

RESOLUTION NO. 25R-08

**A RESOLUTION FIXING AND ADOPTING THE
BUDGET FOR THE FISCAL YEAR 2025-2026 FOR THE
BIGHORN-DESERT VIEW WATER AGENCY**

WHEREAS, annually the Agency Board of Directors adopts an annual budget prior to the beginning of the Fiscal Year.

BE IT RESOLVED, by the Board of Directors of the Bighorn-Desert View Water Agency, County of San Bernardino, California, that the budget for the Fiscal Year 2025-26 for the Bighorn-Desert View Water Agency is hereby fixed and adopted as shown on Exhibit "A", attached hereto and by reference made a part thereof.

PASSED, APPROVED AND ADOPTED by the Board of Directors of Bighorn-Desert View Water Agency this 24th day of June 2025.

By 
JoMarie McKenzie, President of the Board

ATTEST:


John R. Burkhardt, Secretary of the Board





EXHIBIT "A"

FISCAL YEAR 2025/26 OPERATING BUDGET

BIGHORN-DESERT VIEW WATER AGENCY

Approved June 24, 2025

Resolution No. 25R-08



Bighorn Desert View Water Agency

Budget Summary V. PY Actuals

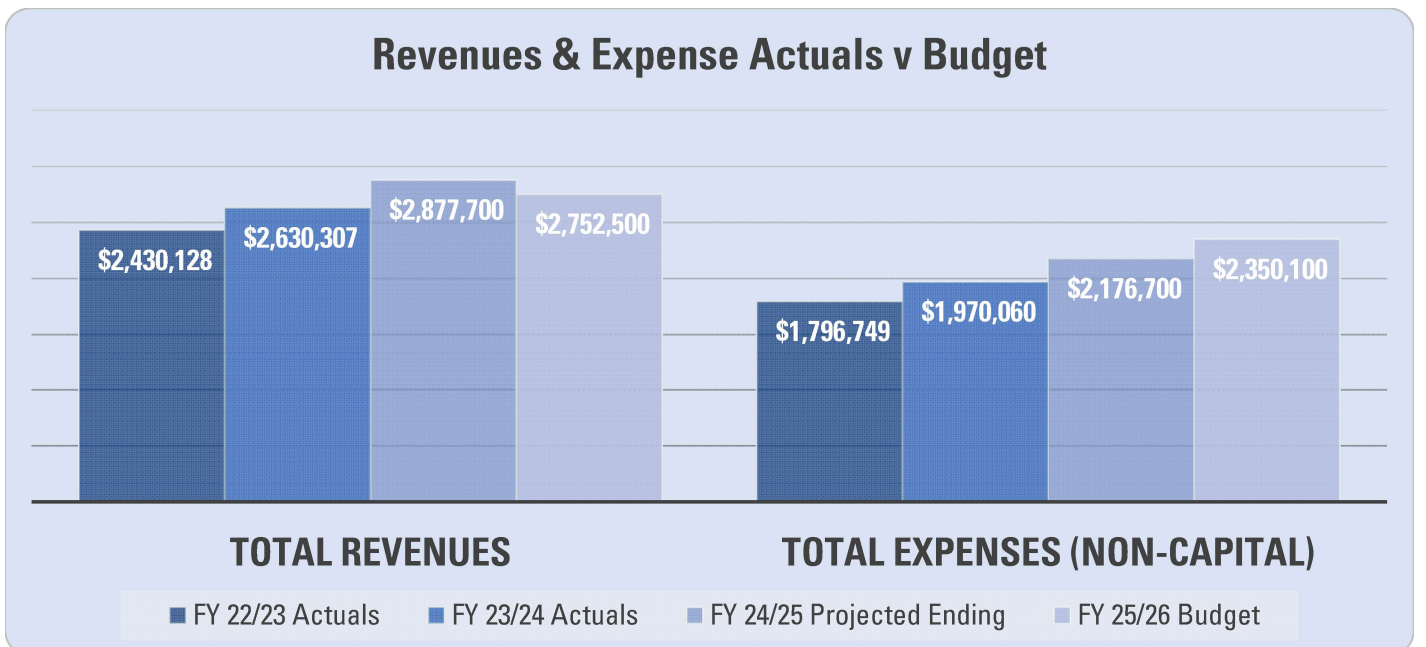
Fiscal Year 2025/26

Schedule A

	A	B	C	D
	Actual Results 2022/23	Actual Results 2023/24	Projected Year-End 2024/25	Adopted Budget 2025/26
1 Operating Revenues	\$ 2,065,975	\$ 2,050,753	\$ 2,271,600	\$ 2,185,000
2 Non-Operating Revenues	364,153	579,554	606,100	567,500
3 Total Revenue Available to Fund Operations & Capital	2,430,128	2,630,307	2,877,700	2,752,500
4 Operations	775,477	810,749	868,800	1,084,100
5 Administrative - Operating	954,828	1,089,100	1,244,300	1,162,800
6 Administrative - Non-Operating	26,062	26,251	13,600	33,200
7 Board of Directors	40,382	43,960	50,000	70,000
8 Total Expense	1,796,749	1,970,060	2,176,700	2,350,100
9 Net Income/(Loss) Before Capital & Trust Contribution	633,379	660,247	701,000	402,400
10 Less: Capital Expenses (Reserve Funded)	(56,959)	(338,558)	(114,200)	(1,032,000)
11 Less: Pension Trust Contributions	-	-	-	-
12 Sub-Total: Net Capital / Trust Contribution	(56,959)	(338,558)	(114,200)	(1,032,000)
13 Increase (Decrease) in Fund Balance	\$ 576,420	\$ 321,689	\$ 586,800	\$ (629,600)

Projected Cash & Investments Beg. Balance - 7/1/25	\$ 5,600,000
Projected Cash & Investments End Balance - 6/30/26	\$ 4,970,400

Minimum Reserves Balance Per Policy	\$ 3,880,200
Excess / (Deficiency) of Target Reserves	\$ 1,090,200





Bighorn Desert View Water Agency

Budget Detail

Fiscal Year 2025/26

