of CMB base, and staging of bursting equipment. Morrow Trenchless continued large-scale fusion operations at the laydown area throughout the month, with Underground Solutions technicians performing welds to prepare long segments of Fusible C900 for installation.

Pipe-bursting operations mobilized mid-month, beginning with runs between STA 92+00 and STA 97+50, followed by staging and pulling efforts at STA 97+50, STA 102+50, and STA 107+49. Several field challenges occurred, including soil heaving near STA 96+80 and a significant obstruction at STA 100+50 where the bursting head became lodged against a 6-inch riser and multiple unexpected butt straps. This required excavation of the obstruction, removal of the riser, and ultimately the creation of a new insertion pit at STA 100+50 to complete the remaining pull. These recovery efforts were tracked on T&M and coordinated with TCWD operations, Hazen & Sawyer staff, and TT Technologies technical representatives onsite.

By the latter half of the month, production improved. TE Roberts successfully completed multiple pipe-bursting runs, staged new pipe segments, connected burst sections using 16-inch sleeves with mechanical-joint fittings, installed sand bedding in the pipe zone, wrapped MJ bolts in wax and plastic per specification, placed warning tape, and advanced backfilling operations. Additional potholing and CCTV investigations were performed at STA 125+50, STA 127+70, STA 138+01, STA 139+42, and STA 141+77 to verify line conditions ahead of future bursting segments. Traffic control was installed daily at all open pits, with oversight from City and County inspectors.

Despite weather impacts and several unforeseen pipe conditions, overall progress during November was significant. Crews advanced excavation, pit preparation, fusion, and pipe-bursting work across the full Phase 1B alignment, setting the project on track for the next sequence of bursting operations and subsequent mechanical connections.

III. ANTICIPATED CONSTRUCTION ACTIVITIES – NEXT REPORTING PERIOD

Based on progress made in November, TE Roberts is expected to continue aggressive advancement of Phase 1B installation activities through December. With the primary pits established and several successful bursting runs completed, upcoming efforts will focus on the remaining pipe-bursting segments, mechanical tie-ins, and progression toward restoring the Phase 1B alignment to operational readiness.

Key anticipated activities include:

- **Completion of remaining pipe-bursting runs** from the newly created insertion pit at STA 100+50 toward STA 112+45 and beyond, continuing staged bursting in coordination with Morrow Trenchless, TT Technologies, and Underground Solutions.
- **Continued fusion of Fusible C900 pipe** at the staging area, supporting uninterrupted pipe-bursting operations and ensuring adequate lengths for each scheduled pull.
- **Additional excavation, shoring, and pit enlargement** where required, particularly at locations where unexpected fittings, butt straps, or riser pipes were previously encountered.
- **Mechanical-joint installation and welding** at pits where burst segments meet existing pipe, including placement of sand bedding, bolt wrapping, sealing, and warning tape installation.
- **Backfill and temporary surface restoration** following completion of each pit's internal connections.
- **Ongoing CCTV investigations** and final verification at downstream station points to complete pre-burst inspection requirements.
- **Daily traffic control operations** at all pit locations, continued coordination with OC Parks, City of Mission Viejo, and City of Lake Forest inspectors, and maintenance of watch-manual-compliant signage and 5-mph advisory zones.

With multiple pit locations now active and the bursting system fully established, December is expected to mark a high-production phase of the project, advancing the installation of the Fusible C900.

IV. CHANGE ORDERS

The approved amount of change orders to date is \$215,051.05; and Contract Completion Date was extended to March 24, 2026 [from January 5, 2026] due to delay in permitting and miscellaneous procurement items.

V. SCHEDULE

See Appendix A.