Schedule B

	A	B	C	D	E
	Adopted Budget 2024/25	Projected Year-End 2024/25	Adopted Budget 2025/26	\$ Difference (C - B)	% Difference (D / B)
1 Operating Revenues					
2 Total Metered Water Consumption Tier 1	505,200	563,500	580,500	17,000	3%
3 Total Metered Water Consumption Tier 2	224,400	303,000	312,100	9,100	3%
4 Basic Service Charge	1,116,100	1,171,600	1,206,800	35,200	3%
5 Johnson Valley Bulk Water Sales	2,500	3,800	3,800	-	0%
6 Service Line Installation Fees	2,700	24,200	2,700	(21,500)	-89%
7 Basic Facilities Charge	15,200	138,600	15,200	(123,400)	-89%
8 Income Other - Operating	77,800	66,900	66,900	-	0%
9 Bad Debt Expense	(1,500)	-	(1,500)	(1,500)	0%
10 Bad Debt - Uncollectable Liens	(1,500)	-	(1,500)	(1,500)	0%
11 Total Operating Revenues	1,940,900	2,271,600	2,185,000	(86,600)	-4%
12 Non-Operating Revenues					
13 General Tax Levy - Bighorn Imp. Area "A"	103,500	120,000	122,400	2,400	2%
14 General Tax Levy - Bighorn-Desert View	100,900	114,800	117,100	2,300	2%
15 General Tax Levy - Improvement District Goat Mtn.	50,000	59,000	60,200	1,200	2%
16 Goat Mtn. Standby/Water Availability Charge	63,900	63,900	63,900	-	0%
17 Interest Revenue	100,000	222,300	177,800	(44,500)	-20%
18 Pacific Western Earning Credits	8,900	4,800	4,800	-	0%
19 Income Other - Non-Operating	17,200	21,300	21,300	-	0%
20 Total Non-Operating Revenues	444,400	606,100	567,500	(38,600)	-6%
21 Total Revenues	2,385,300	2,877,700	2,752,500	(125,200)	-4%
22 Expenses					
23 Operations					
24 Operations Salaries	499,500	456,800	498,800	42,000	9%
25 Power - Wells & Booster	145,600	141,300	148,400	7,100	5%
26 Water Purchases	70,000	-	-	-	0%
27 Water System Repairs	80,000	51,100	100,000	48,900	96%
28 Field Material & Supplies	78,800	43,900	78,800	34,900	79%
29 Engineering	60,000	2,400	100,000	97,600	4067%
30 Vehicle/Tractor/ Equipment Expense	35,000	44,800	35,000	(9,800)	-22%
31 Vehicle Expense - Fuel	53,800	46,900	49,200	2,300	5%
32 Building Repair And Maintenance	15,500	33,600	15,500	(18,100)	-54%
33 Disinfection Expense	15,500	13,000	13,400	400	3%
34 Water Testing	15,000	7,500	15,000	7,500	100%
35 Uniforms	10,000	8,500	10,000	1,500	18%
36 Communications Expense	8,100	7,700	7,900	200	3%
37 Excavation Permit Fees (County of SB)	500	-	500	500	0%
38 Other Operating Expenses	12,500	11,300	11,600	300	3%
39 Total Operations	\$ 1,099,800	\$ 868,800	\$ 1,084,100	\$ 215,300	25%



Bighorn Desert View Water Agency

Budget Detail

Fiscal Year 2025/26

Schedule B

	A	B	C	D	E
	Adopted Budget 2024/25	Projected Year-End 2024/25	Adopted Budget 2025/26	\$ Difference (C - B)	% Difference (D / B)
40 General & Administration					
41 Operating Expenses					
42 Administrative Salaries	\$ 272,400	\$ 237,400	\$ 282,300	\$ 44,900	19%
43 General Manager Salary	230,800	230,800	238,800	8,000	3%
44 Salary Allocations to Capital Projects	-	-	(179,100)	(179,100)	0%
45 Employee Benefits Insurance	286,100	230,200	229,300	(900)	0%
46 PERS Contribution	149,700	145,900	161,700	15,800	11%
46 Payroll Taxes	22,700	23,100	24,000	900	4%
48 Workers Compensation Insurance	18,300	16,800	18,300	1,500	9%
49 Employee Education	12,100	5,500	5,700	200	4%
50 Contractual Services - Auditor	18,900	17,500	18,900	1,400	8%
51 Contractual Services - Legal	35,000	61,400	40,000	(21,400)	-35%
52 Contractual Services - Other	121,700	118,300	150,000	31,700	27%
53 Property/Liability/Cyber Insurance	88,458	88,500	102,000	13,500	15%
54 Legislative Affairs - CWSA	15,000	15,000	15,000	-	0%
55 Dues, Subscriptions & Annual Fees	18,500	20,500	21,100	600	3%
56 Power / Propane - Office & Yards	12,300	11,100	11,700	600	5%
57 Office Supplies/ Printing	8,800	11,800	12,200	400	3%
58 Phone, Fax Lines, Internet	5,700	8,700	9,000	300	3%
59 Mailing Expense	1,800	1,800	1,900	100	6%
60 Total G&A - Operating Expenses	1,318,258	1,244,300	1,162,800	(81,500)	-7%
61 Non-Operating Expenses					
62 Other Administrative Expenses	14,400	8,700	14,400	5,700	66%
63 Office Equipment Expense	14,100	1,900	14,100	12,200	642%
64 Customer Relations	3,200	2,500	3,200	700	28%
65 Election Expense	1,000	500	1,000	500	100%
66 Miscellaneous Expense (Revenue)	500	-	500	500	0%
67 Total G&A Non-Operating Expenses	33,200	13,600	33,200	19,600	144%
68 Total General & Administration	1,351,458	1,257,900	1,196,000	(61,900)	-5%
69 Board of Directors					
70 Director Fees	50,000	50,000	70,000	20,000	40%
71 Total Board of Directors	50,000	50,000	70,000	20,000	40%
72 Total Expenses	2,501,258	2,176,700	2,350,100	173,400	8%
73 Net Income/(Loss) Before Capital & Trust Contribution	(115,958)	701,000	402,400	(298,600)	
74 Less: Capital Expenses (Reserve Funded)	(386,190)	(114,200)	(1,032,000)	(917,800)	
75 Less: Pension Trust Contributions	(100,000)	-	-	-	
76 Net Increase/(Decrease) To Reserves	\$ (602,148)	\$ 586,800	\$ (629,600)	\$ (1,216,400)	