VI. PHOTOS

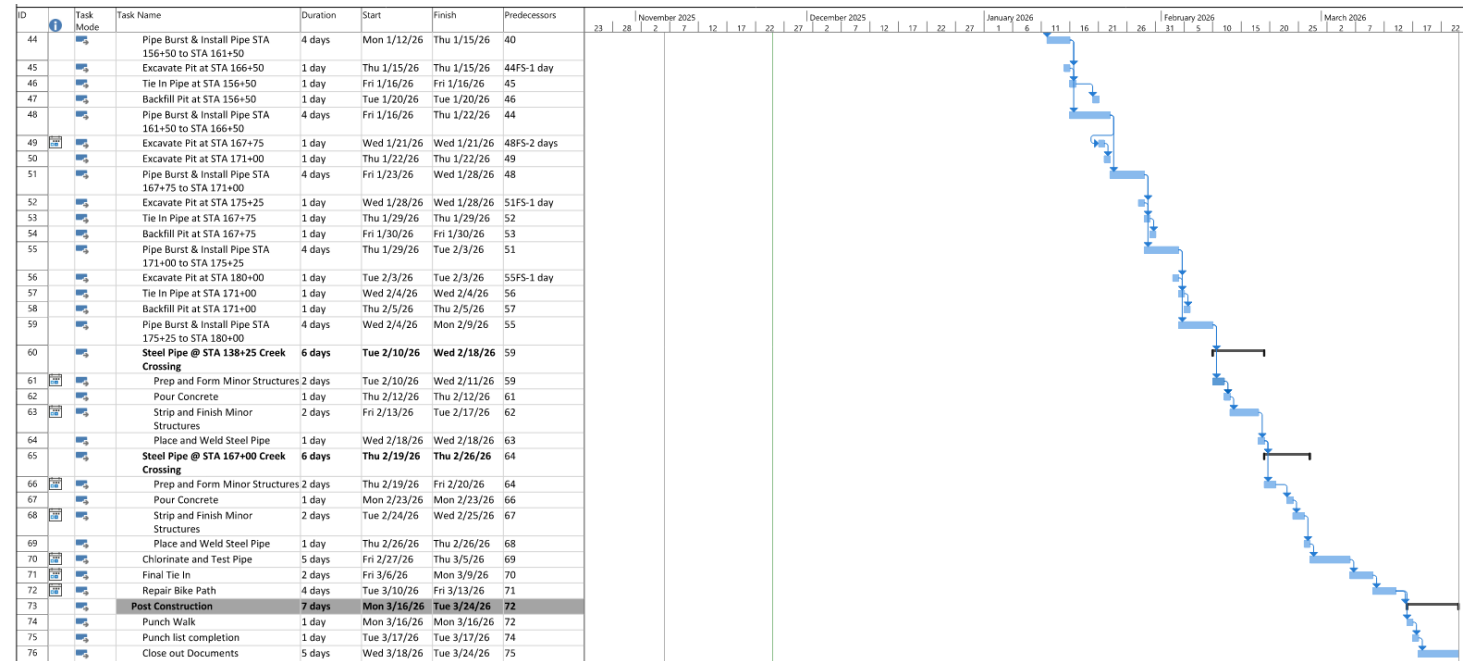
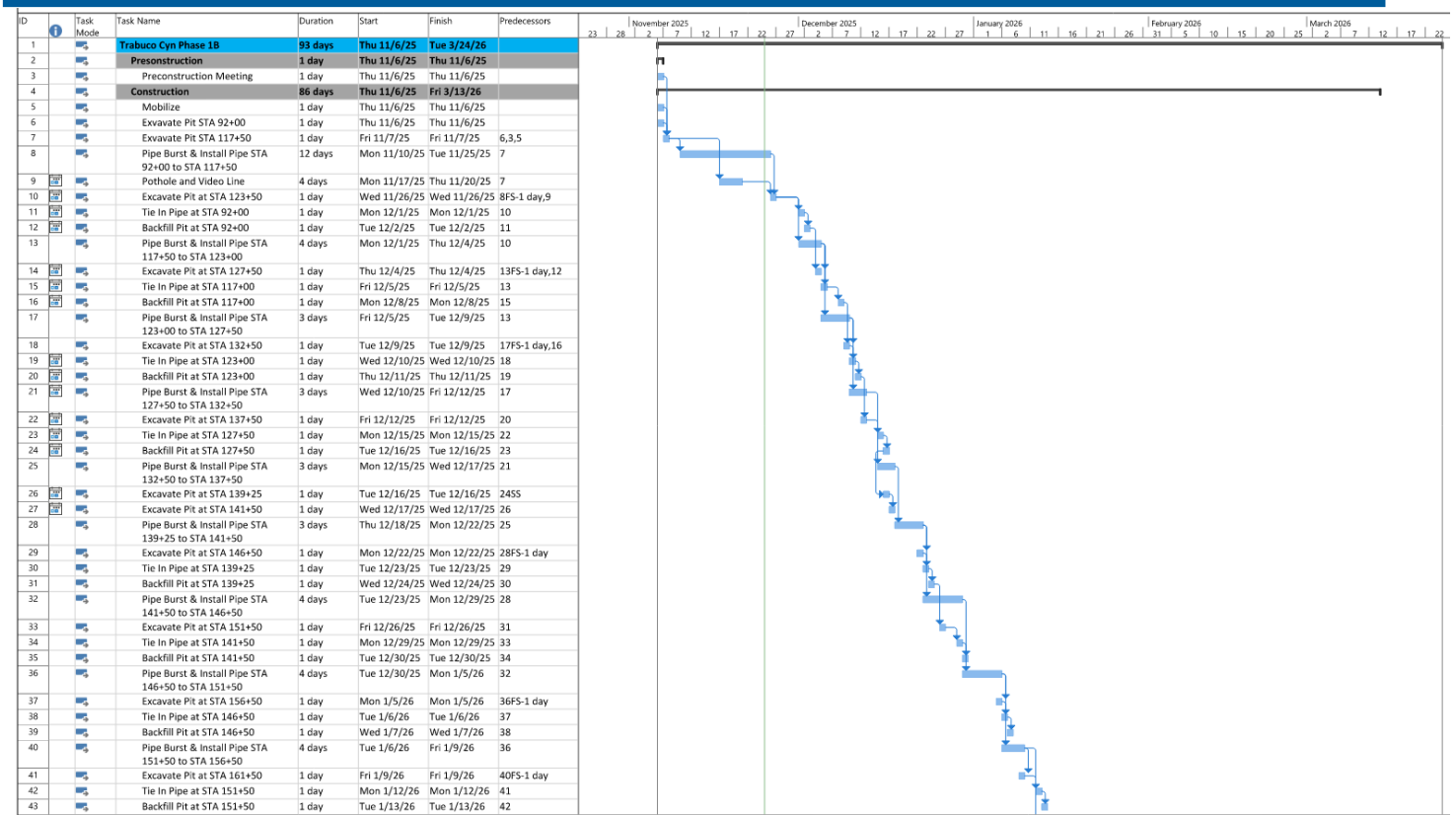
Construction photos documenting TE Roberts' activities and progress during this reporting period are provided in Appendix B.