*Budget transfers shown to cover overages in projected ending compared to adopted budget



Bighorn Desert View Water Agency

Budget - Capital Plan

Fiscal Year 2025/26

Schedule C

	A	B	C
	Adopted Budget 2024/25	Projected Year-End 2024/25	Adopted Budget 2025/26
1 District Projects			
2 Goat Mountain Replacement Well/ Well Destruction	\$ 262,600	\$ 44,200	\$ 242,000
3 Administration Building Roof Replacement	40,000	-	50,000
4 Meter Replacements	190,200	190,200	10,000
5 Truck - 1500 Chevy	60,890	52,400	-
6 Rate Study	50,000	10,000	40,000
7 Replace Valve/Vac Trailer	-	-	65,000
8 Operations Well/Pump Emergency Contingency	-	-	100,000
9 Planning New Well Zone B	-	-	150,000
10 New Storage Tank R1	-	-	300,000
11 Pump Well GMW13	-	-	150,000
12 Water Storage Tank Recoating (B1, B2)	-	-	739,000
13 PI/C Project - Pipelines/Consol.	1,043,100	209,200	6,935,000
14 Total District Projects	1,781,790	506,000	8,781,000
15 Grant Funding			
16 Prop 1 Round 1: Goat Mountain Replacement Well	(62,600)	-	(75,000)
17 Drought Grant: Meter Replacements	(298,000)	(298,000)	-
18 Grant Funding: PI/C Project	(1,035,000)	(93,800)	(6,935,000)
19 Water Storage Tank Recoating (B1, B2)	-	-	(739,000)
20 Total Grant Funding	(1,395,600)	(391,800)	(7,749,000)
21 Total Capital Expenses - Funded by Reserves	\$ 386,190	\$ 114,200	\$ 1,032,000



Bighorn-Desert View Water Agency

Budget Schedules & Line Items

FY 25/26 Proposed Budget

*The Agency's fiscal year is July 1st to June 30th

SCHEDULE A: SUMMARY BUDGET

This schedule summarizes operating and non-operating revenues, operations expense, administrative operating and non-operating expenses, board of directors' expenses, capital expenses, and pension trust contributions. Line 9 measures the difference between revenues and expenses, which results in net revenues remaining to fund the Agency's capital expenses and pension trust contributions. In FY25/26 the budget projects the Agency will have \$402K available from operations to fund capital projects.

Line 13 shows the final increase or decrease in fund balance planned for the year after all previous items are considered. The amount fluctuates year to year, with some years positive and some negative, primarily as the Agency's capital expense fluctuates. In FY 25/26 the proposed capital projects total \$8.78M with a projected grant funding of \$7.75M. The difference, \$1.03M, represents the drawdown from reserves to complete the remainder of the planned capital expenses. Overall, the budget projects \$1.09M of funds in excess of target reserves established in the last rate study.

SCHEDULE B: DETAIL BUDGET

This Schedule shows the detail budget for the Agency. Column (A) is the Adopted Budget for FY 24/25. Column (B) represents projected year-end balances for Fiscal Year 24/25. These amounts are estimates; actual results will vary. Column (C) displays the Final Budget for FY 25/26. Columns (D) and (E) display \$ and % differences from Projected FY 24/25 results to the FY 25/26 Proposed Budget.

REVENUES

Line 2 Metered Water Consumption Tier 1 – Volumetric water sales in tier 1. Revenues are budgeted for FY 26 based on projected ending results for FY 24/25 with a 4% rate increase adopted for consumption after January 1, 2025, and an estimated rate increase in line with inflation (3%) for consumption after January 1, 2026. The FY 25 rate increase of 4% is the last in the Agency's rate study period. Another rate study is in progress for early FY 26.