APPENDIX A

Schedule

Phase 1A/1B - DWTP Transmission Main Rehabilitation and Replacement Project

**Construction Report
November 2025**



APPENDIX B

Construction Photos



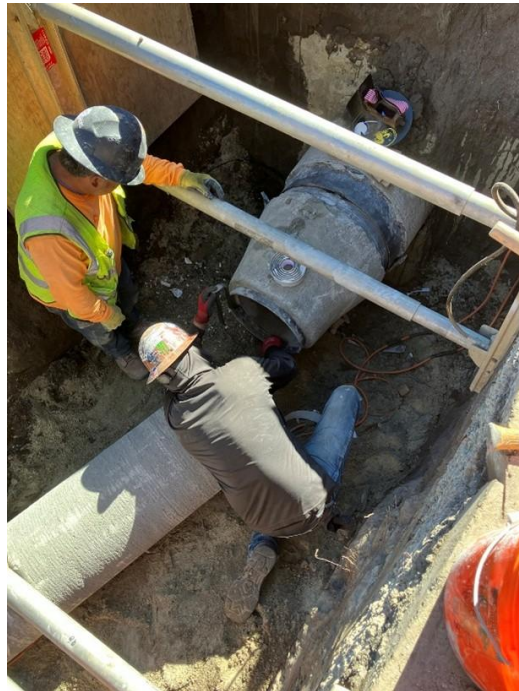
Began Pipe Bursting



Completed Pipe Bursting



Coupler Connection of C900 Piping After Pipe Bursting



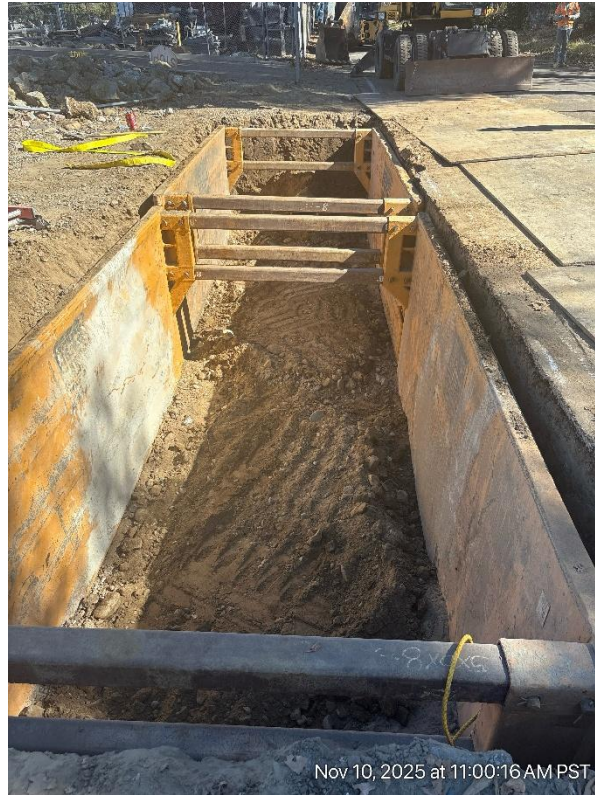
Excavating Pipe Bursting Pit



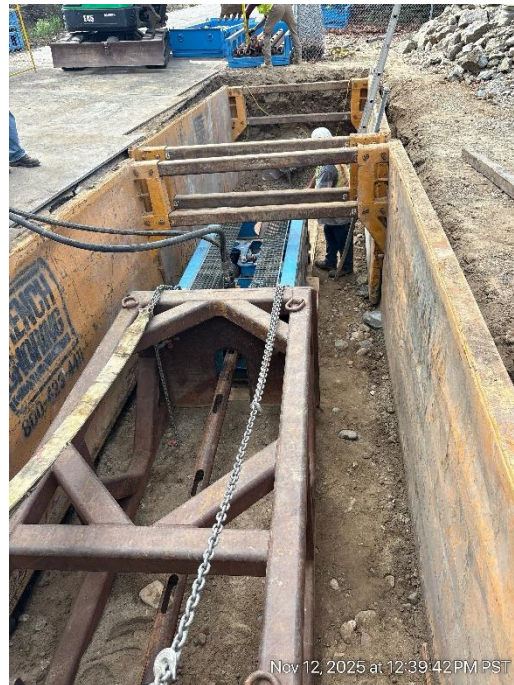
Fusing C900 Piping



Insertion of Pipe Bursting Head



Installation of Shoring Boxes



Installed Pipe Bursting Equipment in the Pit



Pipe Bursting Head



Installed Pipe Bursting Head

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

LEGISLATIVE AND OTHER MATTERS

ITEM 16: LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL MATTER(S)

Staff may provide information at the time of the meeting.

RECOMMENDED ACTION:

Receive information at the time of the meeting and take action(s) as deemed appropriate.

EXHIBITS:

1. Hanson Bridgett Memo - Updates to Brown Act Under SB 707 – November 11, 2025

CONTACTS (staff responsible): PEREA/COLLINS

Memorandum

TO: Trabuco Canyon Water District
FROM: Laura Ratcliffe
DATE: November 11, 2025
RE: Updates to Brown Act Under SB 707

Senate Bill 707 (Durazo, 2025) makes significant changes to the Brown Act. This memo summarizes the major updates in three categories: (1) teleconferencing rules; (2) obligations for newly defined “eligible legislative bodies”; and (3) miscellaneous updates and extensions of expiring requirements.