Line 3 Metered Water Consumption Tier 2 – Volumetric water sales in tier 2. Revenues are budgeted for FY 26 based on projected ending results for FY 24/25 with a 4% rate increase adopted for consumption after January 1, 2025, and an estimated rate increase in line with inflation (3%) for consumption after January 1, 2026. The FY 25 rate increase of 4% is the last in the Agency's rate study period. Another rate study is in progress for early FY 26.

Line 4 Basic Service Charge – Includes the fixed charges to All Customer Classifications and varies by water meter size. Budget for FY 25/26 is based on projected actual results for FY 24/25 with a 4% rate increase adopted for billing after January 1, 2025, and an estimated rate increase in line with inflation for billing after January 1, 2026.

Line 5 JV Bulk Water Cash Sales – Includes bulk water "cash" sales at the Johnson Valley water hauling station. Budget for FY 25/26 is based on projected ending results for FY 24/25.



Bighorn-Desert View Water Agency

Budget Schedules & Line Items

FY 25/26 Proposed Budget

Line 6 Service Line Installation Fees – This is the fee charged for new meter and service line installations. This account is budgeted conservatively due to the unpredictable nature of these revenues.

Line 7 Basic Facilities Charge – This is the “buy-in” fee charged to new service line connections. This account is budgeted conservatively due to the unpredictable nature of these revenues.

Line 8 Income Other Operating – This includes fees such as Late Penalties, Miscellaneous Fees (“non-sufficient funds” (NSF), Backflow Reminders, Fire Flow Test, Will Serve Letter, etc.), New Account fees, Disconnection and Reconnection related fees. Budget for FY 25/26 is based on projected ending results for FY 24/25.

Lines 9-10 Bad Debt Expense/Uncollectible Liens – Estimated uncollectible customer account balances and uncollectible liens.

Line 13 General Tax Levy - Bighorn Imp. Area "A" – Property tax revenues, denoted as GA02 on the Tax Apportionment Schedule, related to Bighorn Improvement Area A. This revenue is the portion of the County 1% general property tax, which is passed on to special districts for general operating expenses. Budget for FY 25/26 is based on projected FY 24/25 results with a conservative 2% increase.

Line 14 General Tax Levy - Bighorn-Desert View – Property tax revenues, denoted as GA01 on the Tax Apportionment Schedule, related to Bighorn Improvement Area A. This revenue is the portion of the County 1% general property tax, which is passed on to special districts for general operating expenses. Budget for FY 25/26 is based on projected FY 24/25 results with a conservative 2% increase.

Line 15 General Tax Levy – Goat Mountain Improvement District – Property tax revenues, denoted as GA03 on the Tax Apportionment Schedule, related to Bighorn Improvement Area A. This revenue, previously apportioned to Co Service Area 70/Zone W-1 (coded as UD82-GA01) is the portion of the County 1% general property tax, which is passed on to special districts for general operating expenses. Budget for FY 25/26 is based on projected FY 24/25 results with a conservative 2% increase.

Line 16 Goat Mountain Standby/Water Availability Charge – Per acre charge for water availability assessed through the annual tax bill on all parcels within Improvement District Goat Mountain, which do not have a service connection and water meter. Budget for FY 25/26 is based on projected FY 24/25 results.

Line 17 Interest Revenue – Interest revenue is earned primarily on Agency investments in the State of California’s Local Agency Investment Fund (LAIF), California Cooperative Liquid Asset Securities System (CLASS), and money market accounts at Five Star Bank and Banc of California. Interest revenues are conservatively budgeted with a 20% decrease from FY 24/25 projected ending due to anticipated use of reserves and uncertain interest rates.

Line 18 Pacific Western Earnings Credits – Includes earning credits on the Pacific Western bank accounts. Earnings credits are used to pay qualifying expenses. Therefore, earnings credits “act” like interest.



Bighorn-Desert View Water Agency

Budget Schedules & Line Items

FY 25/26 Proposed Budget

Line 19 Income Other (Non-Operating) – Includes interest and penalty Tax Apportionments from past due secured property tax liens, prior year Tax Apportionments not applicable to an “active” receivable.

EXPENSES

Line 23 Operations – Begins the section of Agency operation’s expenses.

Line 24 Operations Compensation – Budget for FY 25/26 includes five full-time employees including on-call standby and overtime/standby overtime pay. Change from prior fiscal year budget due to actual hire and resignation dates of employees, vacation payouts at time of accrual caps, accrual payouts at resignation, On-Call overtime (varies), 3.5% Cost-of-Living Adjustment for Fiscal Year 2025/26.

Line 25 Power Wells & Boosters – Includes energy costs on wells and booster stations. Budget for FY 25/26 is based on projected results for FY 24/25 with a 5% inflation increase.

Line 26 Water Purchases – Includes water purchased from the Mojave Water Agency who recharges the water at the Ames/Reche Recharge Facility. Once recharged, the value of the water is maintained as Ames Water Inventory. Prior year budget included planned water purchase of 100 AF. No water purchases are budget for FY 25/26. Agency currently has 890 Acre-Feet of water in storage with a current value of \$548,210.

Line 27 Water System Repairs – Includes routine repairs/maintenance for wells, pumps, boosters, pressure reducing stations, reservoirs, pipelines, air-vacuum valves, etc. Budget for FY 25/26 is increase \$20K from the prior year budget due to anticipated booster station projects in the fiscal year.

Line 28 Field Materials & Supplies – Includes all materials and supplies used in the maintenance of the water distribution system, safety/traffic control and small tools. Budget for FY 25/26 is based on FY 24/25 budget.

Line 29 Engineering – Includes costs for as-needed engineering consulting services for construction projects as well as AutoCADD drafting services related to maintenance of the Agency water system map. Budget for FY 25/26 is increased from the prior fiscal year due to anticipated increased engineering needs related to the new well, new tank, and operations assessment.

Line 30 Vehicle/Tractor/Equipment Expense – Includes expenses for generators and tractors, repairs, hazardous materials disposal, and routine maintenance. No change in FY 25/26 budgeted amount.

Line 31 Vehicle Expense - Fuel – Includes fuel for truck fleet and associated equipment. Budget for FY 25/26 is based on projected results for FY 24/25 with a 5% inflation increase.

Line 32 Building Repair and Maintenance – Includes trash and cleaning service, safety supplies, non-routine maintenance. Budget for FY 25/26 is based on FY 24/25 budget.



Bighorn-Desert View Water Agency

Budget Schedules & Line Items

FY 25/26 Proposed Budget

Line 33 Disinfection Expense – Includes chlorine, disinfection equipment and maintenance and testing supplies. Budget for FY 25/26 is based on projected results for FY 24/25 with a 3% inflation increase.

Line 34 Water Testing – Includes water sampling at wells as required by law. Budget for FY 25/26 is based on FY 24/25 budget.

Line 35 Uniforms – Includes uniform lease for water operators, safety shoes, winter jackets, and hats. Budget for FY 25/26 is based on FY 24/25 budget.

Line 36 Communications Expense – Includes cell phones for assigned water operations and administrative staff and cost for SCADA internet link and data. Budget for FY 25/26 is based on projected results for FY 24/25 with a 3% inflation increase.

Line 37 Excavation Permit Fees – Includes County fees for excavation in dedicated roads. Budget for FY 25/26 is based on FY 24/25 budget.

Line 38 Other Operating Expenses – Includes various operational permit fees from Mojave Air Quality Management District (MAQMD), State Water Resources Control Board – Division of Drinking Water (SWRCB-DDW), County of San Bernardino Hazardous Materials and others. Budget for FY 25/26 is based on projected results for FY 24/25 with a 3% inflation increase.

Line 40 General & Administrative – Begins the section of Agency Administrative operating and non-operating expenses.

Line 42 Administrative Compensation – Budget for FY 25/26 includes salaries for two full time administrative staff as well as the Assistant General Manager. The salary for one approved but unfilled administrative position has been reduced to zero. The FY25/26 budget assumes the unfilled position will remain unfilled for FY2025/26. The budget includes a Board approved 3.5% COLA.

Line 43 GM Compensation – Includes salary for the Agency general manager based on latest contract amendments and Board authorized Cost-of-Living Adjustment. Budget for FY 25/26 conservatively assumes a contract extension through 6/30/26.