In sum, SB 707 largely preserves the traditional teleconferencing rules while consolidating and refining alternative teleconferencing paths. It also imposes heightened access and transparency obligations on certain larger agencies (“eligible legislative bodies”).

I. TRADITIONAL TELECONFERENCING RULES [Gov’t Code § 54953(b)]

The traditional Brown Act teleconferencing model remains largely unchanged by SB 707. Under this approach:

- Each teleconference location must be identified on the notice and agenda for the meeting.
- The agenda must be posted at each teleconference location.
- Each teleconference location must be open and accessible to the public.
- Members of the public must be allowed to participate in the meeting from each noticed teleconference location.
- A quorum of the members of the legislative body must participate in the meeting from locations within the jurisdictional boundaries of the agency.
- All votes must be by roll call vote.

Disability Accommodation Carve-Out: SB 707 exempts members of legislative bodies who participate remotely, under either traditional or alternative teleconferencing provisions, as a reasonable accommodation for a disability (as defined in Section 12102 of Title 42 of the United

States Code, the Americans with Disabilities Act), from the standard requirements of Government Code § 54953(b). Instead, the following requirements apply:

- Remote participation as a reasonable accommodation under the Americans with Disabilities Act is treated as in-person for quorum and location requirements.
- The member must participate through both audio and visual technology, except if their disability requires off-camera participation.
- The member must disclose if any other individuals aged 18 years or older are present in the room at the remote location and their relationship to the Member.

II. ALTERNATIVE TELECONFERENCING REQUIREMENTS

[Gov't Code §§ 54953.8–54953.8.7]

SB 707 establishes an alternative teleconferencing framework to allow members of legislative bodies to participate remotely, without opening their physical location to the public and posting an agenda at the location, in a limited set of circumstances described below.

When alternative teleconferencing is used, regardless of the circumstances, the following baseline requirements apply, unless otherwise noted below:

- The public must be able to participate in the meeting by a
 - (a) two-way audiovisual platform (the platform can be set up to disable the public's ability to turn on their video); or
 - (b) two-way telephonic service supplemented by live webcasting of the meeting.
- The agency must give notice of the means by which the public may access the meeting remotely and offer public comment.
- In the event of a disruption in remote participation, the legislative body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption that prevents the legislative body from broadcasting the meeting may be challenged.
- Agencies cannot require public comments to be submitted in advance of a meeting, and must provide opportunities for the public to address legislative bodies in real time.
- Minutes must list each remotely-participating Member and the statutory basis for remote participation.
- Members participating remotely must publicly disclose, at the meeting and before any action is taken, whether any individuals over 18 years of age are present in the room at their remote locations and their general relationship to such individuals.
- All votes must be by roll call vote.

Members can participate in a meeting remotely under the alternative teleconferencing requirements under the following circumstances, with additional requirements noted:

A. STATE OR LOCAL EMERGENCY

[Gov't Code § 54953.8]

- If there is a proclaimed state of emergency¹ or local emergency², the Board may vote to meet remotely under this section.
- If meeting under this section, there does not need to be a physical location for public attendance or comment, and the meeting may be conducted utilizing a two-way telephonic service without a webcast.
- If the state of emergency or local emergency remains active, the Board must vote to reauthorize remote meetings every 45 days.

B. JUST CAUSE

[Gov't Code § 54953.8.3]

In addition to requirements described in Section II, participating remotely for "just cause" requires compliance with the following:

- The member must notify their legislative body ASAP, which can include at the start of a meeting, of their need to participate remotely.
- A quorum of other members must meet in person at a single, noticed location in the geographic jurisdiction of the agency.
- The member must participate through both audio and visual technology
- Members are limited to participating remotely for the following number of meetings per year:
 - Two if the legislative body regularly meets once per month or less.
 - Five if the legislative body regularly meets twice per month.

¹ "State of emergency" means state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2).

² Local emergency is defined as a condition of extreme peril to persons or property proclaimed by the governing body of the local agency affected, in accordance with Section 8630 of the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), as defined in Section 8680.9, or a local health emergency declared pursuant to Section 101080 of the Health and Safety Code. Local emergency, as used in this section, refers only to local emergencies in the boundaries of the territory over which the local agency exercises jurisdiction.