Line 44 Salary Allocations to Capital Projects – Accounts for the estimated allocation of general manager salary to grant funded capital projects. 75% of GM salary is estimated to be allocated to these projects, which in turn offsets the related salary expense, upon reimbursement or labor capitalization.

Line 45 Employee Benefit Insurance – Includes health, dental, vision, and life insurance. Change from prior fiscal year based on actual employee count, benefit type selected and number of dependents per employee. Fiscal Year premium increase is projected at 10%. Actual increase unknown until after budget adoption in most instances. Budget based on actual needs of each employee assessed at budget time.



Bighorn-Desert View Water Agency

Budget Schedules & Line Items

FY 25/26 Proposed Budget

Line 46 PERS Contribution – Includes regular retirement expenses to the California Public Employee Retirement System (CalPERS) for Classic, PEPRA (Public Employee Pension Reform Act defined pension) members and annual required contributions for the unfunded actuarial liability (UAL).

Line 47 Payroll Taxes – Includes state unemployment costs, employee matching Medicare costs, and Board of Director's matching Social Security and Medicare costs.

Line 48 Worker's Comp Insurance – Includes premiums to CA Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (CalMutuals-JPRIMA Insurance) for all employees for Worker's Compensation insurance. The Worker's Compensation insurance company is Zenith National Insurance Company.

Line 49 Employee Education – Includes miscellaneous employee training, conferences and college-loan program reimbursements. Budget for FY 25/26 is based on projected results for FY 24/25 with a 3% inflation increase.

Line 50 Contractual Services - Auditor – includes auditor fees from CJ Brown & Associates. Budget for FY 25/26 is based on FY 24/25 budget.

Line 51 Contractual Services - Legal – Includes legal fees. Projected ending results for FY 24/25 spiked due to one time legal engagement related to personnel matters. Budget for FY 25/26 is adjusted by \$5,000 from approved FY2024/25.

Line 52 Contractual Services - Other – Includes bank fees, annual Springbrook maintenance fees, CPA assistance, Civic Pay services, IVR messaging, outsourced billing, copier maintenance and Information Technology (IT) Consultant work. Budget for FY 25/26 is increased from the prior year assuming increased consultant services.

Line 53 Property/Liability/Cyber Security Insurance – Includes premiums to JPRIMA for property and liability, auto, and cyber insurance. Budget for FY 25/26 is based on renewals per JPRIMA.

Line 54 Legislative Affairs - CWSA – Includes FY 25/26 membership dues and travel in conjunction with legislative activities of the California Water Systems Alliance.

Line 55 Dues, Subscriptions & Annual Fees – Includes various dues such as AWWA, CSDA, LAFCO. Dig Alert, CRWA, GFOA, Adobe, Wienhoff, Hi-Desert Star, and website hosting. Budget for FY 25/26 is based on projected results for FY 24/25 with a 3% inflation increase.

Line 56 Power / Propane – Office & Yards – Includes costs for propane and electricity at Agency sites. Budget for FY 25/26 is based on projected results for FY 24/25 with a 3% inflation increase.

Line 57 Office Supplies/Printing – Includes checks, toner refills, office supplies, boardroom supplies, copier costs, business meeting supplies and specialty. Budget for FY 25/26 is based on projected results for FY 24/25 with a 3% inflation increase.



Bighorn-Desert View Water Agency

Budget Schedules & Line Items

FY 25/26 Proposed Budget

Line 58 Phone, Fax Lines & Internet – Includes phone systems, internet, email exchange server, and website maintenance. Budget for FY 25/26 is based on projected results for FY 24/25 with a 3% inflation increase.

Line 59 Mailing Expense – Includes postage and delivery costs. Budget for FY 25/26 is based on FY 24/25 projected results with an inflation increase.

Line 61 Non-Operating Expenses – Begins the section of Agency non-operating expenses.

Line 62 Other Admin Expenses – Includes Notary Fees, filing fees, legal fees, legal notices posted in the newspaper. This expense line item will be partially offset by Revenue Line 19 Other Income (Non-Operating) when a customer ultimately pays the fees directly related to services they receive such as shared cost for execution of the secured liens to the tax collector and release of liens (i.e. document preparation and notary). Budget for FY 25/26 is based on FY 24/25 budget.