- Seven if the legislative body regularly meets three or more times per month.
- Remote participation must be for one of the following reasons (which must be specified in the meeting minutes):
 - The member needs to care for their child, parent, grandparent, sibling, spouse or domestic partner.
 - The member has a contagious illness.
 - A need related to physical or mental condition that does not qualify as a reasonable accommodation for a disability.
 - The member is traveling on official business of the agency or another state or local agency.
 - The member needs to participate remotely to protect an immunocompromised child, parent, grandparent, grandchild, sibling, spouse, or domestic partner from exposure to illness. (New).
 - A physical or family medical emergency prevents a member from attending in person. (This was treated as an “emergency circumstance” under AB 2449.)
 - Military service obligations result in a member being unable to attend in person. This applies when a member is serving under official written orders for active duty, drill, annual training, or any other duty required as a member of the California National Guard or a United States Military Reserve organization that requires the member to be at least 50 miles outside the boundaries of the local agency. (New).

C. Eligible Subsidiary Bodies

[Gov't Code § 54953.8.6]

“Eligible subsidiary bodies” are defined as legislative bodies that (a) serve exclusively in an advisory role; (b) do not have authority to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements, grants, or allocations of funds; and (c) do not have primary subject matter jurisdiction on elections, budgets, police oversight, privacy, removing from/restricting access to materials available in public libraries, or taxes or related spending proposals.

Note: Elected officials serving on such bodies in their official capacity may not use this alternative path to teleconference. Thus, the requirements below are not available to TCWD’s standing committees, where members are serving in their official capacity. These rules may apply to advisory or “citizen’s” committees formed by the Board.

Members of eligible subsidiary bodies may participate remotely under the alternative teleconferencing rules if they comply with the following additional requirements:

- The legislative body that established the eligible subsidiary body (Parent Board) first makes specified findings (initially and every 6 months thereafter) that remote meetings (i) enhance public access, (ii) will use a remote meeting system, and (iii) improve attraction/retention/diversity of members of the eligible subsidiary body.
- The eligible subsidiary body itself votes to allow remote meetings.
- At least one staffed in-jurisdiction physical location is provided and the agenda is posted there.
- Members generally must appear on camera during the meetings.
 - Members can be exempt from this requirement due to having a disability that requires off-camera participation.
 - If Member does not appear on camera due to internet connectivity issues, they must announce the reason why they are not on camera.
- Recommendations to the Parent Board during subsidiary body meetings held under this section must be discussed at a regular meeting of the Parent Board before action is taken. Such discussion items cannot be placed on a consent calendar of the “parent” Board.
- As indicated above, elected officials serving on such bodies in their official capacity may not use this alternative path to teleconference.

III. Eligible Legislative Bodies (Effective July 1, 2026)

Beginning July 1, 2026, certain local agencies are designated as “eligible legislative bodies” and must follow enhanced teleconferencing and transparency requirements through January 1, 2030. These requirements are mandatory whenever such bodies meet.

NOTE: TCWD does not meet the described threshold limits, so these requirements do not apply to the District. This section is included for informational purposes.

A. Who Does this Apply To

Under Gov’t Code § 54953.4(b), an “eligible legislative body” includes:

- Cities: The city council of any city with a population of 30,000 or more
- Counties: The board of supervisors of any county, or a city and county, with a population of 30,000 or more
- City councils in large counties: A city council of a city located in a county with a population of 600,000 or more

- Special districts: The governing body of any special district that maintains an internet website and meets any one of the following criteria³:
 - The district's boundaries include the entirety of a county with a population of 600,000 or more, and the district has more than 200 full-time equivalent employees;
 - The district has more than 1,000 full-time equivalent employees
 - The district has annual revenues exceeding \$400,000,000, as shown in the State Controller's Financial Transaction Report (adjusted annually for inflation beginning Jan. 1, 2027), and employs more than 200 full-time equivalent employees.