Line 63 Office Equipment Expense – Includes office equipment and software. Budget for FY 25/26 is based on FY 24/25 budget.

Line 64 Customer Relations – Includes events such as Morongo Basin Conservation District Desert-Wise Landscape tour, Water Education Festival, free annual calendar and other miscellaneous items. Budget for FY 25/26 is based on FY 24/25 budget.

Line 65 Election Expenses – Includes election expenses that occur every other year. For FY 25/26 there are two seats with terms expiring in December 2026.

Line 66 Miscellaneous Expenses – ledger used for minor expenses related to reconciliation of the monthly bank statement or “true-up” of minor adjustments to inventory or water (ie. rounding errors or counterfeit bills discovered by the bank). Also used for voiding stale Utility Billing refund checks or reissuing such checks. Budget for FY 25/26 is based on PY budget.

Lines 69-71 Board of Directors – Includes meeting stipends, training, conferences, and travel.

Line 73 Net Income/(Loss) Before Capital & Trust Contributions – measures the difference between revenues and expenses, which results in net revenues remaining to fund the Agency’s capital expenses and pension trust contributions.

Line 74 Capital Expenses (Reserve Funded) – Includes use of Agency reserve funds for capital expenses. See Schedule C for more detail.

Line 75 Pension Trust Contributions – Includes planned contributions to the PARS Pension trust.

Line 76 Increase/(Decrease) to Reserves - This is the amount that Fund Balance is budgeted to increase or decrease during the fiscal year. Increases and decreases can vary from year to year, mainly due to planned capital spending. Comparing Schedule A-line 12 to Schedule A-Excess (Deficiency) of Target Reserves, the



Bighorn-Desert View Water Agency

Budget Schedules & Line Items

FY 25/26 Proposed Budget

decrease in Fund Balance reflects the Agency's capital expense share of capital projects, totaling \$1.03M for FY 25/26. However, the budget summary indicates that there will still be approximately \$1.09M in excess of target reserves established in the last rate study.

SCHEDULE C: CAPITAL/REPAIRS & MAINTENANCE

This schedule shows the anticipated capital projects and expenses for the fiscal year, net of any grant proceeds.

Lines 15-20 Grant Funding – Lines 16 to 19 are proposed projects which are grant funded. The budgets represent the portion of work projected to be completed in the fiscal year and not necessarily the total grant awarded. These grant awards are from various state programs.

Line 16 – Goat Mountain Replacement Well Agency awarded Agreement No. 4600013807 for \$500,000 to construct a new well with an approximate capacity of 175 gallons per minute. The well will be completed in Fiscal Year 2025/26 exhausting all grant funds allocated. Grant deadline currently December 31, 2025.

Line 17 – Drought Grant: Meter Replacements Agency awarded Agreement No. 4600012245 for \$298,036 to replace 1,075 aged water meters and appurtenances. This project will be completed in Fiscal Year 2025/26 exhausting all grant funds allocated.

Line 18 – Grant Funded PI/C Project AND Hi-Desert Water District Emergency Intertie No. 2 Agency awarded Agreement No. D2102065/Project No. 3610009-002C for \$11,000,000 (minus the B1/B2 Storage Tank Project of \$739,000 in line 19) and Grant Agreement No. 4600014979 for \$675,000. These funds are to construct consolidation pipelines, transmission pipelines, two pump stations and an emergency water supply intertie with Hi-Desert Water District. These projects are expected to be completed in Fiscal Year 2026/27 if the grant deadline is extended from March 31, 2026 to June 30, 2027 as requested.

Line 19 – Water Storage Tank Recoating (B1, B2) A Public Works project to recoat and rehabilitate two reservoirs, which was awarded for construction in Fiscal Year 2024/25. Funding for this project is \$739,000, which is part of the grant Agreement No. D2102065 summarized in Line 18. This project will be completed in Fiscal Year 2025/26.

Line 20 Total Grant Funding – Total grant funding directed towards the Capital project program.

Line 21 Total Capital Expenses Funded by Reserves – This represents the total capital expense to be paid out of Agency reserves, which is shown on Line 74 of Schedule B.