B. Requirements

"Eligible legislative bodies" must comply with the following requirements for meetings:

- Two-way remote participation: Meetings must provide real-time audiovisual participation or two-way telephone participation combined with live webcasting.
- Automatic captioning: Remote platforms must activate captioning if available.
- Public comment parity: Remote participants must have the same ability to comment as in-person attendees.
- Disruption procedures: Eligible legislative bodies must adopt written policies for handling disruptions. If remote participation is interrupted, the body must recess.
 - If remote participation cannot be restored and the disruption remains unresolved after one hour, the meeting may be resumed only if the body adopts a finding by roll call vote that good faith efforts to restore remote access were made in accordance with the policy adopted above, and that the public interest in continuing the meeting outweighs the public interest in remote public access.
- Multilingual agendas and webpages: Agendas and meeting webpages must be translated into applicable languages. The translation does not need to include the entire agenda packet, but must include instructions on how to attend the meeting, and how to join virtually or comment. Machine translation suffices.
 - "Applicable languages" means languages, "according to data from the most recent American Community Survey, spoken jointly by 20 percent or more of the applicable population, provided that 20 percent or more of the population that speaks that language in that city or county speaks English less than "very well.""

³ This definition does not include "multi-jurisdictional bodies" (including joint powers authorities) as defined in (§ 54953.8.7(b)(2)).

- Translation Requirement: Eligible legislative bodies must “reasonably assist” members of the public who wish to translate a public meeting into any language or wish to receive interpretation provided by another member of the public, so long as the interpretation does not disrupt the meeting.⁴
 - This does not include the provision of actual interpretation services.
- Dedicated meeting webpage: Eligible legislative bodies must maintain an accessible meetings webpage (including a plain-language description of the process for how to access meetings and provide public comment, the meeting calendar, and meeting agendas), prominently linked from the agency homepage, and enable electronic requests for agendas/documents in line with requirements of Gov’t Code § 54954.1.
- Outreach Requirements: Eligible legislative bodies must make reasonable efforts, as determined by the legislative body, to invite groups that do not traditionally participate in public meetings to attend meetings.

IV. Additional Updates

SB 707 makes a number of additional updates to the Brown Act, which are noted below.

- Legislative bodies may limit repetitive public comment when an item was previously heard without substantial change; limitations do not apply if the committee lacked a singular physical location within the jurisdiction or if the committee’s primary jurisdiction is elections, budgets, police oversight, privacy, library-materials access, or taxes/related spending proposals (Gov’t Code § 54954.3(a)(2)–(3).)
- Clarifies authority to warn and remove disrupters; applies equally to two-way telephone and audiovisual participation and allows disabling public video. (Gov’t Code §§ 54957.95, 54957.96.)
- AB 992 (2020)’s social media safe harbor (no serial meetings if members use public platforms within limits) is made permanent. (Gov’t Code § 54952.2(b)(3).)
- Agencies must provide the text of the Brown Act to every person elected or appointed to a legislative body. (Gov’t Code § 54952.7.)
- Agencies must orally report-out requirements before final action on compensation for department heads and similar administrative officers as opposed to just local agency executives. (Gov’t Code § 54953(d)(3).)

⁴ SB 707 states that assistance “may include any of the following”, but leaves final determination in the hands of the eligible legislative body: “(i) Arranging space for one or more interpreters at the meeting location, (ii) Allowing extra time during the meeting for interpretation to occur; (iii) Ensuring participants may utilize their personal equipment or reasonably access facilities for participants to access commercially available interpretation services.

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

**ACTION CALENDAR
LEGISLATIVE AND OTHER MATTERS
ITEM 17: REPORT OF ACTION(S) TAKEN IN CLOSED SESSION**

RECOMMENDED ACTION:

Provide announcement of action(s) taken in Closed Session, if any.

CONTACTS (staff responsible): COLLINS

**TRABUCO CANYON WATER DISTRICT
REGULAR BOARD MEETING | DECEMBER 17, 2025**

ACTION CALENDAR

LEGISLATIVE AND OTHER MATTERS

ITEM 18: MEMORANDUM OF UNDERSTANDING BETWEEN TCWD AND THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS (IBEW)

RECOMMENDED ACTION:

Announce the proposed terms of the memorandum of understanding.

CONTACTS (staff responsible): COLLINS